



SunStream Business Services  
annual report for the year ended  
December 31, 2025

Published March 4, 2026

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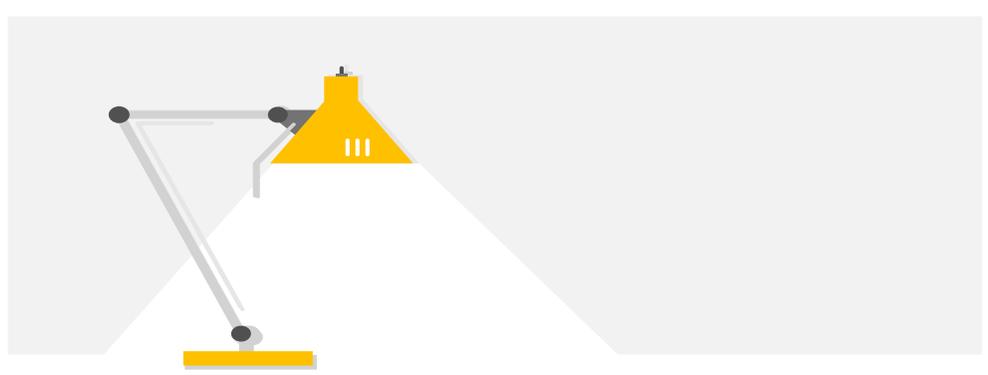
**Message from our CEO**

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# Message from our CEO

Dear Shareholders and Valued Customers,

As we close 2025, I want to begin with appreciation — for your partnership, your candid feedback, and your continued engagement during a year that required disciplined execution and steady leadership. SunStream operates by metrics. Our scorecard governs how we prioritize, how we measure progress, and how leadership is held accountable. In 2025, that discipline mattered.

## Stabilizing the Core

Operational reliability remained foundational and in 2025, we achieved 92% of our SLA attainment target, missing four SLAs during the year. While not perfect, overall service performance remained strong across mission-critical platforms supporting daily customer operations. Financial stewardship was equally disciplined. Core net income exceeded target, resulting in full financial management scoring and we returned the 2% premium buffer to owner/customers as a reduction in billings at year-end.

## Advancing the Transformation

PLANT remains our most significant strategic initiative. In 2025, execution improved materially. Across five Program Increments, we achieved an 88% average objective completion rate, exceeding our 85% predictability standard. This translated to 97.5% of available strategic initiative value delivered.

As we move into 2026, disciplined scope management and strong partnership alignment will be essential to sustaining this trajectory. Our Agile operating model is intentionally designed to provide transparency into trade-offs — enabling us to incorporate necessary enhancements while protecting timeline, budget, and launch integrity. Continued collaboration with our district partners ensures that new priorities are evaluated within a structured framework that balances responsiveness with delivery predictability.

That improvement reflects:

- A more predictable enterprise delivery cadence
- Strengthened governance and oversight controls
- Improved data conversion rigor following DC4
- Clearer cohort prioritization and alignment
- A more experienced and cohesive delivery organization

Progress in complex transformations is rarely linear. What matters most is disciplined responsiveness — and our teams demonstrated resilience and continuous improvement throughout the year. We are grateful for the candid partnership of our cohort institutions. Your engagement strengthened both the process and the outcome.

## Learning Through Execution: Data Conversion Progress

Not every milestone in 2025 was seamless. Our fourth data conversion event (“Data Cut 4”) required more manual validation and reconciliation effort than anticipated. While data integrity was preserved, the process created strain across SunStream and customer teams and did not meet the operational standard we expect of ourselves. We responded deliberately. Following Data Cut 4, we conducted structured retrospectives with cohort leaders and technical teams, identified root causes, and accelerated automation within our migration tooling — particularly in validation sequencing, reconciliation reporting, and quality gates.

Data Cut 5 demonstrated measurable improvement:

- Reduced manual intervention
- Stronger automated balance validation
- Clearer exception reporting
- Tighter execution sequencing



**Daniel Ritch**  
CEO

These improvements are now embedded into future conversion cycles beginning February 2026. Each successive data cut is becoming more predictable, more repeatable, and less disruptive. Transformation at scale is iterative. What builds trust is continuous improvement — and visible progress.

### **Strengthening Governance and Audit Readiness**

In parallel with delivery improvements, we materially strengthened our governance model in 2025. During the year, SunStream completed multiple Internal Audit reviews, including Cyber Security, Privileged Access Management, Governance, and the PLANT Pre-Implementation Data Migration audit.

Key outcomes:

- The PLANT Pre-Implementation Data Migration audit was issued with a “Satisfactory” rating
- Observations were primarily medium or low risk, with no high-risk findings
- All outstanding audit observations from 2024 and 2025 have been remediated and validated.

Our Observations Tracking (SOT) and validation process now provides structured management accountability and follow-through. Governance is increasingly embedded into our daily operating rhythm rather than activated in response to issues. Controls are defined, remediation is structured, validation is documented, and Audit Committee visibility is consistent. Importantly, we strengthened internal controls before entering production launch — not after.

### **Listening and Improving**

Customer Satisfaction remains an area of focus. Under the revised 2025 scoring methodology, we achieved 80% of our Customer Satisfaction target. We recognize that extended transformation timelines and conversion strain impacted sentiment across portions of the system. We take that seriously. As we enter 2026, our focus is not simply deployment — it is clarity, communication cadence, and consistent engagement so modernization is experienced as steady progress rather than disruption. Your feedback continues to shape our execution rhythm.

### **2025 Scorecard Summary**

Our weighted scorecard for 2025 resulted in an overall performance of 89.375%:

- SLA Attainment: 92%
- Financial Management: 100%
- Strategic Initiatives (PLANT): 91.25% (reduced to reflect mainframe decommissioning pause and customer agreement to launch date change now set for April 2027)
- Customer Satisfaction: 80%

These results reflect a year where we maintained operational stability, strengthened financial footing, improved execution discipline, closed audit observations, and matured our governance model — while remaining clear-eyed about areas that require continued focus.

### **Looking Ahead to 2026**

2025 required resilience and 2026 will require disciplined completion. Our objectives are clear:

1. Deliver phased PLANT production launches which include the release of five new AgriBank Application, Core Loan Servicing (DNA), Participative Loans (DNA), and our customer Data Lake for reporting and integration into GL.
2. Improve customer satisfaction through clarity, presence, and execution.
3. Convert capital investment into operational value with continued financial discipline.
4. Resume mainframe decommissioning at intervals that do not interrupt PLANT.
5. Complete migration of SunStream Services from Mid America

The organization is measurably stronger than it was entering the year. Our governance framework is more embedded, our delivery cadence more predictable, and our balance sheet more resilient. Most importantly, the path forward is defined and visible.

Thank you for your continued trust and partnership. We recognize the responsibility we carry in supporting your institutions, your teams, and the producers you ultimately serve. We remain committed to steady execution, transparent communication, and delivering a modern technology foundation that will serve this system reliably for years to come.

