



# CREDIT ACADEMY

Growing and Developing Credit and Lending Staff

**PROGRAMS**



Brought to you by:

**FCU** FARM CREDIT  
UNIVERSITY

**“Agriculture is our wisest pursuit, because it will in the end contribute most to real wealth, good morals, and happiness.”**

**~Thomas Jefferson, Third President of the United States**



**Offering development opportunities for our employees is essential in our efforts to provide the highest possible level of service to Associations.**

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**Training is scheduled on a twelve-month rolling calendar which is published by the AgFirst training team the first week of every month.**

**“Lending can be a very treacherous business because you don’t realize the risk until it is too late. It can be like calm waters that deliver huge storms.”**

**~ Nassim Nicholas Taleb**



**The Farm Credit University Credit Academy provides the framework for growth and development for credit and lending professionals. We have identified four tracks which encourage employees to acquire new skills and pursue professional development in their respective area of focus.**

**The foundation of the Credit Academy:**

## **Beginning to Intermediate**

All employees play a vital role in the success of their Association. Credit and lending staff need to understand the Farm Credit cooperative model and lending principles. This focus area targets new to intermediate credit analysts and lenders who are making loans to farm sourced income loans and/or non-farm income as the primary repayment source.

## **Core Commercial Ag**

Courses are tailored to lenders and analysts who work with fulltime agricultural operations, providing financing and financial services to agricultural producers, and evaluating the risk of these operations. Size of loans typically range from \$500,000 to \$5 million, and could include operating lines, term loans and other products. Courses cover credit analysis, underwriting and relationship building.

## **Agribusiness**

Courses are intended for lenders, account officers, and credit analysts who focus on larger agribusiness loans, typically \$5 million and above or with complex borrowing entities.

## **Capital Markets**

Training is focused on information capital markets officers need to know related to evaluating risk and opportunity related to corporate finance and capital markets facilities, including participations and syndications.

Growth at all levels begins with recognition of strengths and development needs. The Credit Academy provides the tool and guidance for employee development and self-leadership. Employee development plans should continue to evolve and adapt as conditions and challenges change.

**“An investment in knowledge pays the best interest.”**

**~ Benjamin Franklin**



# OVERVIEW AND FORMATION OF FARM CREDIT SYSTEM

- Created by the 1916 Federal Farm Loan Act, passed by Congress, and signed by President Woodrow Wilson
- Government Sponsored Enterprise (GSE) created to support rural communities and agriculture with reliable, consistent credit and financial services
- Network of cooperatives owned by its borrowers (farmers, ranchers, agricultural cooperatives and rural customers)
- Regulated and examined by the Farm Credit Administration (FCA), an independent agency in the Executive Branch of the U.S. Government
- Funding of the System's loan portfolio and operations comes from issuance of securities by the Federal Farm Credit Funding Corporation. The Farm Credit System funds approximately 40% of all U.S. farm business debt. (2018, USDA ERS)

## THE FARM CREDIT MISSION

Farm Credit supports rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow.

**“It’s better to solve the right problem approximately than to solve the wrong problem exactly.”**

**~ John Tukey**



**Cooperatives primarily pursue the same goals as conventional businesses – strong customer service, robust product offerings, engaged employees, and healthy financial returns – but their guiding principles are very different.**

## **Principle #1: Voluntary and Open Membership**

Cooperatives are voluntary organizations, open to anyone who meets their membership criteria.

## **Principle #2: Democratic Member Control**

Cooperatives are democratic organizations controlled by their members, who help set policies and make decisions.

## **Principle #3: Members' Economic Participation**

Members contribute equally to, and democratically control, the capital of the cooperative.

## **Principle #4: Autonomy and Independence**

Cooperatives are autonomous organizations controlled by their members. Agreements entered into with other organizations must be done based on terms that ensure democratic control and autonomy.

## **Principle #5: Education, Training and Information**

Cooperatives provide education and training for members, elected representatives, and employees so they can contribute effectively to the development of their cooperative. Members also inform the general public about the nature and benefits of cooperatives.

## **Principle #6: Cooperation among Cooperatives**

Cooperatives serve their members most effectively by working together through local, regional, national and international structures.

## **Principle #7: Concern for Community**

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.

**“At its core, lending is not simply about profit, but about building personal relationships.”**

**~ Felix Rohatyn**



**The “Five C’s of Credit” are the basic building blocks for analyzing a loan. They provide the framework to address the unique strengths and weaknesses (and risks) in a loan request.**

## 1. Character

Who is **our** borrower, and how would this customer react/perform in a time of adversity (honesty, integrity, open communication):

- Legal structure
- Eligibility and scope of financing
- Performance history with Association and others
- Management ability (production, marketing, financial management, and compliance)
- Succession in the operation

## 2. Capacity

What is the primary (and secondary) repayment source for the loan (may be different for each facility for a particular customer)? Is there sufficient income to meet all:

- Business operating needs?
- Capital, or term debt obligations?
- Family living expenses and tax obligations?
- Capital maintenance and replacement needs?
- And provide an adequate margin for contingencies.

