Lincoln Electric Cooperative Inc.

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Your Touchstone Energy® Cooperative

June 17, 2015

Via Electronic Mail to reg-comm@fca.gov
Laurie A. Rea
Director, Office of Secondary Market Oversight
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

Re: Proposed Rule: "Federal Agricultural Mortgage Corporation General Provision; Federal Agricultural Mortgage Corporation Governance; Federal Agricultural Corporation Risk Management; Federal Agricultural Mortgage Corporation Disclosure and Reporting; Farmer Mac Corporate Governance and Standards of Conduct" 12CFR Parts 650, 651, and 655, March 26, 2015

Dear Director Rea,

On behalf of Lincoln Electric Cooperative and its 4,326 member-owners, I appreciate the opportunity to offer comments to the Farm Credit Administration's proposed rule regarding the Federal Agricultural Mortgage Corporation's ("Farmer Mac") corporate governance published in the March 26, 2015, *Federal Register.*

Electric utilities like ours are reliant on capital to meet the demands of replacing aging infrastructure, deploying system automation technologies and boosting energy efficiency efforts. Affordable financing is critical for our cooperative to invest in new, and upgrade existing, distribution projects in our service territory. These projects, in turn, enable us to provide our member-owners safe, reliable and affordable electric service and ultimately benefit our rural consumers in the form of lower electric bills.

Over the years, Lincoln Electric Cooperative, Inc. has benefitted from the secondary market for its financing needs provided by Farmer Mac through the National Rural Utilities Cooperative Finance Corporation (CFC). This facilitates access to additional lower-cost capital for rural

electric infrastructure projects and thereby creates economic growth and opportunities in our service territory.

Our cooperative does not have a vote on Farmer Mac's board, nor does CFC, and I am concerned that the requirement in the proposed rule that elected directors must possess a formal affiliation and representational relationship to the class of stockholders electing them would not contribute to Farmer Mac's ability to fulfill its mission nor promote safety and soundness. We are further concerned that this proposal could constrain the availability and cost of capital for rural electric cooperatives.

Farmer Mac is a valued and instrumental partner for the lending needs of my cooperative, America's rural electric cooperative network and rural America in general. For more than a quarter century Farmer Mac has been a vital partner in helping America's rural lenders, including CFC, meet the evolving needs of their customers.

I appreciate the opportunity, and thank you for considering these comments and concerns on this important matter. In light of these concerns I feel it appropriate for the FCA to withdraw the proposal, or re-propose the rule with significant changes after consideration of these comments.

Sincerely,

V. Ray Ellis Jr.
General Manager
Lincoln Electric Cooperative, Inc.
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