Onward and upward,



# Board of Directors



**JASE WAGNER**

*President & CEO of  
Compeer Financial*

*Board Chair*



**JEFF SWANHORST**

*CEO of AgriBank*

*Board Vice Chair*



**RICK KRUEGER**

*CFO of FCS  
Financial*

*Audit Committee  
Chair*



**JEREMY RENGER**

*Chief Risk &  
Information Officer  
AgriBank*

*Audit Committee Vice  
Chair*



**JOHN HEMSTOCK**

*Chief Human  
Resources Officer  
Compeer Financial*

*Compensation  
Committee Chair*



**AARON VETTER**

*CEO Farm Credit  
Mandan*

*Compensation  
Committee Vice Chair*



**ANUDEEP PARHAR**

*Chief Operations  
Officer*

*Entrust*

*Compensation  
Committee Member*

Our Board of Directors (Board) represents each of our three ownership groups - AgriBank, Compeer Financial, and the CTC Group.

# Executive Leadership



**DAN RITCH**  
*Chief Executive Officer*



**TOM MCHALE**  
*Chief Financial Officer*



**AHTI HUJANEN**  
*Chief Technology Officer*



**RUTH ANDERSON**  
*Executive VP  
Customer Success*



**CHAD PECK**  
*Chief Product Officer*



**TINA TUOHY**  
*Executive Business Partner*

**SunStream Business Services**

# **Financial Statements**

*For the year ended  
December 31, 2025*

**SunStream Business Services**  
**For the year ended December 31, 2025**

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# MANAGEMENT'S DISCUSSION AND ANALYSIS

## *SunStream Business Services*

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The following commentary reviews the financial condition and results of operations of SunStream Business Services (SunStream or the Company) and provides additional specific information. The accompanying Financial Statements and Notes to the Financial Statements also contain important information about our financial condition and results of operations.

We operate as part of the Farm Credit System (the System). The System is a federally chartered network of borrower-owned lending institutions comprised of cooperatives and related service organizations, established by Congress to meet the credit needs of rural America. This network of financial cooperatives is owned and governed by the rural customers the System serves. SunStream serves various System entities by providing a comprehensive technology platform, support and related services. The Farm Credit Administration (FCA) is authorized by Congress to regulate the System.

To request free copies of the Company's financial reports, contact us at:

SunStream Business Services  
30 East 7th Street, Suite 700  
St. Paul, MN 55101

[www.sunstreamservices.com](http://www.sunstreamservices.com)

Our Annual Report is available on our website no later than 75 days after the end of the calendar year and owners are provided a copy of such report no later than 90 days after the end of the calendar year.

SunStream Business Services is an Equal Opportunity Employer (M/W/D/V) dedicated to diversity in the workplace.

### **FORWARD-LOOKING INFORMATION**

This Annual Report includes forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. Words such as "anticipate", "believe", "estimate", "may", "expect", "intend", "outlook", and similar expressions are used to identify such forward-looking statements. These statements reflect our current views with respect to future events. However, actual results may differ materially from our expectations due to a number of risks and uncertainties which may be beyond our control. These risks and uncertainties include, but are not limited to:

- Cybersecurity risks, including a failure or breach of our operational or security systems or infrastructure, or those of our third-party vendors or other service providers
- Disruptive technologies impacting the banking and financial services industries or implemented by our competitors which negatively impact our ability to compete in the marketplace
- Interest rate risk that could impact the cost of borrowed funds
- Political (including trade policies), legal, regulatory, financial markets, and economic conditions and developments in the United States (U.S.) and abroad
- Economic fluctuations in the agricultural, international, and farm-related business sectors
- Changes in U.S. government support of the agricultural industry and the System as a government-sponsored enterprise, as well as investor and rating agency reactions to events involving the U.S. government, other government-sponsored enterprises, and other financial institutions
- Actions taken by the Federal Reserve System in implementing monetary policy
- Length and severity of an epidemic or pandemic

### **RESULTS OF OPERATIONS**

During the year ended December 31, 2025, operating revenue of \$65.1 million was effectively offset by \$56.0 million of expense, including tax provision, resulting in net income of \$9.1 million. SunStream operates on a break even strategy and a patronage distribution of \$9.1 million was declared by the Board in December 2025.

SunStream maintains a core set of products and services that are sold primarily to AgriBank and its District associations, with ancillary products and services sold to Farm Credit entities outside of the AgriBank District. These products and services generate stable and predictable fee revenues that are collected monthly. Additionally, variable revenue is obtained through ad hoc consulting and project work as requested by our customers, as well as from expenses (primarily mail processing and postage fees, and insurance conference fees) passed through to our customers.

Operating expenses consist primarily of staff salaries and benefits, contracted services, occupancy and office expenses, equipment depreciation and maintenance, software subscription, mailing and communications costs, and audit/examination costs.

## Operating Revenue

### Operating Revenue

(dollars in thousands)

For the period ended December 31	2025	2024	2023
Core and consulting services	\$ 65,064	\$ 54,775	\$ 48,874

SunStream customers elect the products and services they use and sign 3-year renewable contractual agreements. Fees are set annually and collected as standard monthly charges. Fees from consulting and project work are collected monthly as services are delivered, and revenue from pass-through expenses are collected monthly as vendor invoices are paid. Our business model is based on the cooperative principle, and the goal each year is to fully recover operating expenses.

## Operating Expense

### Components of Operating Expense

(dollars in thousands)

For the period ended December 31	2025	2024	2023
Salaries and employee benefits	\$ 20,252	\$ 18,458	\$ 16,719
Purchased and vendor services	15,880	17,399	13,644
Occupancy and equipment	14,992	12,869	12,411
Other	4,689	5,105	5,303
Total operating expense	\$ 55,813	\$ 53,831	\$ 48,077

Salaries and employee benefits are adjusted annually for merit increases, promotions, new hires, retirements and terminations, and labor credits related to capital projects.

Purchased and vendor services include business operations expenses (HR, Payroll Administration, Legal, etc.) and professional and contract services. Contract labor is expected to continue at current levels due to resource needs related to our digital transformation initiatives. The majority of contract labor expense is related to software development work and is capitalized. See our accounting policy below for more information.

Occupancy and equipment includes software maintenance and depreciation on equipment as well as subscription license costs. SunStream will enter into multi-year committed renewal terms to leverage lower pricing where feasible. Maintenance is generally prepaid annually and recorded as a prepaid asset and amortized as expense over the maintenance term.

Other expense includes mailing and communications expenses, regulatory fees, and external audit and examination charges.

## Provision for Income Taxes

Provision for income taxes was related to our estimate of taxes based on taxable income. Additional discussion is included in Note 9 to the Financial Statements.

## OWNERSHIP AND CAPITAL

Total shareholders' equity at December 31, 2025 and December 31, 2024 was \$22.9 million, and \$22.8 million on December 31, 2023. Net income of \$9.1 million for the year ended December 31, 2025 was offset by patronage distribution accruals.

