

OFFICIAL NOTICE

2021 ANNUAL MEETING INFORMATION STATEMENT

To the Owners of Stock and Participation Certificates in Heritage Land Bank, ACA:

The Annual Stockholder Meeting of Heritage Land Bank, ACA will be held on **October 26th at 11:00 a.m.** Heritage Land Bank considers the health and safety of our stockholders, employees, families and our communities as our highest priority. In keeping with that commitment, due to concerns related to coronavirus (COVID-19), Heritage Land Bank's Annual Meeting will be held virtually via WebEx.

Please note that registration is required to attend the meeting. You may register for the meeting by visiting the web link heritagelandbank.com/amis2021. Please register by October 25th. Once you are registered, detailed log-in instructions on how to attend the meeting via the Webex software or via teleconference will be provided to you by email. If you have any questions, please contact Alysha Benton at 903-534-4975 or by email at alysha.benton@heritagelandbank.com.

You are cordially invited to participate in our Virtual Annual Stockholder Meeting:

Tuesday, October 26, 2021 at 11:00 a.m.

heritagelandbank.com/amis2021

The meeting will include the following items of business:

- ✓ Approval of the attached 2020 Annual Stockholders' Meeting Minutes
- ✓ Board & Management Report of the corporate and financial operations as of December 31, 2020
- ✓ Nominating Committee Report of the slate of Director and Nominating Committee Candidates
- ✓ Floor Nominations for Director and Nominating Committee Candidates
- ✓ At the discretion of the Chairman, other items of business permitted under Section 3.03 of the Bylaws of the Association.

ELECTION OF DIRECTORS

There will be one (1) Director position for Region 1, two (2) Director positions for Region 2 and six (6) Nominating Committee Positions on the Election Ballot that will be mailed no later than 10 business days following the virtual annual meeting.

VOTING ELIGIBILITY

Stockholders entitled to vote (“B” stockholders) will be mailed a ballot no later than 10 business days following the virtual meeting.

As of record date, **October 4, 2021**, there were **2,428** Class B Stockholders entitled to vote. All “B” stockholders of record date, October 4, 2021 will be eligible to vote for all seats. A majority vote of stockholders voting is required in all elections.

FLOOR NOMINATIONS (FCA Regulations 611.326 & 620.21)

Following the report by the Nominating Committee presenting their slate of director nominees and the 2022 Nominating Committee, nominations for these positions will be open to the floor.

Nominations from the floor:

- Will be considered for every open position
- Must be made by a voting stockholder
- A nominee from the floor must affirm their acceptance
- The identity of the parties making the motion, as well as accepting the nomination, will be verified by the address on file for the stockholder. To update or confirm your address in advance, please contact Alysha Benton at 903-534-4975.
- Nominee must complete all disclosures required by FCA regulations within 5 days prior to being placed on the ballot.

Any nominations from the floor are required to be a stockholder who is a bona-fide farmer, a rancher, or a producer or harvester of aquatic products and have their residence, for a period of twelve (12) months prior to the election, in the region of the Association’s operating territory designated for the position to which the director is elected. No person may be a nominee who does not accept the nomination or make the disclosures required by regulations, or whose loan performance status would preclude them from serving, in accordance with Association Bylaws.

ELECTION PROCESS & MAIL-IN BALLOT

No votes shall be cast at the Annual Stockholders’ Meetings for the purpose of electing directors or nominating committee members. Instead, the Board of Directors of the Association has resolved that voting at large by mail-in ballot shall be the exclusive method of voting.

While the director nominees and nominating committee are selected and nominated by region, all eligible stockholders vote at large by mail-in ballot.

- ❖ Ballots will be mailed to voting stockholders not more than ten (10) business days following the Annual Meeting, to the mailing address on file, according to the record date, to all stockholders who are eligible to vote.
- ❖ All ballots returned and received by the deadline specified on the ballot (fifteen business days after the date on which the ballots are mailed to the stockholders) will be validated and counted by Henry & Peters PC, an independent third-party tabulator.
- ❖ The results of the election will be announced to all Association Stock and Participation Certificate Holders by mail. In accordance with Section 3.11 of the Association’s Bylaws, proxy voting is not permitted in the election of directors.
- ❖ Any matter brought to a vote at the Annual Meeting or thereafter by mail ballot, will be decided by a simple majority vote.