## 3. Conditions:

The environment in which the loan is being made:

- What is happening with the industry?
- Borrower – what they do, how they are organized, and how they fit into their industry
- Access to markets
- Type and scale of operation (specialized?)
- Amount, purpose, and terms of loan – what is the loan for?
- Detail on the complete lending relationship (other creditors and other loans with the Association)

## 4. Capital

Ability to withstand adversity (Does the financial situation offer alternatives if the loan does not work out as planned?):

- Accuracy, strength, and structure of balance sheet
- Liquidity and solvency (equity)
- Financial trends and ratio analysis (working capital, equity ratios, debt-to-asset, etc.)
- Comparison to peers and benchmarking

## 5. Collateral

All loans should have a primary and secondary source of repayment. Collateral requirements dictated by relative strengths and weaknesses of the credit, or by law/regulation. The amount of collateral required should:

- Reasonably protect the lender over the loan term
- Provide control of the source of repayment
- Allow the borrower to constructively manage the business
- Should be appropriate relative to the key risks in each loan transaction

**“Risk comes from not knowing what you are doing.”**

**~ Warren Buffet**



This chart demonstrates the flow of potential development opportunities for each of the four focus areas.

	BEGINNING TO INTERMEDIATE	CORE COMMERCIAL	AGRIBUSINESS	CAPITAL MARKETS
	Understand the Farm Credit System and the core retail borrower	Understand the commercial borrower	Understand appropriate way to handle agribusiness credits	Understand participation and syndication lending and facilities
<b>On-the-Job Development</b>				
Special Projects	X	X	X	X
Cross Training	X	X	X	X
Stretch Assignments	X	X	X	X
Task Force or Committee Assignments	X	X	X	X
Mentoring	X	X	X	X
Coaching	X	X	X	X
<b>OnDemand Learning</b>				
Linked In Learning	X	X	X	X
FIS for Legal and Compliance	X	X	X	X
Launch Pad Orientation	X	X	X	X
Ag101 Industry Snapshots	X	X	X	X
FC Legislative	X	X	X	X
FC Leasing	X	X	X	
<b>Instructor-led or blended courses</b>				
FC Basics for Interns	X	X		
Intro to FC Lending	X	X	X	X
Lifestyle Lender	X			
Credit Scoring (new)	X	X	X	X
Credit Analyst Workshop: Basic	X	X	X	X
Credit Analysis: Fundamentals		X	X	X
Mastering Sales Magnetism		X	X	X
Commercial Ag Lender		X	X	X
Negotiation Strategies and Techniques		X	X	X
Agribusiness Lending Workshop			X	X
Credit Analysis: Intermediate			X	X
Corporate Finance and Valuation: Advanced				X
The Mindset of a CEO (coming soon)		X	X	X
Distressed Loan Workshop	X	X	X	

**“Remember that credit is money.”**

**~ Benjamin Franklin**



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## Ag 101: Industry Snapshots

<b>Target Audience:</b>	New hires and all employees
<b>Instructor:</b>	OnDemand
<b>Description:</b>	The Ag 101 Series is designed for any employee who is looking for an overview of the basics of agriculture, and the industries and commodities that Farm Credit finances. The series includes the basics of Dairy, Equine, Grains, Mushrooms, Nurseries and Greenhouses, Pork and Beef Production, Poultry, Sustainable Agriculture and Organic Farming, Tree Fruit Production, and Vegetables and Melons.
<b>Objectives:</b>	Gain awareness of basic industry information, terminology, equipment, and business practices for various commodities.
<b>Online Modules:</b>	<ol style="list-style-type: none"> <li>1. Agriculture 101</li> <li>2. Dairy 101</li> <li>3. Equine 101</li> <li>4. Grain 101</li> <li>5. Mushrooms 101</li> <li>6. Nurseries and Greenhouses 101</li> <li>7. Pork and Beef Production 101</li> <li>8. Poultry 101</li> <li>9. Sustainable Agriculture and Organic Farming 101</li> <li>10. Tree Fruit Production 101</li> <li>11. Vegetables and Melons 101</li> </ol>
<b>Credit Academy Track:</b>	
<b>Cost:</b>	\$0 - \$200
<b>Recent Testimonials:</b>	<p>"The training was effective in teaching me basics of industries I was unfamiliar with."</p> <p>"It provides a foundation that allows everyone to at least be brought to a minimum level of understanding."</p> <p>"It was easy to follow and I liked the emphasis on industry terms/lingo."</p>

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## Agribusiness Lending Workshop