SunStream has three primary owners who contributed cash or assets in exchange for equal stock investments, in aggregate totaling \$16.9 million. Ownership was comprised of AgriBank, Compeer Financial, and the CentRiC Technology Collaboration (CTC). As of December 31, 2025, the CTC is comprised of six AgriBank District associations. Farm Credit Mid-America was previously an owner, but terminated their master services agreement with SunStream, effective December 31, 2024. Refer to Note 7 to the Financial Statements for further disclosure regarding Mid-America's capital investment.

The SunStream capital plan provides for continued investment in SunStream strategic products as well as ongoing investments in operations, controls, and information security. Capital levels are adequate for continued operations and approved projects. Refer to Note 7 to the financial statements for detailed discussion of ownership and capital.

## FUNDING AND LIQUIDITY

Our primary sources of funding are revenue from core services and consulting, and capital funding from our owners. In addition, we have the option to borrow from AgriBank in the form of a line of credit (LOC), as described in Note 6 to the financial statements. The general financial agreement (GFA) executed with AgriBank specifies the note payable is guaranteed by our owners. At December 31, 2025, SunStream had \$50.0M available under our line of credit, an ending balance of \$17.5 million, and an average balance of \$13.4 million. We expect this borrowing relationship to continue into the foreseeable future.

### Note Payable Information

(dollars in thousands)

For the period ended December 31

	2025	2024	2023
Available balance	\$ 50,000	\$ 50,000	\$ 40,000
Ending balance	17,496	29,796	16,323
Average balance	13,432	22,283	13,957
Average interest rate	4.71%	5.63%	5.50%

### RELATIONSHIP WITH AGRIBANK

We borrow from AgriBank to fund our operations in accordance with the Farm Credit Act. Approval from AgriBank is required for us to borrow elsewhere. A GFA, as discussed in Note 6 to the Financial Statements, governs this lending relationship. The components of cost of funds under the GFA are a variable rate component and a spread component, which includes cost of servicing, cost of liquidity, and bank profit. Refer to Note 11 to the Financial Statements for further disclosure regarding services purchased from AgriBank.

### GOVERNANCE

The CEO or CEO-designee of each owner or owner-group serves as a member of the SunStream Board. As of December 31, 2025, the Board members were:

- Jase Wagner, President and CEO of Compeer Financial, SunStream Board Chair
- Jeffrey Swanhorst, CEO of AgriBank, SunStream Board Vice Chair
- Rick Krueger, CFO of FCS Financial, SunStream Board Audit Committee Chair
- Jeremy Renger, Chief Risk & Information Officer, AgriBank, SunStream Audit Committee Vice Chair
- John Hemstock, Chief Human Resources Officer, Compeer Financial Services, SunStream Compensation Committee Chair
- Aaron Vetter, CEO of Farm Credit Mandan, SunStream Compensation Committee Vice Chair
- Anudeep Parhar, COO of Entrust, SunStream Compensation Committee Member

SunStream's Board operates under a committee structure. The committees are:

#### *Audit Committee*

The Audit Committee responsibilities generally include, but are not limited to:

- oversight of the financial reporting risk and the accuracy of the annual shareholder reports,
- the oversight of the internal controls related to the preparation of annual shareholder reports,
- the review and assessment of the impact of accounting and auditing developments on the financial statements,
- the establishment and maintenance of procedures for the receipt, retention and treatment of confidential and anonymous submission of concerns regarding accounting, internal accounting controls or auditing matters, and
- the oversight of the Company's internal audit program, the independence of the outside auditors, the adequacy of the Company's system of internal controls and procedures, and the adequacy of management's action with respect to recommendations arising from those auditing activities.

#### *Compensation Committee*

Compensation Committee responsibilities generally include, but are not limited to:

- oversight of employee compensation
- the review, evaluation, and approval of the compensation policies, programs and plans for senior officers and employees, including benefits programs.

# REPORT OF MANAGEMENT



We prepare the Financial Statements of SunStream Business Services (the Company) and are responsible for their integrity and objectivity, including amounts that must necessarily be based on judgments and estimates. The Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America. The Financial Statements, in our opinion, fairly present the financial condition of the Company for the year ended December 31, 2025. Other financial information included in the Annual Report is consistent with the Financial Statements.

To meet our responsibility for reliable financial information, we depend on accounting and internal control systems designed to provide reasonable, but not absolute assurance that assets are safeguarded and transactions are properly authorized and recorded. Costs must be reasonable in relation to the benefits derived when designing accounting and internal control systems. Financial operations audits are performed to monitor compliance. PricewaterhouseCoopers LLP, our independent auditors, audit the Financial Statements. They also consider internal controls to the extent necessary to design audit procedures that comply with auditing standards generally accepted in the United States of America. The Farm Credit Administration also performs examinations for safety and soundness as well as compliance with applicable laws and regulations.

The Board of Directors has overall responsibility for our system of internal control and financial reporting. The Board of Directors and its Audit Committee consults regularly with us and meets periodically with the independent auditors and other auditors to review the scope and results of their work. The independent auditors have direct access to the Board of Directors, which is composed solely of directors who are not officers or employees of the Company.

The undersigned certify we have reviewed the Company's Annual Report, which has been prepared in accordance with all applicable statutory or regulatory requirements. The information contained herein is true, accurate, and complete to the best of our knowledge and belief.

A handwritten signature in blue ink, appearing to read "Jase Wagner".

Jase Wagner  
Board Chair  
SunStream Business Services

A handwritten signature in blue ink, appearing to read "Dan Ritch".

Dan Ritch  
President and Chief Executive Officer  
SunStream Business Services

A handwritten signature in blue ink, appearing to read "Tom McHale".

Thomas McHale  
Chief Financial Officer & VP of Business Operations  
SunStream Business Services

A handwritten signature in blue ink, appearing to read "William S. Christianson".

William S. Christianson, Controller  
SunStream Business Services

March 4, 2026

# REPORT OF AUDIT COMMITTEE



The Financial Statements were prepared under the oversight of the Audit Committee. The Audit Committee oversees the scope of the Company's internal audit program, the approval, and independence of PricewaterhouseCoopers LLP (PwC) as independent auditors, the adequacy of the Company's system of internal controls and procedures, and the adequacy of management's actions with respect to recommendations arising from those auditing activities. The Audit Committee's responsibilities are described more fully in the Internal Control Policy and the Audit Committee Charter.

Management is responsible for internal controls and the preparation of the Financial Statements in accordance with accounting principles generally accepted in the United States of America. PwC is responsible for performing an independent audit of the Financial Statements in accordance with auditing standards generally accepted in the United States of America and to issue their report based on their audit. The Audit Committee's responsibilities include monitoring and overseeing these processes.

In this context, the Audit Committee reviewed and discussed the audited Financial Statements for the year ended December 31, 2025, with management. The Audit Committee also reviewed with PwC the matters required to be discussed by Statement on Auditing Standards AU-C 260, *The Auditor's Communication with Those Charged with Governance*, and both PwC and the internal auditors directly provided reports on any significant matters to the Audit Committee.

The Audit Committee had discussions with and received written disclosures from PwC confirming its independence. The Audit Committee also reviewed the non-audit services provided by PwC, if any, and concluded these services were not incompatible with maintaining PwC's independence. The Audit Committee discussed with management and PwC any other matters and received any assurances from them as the Audit Committee deemed appropriate.