The following information is included as part of the Annual Meeting Information Statement in compliance with Farm Credit Administration (FCA) regulations.

ANNUAL REPORT (FCA Regulation 620.21)

The 2020 Annual Report for Heritage Land Bank, ACA for the year ending December 31, 2020, was mailed to stockholders in March of 2021. A copy of this Annual Report, and our most recent quarterly report, are available for viewing on our website at www.heritagelandbank.com. You may request a copy by contacting any branch of Heritage Land Bank.

DISCLOSURE INFORMATION (FCA Regulation 620.21)

- Officers and directors are eligible for loans under the same terms and conditions available to any person. Loans outstanding with its senior officers, directors, director nominees, their immediate family members and organizations with which such senior officers, directors, or director nominees are affiliated, were made in the ordinary course of business, were made on the same terms (including interest rate, amortization schedule, and collateral) as those prevailing at the time for comparable transactions with other persons.
- No loan or other transaction to a senior officer, director, director nominee or to any organization affiliated with such person, or any immediate family member who resides in the same household as such person or in whose loan or business operation has a material financial or legal interest, involved more than the normal risk of collectability.
- No directors attended less than 75% of the Board meetings and/or committee meetings convened.
- No directors resigned or declined to stand for re-election because of a policy disagreement with the Board.
- There have been no transactions of the type required to be disclosed, outside the normal course of business, between the Association and its senior officers, directors, or director candidates.
- Per FCA Regulation 621.4, the Association is required to report any changes to the external auditor since the last annual report to shareholders. Effective June 21, 2021, the Audit Committee of the Board of Directors elected to engage Henry & Peters, PC as the external auditor. The external auditor in the 2020 annual report to shareholders was PricewaterhouseCoopers, LLP, 835 West 6th Street, Suite 1600, Austin, TX 78703. The Association has not had any disagreements with PricewaterhouseCoopers. The view of the Audit Committee of the Board of Directors is that the change in external auditors will result in a reduction of costs, as well as provide a variation in auditor rotation in order to increase independence between auditors and the Association. There were no other material reasons for the change.

VOTING STOCKHOLDERS BY REGION		
Election Region	Counties	# of Voting Stockholders
Region 1	Collin, Dallas, Hunt, Rockwall and Tarrant	1040
Region 2	Anderson, Angelina, Cherokee, Henderson, Nacogdoches, Panola, Rusk, Sabine, San Augustine, Shelby and Smith	807
Other	Voting Stockholders who reside and/or operate in counties other than our regions.	581

CURRENT HERITAGE LAND BANK BOARD OF DIRECTORS

Name	*Age	Position	Type of Agriculture	Region	Term Expires	Years of Service
Roger Claxton	63	Vice-Chairman	Cow-Calf	1	2022	11
John Holloway	46	Director	Poultry/Cow-Calf	2	2022	2
R. Scott Line	65	Director	Cow-Calf	2	2023	7
Bryan Pickens	48	**Outside Director	N/A	N/A	2023	3
Jack S. Pullen	75	Director	Cow-Calf	1	2021	39
Gary Ray	66	**Outside Director	N/A	N/A	2022	3
Kevin Sampson	53	Chairman	Hay	2	2021	15
Jeffery Striplin	50	Director	Cow-Calf	1	2023	1
James R. Tarrant, Jr.	65	Director	Timber	2	2021	12

*Ages are listed as of October 8, 2021

**The Agricultural Credit Act of 1987 requires that each Association's Board have at least one director who is not a stockholder in the Association. The outside director position meets this requirement.

DIRECTOR CANDIDATES

ELECTION OF DIRECTORS

The Association's Bylaws provide that the Board of Directors be limited to ten (10) members of which seven (7) are elected by the Association's stockholders, and up to three (3) are appointed by the stockholder-elected Board members.