<b>Target Audience:</b>	Lenders, account officers, and credit analysts who focus on larger agribusiness credits, typically \$5 million and above or with complex borrowing entities.
<b>Instructor:</b>	Ronnie Hucks, FCU Learning Liaison Dr. Dave Kohl, Virginia Tech Curt Covington, Farmer Mac Richard Horn Mike Hawkins, AgFirst David Gossett, Nexsen Pruet
<b>Description:</b>	This one-and-a-half day program provides an opportunity for lenders and analysts to hone their skills on lending to agribusinesses and complex entities. The program features presenters from both inside and outside of Farm Credit, and utilizes case studies and group exercises to help reinforce discussion topics.
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Learn about issues affecting agribusiness loans on a global, national, and regional scale.</li> <li>• Understand common analysis tools for identifying risk and determining creditworthiness of agribusinesses.</li> <li>• Understand legal issues that affect these types of loans.</li> </ul>
<b>Topics:</b>	<ul style="list-style-type: none"> <li>• Agribusiness credit trends and issues</li> <li>• Complex credit analysis topics</li> <li>• Legal considerations with complex credits</li> <li>• Risk identification and mitigation case studies</li> <li>• Discussion and Q&amp;A time with Association experts</li> <li>• Action Steps &amp; Best Practices</li> </ul>
<b>Credit Academy Track:</b>	
<b>Cost:</b>	\$500 – \$750
<b>Recent Testimonials:</b>	<p>“This was an excellent training overall and I will recommend it to others to attend in the future.”</p> <p>“It was most useful to share and obtain content on industry sectors outside your immediate geography and learn about different associations. Case work discussion is always valuable!”</p> <p>“Even as a long time employee of Farm Credit, I still picked up new information.”</p>

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## Commercial Ag Lender

<b>Target Audience:</b>	Lenders with one to five years experience, who are working on larger, commercial ag accounts.	
<b>Instructors:</b>	Dr. David Kohl (Blended Learning) Ronnie Hucks Dr. Steve Isaacs Charlie Farrell	
<b>Recommended Prerequisites:</b>	Launch Pad Orientation Course	
<b>Description:</b>	<p>Commercial Ag Lender focuses on all facets of differential credit analysis for commercial agricultural loans. Presented in the same format as the Lifestyle Lender Course featuring Dr. David Kohl as subject matter expert, the content for this curriculum has been reviewed and approved by experienced ag lenders and academics who served on the Farm Financial Standards Council.</p> <p>Training is presented in 10 easily digestible OnDemand modules that include self-paced, interactive online presentations by Dr. David Kohl, objective test application exercises and access to mentors and peers via discussion forum.</p> <p>The curriculum includes two live webinars and a final face-to-face session and is offered in the spring and fall each year.</p>	
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Learn how to construct and analyze basic financial statements for an agricultural business to evaluate risk and creditworthiness.</li> <li>• Explore issues related to expansion of businesses.</li> <li>• Learn to properly structure different types of loans for ag businesses.</li> <li>• Successfully identify distressed credits and learn processes to work with them.</li> <li>• Write an effective loan narrative, negotiate terms of a loan, and do so while maintaining integrity.</li> <li>• Learn to consolidate balance sheets of various business entities for analysis.</li> </ul>	
<b>Online Modules:</b>	<ol style="list-style-type: none"> <li>1. Financial Statement Overview and the Balance Sheet</li> <li>2. Income Statement and Statement of Owner Equity</li> <li>3. Cash Flows and Earnings Analysis</li> <li>4. Financial Analysis of Large Commercial Loans</li> </ol>	<ol style="list-style-type: none"> <li>5. Strategic Credit Analysis and Risk Management</li> <li>6. Expansion Analysis</li> <li>7. Loan Structuring</li> <li>8. Problem Loan Identification and Workout</li> <li>9. Negotiations, Loan Narratives and Ethics</li> <li>10. Financial Statement Consolidation</li> </ol>
<b>Credit Academy Track:</b>		
<b>Estimated Cost:</b>	\$2,000 – \$2,500 plus \$250 for mentor	
<b>Recent Testimonials:</b>	<p>“It covers a wide array of material and is a good foundational survey of ag lending.”</p> <p>“The face-to-face training is an awesome opportunity to network with people from different backgrounds and experiences to learn about common challenges and gain new perspective.”</p> <p>“The modules by themselves are very educational, but the discussions and work with mentors sets it above other training courses.”</p> <p>“The modules provided an in depth dive into areas critical for loan officers to be successful.”</p>	

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## Credit Analyst Workshop: Basic