Based on the foregoing review and discussions, and relying thereon, the Audit Committee recommended that the Board of Directors include the audited Financial Statements in the Annual Report for the year ended December 31, 2025.

A handwritten signature in black ink, appearing to read "Rick Krueger".

Rick Krueger  
Audit Committee Chair  
SunStream Business Services

Audit Committee Members:  
Jase Wagner  
Jeremy Renger

March 4, 2026



## **Report of Independent Auditors**

To the Board of Directors of SunStream Business Services

### ***Opinion***

We have audited the accompanying financial statements of SunStream Business Services (the "Company"), which comprise the statements of condition as of December 31, 2025, 2024 and 2023, and the related statements of comprehensive income, of changes in shareholders' equity and of cash flows for the years then ended, including the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, 2024, and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood

that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the information included in the 2025 Annual Report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Pricewaterhouse Coopers LLP

Minneapolis, Minnesota  
March 4, 2026

# STATEMENTS OF CONDITION

## SunStream Business Services

(in thousands)

As of December 31	2025	2024	2023
<b>ASSETS</b>			
Current assets:			
Cash and equivalents	\$ --	\$ --	\$ --
Accounts receivable	106	168	129
Prepaid assets	5,056	5,332	3,940
Total current assets	5,162	5,500	4,069
Long-term assets:			
Fixed assets, net	877	796	1,699
Intangible assets, net	64,441	50,933	39,124
Right of use assets, net	690	1,400	2,196
Deferred tax assets, net	963	721	586
Other assets, long-term	638	671	676
Total long-term assets	67,609	54,521	44,281
Total assets	\$ 72,771	\$ 60,021	\$ 48,350
<b>LIABILITIES</b>			
Current liabilities:			
Accrued expenses and other liabilities	\$ 3,499	\$ 2,471	\$ 3,179
Lease liabilities, net	721	831	796
Accrued employee benefits	3,070	2,866	3,281
Deferred Income	15,269	--	--
Patronage distribution payable	9,135	--	--
Total current liabilities	31,694	6,168	7,256
Long-term liabilities:			
Note payable to AgriBank, FCB	17,496	29,796	16,323
Accrued employee benefits, long-term	645	436	426
Lease liabilities, net	--	698	1,532
Total long-term liabilities	18,141	30,930	18,281
Total liabilities	49,835	37,098	25,537
<b>SHAREHOLDERS' EQUITY</b>			
Common stock	16,875	22,500	22,500
Additional Paid in Capital	5,625	--	--
Unallocated retained earnings	435	421	311
Accumulated other comprehensive income	1	2	2
Total shareholders' equity	22,936	22,923	22,813
Total liabilities and shareholders' equity	\$ 72,771	\$ 60,021	\$ 48,350

The accompanying notes are an integral part of these Financial Statements.

# STATEMENTS OF COMPREHENSIVE INCOME

## SunStream Business Services

(in thousands)

For the period ended December 31	2025	2024	2023
<b>Operating revenue</b>			
Core and consulting services	\$ 65,064	\$ 54,775	\$ 48,874
Total operating revenue	65,064	54,775	48,874
<b>Operating expense</b>			
Salaries and employee benefits	20,252	18,458	16,719
Purchased services	15,880	17,399	13,644
Occupancy and equipment	14,992	12,869	12,411
Other operating expense	4,689	5,105	5,303
Total operating expense	55,813	53,831	48,077
<b>Other income</b>			
Interest and patronage income	38	--	76
Total other income	38	--	76
<b>Other expense</b>			
Interest expense	(63)	(124)	(768)
Other losses	(1)	(521)	--
Total other expense	(64)	(645)	(768)
Income before income taxes	9,225	299	105
Provision for income taxes	76	189	89
<b>Net income</b>	\$ 9,149	\$ 110	\$ 16
<b>Other comprehensive income</b>			
Employee benefit plan activity	(1)	--	--
<b>Comprehensive income</b>	\$ 9,148	\$ 110	\$ 16

The accompanying notes are an integral part of these Financial Statements.

# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

SunStream Business Services

(in thousands)

	Common Stock	Additional Paid in Capital	Unallocated Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance at December 31, 2022	\$ 22,500	\$ --	\$ 25	\$ 2	\$ 22,527
Net income	--	--	16	--	16
Out of year correction(1)	--	--	270	--	270
Balance at December 31, 2023	\$ 22,500	\$ --	\$ 311	\$ 2	\$ 22,813
Net income	--	--	110	--	110
Balance at December 31, 2024	\$ 22,500	\$ --	\$ 421	\$ 2	\$ 22,923
Net income	--	--	9,149	--	9,149
Other comprehensive income	--	--	--	(1)	(1)
Unallocated surplus designated for patronage distributions	--	--	(9,135)	--	(9,135)
Common Stock Retired	(5,625)	--	--	--	(5,625)
Paid in Capital Adjustments	--	5,625	--	--	5,625
<b>Balance at December 31, 2025</b>	<b>\$ 16,875</b>	<b>\$ 5,625</b>	<b>\$ 435</b>	<b>\$ 1</b>	<b>\$ 22,936</b>

The accompanying notes are an integral part of these Financial Statements.

(1) During 2023, we identified an overstatement of accrued employee benefits of \$379 thousand during the period ended December 31, 2020. The overstatement of accrued employee benefits resulted in an overstatement of deferred tax assets of \$109 thousand, and understatement of Unallocated retained earnings of \$270 thousand, which were corrected through an out of period adjustment to the 2023 financial statements.

# STATEMENTS OF CASH FLOWS

## SunStream Business Services

(in thousands)

For the period ended December 31	2025	2024	2023
<b>Cash flows from operating activities</b>			
Net income	\$ 9,149	\$ 110	\$ 16
Depreciation on fixed assets	645	1,266	2,698
Amortization on intangible assets	1,342	1,387	2,570
Loss on disposal of fixed and intangible assets	--	521	--
Depreciation on right of use assets	605	797	807
Changes in operating assets and liabilities:			
(Increase)/Decrease in intradistrict receivable	62	(39)	131
(Increase)/Decrease in other assets	174	(1,523)	(840)
Increase/(Decrease) in accrued expenses and employee benefits	632	(1,912)	(1,261)
Increase/(Decrease) in deferred income	15,269	--	--
Decrease in shareholders' equity from employee benefits	(1)	--	--
Net cash provided by operating activities	27,877	607	4,121
<b>Cash flows from investing activities</b>			
Capitalized software development costs	(14,850)	(13,715)	(14,935)
Purchases of fixed assets, net	(727)	(365)	(1,588)
Net cash used in investing activities	(15,577)	(14,080)	(16,523)
<b>Cash flows from financing activities</b>			
Increase in note payable with AgriBank, FCB, net	(12,300)	13,473	5,293
Net cash provided by financing activities	(12,300)	13,473	5,293
Net change in cash	--	--	(7,109)
Cash and cash equivalents at beginning of period	--	--	7,109
Cash and cash equivalents at end of period	\$ --	\$ --	\$ --
<b>Supplemental non-cash operating and financing activities</b>			
Patronage Distribution Payable	\$ 9,135	\$ --	\$ --
Decrease in other assets	--	--	109
Decrease in accrued incentive	--	--	(379)
Increase in Unallocated Retained Earnings	--	--	270
<b>Supplemental information</b>			
Interest paid	\$ 782	\$ 1,144	\$ 643
Taxes paid, net	--	1,079	300

The accompanying notes are an integral part of these Financial Statements.