Following is a list of nominees selected by the 2021 Nominating Committee. The name, *age, city and state of residence, business address if any, and business experience during the last 5 years including principal occupation and employment of each nominee is listed. Also included are all business interests on whose Board of directors the nominee serves or is otherwise employed in a position of authority including the principal business in which the business interest is engaged and any family relationship of the nominee that would be considered reportable under FCA Regulation 612.2145 as required by FCA Regulation 611.303. There are no events to report that are material to an evaluation of the ability or integrity of any of these nominees to serve as a director. The nominees have completed disclosure documents as required under 611.330, 620.05 and 620.21 of FCA Regulations.

DISCLOSURE OF INFORMATION OF STOCKHOLDER-ELECTED DIRECTOR NOMINEES

By regulation and Association policy, the Association and its directors must remain impartial and can neither endorse nor oppose any candidate. The Association may not campaign or assist in the campaign of any nominee but may provide a list of stockholders' names and addresses if requested by the nominee for the purpose of contacting other stockholders about their nomination or the election. The information provided herein is for regulatory disclosure and educational purposes only and should be used to evaluate the qualifications of candidates in the election.

TERMS

The nominating committee met on May 18, 2021 and then again on August 19, 2021 to select at least two (2) stockholder director nominees for Region 1 and at least four (4) stockholder director nominees for Region 2, with the director positions to serve a (3) year term.

The candidate biographical information on the following pages are listed alphabetically; ages are listed as of October 8, 2021

ARTHUR DEAN CASTILLO

Age: 70

Residence & Business Address: 5317 Sandalwood Drive, McKinney, Texas 75452 (Collin County)

Education & Certifications: Graduate of Florida State University with a Bachelor of Science degree in Business Administration. He completed the Louisiana State University Graduate School of Banking program and is also a graduate of the National Personnel School at the University of Oklahoma.

Biography:

Mr. Castillo has served as the Managing Partner/Owner of Castle River Ranch LLC for the past 20 years. The 1,300-acre ranch operation focuses on the production of cotton, wheat and hay while being actively engaged in wildlife and habitat restoration projects. Castle River Ranch is also active in oil and gas production. Mr. Castillo also currently serves as a business consultant for several business enterprises including Chick-fil-A owners groups.

He has an extensive banking career spanning over 30 years, including experience as a national bank examiner for the US Treasury Department. He served for over 25 years in multiple senior executive banking positions with both independent community banks and multi-billion-dollar banking organizations, including 20 years as a commercial bank President/CEO. He also started three de novo banks.

He previously served on the board of the Texas Bankers Association and currently serves on the boards of the Presbyterian Services Foundation, the National Wild Turkey Federation State Board, and the Athens Fish & Game Club. He is also a member of the Advisory Committee for Heritage Land Bank.

Mr. Castillo and his wife Sharon have a grown son and daughter and six grandchildren.

JACK S. PULLEN

Age: 75

Residence & Business Address: 460 Pullen Road, Rockwall, Texas 75458 (Rockwall County)

Education & Certifications: Graduate of Texas A&M University with a Bachelor of Science degree in Animal Science.

Biography:

Mr. Pullen is a retired Texas Department of Transportation right-of-way agent and has also been involved with real estate development for over 20 years. Mr. Pullen has been a self-employed Rancher for over 50 years and represents the fifth generation on a farm and ranch that was established in 1919. Ranching and real estate development have been his principal occupation for the past five years. His commercial cow-calf ranch operation specializes in the breeding of club calves and registered Hereford cattle. He also produces hay and small grains.

Mr. Pullen has served on the board of Heritage Land Bank and its predecessors since 1982. He currently serves on the Audit, Compensation, and Governance Committees of Heritage Land Bank. Mr. Pullen served as past president of Rockwall Youth Fair and was a former city councilman for McLendon/Chisholm. He currently serves on the board of RCH Water Supply where he is the President. He is a member of the Rockwall Lions Club, Rockwall County Historical Society, Rockwall County Farm Bureau, charter member of the Rockwall County A&M Club, Texas Polled Hereford Association, Board of Directors of the Texas Hereford Association, and a member of the First Baptist Church of Rockwall.

