

Jordan, Sheron

From: _Regulatory Comments
Sent: Tuesday, June 26, 2007 8:11 AM
To: Jordan, Sheron
Subject: FW: Commetns on Proposed Rule Part 708b (Disclosure of Merger Related Compensation)

-----Original Message-----

From: Jean Goodman [mailto:goodmanjt@earthlink.net]
Sent: Monday, June 25, 2007 6:37 PM
To: _Regulatory Comments
Subject: Commetns on Proposed Rule Part 708b (Disclosure of Merger Related Compensation)

I may have missed the deadline to comment on this new rule but I wanted you to know that I fully support all of its content. In fact, I don't think that it goes far enough.

I have over 25 years experience in banks and credit unions. I also have an MBA in accounting and finance with extensive experience in analyzing financial statements, forensic accounting and litigation support.

It is too easy for management and a credit union's Board to justify a merger by shaping the financial picture of the credit union. Combine this with consultants who have worked for the NCUA advising the Board on how to meet the approval requirements and the member's lack of professional support, and the merger becomes a given.

Many members still do not understand their rights and the value of their membership.

Full and complete disclosure is not enough. The members need to be protected by more stringent independent audits. The last 7 years have seen economic conditions that have been favorable and performance of credit unions have not necessarily been indicative of the quality of Executive Management. The NCUA needs to exercise its authority to determine that management is fully qualified rather than rely heavily on a credit union's performance. Business plans should also be required to take in to consideration known or contingent future developments. This should include a single sponsor credit union losing a significant part of its sponsor support.

Thank you for allowing me to express my concerns.

Jean T. Goodman