

Good morning Linda,

I review your draft compensation rule. Seems to make sense to me. For section 5(b)(iv) notice to members, it provides the option of posting on the website. I dont know if you want to go down this path, but any concerns about a CU burying it on its website? Do you wanted posted someplace where a member may be reasonably presumed to locate and access the information?

Do your CUs have non-voting honorary directors? Would you allow them to be compensated?

You capture total compensation in past year, but in providing the anticipated year, can the CU disclose it as per board meeting rather than a total? In other words, I dont tell the members I am paying them 24K, instead I say they get 1K/board meeting (but they meet twice/month)?

Also, in general, any concerns that this rule will prompt CU members to also demand to know the salaries of senior management? Any thought to a policy statement that disclosure of director compensation is important as the elected officers as opposed to professional staff? I know that some of senior staff salary is available by way of the 990, but just wondering about the issue.

Section (7) regarding materially adverse effect on the credit union. Is this strictly a financially adverse effect? What about if it sets off a scrum/member battle? Does that count?

Thank you for letting me preview the rule. I look forward to seeing a final version. ON a related note, do you have any opinions/guidance issued on what constitutes a "gift of minimal value?" Massachusetts recently asked me about this as they are struggling with a situation where a credit union gave a retiring director a 200 dollar rolex..... (I know.....)

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