The Association has loans to immediate family members (son-in-law & daughter; son & daughter-in-law) that were made in the ordinary course of business on the same terms, including interest rates, amortization schedule and collateral, as those prevailing at the time for comparable transactions with other persons or entities, and involved no more than normal risk of collectability.

KEVIN A. SAMPSON

Age: 53

Residence: 23504 CR 2117, Troup, Texas 75789
(Smith County)

Business Address: 4939 Profit Drive, Tyler, Texas

Education & Certifications: Graduate of Tyler Junior College and the University of Texas at Austin where he earned a Bachelor Degree in Mechanical Engineering.

Biography:

Mr. Sampson is the Chief Engineer for M. P. Industries where he has been employed for more than 20 years. His work as an engineer and in management with this company has been his principal occupation for the past five years.

Mr. Sampson runs a cow-calf ranch operation and also produces hay, forage, Tifton 85 sprigs and timber.

Mr. Sampson has served on the board of Heritage Land Bank since 2006, and currently serves as the board's chairman. He also serves on the Audit, Compensation and Governance Committees of Heritage Land Bank. Mr. Sampson serves on the Smith County Appraisal District Agriculture Advisory Committee. He previously served as president, vice-president on the budget committee for Smith County Farm Bureau and on the resolutions committee for the Texas Farm Bureau.

He and his wife Kelly have three children.

The Association has loans to immediate family members (spouse & father) that were made in the ordinary course of business on the same terms, including interest rates, amortization schedule and collateral, as those prevailing at the time for comparable transactions other persons or entities, and involved no more than normal risk of collectability.

AUBREY RAND STURROCK III

Age: 36

Residence: 1873 CR 2317, Alto, Texas 75925
(Cherokee County)

Business Address: 17609 US Highway 695, Alto, Texas

Education & Certifications: Graduate of Alto High School and attended Angelina College.

Biography:

Mr. Sturrock has owned and operated Sturrock Logging, LLC (a 3rd generation logging company) for over 15 years which has been his principal occupation. He started his business doing hurricane disaster cleanup, and he currently operates seven fully mechanized logging crews harvesting timber for private land owners and legacy timber companies. His business provides landowners with options of land clearing, mulching, harvesting select timber, replanting and land management.

Mr. Sturrock's farm operation includes 930 acres of timberland. He also plants 30 to 40 acres of peas that are marketed to the public and used as wildlife feed.

Mr. Sturrock serves on the boards of Coon Pond Hunting Club and Tails Creek Hunting Club. He is a member of the Texas Logging Council and a board member of Cherokee County Rescue Team for emergency situations caused by weather related events. He has also been a member of the Texas Pro Logger Program for over ten years.

He and his family enjoy time hunting, fishing, trapping and working the family land together. He and his wife Sheena have three children and are active members of Hilltop Baptist Church in Alto, Texas.

CARY WAYNE SIMS

Age: 52

Residence: 2252 Richardson Road, Lufkin, Texas
75904 (Angelina County)

Business Address: 2201 S. Medford Dr., Lufkin, Texas

Education & Certifications: Graduate of Texas A&M University with a Bachelor of Science degree in Agricultural Development. He subsequently earned a Master Degree in Agricultural Education from Texas A&M University.

Biography:

Mr. Sims has been employed as a County Extension Agent with Texas A&M AgriLife Extension Service for 26 years, serving in Van Zandt, Tyler and Angelina Counties. His farm operation consists of 25 acres of timber, pasture and cropland. Serving as a County Extension Agent in Angelina County has been his principal occupation for the past 22 years.

Mr. Sims currently serves on the Heritage Land Bank Advisory Committee, board member of the Texas 4-H Foundation, the Angelina County Fair, and Angelina Beautiful-Clean. He is a member (past president) of the Texas County Agents Association, the National County Agents Association, the Texas Farm Bureau, and the Angelina County Beekeepers Association. He also served as the past president of the Texas Forestry Museum and the Texas CAA Foundation.