<b>Target Audience:</b>	Commercial ag lenders and credit analysts with at least six months of credit analysis experience.
<b>Instructor:</b>	Ronnie Hucks, District Learning Liaison Dr. Dave Kohl, Virginia Tech Harlan Hill, Hill Financial Education, Inc.
<b>Description:</b>	This three-day class focuses on basic credit analysis techniques relating to commercial agricultural and small agri-business lending. This is very much a “numbers crunching” workshop, and features AgFirst, Association, and outside presenters. Employees that have credit analysis duties as a major part of their job responsibilities will benefit most from this hands-on class. The session is held annually in September.
<b>Topics:</b>	<ul style="list-style-type: none"> <li>• Economic update and lending risk case studies (Dr. David Kohl)</li> <li>• Basics of balance sheet consolidation</li> <li>• Basics of cash-to-accrual income conversion</li> <li>• Business tax return analysis</li> <li>• An introduction to cash flow and business risk analysis (Harlan Hill)</li> <li>• Comprehensive case studies (processing and marketing facility)</li> <li>• Lending risk “roundtable” discussion (pre-session work required)</li> <li>• Non-financial credit factors</li> <li>• Other topics and group exercises</li> </ul>
<b>Credit Academy Track:</b>	
<b>Cost:</b>	\$500 - \$750
<b>Recent Testimonials:</b>	<p>“The discussion was truly valuable, and I felt incredibly welcomed from the beginning. Overall, I took a lot of valuable knowledge, information, and conversation tips away from this workshop and I am truly grateful for being given the opportunity to further develop as an analyst.”</p> <p>“The economic update was a good part of the workshop because it gave a larger picture as to what is going on in Ag. The tax return analysis was very helpful because I look at tax returns almost every day and now I can do that more confidently.”</p> <p>“All of the facilitators did a great job of presenting the material and making it relevant to the economy we are currently facing in the farming community. They also had great open- ended questions which lead into some great group conversations.”</p>

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## Credit Analysis: Fundamental (Corporate)

<b>Target Audience:</b>	Credit Analysts, Reviewers and Loan Officers
<b>Instructor:</b>	Harlan Hill, Hill Financial Education, Inc.
<b>Description:</b>	<p>Utilizing two days of instruction, the session exposes participants to a rigorous course of study designed to improve an attendee's credit risk identification and credit decision skills, consistent with Farm Credit lending principles. The program is designed to serve as a prequel to the more advanced Credit Analysis: Intermediate training.</p> <p>The session will establish fundamental principles encompassing the behavior, beliefs, philosophy, organization and policies as it pertains to fundamental credit risk management and embraces the most important fundamentals in credit risk and financial analysis training.</p>
<b>Topics:</b>	<ul style="list-style-type: none"> <li>• Credit Risk: General Overview</li> <li>• Business Risk Analysis</li> <li>• Income Statement Analysis</li> <li>• Balance Sheet Analysis</li> <li>• Working Capital Analysis</li> <li>• Seasonal, Medium and Long Term Exposure in Credit Risk Analysis</li> <li>• Secured Borrowing Base Underwriting</li> <li>• Covenants</li> <li>• Collateral &amp; Guarantor Evaluation</li> </ul>
<b>Credit Academy Track:</b>	
<b>Objectives:</b>	<p>Participants will:</p> <ul style="list-style-type: none"> <li>• Apply sound, constructive lending philosophies in support of a quality credit portfolio.</li> <li>• Understand and apply the essential skills and practices of successful commercial and agricultural lenders and analysts.</li> <li>• Exhibit enhanced skills for evaluating business, financial, and management risk factors, and for evaluating repayment sources.</li> <li>• More confidently participate in their organization's credit analysis, underwriting, and loan decision processes.</li> <li>• Display a fuller understanding of the importance of monitoring and servicing after a loan has been booked by their organization.</li> </ul>
<b>Estimated Cost:</b>	\$800 – \$1,350
<b>Recent Testimonials:</b>	<p>"I felt Harlan did an excellent job utilizing different presentation methods, i.e. project, handouts, white board, along with keeping the class engaged. He allowed for networking while still focusing on the class material and learning process."</p> <p>"This class was great. It gave an overview of lending and credit analysis. The instructor was full of bank experience and taught step by step tips on the underwriting process."</p>

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## Credit Analysis: Intermediate (Corporate)

<b>Target Audience:</b>	Credit Analysts, Reviewers and Loan Officers
<b>Instructor:</b>	Harlan Hill, Hill Financial Education, Inc.
<b>Description:</b>	This session is designed specifically for Farm Credit, and delivers important credit risk management training in credit analytics, loan structuring and cash flow analysis. This course of study is designed for those possessing a fundamental credit background consisting of a minimum of 2 years of on the job credit experience as Credit Analysts, Reviewers, and Loan Officers with underwriting responsibilities, and who <b>have completed Credit Analysis: Fundamentals</b> training.
<b>Topics:</b>	<ul style="list-style-type: none"> <li>• Credit Risk: Overview of Industry, Business and Management Analysis</li> <li>• Accrual Based Accounting: Cash Flow Analysis</li> <li>• Credit Risk and Loan Structuring: General Principles</li> <li>• Covenants and Intermediate Loan Structure: Specific Complex Principles</li> <li>• Capital Structure</li> <li>• Participation and Syndication Issues</li> </ul>
<b>Credit Academy Track:</b>	
<b>Objectives:</b>	<p>Participants will:</p> <ul style="list-style-type: none"> <li>• Understand the qualitative factors that can influence a borrower's ability to repay.</li> <li>• Grasp the art of "getting behind the numbers" in financial data point analysis, derived from accrual accounting based financial presentations.</li> <li>• Gain an ability to understand how changes in liquidity, leverage, profitability, cash flow and asset management can impact credit risk management via a "DuPont" type analysis.</li> <li>• Link ratio and cash flow analysis to management decisions regarding business events.</li> <li>• Appreciate important loan structuring issues for credits more than \$5 million in exposure.</li> <li>• Learn to streamline "club" and/or "syndication" deal underwriting and appreciate the need for revised structures allowing a deal to be placed in the bank debt market.</li> </ul>
<b>Estimated Cost:</b>	\$950 – \$1,500
<b>Recent Testimonials:</b>	<p>"I look forward to applying the information in to my daily analysis activities of cash flows. Also, the loan structuring and covenant discussions should be vital in future lending roles."</p> <p>"I will never look at cash flow the same way. He made the material easy to understand and showed us quick ways to find out what we need to know."</p>

