May 20, 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 CoBank, I find that 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 cooperative structure and the way I do business as C.E.O. of Sunray Co-op. I routinely have business transactions with a wide variety of individuals, some of whom might be CoBank or an affiliated association's customers. For the most part, I don't know whether someone I'm doing business with is a System borrower. Even in instances where I know I'm dealing with a customer, there is no conflict of interest since directors at CoBank do not have any role in approving loans or the terms of loans.

Requiring me to disclose in advance any transaction with a customer, even when I know I am doing business with a customer, is not realistic. The number of transactions I have in the normal course of my business means that both CoBank and I 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 urge the 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 CoBank and the Farm Credit Council. Thank you for your consideration.

Sincerely,

Dave Reinders

Dave Reinders
C.E.O. Sunray Co-op
Co-Bank Director, South Region