

June 18, 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. Adherence to appropriate Standards of Conduct is important to the integrity of the Farm Credit System and a topic which should be carefully considered. The FCA's proposed rule, however, does far more harm than good and should be substantially revised.

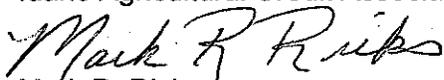
Our Board of Directors reviewed the proposed rule in its June 18, 2014 board meeting. As directors of Idaho Agricultural Credit Association, we found the disclosure requirements in the Conflicts of Interest section of the proposed rule to be entirely inappropriate and completely unrealistic. The proposed rule ignores our association's cooperative structure and the way we do business in our own farming and ranching operations. We routinely have business transactions with a wide variety of individuals, some of whom might be Idaho AgCredit's customers. For the most part, our directors do not know whether someone they are doing business with is an Idaho AgCredit customer. Even in instances where they know they are dealing with an association customer, there is no conflict of interest since directors at Idaho AgCredit do not have any role in approving loans or the terms of loans.

Requiring Association Directors to disclose any transaction with a customer, even when they know they are doing business with a customer, is not realistic. The number of transactions they have in the normal course of business means that both Idaho AgCredit and the directors would spend an enormous amount of time shuffling paperwork with absolutely no impact on any conflict of interest. Perhaps most importantly, the proposal *will immediately discourage qualified individuals from serving on the board of their FCS association.*

Everyday transactions make this unworkable. For example, one of our directors has a trucking business, part of which is to truck milk from dairies to processing plants. A previous director owns a gas station and a truck repair shop. I sell seed potatoes to other farmers. It would be impossible for either of these individuals or me to comply with the proposed rule.

Our Board urges the FCA to revise the proposed rule substantially prior to issuing a final rule. We would also like to offer our support for the comments submitted by CoBank and the Farm Credit Council. Thank you for your consideration.

Sincerely,  
Idaho Agricultural Credit Association



Mark R. Ricks  
Chairman of the Board