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## Credit Analysis: Advanced (Corporate Finance and Valuation)

<b>Target Audience:</b>	Credit Analysts, Reviewers and Loan Officers
<b>Instructor:</b>	Harlan Hill, Hill Financial Education, Inc.
<b>Description:</b>	This newly-designed program provides Farm Credit experienced senior professionals with an overview of the key elements of corporate finance disciplines experienced in the world of corporate finance and capital markets. This training is targeted to capital market officers, chief credit lending officers, and other agribusiness leaders.
<b>Topics:</b>	<ul style="list-style-type: none"> <li>• Business Valuation Techniques</li> <li>• Capital Structure</li> <li>• Capital Markets Products</li> <li>• Transfer of Ownership</li> </ul>
<b>Credit Academy Track:</b>	
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Understand the basics of time value of money and how these concepts underlie corporate finance principles.</li> <li>• Gain a general knowledge of different corporate finance and capital markets instruments available to participants in the capital markets, including mezzanine finance, private equity and senior bank debt.</li> <li>• Grasp the dynamics of the purchase and sale of a business.</li> </ul>
<b>Cost:</b>	\$1,000 – \$1,800
<b>Recent Testimonials:</b>	<p>“I will show these evaluation tools to my borrowers when they are looking to buy out a competitor. This will ensure they are not over paying for the business, or at a minimum reinforce their offer to buy with factual data.”</p> <p>“This was excellent training. Seeing the details of how businesses are valued was very helpful.”</p>

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## Distressed Loan Workshop

<b>Target Audience:</b>	Lenders, account officers, and credit analysts with 1-5 years of experience or who have not worked during an agricultural or economic downturn.
<b>Instructor:</b>	Ronnie Hucks, District Learning Liaison Dr. Dave Kohl, Virginia Tech Van McCall, VM, LLC
<b>Description:</b>	This one-and-a-half day program provides an opportunity for lenders to learn and share best practices related to the recognition, servicing, and workout of distressed loans. The program features presenters from both inside and outside of Farm Credit, and utilizes case studies and group exercises to help reinforce discussion topics. Offered once per year in the winter.
<b>Topics:</b>	<ul style="list-style-type: none"> <li>• Early recognition of problems</li> <li>• Case studies facilitated by Dr. Dave Kohl and Van McCall</li> <li>• Servicing &amp; Turnaround Strategies</li> <li>• Borrowers' Rights &amp; Bankruptcy Panel (a practical approach)</li> <li>• Discussion and Q&amp;A time with Association experts</li> <li>• Action Steps &amp; Best Practices</li> </ul>
<b>Credit Academy Track:</b>	
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Learn early signs of a distressed credit from the experience of others.</li> <li>• Apply a process to dealing with distressed loans.</li> <li>• Learn proper servicing strategies to prevent distressed loans and address problems.</li> <li>• Be exposed to the legal issues surrounding distressed credits.</li> <li>• Understand interpersonal communications related to distressed situations.</li> </ul>
<b>Estimated Cost:</b>	\$500 – \$750
<b>Recent Testimonials:</b>	<p>"As an analyst, hearing the loan officers' discussions helps us better understand what they are facing with some of their customers."</p> <p>"It is valuable to learn to work with customers through the process, not ignoring the problem, and making sure customers understand the process."</p> <p>"I learned the importance of checking your collateral before you do anything else and addressing issues early."</p>

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## Farm Credit Basics for Interns

