

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 Premier Farm Credit, I find the transaction disclosure requirements in the Conflicts of Interest section of the proposed rule to be entirely inappropriate and completely unrealistic. The proposed rule ignores my association's cooperative structure and the way my fellow directors do business in their operations. They routinely have business transactions with a wide variety of individuals, some of whom might be Premier Farm Credit's customers. In instances where they are dealing with an association customer, there is no conflict of interest since directors at Premier Farm Credit do not have any role in approving loans, interest rates, foreclosures or the terms of loans.

Requiring my fellow directors to disclose any transaction with a customer, even when they know they are doing business with a customer, is not realistic. The number of transactions they have in the normal course of business means that both Premier Farm Credit and our directors 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, and eliminate the reporting of normal course of business transactions, prior to issuing a final rule. I would also like to offer my support for the comments submitted by CoBank, the Farm Credit Council and Premier Farm Credit. Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Gary Lancaster".

Gary Lancaster
Outside Director
Premier Farm Credit