He and his wife Gayle have two sons. Mr. Sims is a member of the First Baptist Church in Lufkin where he serves as a deacon and trustee.

JAMES ROBERT TARRANT JR.

Age: 65

Residence: 1940 CR 3703, Bullard, Texas 75757
(Cherokee County)

Business Address: PO Box 457, Bullard, Texas

Education & Certifications: Graduate of Texas A&M University with a Bachelor of Science degree in Range Science & Agricultural Economics.

Biography:

Mr. Tarrant has been the owner and operator of Consolidated Wood Products located in Bullard, Texas for the past 35 years, which has been his principal occupation. His farm and ranch operation produces timber and includes a cow-calf herd and hay. Mr. Tarrant previously served as a loan officer and credit analyst for North Texas PCA and AgriLand Farm Credit Services.

Mr. Tarrant has served on the board of Heritage Land Bank since 2009, where he currently serves on the Governance Committee and as chairman of the Credit Risk Management Committee. He serves on the boards of Cherokee County Electric Coop, North Cherokee County Water Supply Corp, and Texas National Bank. He is a member of the Bullard Rotary Club. Mr. Tarrant was a part of the first class of the Texas Agricultural Lifetime Leadership Program sponsored by the Texas A&M College of Ag Development Council, and also served for 12 years on the Jacksonville ISD School Board, including two years as president.

He is a member of Central Baptist Church in Jacksonville, Texas where he teaches Adult Sunday School. He and his wife Meredith have five grown children and five grandchildren.

The association has loans to business entities controlled by Mr. Tarrant that were made in the ordinary course of business on the same terms, including interest rates, amortization schedule and collateral, as those prevailing at the time for comparable transactions with other persons or entities, and involved no more than normal risk of collectability.

2022 NOMINATING COMMITTEE ELECTION

The nominating committee met on May 18, 2021 and then again on August 19, 2021; to select two (2) stockholder nominees and one (1) alternate in Region 1, and two (2) stockholder nominees and one (1) alternate in Region 2. After determining the stockholder’s eligibility and willingness to serve, the committee submitted their slate of stockholder nominees to serve a one-year term on the 2022 Nominating Committee as follows:

Region 1 Collin, Dallas, Hunt, Rockwall and Tarrant Counties	Region 2 Anderson, Angelina, Cherokee, Henderson, Nacogdoches, Panola, Rusk, Sabine, San Augustine, Shelby and Smith Counties
Jennifer Lyn Giles <i>Wolfe City, TX</i>	Wesley Keith Bennefield <i>San Augustine, TX</i>
Charles McKissick <i>McKinney, TX</i>	Ben Jay Brister <i>Troup, TX</i>
<i>Region 1 Alternate</i>	<i>Region 2 Alternate</i>
Amanda McGee <i>Ladonia, TX</i>	Jefferson Evans West <i>Palestine, TX</i>



2021

ANNUAL MEETING INFORMATION STATEMENT

CERTIFICATION – OCTOBER 11, 2021

By signing below, we certify the signatories have reviewed the annual meeting information statement, determined that the information is financially accurate and not misleading, that it has been prepared in accordance with all applicable statutory and regulatory requirements, and the information contained herein is true, accurate, and complete to the best of the signatories' knowledge and belief.

A handwritten signature in black ink, appearing to read "Kevin Sampson", written over a horizontal line.

Kevin Sampson
Board Chairman

A handwritten signature in black ink, appearing to read "William Tandy", written over a horizontal line.

William Tandy
Chief Executive Officer

A handwritten signature in black ink, appearing to read "Heath Gattis", written over a horizontal line.

Heath Gattis
Chief Financial Officer

HERITAGE LAND BANK 2020 ANNUAL STOCKHOLDERS' MEETING

MINUTES

The 2020 Annual Stockholders' Meeting of Heritage Land Bank, ACA, was held virtually via Webex on Tuesday, October 13, 2020, at 1:00 p.m.

The meeting was called to order by Chairman Scott Line at 1:01 p.m. He welcomed and thanked everyone for their attendance and continued loyalty to Heritage Land Bank over the past year.

