

**Opinion 96-8 (Redacted version)**

June 19, 1996

**“A” Credit Union**

Subject: Incentive pay for share and deposit accounts;  
Opinion 96-8

Dear:

Thank you for your letter dated May 28, 1996 written to Parker Cann, Assistant Director.

The Division of Credit Unions has no objection to the incentive payment plan outlined in your letter. As we understand it, the credit union will pay employees \$5.00 for referring a potential member who subsequently opens a share or deposit account with the credit union. However, it is important that the credit union have adequate procedures to check the referred individuals for eligibility for membership under the credit union's field of membership bylaws. Our examiners may review new account procedures for the method of documenting membership qualification and review internal audit procedures for checking compliance of new membership qualification.

If you have additional questions, please do not hesitate to call me at (360) 902-8753.

Sincerely,

Linda K. Jekel  
Program Manager