



### **Preferred Stock Investment Opportunity**

Existing High Plains Farm Credit stockholders now have the option to make a longer-term investment through the HPFC Preferred Investment Account.

### **How to Subscribe**

Any existing stockholder of any class of Capital Stock may purchase shares of Class H Preferred Stock. To do so, the stockholder simply completes a High Plains Farm Credit Subscription Agreement, together with a check made payable to "High Plains Farm Credit, ACA" in the amount of the purchase price of the shares subscribed.

Each initial subscription must be for a minimum of 10,000 shares (\$10,000). Additional subscriptions must be for at least one thousand (1,000) shares, in increments of \$1,000. No subscription to a single investor shall exceed 1,000,000 shares (\$1,000,000). Subscription Agreements for the purchase of Class H Preferred Stock can be submitted at any time during a month;

### **Payment of Dividends**

Dividends will be declared in the order accrued (i.e., oldest first), and will be payable upon declaration by the High Plains Farm Credit Board. Cash dividends shall be payable semi-annually in arrears on July 10 and January 10 of each year.

### **Dividend Rate**

The Dividend Rate is a per annum rate subject to change each month and equal to the overnight Federal Funds Rate on the first Business Day of the month plus 0.75% ("Base Rate"). In its sole discretion, the Board of Directors may establish a Dividend Rate above the Base Rate, but not to exceed 8.00%.

High Plains Farm Credit will not send specific communications to Class H stockholders informing them of changes in the Dividend Rate. The most recent Dividend Rate indication and a history of rates can be found at the end of this document.

**Retirement**

The Preferred Stock has no fixed maturity, term or redemption date. Pursuant to a Preferred Stockholder's request, High Plains Farm Credit may redeem shares of Preferred Stock annually on the Dividend Payment Date in July of each year. Preferred Stockholders must submit a Redemption Request Form by the preceding May 31 to redeem Preferred Stock in July of the current year.

Shares of the Stock may be retired only at the discretion of High Plains Farm Credit's Board provided certain regulatory requirements are met. High Plains Farm Credit presently meets minimum capital standards and knows of no reason why it will not meet applicable standards at any future time. All shares approved for retirement will be retired at an amount equal to the share's par value plus declared but unpaid accrued dividends on each share.

**Transferability**

Preferred Stock is transferable only to another holder of Stock, and then only after the transferor provides written notice to High Plains Farm Credit. Shares of the Stock will be issued only in book entry form, and any transaction affecting the Stock will be reflected in the share register maintained by High Plains Farm Credit.

**Tax Consequences**

Any Preferred Stock dividends paid by High Plains Farm Credit will be includable in the Federal taxable income of the holder of such Stock and subject to tax the same as other ordinary dividend income. A dividend paid on a share of Stock should qualify as qualified dividend income if the share is held for more than 60 consecutive days.

High Plains Farm Credit will comply with applicable dividend reporting requirements under Federal income tax laws. Each Preferred Stockholder is urged to consult its own tax advisor as to specific tax consequences of holding Preferred Stock, including tax return reporting requirements and the applicability and effect of Federal, state, local, and other applicable tax laws.

**Additional Information**

A purchase of Preferred Stock is an "at risk" contribution to the capital of High Plains Farm Credit. It is not a deposit or compensating balance. Neither the return of the purchaser's investment in whole or in part, nor the receipt of any dividends thereon is guaranteed by the Association or any affiliate thereof, the Farm Credit System Insurance Corporation, any federal or state government or agency or any third party.

### **Subscribe today**

Contact the High Plains Farm Credit office nearest you for additional information on the Preferred Stock Program. Your loan officer can assist you in completing the Preferred Stock Subscription Agreement.

### **Dividend Rate History**

	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
January	1.00%	5.25%	6.25%	5.25%
February	1.00%	5.25%	6.25%	5.25%
March	1.00%	5.50%	6.25%	5.25%
April	1.25%	5.75%	6.25%	5.25%
May	1.25%	5.75%	6.25%	5.25%
June	1.75%	6.00%	6.25%	5.25%
July	2.50%	6.00%	6.25%	5.25%
August	3.25%	6.25%	6.25%	5.25%
September	3.25%	6.25%	6.25%	5.25%
October	4.00%	6.25%	5.75%	5.00%
November	4.00%	6.25%	5.75%	4.75%
December	4.75%	6.25%	5.50%	

Note: Dividend rates are shown on a per annum basis. The most recent month's rate is only an indication until confirmed by the Board's dividend declaration.