



First South

Farm Credit

June 18, 2026

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

Re: Response to Proposed Rule – *Assessment and Apportionment of Administrative Expenses*, 12 CFR Part 607

Dear Ms. Agans:

First South Farm Credit supports the Farm Credit Administration's proposed rule on Assessment and Apportionment of Administrative Expenses (the "Proposed Rule"). In line with the cooperative principles at the core of the Farm Credit Mission, the Proposed Rule appropriately updates the assessment method to better reflect the current structure of the Farm Credit System and restore equitable allocation of administrative expenses.

The Farm Credit System is a cooperative owned by the borrowers it serves. Assessments should align with cooperative principles ensuring that costs are shared fairly in proportion to participation and scale, all the while supporting the long-term strength of the System. The Proposed Rule successfully accomplishes this goal.

First South supports the Proposed Rule's increased reliance on a pro rata methodology, more directly tying assessments to an institution's share of System assets. This approach more equitably aligns with borrower ownership, ensuring smaller and mid-sized associations' member borrowers are no longer disproportionately burdened.

Finally, First South supports the Farm Credit Council's overarching principles in their comment letter on the Proposed Rule: appreciation of FCA for reevaluating the assessment methodology; support for a fair and equitable assessment methodology reflective of the current System; FCA's continued review of the methodology on a regular basis; and enhanced transparency from the Agency.

For these reasons, First South encourages FCA to finalize the Proposed Rule as written.

Respectfully submitted,
Gines Pérez, III
President and CEO
First South Farm Credit

Home Office

618 Crescent Blvd • Ridgeland, Mississippi 39157 (601) 977-
8381 • FirstSouthLand.com