

31 Clinton Avenue
Montclair, New Jersey
07042

September 5, 2006

Office of Thrift Supervision
Chief Counsel's Office
Regulation Comments
1700 G Street, NW
Washington, D.C. 20552

Attention: Number 2006-29

Re: Proposed rule making stock benefit plans in Mutual-To-Stock conversions and Mutual holding Company structures, OTC docket number 2006-29

Dear Madam/Sir:

This letter is a comment on the proposed rule change by the Office of Thrift Supervision (OTS) that would enable existing managers of a mutual holding company (MHC) to vote for the stock benefit plans for officers and directors of the MHC without a majority vote from the minority shareholders.

To my recollection, once MHC's have converted from a mutual form, management controls over 50% of the outstanding shares of publicly traded stock in a converted mutual savings and loan. This control enables management to run the holding company and the subsidiary bank as they see fit. Within certain limits, management is able to make broad decisions regarding the cost structure of the thrift, not the least of which is compensation related. As an investor in publicly traded MHC's and fully converted savings and loan institutions, I have no quarrel with this, and cannot say that I have seen great abuse of these powers.

However, my understanding of the proposed rule [above] is that MHC officers and directors would be granted much greater power to vote for stock benefit plans that would inure to their own benefit.

As someone who was born and raised on a farm, this is the equivalent of allowing the fox to oversee the hen house; it is a bad idea. The notion that this makes sense conjures up the word "takings" in my mind, and harkens back to the early 1900's when Robber Barons assembled Trusts, enabling them to wield great power, and squeeze out smaller, sometimes less knowledgeable shareholders, and enrich themselves.

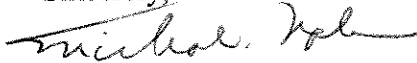
Apparently, the OTS has stated that the amendment is needed because the present rule is "unduly restrictive". I fail to understand this concept, having witnessed dozens upon dozens of savings and loan institutions operate profitably and professionally, with the interests of stakeholders in mind. It would be beneficial if the OTS could elaborate on why this proposed notion has been brought to the attention of the OTS, and how it could possibly benefit minority shareholders, such as myself.

I have worked for publicly traded corporations for most of my professional life (since 1977). As you are probably aware, greed and avarice was the order of the day in the 1990's and even into early 2000's, leading to the current crisis whereby corrupt managements took shareholder funds and effectively gave themselves options grants and other perquisites. This expropriation went unnoticed for several years, but was recently brought to light by astute analysts who tracked options grants, and by the Wall Street Journal which cast considerable light on the chicanery.

This is the biggest risk we face, as owners of well managed, publicly traded savings and loan institutions. And this is the very risk that the OTS is about to aid and abet.

I implore you to jettison the notion of enabling managers to line their pockets at the expense of minority shareholders.

Sincerely,

A handwritten signature in cursive script that reads "Michael C. Nolan".

Michael C. Nolan