<b>Target Audience:</b>	Association and Bank College Interns
<b>Instructor:</b>	Ronnie Hucks, District Learning Liaison
<b>Description:</b>	This two-day session is designed to provide a high-level overview of “who we are; what we do; and why we’re important”. The session exposes attendees to many different topics and business function areas, and reinforces the many benefits of working for Farm Credit. This session is held annually in June, and is an ideal precursor for the “Intern Washington DC Experience” coordinated by AgFirst.
<b>Topics:</b>	<ul style="list-style-type: none"> <li>• Overview and history of the Farm Credit System and AgFirst District</li> <li>• The bank-association relationship</li> <li>• Our cooperative business model and patronage distributions</li> <li>• Introduction to customer segments (who we lend to)</li> <li>• Basics of credit scores and credit bureau reports</li> <li>• Introduction to the loan-making process and the 5 C’s of commercial credit</li> <li>• Introduction to balance sheets (very high level)</li> <li>• Marketing and creative services</li> <li>• Technology services</li> <li>• Lending and credit services</li> <li>• Opportunities to grow and develop with Farm Credit</li> <li>• Other topics and group exercises</li> </ul>
<b>Credit Academy Track:</b>	
<b>Estimated Cost:</b>	\$0 – \$250
<b>Recent Testimonials:</b>	<p>“The most valuable part was the content from our training guide and the networking that was able to take place. It was nice to have fellowship with so many great people. It allowed me to see how great of a community Farm Credit is.”</p> <p>“In my opinion, the most relevant information I received was the refresher of tax returns, ratios, looking at the 5 C’s of credit more in depth.”</p> <p>“I thoroughly enjoyed the group study because it gave us as interns an opportunity to be hands on with what our superiors do daily. Also, it shows what can happen if a loan is given to someone that is considered high risk.”</p>

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## Farm Credit Leasing Curriculum

<b>Target Audience:</b>	Employees who deal with Farm Credit Leasing products and services
<b>Instructor:</b>	OnDemand
<b>Description:</b>	The set of nine online training modules covers the basics of leasing and the series will provide a solid foundation on FC Leasing and the leasing product.
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Gain awareness of the basics of Farm Credit Leasing.</li> <li>• Act as a refresher tool prior to discussing leasing with a customer or prospect.</li> </ul>
<b>Credit Academy Track:</b>	
<b>Online Modules:</b>	<ol style="list-style-type: none"> <li>1. Introduction to Farm Credit Leasing</li> <li>2. What is a Lease?</li> <li>3. Lease Structure &amp; End of Term Options</li> <li>4. Lease Types</li> <li>5. Benefits of Leasing</li> <li>6. Why Do Customers Lease?</li> <li>7. Commonly Leased Equipment</li> <li>8. Identifying Leasing Opportunities</li> <li>9. Overcoming Common Objections and Misconceptions</li> </ol>
<b>Cost:</b>	\$0

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## Introduction to Farm Credit Lending

<b>Target Audience:</b>	Newly-hired Loan Officers, Credit Analysts, Employees transitioning into a lending role, Employees seeking to learn more about the lending function.
<b>Instructor:</b>	Ronnie Hucks, District Learning Liaison
<b>Description:</b>	This three-day training session covers the basics of becoming a Farm Credit lender. This session is highly customizable and can be used for new lenders and analysts and for credit and loan support staff, project teams, and/or other groups. Regularly scheduled for twice a year, typically February and August.
<b>Topics:</b>	<ul style="list-style-type: none"> <li>• Overview/history of the Farm Credit System and AgFirst District</li> <li>• The bank-association relationship</li> <li>• Our cooperative business model and patronage distributions</li> <li>• Eligibility and scope of financing (customer segments)</li> <li>• Uses and limitations of credit scores and credit bureau reports</li> <li>• Lending risk and our combined risk rating model</li> <li>• The loan-making process and the 5 C's of commercial credit analysis</li> <li>• Loan narrative basics</li> <li>• Introduction to financial statements (Balance Sheets and Income Statements) and financial ratios (uses and limitations)</li> <li>• Legal and pricing basics (bank presenters)</li> <li>• Tax return analysis, debt-to-income ratios, and repayment projections</li> <li>• Comprehensive case study exercise</li> <li>• Other topics and group exercises</li> </ul>
<b>Credit Academy Track:</b>	
<b>Estimated Cost:</b>	\$100– \$500
<b>Recent Testimonials:</b>	<p>"Of the training sessions I have attended thus far this was the most beneficial session. The lectures and activities were relevant and practical to job responsibilities. I got a lot out of this course that will help me in my job duties."</p> <p>"The most valuable part of this session was that it provided a road map to guide you into your career with Farm Credit."</p> <p>"All of the training topics were equally valuable, but the highlight part was interacting with peers from other Associations, who have both different challenges and also share the same ones at the same time."</p>