# NOTES TO FINANCIAL STATEMENTS

## SunStream Business Services

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### NOTE 1: ORGANIZATION AND OPERATIONS

#### Farm Credit System and District

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The Farm Credit System (System) is a federally chartered network of borrower-owned lending institutions comprised of cooperatives and related service organizations, established by Congress to meet the credit needs of American agriculture. The System consists of Farm Credit Banks, borrower-owned cooperative lending institutions (Associations), and various service corporations. AgriBank, FCB (AgriBank), a System Farm Credit Bank, and its District Associations are collectively referred to as the AgriBank Farm Credit District (AgriBank District or the District).

SunStream Business Services (SunStream or the Company) is engaged principally in providing information technology, financial services support, and other services to various entities within the System on a fee basis. SunStream provides services primarily to AgriBank and associations in the AgriBank District.

The Farm Credit Administration (FCA) chartered SunStream as a service corporation under Section 4.25 of the Farm Credit Act of 1971, as amended (Act). The FCA has authority under the Act to charter and regulate System banks, associations and service corporations. The activities of SunStream are examined by the FCA and certain actions by SunStream are subject to prior approval of the FCA and/or SunStream's owners.

### NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Presentation

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The Financial Statements include the accounts and operations of SunStream Business Services for the year ended December 31, 2025. Prior year comparison are for the year ended December 31, 2024 and the year ended December 31, 2023.

#### Accounting Principles and Reporting Policies

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Our accounting and reporting policies conform to generally accepted accounting principles in the United States of America (GAAP) and the prevailing practices within the technology services industry. Preparing financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

#### Significant Accounting Policies

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**Accounts Receivable:** Accounts receivable are stated at amounts management expects to collect on outstanding balances. SunStream evaluates the collectability of its receivables based on its prior experience and assessment of potential future losses and does so through ongoing reviews of its aging analysis. As of December 31, 2025, there was no allowance for uncollectable accounts recorded. We did not write off as bad debt any accounts receivable during the year ended December 31, 2025.

**Fixed Assets:** The carrying amount of fixed assets is at cost, less accumulated depreciation. Calculation of depreciation utilizes the straight-line method over the estimated useful lives of the assets. Gains or losses on disposition are included in "Other losses" in the Statement of Comprehensive Income. Depreciation and maintenance and repair expenses are included in "Occupancy and equipment" in the Statement of Comprehensive Income and improvements are capitalized.

**Software Development Costs:** SunStream develops new products, which we intend to offer as part of our core services, and we are developing significant upgrades and enhancements to its existing software-as-a-service ("SaaS") platform. We follow the guidance of ASC 350-40, Intangibles - Goodwill and Other - Internal-Use Software, for development costs related to these new products. Costs incurred during the preliminary planning stage and post-implementation are expensed as incurred. Development costs during the application development stage are capitalized. Development costs may include software configuration, installation, coding, and testing systems. Costs incurred in the operating stage are generally expensed as incurred except for significant upgrades and enhancements. Amortization of the software asset begins when it is ready for its intended use. Software development costs are currently amortized over the software's estimated useful life, which management has determined to be five years. When our Premier Loan Accounting and Next Generation Technology (PLANT) assets are ready for their intended use, we expect to amortize them over fifteen years. Capitalized software development costs are included in "Intangible assets, net" in the Statements of Condition and disclosed in more detail in Note 5 to the financial statements.

**Leases:** We are the lessee in operating leases. We evaluate arrangements to determine if it is a lease and follow the guidance of ASC 842, Leases, in recording the obligation as a capitalized right of use asset. Leases with an initial term of 12 months or less are not recorded on the Statements of Condition with lease expense recognized on a straight-line basis over the lease term. For operating leases with terms greater than 12 months the right-of-use (ROU) assets and lease liabilities are included in the Statements of Condition and are disclosed in more detail in Note 4 to the financial statements.

The ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized based on the present value of lease payments over the lease term. As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. We use the implicit rate when it is readily determinable. Our lease terms may include options to extend or terminate the lease. The length of the lease term is modified to include the option when it is reasonably certain that we will exercise that option. Operating lease expense for lease payments is recognized on a straight-line basis over the lease term.

**Post-Employment Benefit Plans:** The District has various post-employment benefit plans in which our employees participate. Prior to SunStream's formation, certain eligible employees participated in these various post-employment benefit plans as AgriBank employees. Expenses related to these plans, are included in "Salaries and employee benefits" in the Statement of Comprehensive Income.

Certain employees participate in the AgriBank District Retirement Plan. The plan is comprised of two benefit formulas. At their option, employees hired prior to October 1, 2001, are on the cash balance formula or on the final average pay formula. Benefits eligible employees hired between October 1, 2001, and December 31, 2006, are on the cash balance formula. Effective January 1, 2007, the AgriBank District Retirement Plan was closed to new employees. The AgriBank District Retirement Plan utilizes the "Projected Unit Credit" actuarial method for financial reporting and funding purposes.

We also provide certain health insurance benefits to eligible retired employees according to the terms of those benefit plans. The anticipated cost of these benefits is accrued during the employees' active service period.

The defined contribution plan allows eligible employees to save for their retirement either pre-tax, post-tax, or both, with an employer match on a percentage of the employee's contributions. We provide benefits under this plan for those employees that do not participate in the AgriBank District Retirement Plan in the form of a fixed percentage of salary contribution in addition to the employer match. Employer contributions are expensed when incurred.

**Income Taxes:** The Company is organized as a C corporation for federal income tax purposes. Deferred tax assets and liabilities are recognized for future tax consequences of temporary differences between the carrying amounts and tax basis of assets and liabilities. Deferred tax assets are recorded if the deferred tax asset is more likely than not to be realized. If the realization test cannot be met, the deferred tax asset is reduced by a valuation allowance. Valuation allowances are recorded against the gross deferred tax assets that management believes, after considering all available positive and negative objective evidence, historical and prospective, with greater weight given to historical evidence, that it is more likely than not that these assets will not be realized.

**Revenue Recognition:** We derive revenue from core services and consulting services from our customers, most of which are lending institutions in the Farm Credit System. Revenue is recognized when evidence of an arrangement exists, delivery has occurred, and control of these services is transferred to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those services. We determine revenue recognition through the following steps:

- Identification of the contract, or contracts, with a customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, we satisfy a performance obligation

#### **Core Services**

Core services revenue primarily consists of fees for financial and retail information technology, collateral, tax reporting, technology and insurance services. We recognize core services revenue on a ratable basis over the contract term beginning on the date that our service is made available to the customer. Our subscription contracts are generally 36 months in duration, are billed monthly and are cancellable with a penalty. We consider various core services in a customer contract to be a series of distinct services which comprise a single performance obligation because they are substantially the same and have the same pattern of transfer. Payments from customers are due on demand.

