



Audit Committee Charter

January 2024

1. Purpose

To assist the Board of Directors in fulfilling its oversight responsibilities for the processes over financial reporting process, the system of internal control over financial reporting, internal audit, external audit, internal credit review, collateral review, and the monitoring of compliance with laws and regulations and the code of conduct.

2. Authority

The Audit Committee has all necessary authorities and has access to all resources needed to accomplish the responsibilities of the Committee as described in this Charter. The Committee has the authority to conduct or authorize investigations into any matters within its scope of responsibility, and AgTrust will provide the Committee any monetary and non-monetary resources for it to complete its duties. It is empowered to:

- Retain outside counsel, accountants or other to advise the Committee or assist in the conduct of an investigation.
- Seek any information it requires from employees – all of whom are directed to cooperate with the Committee's requests - or external parties.
- Meet with association's officers, internal audit, and external auditors or outside counsel, as necessary.
- Employ firms to provide audit services for financial reporting, internal credit review and internal audit review.
- Pre-approve all auditing and review services.
- Resolve any disagreements between management and any auditor.

The retention of independent outside counsel or expert advisors is permitted with prior notification to the board Chairman or Vice-Chairman as the situation may dictate. A two-thirds majority vote by the full board of directors is required to deny an Audit Committee's request for resources.

3. Composition

The Committee shall be comprised of at least three members, each of whom shall be a member of the Board of Directors who is free from any relationship that would interfere with the exercise of his or her independent judgment as a Committee member, as determined by the Board of Directors. At least one member shall have expertise in financial reporting, and all members will be knowledgeable in either public and corporate finance, financial reporting and disclosure, or accounting procedures. The term of office for each position on the Committee shall be for the lesser of one year, or until the next organization

meeting of the Board. The board Chairman will appoint Committee members and the Committee Chairman at the appropriate annual organizational meeting of the board, and each shall serve until their successors shall be duly selected and qualified. The board, upon recommendation of the Committee or otherwise, may remove or replace any Committee member at any time. The Committee may elect a Vice Chairman, if so determined that this position is needed.

4. Meetings

The Committee will meet at least quarterly, or on a more frequent basis as necessary to carry out its responsibilities. A minimum of 50% shall constitute a quorum. The Committee will invite members of management, auditors, or others to attend meetings and provide pertinent information, as necessary. Committee members may hold executive session with applicable parties as deemed necessary.

Meeting agendas and appropriate materials will be prepared and provided in advance to members, and minutes of meetings will be prepared. The Committee Chair shall report on the activities of the Committee to the full Board.

5. Role and Responsibilities

The Committee will carry out the following responsibilities:

Financial Reporting

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review the quarterly and annual financial statements, and consider whether they are complete, consistent with information known to Committee members, and reflect appropriate accounting principles.

Internal Control over Financial Reporting

- Consider the effectiveness of the company's internal control over annual and interim financial reporting including information technology security and control.
- Understand and concur on the scope of internal and external auditors' review of internal control over financial reporting and obtain reports on significant findings and recommendation, together with managements responses to any findings.

Internal Audit Function

- Determine the appointment and retention of the outside third-party audit firm to perform the Association's internal operations audit.
- Review and approve the annual risk assessment and audit plan developed and recommended by the internal audit function.
- Understand and concur with the scope of any internal operation audit and obtain reports on significant findings and recommendation.
- Monitor activities of the internal audit function and ensure there are no unjustified restrictions or limitations placed on the internal audit function.
- On a regular basis, meet separately with the independent internal audit function to discuss

any matters that the Committee or internal auditor believes should be discussed in an executive session.

- Review all reports, findings, and management corrective action plans resulting from internal audits, regulatory examinations and external audits.
- Require of management a written response to the findings of the audit, which includes identification of corrective actions.

External Audit Function

- Determine the appointment and retention of the outside third-party audit firm to perform the Association's annual financial statement audit.
- On a periodic basis meet separately from association management with the outside audit firm to 1) Discuss any matters that the Committee or audit firm believe necessary, 2) and confirm there were no restrictions, or limitations, or barriers imposed upon the firm by management during the audit.
- Require of management a written response to the findings of the review which includes identification of corrective actions.
- Review with the external auditors all matters required to be communicated to the Committee under generally accepted auditing standards.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review and confirm the independence of the external auditors by obtaining statement from the auditors on relationships between the auditors and the company, including non-audit services, and discussing the relationship with the auditors.

Internal Credit Review Function

- Determine the appointment and retention of qualified experts to perform the association internal credit review.
- Understand and concur with the scope of any internal credit review and obtain reports on significant findings and recommendation.
- On a periodic basis meet separately from association management with the outside reviewer to 1) Discuss any matters that the Committee or audit firm believe necessary, 2) and confirm there were no restrictions, or limitations, or barriers imposed upon the firm by management during the audit.
- Require of management a written response to the findings of the review, which includes identification of corrective actions.

Collateral Review Function

- Determine the appointment and retention of qualified experts to perform the association Collateral Review.
- Understand and concur with the scope of any collateral review and obtain reports on significant findings and recommendation.
- On a periodic basis meet separately from association management with the outside reviewer to 1) Discuss any matters that the Committee or audit firm believe necessary, 2) and confirm there were no restrictions, or limitations, or barriers imposed upon the firm by management during

the audit.

- Upon the conclusion of the Review meet separately from association management with the outside review firm to 1) Discuss any matters that the Committee or review firm believe necessary, 2) present the findings of the review, and 3) to confirm there were no restrictions, or limitations, or barriers imposed upon the firm by management during the review.
- Require of management a written response to the findings of the review, which includes identification of corrective actions.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instance of noncompliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the code of conduct to company personnel, and for monitoring compliance therewith.
- Obtain regular updates from management and legal counsel regarding compliance matters.

Reporting Responsibilities

- Regularly report to the Board of Directors about Committee activities, issues, and related recommendations, and by maintaining meeting minutes evidencing Committee members' agreement or disagreement with items it acts upon.
- Provide an open avenue of communication between outsourced audit functions, the external auditors, and the board of directors. Internal and external auditors will report directly to the Audit Committee.
- Report annually to the shareholders, describing the Committee's composition, responsibilities and how they were discharged, and any other information required by regulation.
- Review any other reports the company issues that relates to Committee responsibilities.

Other Responsibilities

- Review the adequacy of this charter on an annual basis and revise the charter to reflect relevant requirements relating to Audit Committee responsibilities. Board approval must be obtained for proposed changes.
- Confirm annually that all responsibilities outlined in this charter have been carried out.
- Review the status of the audit plan and management's remediation efforts for outstanding corrective action plans quarterly.