

## SouthernAgCredit.com

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September 26, 2022

Ms. Autumn R. Agans
Deputy Director, Office of Regulatory Policy
Farm Credit Administration
1501 Farm Credit Drive
McLean, VA 22102-5090

Re: Notice of Proposed Rulemaking - 12 CFR Part 609 — RIN 3052-AD53; Cyber Risk Management; 87 Federal Register 45281-45284

Dear Ms. Agans:

Southern AgCredit, ACA appreciates the opportunity to comment on the Farm Credit Administration's ("FCA") Notice of Proposed Rulemaking regarding Cyber Risk Management ("Proposed Rule") that was published in the Federal Register on July 28, 2022. We fully support the comments made by the Farm Credit Council ("FCC") on behalf of Farm Credit System institutions ("System") in response to the Proposed Rule.

While we agree with the goal of modernizing the information technology regulations, for the reasons more fully explained in the FCC's comment letter [and herein], we do not believe that the Proposed Rule meets the objective of creating a "principles-based" approach. Moreover, some of the Proposed Rule's requirements are unclear or infeasible.

In addition to supporting the positions of the FCC and Farm Credit Bank of Texas ("FCBT") regarding the Proposed Rule,

Southern AgCredit, ACA submits the following comments for your consideration:

- §609.905 should be revised to codify the statement by FCA in Section II, B "Revisions" that "FCA seeks to maintain maximum flexibility for System Institutions." Associations should be able to rely upon this statement in developing Cyber Risk Management policies and procedures. A mere statement in the background to the proposed rule has no regulatory effect.
- It is critical that FCA recognize the "boots on the ground" functional and technical relationship which has developed over time in the realm of Information Technology ("IT") services provided by FCBT to our Association. In large measure, our Association is wholly dependent upon FCBT for a multitude of IT services.
- It is critical that the Proposed Rule and FCA's enforcement thereof recognize that based upon the services FCBT provides to our Association, our Association's Cyber Risk Program is and will continue to be interdependent upon FCBT's Cyber Risk Program, including, but not limited to our

Association relying upon FCBT's annual risk assessments, identification of system and software vulnerabilities, incident response plans / procedures, training of third party vendors and contractors, due diligence in selecting and contracting with vendors and contractors, and monitoring vendors and contractors.

- It is critical that the Proposed rule and FCA's enforcement thereof recognize that our Association's Cyber Risk Program is and will continue to be dependent upon FCBT for internal controls and testing of key controls for the IT services FCBT provides to our Association.
- It is critical that the Proposed Rule and FCA's enforcement thereof recognize that our Association's Cyber Risk Program is and will continue to be dependent upon FCBT for third party review of testing of the IT services FCBT provides to our Association.
- It is critical that the Proposed Rule and FCA's enforcement thereof recognize that our Association's Cyber Risk Program is and will continue to be dependent upon FCBT for our Association's IT disaster response plan for the IT services provided by FCBT.

In summary, the oversight by FCA over the Proposed Rule, taken together with a consideration of the corresponding financial burdens placed upon all associations for Cyber Risk Management, can be successfully accomplished and mitigated so long as FCA is required by the Proposed Rule to recognize that "maximum flexibility" is a paramount component of System Institutions' Cyber Risk Management. Once size does not fit all.

Thank you again for the opportunity to comment on the Proposed Rule. We hope that our comments herein, as well as those submitted by the FCC, FCBT and other System institutions will assist the FCA in its consideration of the Proposed Rule.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Amanda R. Hudson

Chief Information Officer

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