#### **Consulting Services**

Consulting services revenues primarily consist of fees for project-based work. We have determined that an agreement to purchase these professional services constitutes an option to purchase services in accordance with ASC 606, Revenue from Contracts with Customers, rather than an agreement that creates enforceable rights and obligations because of the customer's contractual right to cancel services that have not yet been used. In the limited case of agreements where we determined that the option provides the customer with a material right, we allocate a portion of the transaction price to the material right based upon the relative standalone selling price. Consulting service agreements that do not contain a material right are accounted for when the customer exercises its option to purchase additional services. Revenue is recognized for projects as the service is performed and payments from customers are due on demand.

**Impairment of Long-lived Assets:** SunStream management reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. There have been no impairment losses recognized for long-lived assets during the periods presented in these financial statements.

**Patronage Program:** As a cooperative, it is our objective to refund earnings not required for unallocated surplus additions as patronage allocations. Patronage is approved and distributed at the discretion of the Board of Directors.

## Recently Issued or Adopted Accounting Pronouncements

In September 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2025-06, Intangibles – Goodwill and Other – Internal Use Software (Subtopic 350-40): Targeted improvements to the Accounting for Internal-Use Software. This ASU eliminates the existing project stage model and introduces a principles-based approach for determining when development costs should be capitalized. The guidance is effective for annual reporting periods beginning after December 15, 2027. Early adoption is permitted at the beginning of an annual reporting period, however, SunStream does not plan to early adopt the standard.

We have assessed the potential impact of accounting standards that have been issued by the Financial Accounting Standards Board (FASB) and have determined there were no recently issued or pending pronouncements that would materially impact the Company. While we are a nonpublic entity, our financial results are closely related to the performance of the combined Farm Credit System. Therefore, we typically adopt accounting pronouncements in alignment with other System institutions.

## NOTE 3: PREPAID ASSETS

### Prepaid Assets

(in thousands)

As of December 31	2025	2024	2023
Maintenance contracts and license fees	\$ 4,872	\$ 5,007	\$ 3,721
Postage	184	325	219
Total prepaid assets	\$ 5,056	\$ 5,332	\$ 3,940

Prepaid assets are comprised of maintenance contracts, license fees, and postage that are recorded at cost and amortized over future periods. There were \$5.1 million in prepaid assets at December 31, 2025, compared to \$5.3 million at December 31, 2024 and \$3.9 million at December 31, 2023.

## NOTE 4: FIXED AND RIGHT OF USE ASSETS, NET

### Fixed Assets

(in thousands)

As of December 31	2025	2024	2023
Computer hardware	\$ 4,960	\$ 4,848	\$ 5,536
Purchased software	1,344	1,344	1,563
Furniture and fixtures	194	194	194
Leasehold Improvements	256	33	33
Fixed assets, gross	6,754	6,419	7,326
Less: accumulated depreciation	5,877	5,623	5,627
Fixed assets, net	\$ 877	\$ 796	\$ 1,699

### Right of Use Assets

(in thousands)

As of December 31	2025	2024	2023
Facilities and equipment	\$ 5,047	\$ 5,152	\$ 5,152
Less: accumulated depreciation	4,357	3,752	2,956
Right of use assets, net	\$ 690	\$ 1,400	\$ 2,196

Right of use assets are comprised of a sublease of office space from AgriBank. The sublease with AgriBank expires on October 31, 2026. We expect to negotiate and sign a new lease for office space in 2026. The following table provides the future minimum contractual lease payments due by year for the sublease with AgriBank as of December 31, 2025:

### Future Minimum Lease Payments

(in thousands)

2026	\$ 728
2027	--
2028	--
2029	--
2030	--
Total future minimum lease payments	\$ 728

**NOTE 5: INTANGIBLE ASSETS**

<b>Intangible Assets</b>			
(in thousands)			
As of December 31	2025	2024	2023
Construction in Progress	\$ 61,667	\$ 46,817	\$ 35,104
Internally Developed Software	7,732	7,732	6,590
Less: accumulated amortization	4,958	3,616	2,570
Intangible assets, net	\$ 64,441	\$ 50,933	\$ 39,124

Intangible assets are comprised of construction in progress and internally developed software projects less accumulated amortization on internally developed software projects. Our PLANT project is currently our only software development project and it is reported on the Statements of Condition under intangible assets, net. Costs related to the development stage of PLANT are capitalized and will begin amortizing when they are ready for their intended use. Amortization expense associated with existing intangible assets totaled \$1.3 million for the year ended December 31, 2025. There was \$61.7 million of total software development costs capitalized at December 31, 2025, compared to \$46.8 million at December 31, 2024, and \$35.1 million at December 31, 2023.

Based on the current amount of intangible assets subject to amortization, including those not yet placed in service, amortization expense is expected to be as follows for the years ending December 31:

<b>Amortization of Intangible Assets</b>	
(in thousands)	
2026	\$ 1,501
2027	4,021
2028	4,525
2029	4,228
2030	4,111
Thereafter	46,055
Total amortization	\$ 64,441

**NOTE 6: AMOUNTS PAYABLE TO AGRIBANK**

<b>Note Payable Information</b>			
(in thousands)			
As of December 31	2025	2024	2023
Line of credit	\$ 50,000	\$ 50,000	\$ 40,000
Outstanding principal under the line of credit	17,496	29,796	16,323
Interest rate	4.25%	4.97%	5.78%

During 2024, we renewed our original line of credit with AgriBank which matured on June 30, 2024. The total line of credit available under the amended and restated promissory note increased from \$40 million to \$50 million and the maturity date was extended to June 30, 2027. We will re-evaluate our future funding needs at that time. As of December 31, 2025, we had an outstanding balance of \$17.5 million, compared to \$29.8 million as of December 31, 2024, and \$16.3 million as of December 31, 2023.

SunStream's line of credit bears interest on any outstanding balance at a variable rate comprised of the sum of AgriBank's administered variable rate plus AgriBank's spread as determined by its Board.

The line of credit is governed by a GFA and substantially all of our assets serve as collateral. The GFA provides for limitations on our ability to borrow funds based on specified factors or formulas relating primarily to outstanding balances and financial condition. Additionally, we have requirements to maintain an effective program of internal controls over financial reporting. For the year ended December 31, 2025, we were not declared in default under any GFA covenants or provisions.

**NOTE 7: SHAREHOLDERS' EQUITY**

All common stock issued is included within shareholders' equity on the Statements of Condition. The Board may increase the amount of required investment to the extent authorized in the capital bylaws. The following represents information regarding classes and number of shares of stock outstanding. All shares are stated at a \$5.00 par value.

