June 13, 2014

Mr. Barry F. Mardock
Deputy Director
Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

Dear Mr. Mardock:

Thank you for the opportunity to comment on FCA's recent proposed rule regarding Standards of Conduct. As a director of AgHeritage Farm Credit Services, I am personally committed to maintaining high standards of conduct, and I know my association is as well. It would appear that the Agency has designed this regulation with the goal of discouraging active farmers from running for the board of a Farm Credit institution. That just makes no sense and it needs to be fixed.

I have a row crop farming operation and have business dealings in my community with a variety of people. People that are involved in agriculture are likely to be customers of AgHeritage but I wouldn't have any way of knowing if they are.

As a director, I find the transaction disclosure requirements in the Conflicts of Interest section of the proposed rule to be unduly burdensome, unnecessary and inappropriate. I do not have a role in approving individual loans or the terms of individual loans. It is unreasonable for me to be put in a position of having to know whether I am doing business with an association customer or not.

I routinely have business transactions with a wide variety of individuals, some of whom might be association customers. Even in instances when I know I'm dealing with an association customer, there is no conflict of interest since I have no role in making individual loan decisions.

The proposed disclosure requirements would require me to report and obtain pre-approval of transactions within my farming operation. This is an unrealistic burden to place on directors with no corresponding benefit.

I urge the FCA to revise substantially the proposed rule or consider withdrawing it. As drafted it is counterproductive, creating inappropriate, unreasonable standards that are inconsistent with modern farming operations. Thank you for your consideration.

Sincerely,

Dwain Morris

Dwain Morris
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Pocahontas, AR 72455