



FOR IMMEDIATE RELEASE

Stockholders Approve Merger of Three Farm Credit Organizations

Compeer Financial to Serve Agriculture and Rural Communities in Illinois, Minnesota, Wisconsin

(Mankato, Minn.) (April 7, 2017) – Stockholders have approved a proposal to merge three Farm Credit organizations in Illinois, Minnesota and Wisconsin. Effective July 1, 1st Farm Credit Services, AgStar Financial Services and Badgerland Financial will become Compeer Financial. The new organization’s headquarters will be in Sun Prairie, Wis., and each organization’s existing office locations will continue to provide local service.

The boards of directors for 1st Farm Credit Services, AgStar Financial and Badgerland Financial began exploring a potential merger in February 2016 and unanimously recommended moving forward in August. Stockholders received ballots and detailed information about the proposal in March, after the Farm Credit Administration granted preliminary approval to proceed. Votes were tallied at special stockholder meetings in each association’s corporate offices on April 7, with the outcome in favor of the merger.

As Compeer Financial, the new organization will operate in 144 counties through 47 offices in parts of Illinois, Minnesota and Wisconsin. Compeer Financial will have nearly 50,000 clients, and \$18.6 billion in assets.

“We would like to thank each cooperative’s stockholders for their participation in this process and recognizing that together, the three organizations are better positioned to meet the future needs of agriculture and rural America,” said AgStar Financial Board Chair Kaye Compart.

“We look forward to continuing the relationships established through our separate organizations and strengthening those connections with enhanced resources and deeper in-house expertise,” said AgStar President and CEO Rod Hebrink, who also has been selected to lead Compeer Financial.

In addition to drawing on each organization’s strengths, the merger provides expanded capital that will help Compeer Financial invest in technology and other resources to support its client base. It also creates a more diverse portfolio that will create additional stability and better position the organization to share its earnings with stockholders through a cash patronage program.

About 1st Farm Credit Services:

1st Farm Credit Services supports rural communities and agriculture with reliable, consistent credit and

financial services today and tomorrow. The association serves 42 counties in the northern half of Illinois, through its 16 local offices, with agricultural loans, risk management products and various services such as crop insurance, loan and lease options, as well as agricultural real estate appraisals. It is a proud member of the nationwide Farm Credit System. To learn more, visit 1stfarmcredit.com.

About AgStar:

AgStar Financial Services, ACA, headquartered in Mankato, Minn., employs more than 550 full-time team members. The company is part of the national Farm Credit System and has a public mission to serve 69 counties in Minnesota and northwest Wisconsin. AgStar's industry specialization, client segments and market delivery systems result in diversification nationwide. The company has expertise in the corn, soybean, swine, dairy and bio-energy industries. AgStar has developed successful programs in loans, leases, crop insurance, consulting and rural home mortgages. As a value-added financial services cooperative, AgStar allocates patronage dividends to its stockholders. The company is also committed to giving back to rural residents, organizations and communities through AgStar's Fund for Rural America. Visit AgStar.com for more information.

About Badgerland Financial:

Badgerland Financial, headquartered in Prairie du Sac, Wis., is a customer-owned financial cooperative proud to finance the growth of agriculture and rural America. Badgerland Financial is one of the region's leading providers of credit, crop insurance, tax and accounting services to farmers, agribusinesses and rural residents. The company is committed to delivering on its vision to cultivate prosperity for agriculture and rural Wisconsin by serving member-owners through offices in 33 southern Wisconsin counties. To learn more, visit badgerlandfinancial.com.

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