ALABAMA AG CREDIT
LAND & FARM LENDERS

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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. 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.

As a director of Alabama Ag Credit, ACA, I find the pre-transaction disclosure requirements in the Conflicts of Interest section of the proposed rule to be entirely inappropriate and completely unrealistic. The proposed rule ignores the System's and our association's cooperative structure and the way I do business in my own farming operation. I routinely have business transactions with a wide variety of individuals, some of whom might be Alabama Ag Credit's customers. For the most part, I don't know whether someone with whom I'm doing business is an association borrower. Even in instances where I know I'm dealing with an association customer, there is no conflict of interest since directors at Alabama Ag Credit do not have any role in approving loans or the terms of loans.

Requiring directors to disclose any transaction with a customer, even when I know I'm doing business with a customer, is not realistic. The number of transactions I have in the normal course of business means that both I and Alabama Ag Credit 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.

I am a production farmer and between purchasing all the supplies and equipment needed to run the operation and selling my products and services, I may have transactions with association customers or loan applicants on a daily basis. Having the Standards of Conduct Official become involved in these routine transactions will not only slow down my operations but may discourage others from doing business with me.

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I urge FCA to revise the proposed rule substantially prior to issuing a final rule. I would also like to offer my support for the comments submitted by Alabama Ag Credit, ACA, the Farm Credit Bank of Texas, and the Farm Credit Council. Thank you for your consideration.

Sincerely,

Timothy D. Tucker
Director of Alabama Ag Credit, ACA