

Good Morning Ms Jekel,

Thank you again for your hosting of the public meeting yesterday afternoon on the rule making process for the recently passed Reasonable Compensation legislation for Credit Union volunteers. I thought the meeting was very well organized and the materials provided extremely useful for our discussion.

This e-mail is in response to your request for written comments on how any information regarding CU corporate governance should be issued from DFI as relating to implementation of the new legislation.

On behalf of Verity Credit Union I wish to express our strong desire for any such information to be issued as guidance and not rules. Guidance is advisory in nature and can also include best practices from other credit unions throughout the country that have already implemented similar legislation. We are all at the initial stages of dealing with this new legislation (credit unions and DFI as our regulator) and thus are in very much a learning mode.

Rules at this early stage in the implementation process would unduly constrict effective implementation of the legislation. Verity CU recommends that guidance and best practices be issued, and after a period of implementing the new legislation, assess if rules are necessary. Any lessons learned from initial implementation of the legislation for Washington Credit Unions could then be incorporated into either an update of guidance or more formal rules, as conditions warrant.

I would be glad to discuss my comments further and appreciate the opportunity to comment. I look forward to participating in the next steps of the rule making process for this new legislation.

Best Regards,

Dan Strandy  
Chairman of the Board  
Verity Credit Union