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## Launch Pad Orientation

<b>Target Audience:</b>	New employees
<b>Instructor:</b>	OnDemand
<b>Description:</b>	<p>This on-demand orientation covers Farm Credit’s history and strategy as a cooperative, the players in the ag lending marketplace and the types of borrowers Farm Credit serves. Launch Pad also provides training about customer service, business ethics and communicating the Farm Credit story to a variety of audiences.</p> <p>Training modules can be completed at your own pace. Launch Pad is offered on-demand, allowing you to enroll any time. Three versions are available: Core - only eLearning content; Lite - content and tests; or Full - content, tests, and application exercises.</p>
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Understand the Farm Credit System’s formation, history, purpose and future.</li> <li>• Be aware of the financial products and services available by customer segment.</li> <li>• Learn to deliver a positive customer experience in an ethical manner.</li> <li>• Be able to tell the Farm Credit story.</li> <li>• Examine trends in agricultural debt financing and the players in the ag lending marketplace.</li> <li>• Understand eligibility and scope of lending for Farm Credit.</li> <li>• Comprehend global and domestic economic and industry trends impacting agriculture and ag lending.</li> </ul>
<b>Online Modules:</b>	<ol style="list-style-type: none"> <li>1. The Farm Credit System and Cooperatives</li> <li>2. Customer Segmentation, Products, and Culture</li> <li>3. Telling the Farm Credit Story</li> <li>4. The Landscape of Ag Finance: A Competitive Assessment</li> <li>5. Mega Trends of Agriculture and Ag Lending</li> </ol>
<b>Credit Academy Track:</b>	
<b>Estimated Cost:</b>	\$300 – \$500
<b>Recent Testimonials:</b>	<p>“I enjoyed the information about the history of the Farm Credit System. Very helpful in knowing background information to help with daily duties.”</p> <p>“The material was laid out in a very understandable way.”</p> <p>“The interactive portions of the training were very helpful in keeping me engaged.”</p>

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## Lifestyle Lender

<b>Target Audience:</b>	New to intermediate lenders who will be making loans of \$500,000 or less, and/or loans with non-farm income as a primary repayment source.	
<b>Instructors:</b>	Dr. David Kohl (Blended Learning) Dr. Alex White Ronnie Hucks	Elizabeth Benefield Dr. Iwana Ridgill
<b>Recommended Prerequisites:</b>	Launch Pad Orientation Course	
<b>Description:</b>	<p>The Lifestyle Lender Course focuses on customer and financial product knowledge, portfolio segmentation, sales and marketing, tax return analysis, small loan analysis and much more.</p> <p>This eight-month training is presented in 10 online modules that include self-paced, interactive presentations by Dr. David Kohl, a live kickoff webinar, “halftime session” and a comprehensive final project.</p> <p>Two weeks are allocated for each module and a halftime face-to-face training session will be held in Charlotte, NC. Offered spring and fall of each year.</p>	
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Learn basic, foundational principles needed as a new agricultural lender.</li> <li>• Understand the difference between eligibility and scope of lending and eligibility requirements for different groups of borrowers.</li> <li>• Learn characteristics of the lifestyle segment of borrowers, and details on analyzing loans to these borrowers.</li> <li>• Evaluate tax returns to find valuable information and ask informed questions.</li> <li>• Discover the basics of a sales call and prospecting for new business.</li> </ul>	
<b>Online Modules:</b>	<ol style="list-style-type: none"> <li>1. Lending to Lifestyle Borrowers: Eligibility, Scope of Lending, and Customer Knowledge</li> <li>2. Lifestyle Portfolio Segmentation and Layering of Risk</li> <li>3. Small Loan Analysis &amp; Credit Evaluation</li> <li>4. Tax Return Analysis</li> <li>5. Legal Topics</li> </ol>	<ol style="list-style-type: none"> <li>6. Technology, Alliances in Marketing &amp; Loan Pricing</li> <li>7. Sales &amp; Marketing: Consultative Marketing</li> <li>8. Sales &amp; Marketing: Strategic Prospecting</li> <li>9. Sales &amp; Marketing: Call Preparation</li> <li>10. Sales &amp; Marketing: Sales Call Process</li> </ol>
<b>Credit Academy Track:</b>		
<b>Estimated Cost:</b>	\$1,250 – \$1,750 plus \$250 for mentor	
<b>Recent Testimonials:</b>	<p>“There was a wide variety of materials covered in this course which translated directly to the loans I write, and loans I service in my portfolio.”</p> <p>“The training sessions themselves were very helpful and insightful, but I believe it was also important and helpful to meet the other lenders and analysts that are getting started in Farm Credit. These contacts can be very useful in the future.”</p> <p>“The modules provided an in-depth dive into areas critical for loan officers to be successful.”</p>	

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## Mastering Sales Magnetism

