

## Announcement of Intent to Study Merger

April 6<sup>th</sup>, 2022

The Boards of Directors of Great Bend Co-op (KS) and Farmers Co-op of Carmen (OK) are excited to announce that they have signed a letter of intent to pursue a study to determine if a merger/unification of the two cooperatives would be beneficial for the member-owners.

The agriculture industry continues to change at a rapid pace driven by the demands of the global marketplace and the need to keep up with our growing producers. Competition continues to grow, and the ability to compete with greater talent, buying power, technology, and efficiency is more important than ever before. Your Board of Directors actively follows competitive threats and possible opportunities to ensure we continue to position our cooperative for success and the ability to serve our member-owners today and in the future.

The merger study process will involve the Board of Directors and employees from each cooperative. The process will include an in-depth review of all cooperatives' facilities, people, systems, processes, and financials, and look to identify opportunities where a merger would strengthen our companies. More information will become available as results of the study are published and next steps are determined.

The Boards of Directors and Management Teams believe that a merger of our cooperatives could potentially create unmatched value for our member-owners through improved savings, expanded services and facilities; all while providing enhanced opportunities to attract and retain the best employees to keep your cooperative strong. The study will help us uncover if these initial assumptions are true.

Great Bend Co-op CEO Chris Wagner says, "I'm excited to look at this prospect and bring new opportunities to our members and employees. Great Bend Co-op is a rapidly growing leader in the industry and will continue to put focus on the benefits of the cooperative system to our member-owners." Farmers Co-op of Carmen GM Lakin Dreiling agrees, stating "This merger would bring growth and opportunities to our member-owners, employees, and communities. Great Bend Co-op shares in our aim to grow and innovate while remaining fiercely member-focused."

We know there are a lot of questions that arise with the introduction of a potential merger. You will receive additional mailings in the weeks and months ahead containing more detailed information about the study's results and Boards' decision. If you have questions, you are encouraged to reach out to CEO Chris Wagner at Great Bend Co-op or CEO Lakin Dreiling at Farmers Co-op of Carmen.

We value your continued business and encourage your support of the Board's vision to remain a strong cooperative that will be well positioned to meet tomorrow's challenges in agriculture.