### Shareholders' Equity

As of December 31	2025	2024	2023
Shares of class A common stock (at-risk)	1,125,000	1,125,000	1,125,000
Shares of class B common stock (at-risk)	2,250,000	2,250,000	3,375,000
Shares of class C common stock (at-risk)	--	1,125,000	--
Total outstanding shares	3,375,000	4,500,000	4,500,000

Under our bylaws, we are authorized to issue various forms of stock, including:

- 50,000,000 shares of Class A common stock at a par value of \$5 per share and has voting rights. Class A common stock may be issued only to AgriBank. At the time the holder of Class A common stock's Services Agreement is terminated with no renewal, any of such holder's outstanding Class A common stock is converted to nonvoting Class C common stock. Class A common stock may not be sold, retired, or reallocated to any other entity without prior written approval from FCA.
- 50,000,000 shares of Class B common stock at a par value of \$5 per share and has voting rights. Class B common stock may be issued only to an entity that invests in SunStream and obtains services pursuant to a Services Agreement. At the time the holder of Class B common stock's Services Agreement is terminated with no renewal, any of such holder's outstanding Class B common stock is converted to nonvoting Class C common stock.
- 5,000,000 shares each of Class C, Class D, and Class E common stock. Each of these classes of common stock is at-risk, non-convertible and nonvoting with a \$5.00 par value per share. Currently, no Class D or Class E stock has been issued.
- 10,000,000 shares of Class F preferred stock and 5,000,000 shares of Class G preferred stock. Each of these classes of preferred stock is at-risk, non-convertible, and nonvoting with a \$5.00 par value per share. Currently, no stock of this class has been issued.
- 5,000,000 shares each of Series A and Series B participation certificates. Each of these classes of participation certificates is at-risk, non-convertible and nonvoting with a \$5.00 par value per share. Currently, no participation certificates of these classes has been issued.

As mentioned above, Farm Credit Mid-America was previously an owner, but terminated their master services agreement with SunStream, effective December 31, 2024. As a result, FCMA's class B shares of common stock were converted to nonvoting class C shares as of December 31, 2024. In 2025, the FCMA's class C shares of common stock were retired and their capital investment of \$5.6 million was converted to additional paid in capital. Total invested capital of \$22.5 million remained unchanged as of December 31, 2025.

Each owner of Class A and Class B common stock is entitled to a single vote regardless of the number of shares owned in accordance with the bylaws. No shareholder question or matter can be approved without a vote of Class A common stock cast in favor of said shareholder question or matter.

In the event of impairment, losses will be first absorbed equally by each series of participation certificates outstanding, second equally by each share of common stock outstanding, and third equally by each share of preferred stock outstanding. In the event of liquidation or dissolution of SunStream, any assets remaining after payment or retirement of all liabilities shall be distributed first to the holders of preferred stock, second to all holders of common stock and participation certificates, and third to past and present patrons on a patronage basis.

### Patronage and Dividend Distributions

In December 2025, the Board declared patronage of \$9.1 million and was accrued as a liability on the Statements of Condition. Patronage will be paid in cash on or before September 15, 2026. There were no accrued or paid patronage or declared dividends on common stock in previous years.

Dividends may be paid to any class of stock. Any dividend declared on common stock, preferred stock, or participation certificates is paid equally on a per share basis to all record holders of such stock on which a dividend is declared as of the effective date of declaration, without regard to the length of time such shares have been held by the shareholder.

### NOTE 8: REVENUE RECOGNITION

The following table presents our revenues bifurcated into the type of service:

Revenue by Service Type			
(in thousands)			
For the period ending December 31	2025	2024	2023
Core services	\$ 63,164	\$ 50,177	\$ 45,725
Consulting services	1,900	4,598	3,149
Total Revenue	\$ 65,064	\$ 54,775	\$ 48,874

For the year ended December 31, 2025, core services revenue represented 97.1% of our total revenues, compared to 91.6% for the year ended December 31, 2024, and 93.6% for the year ended December 31, 2023.

In 2025, a termination fee of \$25.5 million was received from Farm Credit Mid-America as a result of their exit from SunStream's services. As of December 31, 2025, \$10.2 million was recognized as operating revenue and \$15.3 million was recorded as deferred revenue until the completion of certain performance obligations.

**NOTE 9: INCOME TAXES****Provision for Income Taxes**

<b>Provision for Income Taxes</b>				
(dollars in thousands)				
For the period ending December 31	2025	2024	2023	
Current:				
Federal	\$ 249	\$ 219	\$ 437	
State	69	105	163	
Total current	\$ 318	\$ 324	\$ 600	
Deferred:				
Federal	\$ (154)	\$ (188)	\$ (306)	
State	(88)	53	(205)	
Total deferred	(242)	(135)	(511)	
Provision for income taxes	\$ 76	\$ 189	\$ 89	
Income before income taxes	\$ 9,225	\$ 299	\$ 105	
Effective tax rate	0.8%	63.1%	84.8%	

**Reconciliation of Taxes at Federal Statutory Rate to Provision for Income Taxes**

(in thousands)				
For the period ending December 31	2025	2024	2023	
Federal tax at statutory rates	\$ 1,937	\$ 45	\$ 22	
State tax, net	(19)	41	16	
Patronage distributions	(1,918)	--	--	
Nondeductible Items	76	--	--	
Other	--	103	51	
Provision for income taxes	\$ 76	\$ 189	\$ 89	

Provision for income tax is higher than statutory rate due to certain nondeductible expense.

**Deferred Income Taxes**

Tax laws require certain items to be included in our tax returns at different times than the items are reflected on our Statement of Comprehensive Income. Some of these items are temporary differences that will reverse over time. We record the tax effect of temporary differences as deferred tax assets and liabilities netted on our Statements of Condition.

**Deferred Tax Assets and Liabilities**

(in thousands)				
As of December 31	2025	2024	2023	
Accrued incentive	\$ 942	\$ 882	\$ 1,062	
Postretirement benefit accrual	124	133	130	
Other Assets	65	64	59	
Total deferred tax asset	\$ 1,131	\$ 1,079	\$ 1,251	
Depreciation	\$ 8	\$ (104)	\$ (399)	
Accrued Pension Liability	(176)	(200)	(201)	
Other Liabilities	--	(54)	(65)	
Total deferred tax liability	\$ (168)	\$ (358)	\$ (665)	
Net deferred tax assets / (liabilities)	\$ 963	\$ 721	\$ 586	

A valuation allowance for the deferred tax assets was not necessary at December 31, 2025. Our income tax returns are subject to review by various United States taxing authorities. We record accruals for items that we believe may be challenged by these taxing authorities. However, we had no uncertain income tax positions at December 31, 2025.

## NOTE 10: EMPLOYEE BENEFIT PLANS

### Pension and Post-Employment Benefit Plans

Complete financial information for the pension and post-employment benefit plans may be found in the AgriBank 2025 Annual Report.