<b>Target Audience:</b>	Lenders who want to improve Sales Skills
<b>Instructors:</b>	Will Turner, Seeding Growth (Blended Learning)
<b>Description:</b>	<p>The world is changing at a staggering pace — is your sales approach and process keeping up? Learn how to go beyond consultative selling and become a true sales magnet with this energizing program.</p> <p>Emphasis is on setting goals, working smarter instead of harder, time management, marketing to the right prospects, building and enhancing relationships with borrowers, and developing your expertise as a lender.</p> <p>Includes 10 OnDemand modules, two face-to-face training sessions in Charlotte, NC and monthly teleconferences. Offered in the spring and fall of each year.</p>
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Set SMARTY goals for yourself and learn a process to attain them.</li> <li>• Identify a bull’s eye market to focus on for new business development.</li> <li>• Develop a detailed prospecting plan and learn which approaches to prospecting fit best for you</li> <li>• Apply the testing for fit process in sales calls with prospects.</li> <li>• Develop a plan for maintaining and building relationships with existing customer.</li> </ul>
<b>Online Modules:</b>	<ol style="list-style-type: none"> <li>1. Introduction to Sales Magnetism</li> <li>2. Mastering Goal Achievement</li> <li>3. Developing a Prospecting System</li> <li>4. Bull’s Eye Marketing</li> <li>5. Creating a Killer Positioning Statement</li> <li>6. Warming Up Calls</li> <li>7. Mastering Networking</li> <li>8. Advanced Prospecting Methods</li> <li>9. Testing for Fit</li> <li>10. Maintaining and Building Relationships</li> </ol>
<b>Credit Academy Track:</b>	
<b>Cost:</b>	\$2,000 – \$2,500 plus \$100 for mentor
<b>Recent Testimonials:</b>	<p>“Teaches how to develop good relationships and make the best use of your time.”</p> <p>“Brings back a sales style that I think works well.”</p> <p>“I found the face-to-face meetings the most beneficial with feedback from Will Turner directly.”</p>

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## Negotiation Strategies and Techniques

<b>Target Audience:</b>	Loan Officers, Relationship Managers, Purchasing Officers, and other professionals who want to improve negotiation skills and focus on the added value.
<b>Instructor:</b>	Dr Bruce Money, University of South Carolina, Moore School of Business Executive Education
<b>Description:</b>	<p>This two-day program teaches participants how to successfully manage the negotiation framework. Negotiation by nature is experiential – the course includes case discussions and simulations, as well as a negotiator’s profile instrument and giving participants individualized feedback.</p> <p>Whether dealing with external demanding customers or internal company dynamics, successful negotiating is more than pulling tricks out of a bag. Although certain tactics are more effective than others, negotiations are a framework of bargainer characteristics (such as listening ability) and situational factors (power differences) combining to influence the negotiation process (persuasion), which produces a certain outcome (profits, future deals). Advantage goes to the negotiator who understands how to balance all of these dynamics.</p>
<b>Objectives:</b>	<ul style="list-style-type: none"> <li>• Develop the awareness that “negotiation is all around you.”</li> <li>• Learn how to use the five bases of power in negotiation.</li> <li>• Recognize the difference between zero-sum and relationship-based negotiating and when to use each.</li> <li>• Practice increasing the size of the outcome “pie.”</li> </ul>
<b>Credit Academy Track:</b>	
<b>Cost:</b>	\$1,800 – \$2,000
<b>Recent Testimonials:</b>	<p>“I have already employed tactics here at work when dealing with negotiated trades, and the things I’ve tried have worked! I have my class material on my desk and I will refer to it to remind myself of negotiation ideas to be a more effective and bargaining investment manager.”</p> <p>“I learned that every part of life is about negotiating, both at work and in my personal life. It’s important to listen to understand the other person’s needs before trying to get what I want.”</p>

**Individual growth begins with identification of strengths and development needs. The Credit Academy provides the tools and guidance for employee development and self-leadership. Employee learning and development initiatives should normally continue to evolve and adapt as conditions and challenges change.**

**We encourage you to take advantage of learning and development opportunities offered to you. We will continuously listen to the needs of our credit and lending staff and add or modify programs as are appropriate.**

**Ready to discover or reinvigorate the leader in you?  
Have questions?**

**Contact your supervisor/human resources manager or relationship manager.**

**Registration/Cancellation policy:**

Training programs are scheduled based on expected enrollment numbers. If interest is below the minimum required, we normally have 30 days prior to the class start to cancel without a penalty. If cancellations occur within the 30-day time period before a class starts, your cost center will be charged a fee up to the maximum of the range stated. This also applies to no-show situations.

**Travel Plans:**

Please do not make any flight reservations until the class has been confirmed which is normally 30 days before the class begins.

**Hotel Accommodations:**

Hotel Accommodations for training programs will be coordinated through our Meeting and Special Events professionals. Our preferred hotel in Columbia, SC is the Columbia Marriott and always includes free internet access and 50% off self-parking. We have a discounted rate of \$169 that also includes a full breakfast.

Note: If you need to change your hotel accommodations, it is your responsibility to notify **[AGF-MeetingsandEvents@AgFirst.com](mailto:AGF-MeetingsandEvents@AgFirst.com)** (Lauren Dzoba).

**CPE Credit:**

AgFirst Farm Credit Bank is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Questions regarding registered sponsors may be submitted to the National Registry of CPE Sponsors through its website: **[www.nasbaregistry.org](http://www.nasbaregistry.org)**.

**“Power consists in one’s capacity to link his will with the purpose of others,  
to lead by reason and a gift of cooperation.”**

**~ Albert Einstein**



**AGFIRST**  
FARM CREDIT BANK

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