Chairman Line introduced the Board of Directors of Heritage Land Bank.

Chairman Line appointed Alysha Benton as the Recording Secretary and asked if a quorum was present. Ms. Benton certified that a quorum of 19 stockholders were present and that the 2020 Annual Meeting Information Statement had been mailed out to stockholders on September 21, 2020.

Chairman Line asked everyone to please review the 2019 Annual Meeting Minutes that were included in the AMIS, as well as emailed to everyone that registered. Upon review, Chairman Line asked if there were any corrections to the minutes. Hearing no response, a motion was made by Stockholder Jeff Striplin to approve the minutes as presented. The motion was seconded by Director John Holloway. Motion carried and the 2019 Annual Meeting Minutes were approved.

Chairman Line presented the Board Report stating that he was pleased to report that Heritage Land Bank in 2019 had a net income of \$7.7 million. As a result, the Board of Directors approved a patronage dividend to you, our stockholders, for approximately \$3.8 million, thus, continuing our tradition of returning a significant portion of our profits to you, our stockholders. In fact, we have paid Patronage 25 of the past 26 years for a total of more than \$52 million.

The Board and Management remain focused on operating Heritage Land Bank in a safe and sound manner while still delivering value to our stockholders, by continuing to provide credit to all eligible and creditworthy borrowers who want to finance their agricultural and rural lending needs. This year the hard work of management and staff is paying off and our accrual loan growth has increased by just over 7.5%. At the end of August our accrual loan growth stood at \$588 million, which is up \$41 million from the same time last year. As always, paying patronage is one of this Board's primary goals and with this continued accrual loan growth, we anticipate paying a patronage dividend based on our 2020 earnings next spring.

In closing, Chairman Line stated that the Board will continue to uphold the cooperative principles that Heritage is based on and we do not forget that we are owned by you, our stockholders. He thanked the stockholders for their loyalty to Heritage Land Bank and for their attendance this afternoon.

CEO Bill Tandy gave a brief update on how the Association is doing financially year to date.

Alysha Benton, Recording Secretary, presented the 2020 Nominating Committee Report. Ms. Benton reported that the nominating committee had met on June 18, 2020 in Tyler, Texas to select eligible, qualified and desirable candidates to run for stockholder-elected director positions. She then presented the following slate of Director Candidates as follows:

DIRECTOR CANDIDATES

Region 1

Bill Ashworth - Leonard, Texas
Jeff Striplin - Merit, Texas

Region 2

Scott Line – Tyler, Texas
Johnny Moore – Chireno, Texas
Benjamin Dee “Beau” Winston II – Lufkin, Texas

In accordance with FCA regulations, Ms. Benton opened the floor for nominations for the director positions. Upon no response for floor nominations, Ms. Benton asked for a motion to close nominations for director positions. Stockholder Jacob Newman motioned to close the nominations for the director positions. The motion was seconded by Stockholder James Mason. Motion carried.

Each director candidate briefly introduced themselves to the attendees.

Ms. Benton then presented the following slate of Nominating Committee Candidates as follows:

NOMINATING COMMITTEE CANDIDATES

Region 1

Jennifer Giles
Gina Moulder
Alternate: Michael L. Williams

Region 2

Wesley Bennefield
Ben Brister
Alternate: Jefferson West

In accordance with FCA regulations, Ms. Benton opened the floor for nominations for the nominating committee positions. Upon no response for floor nominations, Ms. Benton asked for a motion to close nominations for nominating committee positions. Director John Holloway made a motion to close the nominations for the nominating committee positions. The motion was seconded by Stockholder James Mason. Motion carried.

Ms. Benton informed everyone that election ballots would be mailed within ten (10) business days following the meeting. Voting would be held by mail ballot and tabulated confidentially by Henry & Peters, an accounting firm located in Tyler, Texas. The results of the elections will be announced to stockholders by mail.

Being no other business, Chairman Line thanked everyone for attending and adjourned the meeting at 1:47 p.m.

R. Scott Line, Chairman

Attested