



JUN 14 '07 PM 1:06 BOARD

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June 11, 2007

Mary Rupp
Secretary of the Board
NCUA
775 Duke Street
Alexandria, VA 22314-3428

Dear Ms. Rupp,

RE: Comments on Merger Related Compensation Arrangements

Although we are not considering a merger, we think it inappropriate for NCUA or any regulator to involve themselves in the compensation issues of credit unions whether they merge or not. This is a matter better left to the boards and the market place.

We don't see a reason that the compensation should be disclosed to the membership. If the credit unions are healthy, why should the compensation matter? If they are healthy credit unions, apparently the compensation is attracting expertise that keeps NCUA from having to deal with safety and soundness issues. So why kill the goose?

As big as some credit unions have grown in years, the membership still feel an affinity with the boards and trust them. If compensation becomes an issue, the membership can address that with their boards. But leave the issue in the hands of the board to scrutinize and determine.

Cordially,

Phillip A. Matous
resident