The Farm Credit Foundations Plan Sponsor and Trust Committees provide oversight of the benefit plans for which AgriBank and District associations are participating employers. These governance committees are comprised of elected or appointed representatives (senior leadership and/or Board of Director members) from the participating organizations. The Plan Sponsor Committee is responsible for employer decisions regarding all benefit plans including retirement benefits. These decisions could include plan design changes, vendor changes, determination of employer subsidies (if any), and termination of specific benefit plans. Any action to change or terminate the retirement plan can only occur at the direction of the AgriBank District participating employers. The Trust Committee is responsible for fiduciary and plan administrative functions.

**Pension Plan:** We participate in the AgriBank District Retirement Plan (qualified plan), a District-wide multi-employer defined benefit retirement plan. The Department of Labor has determined the plan to be a governmental plan; therefore, the plan is not subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). As the plan is not subject to ERISA, the plan's benefits are not insured by the Pension Benefit Guaranty Corporation. Accordingly, the amount of accumulated benefits that participants would receive in the event of the plan's termination is contingent on the sufficiency of the plan's net assets to provide benefits at that time. This plan is noncontributory and covers certain eligible District employees. The assets, liabilities, and costs of the plan are not segregated by participating entities. As such, plan assets are available for any of the participating employers' retirees at any point in time. Additionally, if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers. Further, if we choose to stop participating in the plan, we may be required to pay an amount based on the underfunded status of the plan. Because of the nature of the plan, any individual employer is not able to unilaterally change the provisions of the plan. If an employee transfers to another employer within the same plan, the employee benefits under the plan transfer. Benefits are based on salary and years of service. There is no collective bargaining agreement in place as part of this plan.

#### AgriBank District Retirement Plan Information

(in thousands)

As of December 31	2025	2024	2023
Funded (unfunded) status	\$ 106,922	\$ 55,398	\$ (31,065)
Projected benefit obligation	1,092,018	1,096,603	1,245,052
Fair value of plan assets	1,198,940	1,152,001	1,213,987
Accumulated benefit obligation	1,026,265	1,011,357	1,140,936
For the year ended December 31	2025	2024	2023
Total plan expense	\$ 23,889	\$ 41,090	\$ 55,535
Our allocated share of plan expenses	569	799	881
Contributions by participating employers	14,872	40,000	45,000
Our allocated share of contributions	537	794	828

The funded (unfunded) status reflects the net of the fair value of the plan assets and the projected benefit obligation at December 31. The projected benefit obligation is the actuarial present value of all benefits attributed by the pension benefit formula to employee service rendered prior to the measurement date based on assumed future compensation levels. The accumulated benefit obligation is the actuarial present value of the benefits attributed to employee service rendered before the measurement date and based on current employee service and compensation. The funding status is subject to many variables including performance of plan assets and interest rate levels. Therefore, changes in assumptions could significantly affect these estimates.

Costs are determined for each individual employer based on costs directly related to their current employees as well as an allocation of the remaining costs based proportionately on the estimated projected liability of the employer under this plan. We recognize our proportional share of expense and contribute a proportional share of funding.

Benefits paid to participants in the District were \$91.1 million in 2025. While the plan is a governmental plan and is not subject to minimum funding requirements, the employers contribute amounts necessary on an actuarial basis to provide the plan with sufficient assets to meet the benefits to be paid to participants. The amount of the total District employer contributions expected to be paid into the pension plan during 2026 is \$13.3 million. Our allocated share of these pension contributions in 2026 is expected to be \$0.4 million. The amount ultimately to be contributed and the amount ultimately recognized as expense as well as the timing of those contributions and expenses, are subject to many variables including performance of plan assets and interest rate levels. These variables could result in actual contributions and expenses being greater than or less than the amounts reflected in the District financial statements.

**Retiree Medical Plans:** District employers also provide certain health insurance benefits to eligible retired employees according to the terms of the benefit plans. The anticipated costs of these benefits are accrued during the period of the employee's active status. Postretirement benefit expense related to the retiree medical plans were not material for any years presented.

## Defined Contribution Plans

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We participate in a District-wide defined contribution plan. For employees hired in the AgriBank District before January 1, 2007, employee contributions are matched dollar for dollar up to 2.0% and 50 cents on the dollar on the next 4.0% on both pre-tax and post-tax contributions. The maximum employer match is 4.0%. For employees hired in the AgriBank District after December 31, 2006, we contribute 3.0% of the employee's compensation and will match employee contributions dollar for dollar up to a maximum of 6.0% on both pre-tax and post-tax contributions. The maximum employer contribution is 9.0%.

Employer contribution expenses for the defined contribution plan, included in "Salaries and employee benefits" in the Statement of Comprehensive Income, were \$1.3 million for the year ended December 31, 2025, \$1.2 million for the year ended December 31, 2024, and \$1.1 million for the year ended December 31, 2023.

## NOTE 11: RELATED PARTY TRANSACTIONS

SunStream is owned by AgriBank, FCB, Compeer Financial, ACA and the CTC. CTC is a collaboration of certain AgriBank District Associations. The ownership rights held by the CTC are further divided amongst the Association members of the CTC based on an agreed upon formula.

Revenue from our owners was \$44.8 million or 68.8% of total revenue for the year ended December 31, 2025, \$49.1 million or 89.6% of total revenue for the year ended December 31, 2024, and \$43.6 million or 89.2% for the year ended December 31, 2023. There were no accounts receivable from our owners at December 31, 2025.

As discussed in Note 6 to the financial statements, we borrow from AgriBank, in the form of a line of credit, to fund our operations and capital expenditures. We purchase various services from AgriBank including, but not limited to: travel, audit, facilities, human resources, and legal. The total cost of services we purchased from AgriBank was \$1.7 million for the year ended December 31, 2025 compared to \$1.6 million for the years ended December 31, 2024 and December 31, 2023.

SunStream subleases office space from AgriBank, included in "Occupancy and equipment" on the Statement of Comprehensive Income, and tenant fees of \$858.1 thousand were paid to AgriBank during the year ended December 31, 2025, \$842.0 thousand were paid to AgriBank during the year ended December 31, 2024, and \$809.4 thousand during the year ended December 31, 2023.

We purchase human resource, benefit, payroll, and workforce management services from Farm Credit Foundations, a service entity included in the AgriBank District. The total cost of services purchased from Farm Credit Foundations was \$235.3 thousand during the year ended December 31, 2025, \$289.0 thousand during the year ended December 31, 2024, and \$196.6 thousand during the year ended December 31, 2023. Our investment in Foundations did not change and was \$16.0 thousand at December 31, 2025.

## NOTE 12: CONTINGENCIES AND COMMITMENTS

In the normal course of business, we have various contingent liabilities and commitments outstanding, which may not be reflected in the Financial Statements. We do not anticipate any material losses because of these contingencies or commitments.

We may be named as a defendant in certain lawsuits or legal actions in the normal course of business. At the date of these Financial Statements, our management team was not aware of any material actions. However, management cannot ensure that such actions or other contingencies will not arise in the future.

## NOTE 13: SUBSEQUENT EVENTS

We have evaluated subsequent events through March 4, 2026, which is the date the Financial Statements were available to be issued.

There have been no other material subsequent events that would require recognition in our 2025 Financial Statements or disclosure in the Notes to Financial Statements.



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