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October 23, 2018

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

Re: Proposed Rule – 12 CFR Parts 611 and 619 – RIN 3052 – AC97; Definitions; Eligibility Criteria of
Outside Directors; 83 Federal Register 42807-42810 (August 24, 2018)

Dear Mr. Mardock:

Alabama Ag Credit appreciates the opportunity to provide comments to the Farm Credit Administration (FCA) regarding its proposed rule to modify existing outside director eligibility requirements as published in the Federal Register on August 24, 2018. We have participated in the development of, and fully support, the comments submitted by the Farm Credit Council (FCC) on behalf of System institutions as well as those comments submitted by the Farm Credit Bank of Texas (FCBT). Since those comments have been provided to you via those entities, we will not restate them in this letter.

We agree that having a strong, independent board is a critical element to implementing sound governance practices. However, we believe that the restrictions in the proposed rule actually harm our association's ability to attract otherwise eligible, well-qualified candidates for outside director seats for the reasons stated in the two letters from the FCC and FCBT. We believe a Standards of Conduct approach can be utilized to determine if borrowing relationships or other activities by immediate family members compromise independence of the candidate or currently seated outside director.

Therefore, we respectfully urge the FCA to withdraw the proposed rule in its entirety as we do not believe it is necessary. We thank the FCA for the opportunity to comment and trust that our comments and those of the FCC and FCBT will assist you during this process.

Sincerely,

Handwritten signature of John Carl Sanders in black ink.

John Carl Sanders
Chairman, Board of Directors

Handwritten signature of Douglas Thiessen in black ink.

Douglas Thiessen
President/Chief Executive Officer