

Upon examination of these lease instruments, I find that the same have been properly executed by you as Conservation Commissioner, acting on behalf of the State of Ohio, and by the respective lessees therein named. I further find, upon examination of the leases and of the conditions and restrictions therein contained, that the same are in conformity with Section 471, General Code, under the authority of which these leases are executed, and with other statutory enactments relating to leases of this kind. I am accordingly approving the leases above mentioned as to legality and form, as is evidenced by my approval endorsed thereon and upon the duplicate and triplicate copies of each of these leases, all of which are herewith returned to you.

Respectfully,

HERBERT S. DUFFY,
Attorney General.

801.

CREDIT UNION—BOARD OF DIRECTORS—WHO MAY BE
EMPLOYED AS ASSISTANT TREASURER OF SAID
UNION.

SYLLABUS:

By Section 9686, General Code, a board of directors of a credit union may employ members of the credit union as assistants to the treasurer. Such assistants may not be chosen from either the audit or credit committee, but any other officer or member may be chosen as assistants to the treasurer.

COLUMBUS, OHIO, June 29, 1937.

HON. DAN T. MOORE, JR., *Chief, Division of Securities, Columbus, Ohio.*

DEAR SIR: This will acknowledge your request for my opinion, your inquiry reading as follows:

“May we request your interpretation of the following section of the Credit Union Act of Ohio, which reads in part as follows:

‘Section 9686 (4) * * * No member of the credit union shall receive any compensation directly or indirectly for any service rendered to the credit union or to any member except the treasurer, who may be compensated in such amount as the

members at the annual meeting may determine, and such assistants as may be employed by the Board of Directors. * * *

Does this section prohibit the Board of Directors from hiring a member of the credit union to act as an assistant to the treasurer?

If it is held that the Board of Directors may hire members as assistants, may these assistants be chosen from the officers or committee members, in particular the Audit Committee, in so far as the last sentence of the aforementioned section reads as follows:

'Members of the Audit Committee shall not hold any other office in the credit union.'

Credit unions are now authorized by Sections 9676 to 9692, inclusive, General Code. This law is the first enactment of its kind in Ohio, a credit union being of comparative recent development. Section 9677, General Code, provides for the object of a credit union the same being "to promote thrift and to provide credit for its members." A credit union by the same section is a special corporation and has the general authority of other corporations, plus other enumerated powers in Section 9682, General Code, and various restrictions are imposed by Section 9683, General Code.

To come to a conclusion on the questions you have presented it is necessary to study the whole act relating to credit unions. A review of the act shows the express intention of the legislature in enacting this law. The intent of the legislature is clear that a group of individuals, whose membership is limited to a well defined group, usually comparatively small, may form a corporate credit union for self help, largely by self direction and government, yet possessing the general powers of a corporation.

You inquire whether sub-paragraph 4 of Section 9686, General Code, prohibits the board of directors from hiring a member of the credit union to act as an assistant to the treasurer.

Section 9686, sub-paragraph 4, reads as follows:

"No member of the credit union shall receive any compensation either directly or indirectly for any service rendered to the credit union or to any member except the treasurer, who may be compensated in such amount as the members at their annual meeting may determine, and such assistants as may be employed by the board of directors. The board of directors and the committees shall be elected by the members of the credit union at the annual meeting of members. * * * The board of directors may

fill vacancies on the credit and audit committee. The same person may hold office as director and member of the credit committee. Members of the audit committee shall not hold any other office in the credit union."

You will note two exceptions to the provision that no members shall be compensated for their services. They are: (1) treasurer, and (2) such assistants as may be employed by the board of directors. The language of the legislature is clear that members may thus be employed as assistants to the treasurer.

You also inquire whether or not such assistants to the treasurer may be chosen from the officers or committee members with special reference to the members of the audit committee. Members of the audit committee may be disposed of quickly. It is provided that the members of the audit committee shall hold no other office in the credit union. The intent of the legislature is clear in that members of the audit committee have only one responsibility and that is to make the audits of the work of the other officers and members. An auditor should not audit his own work, otherwise the effectiveness of the audit would be lost. The members of the audit committee are therefore excluded from holding any other offices in the credit union.

It is provided that the members of the credit committee may also be directors. This provision excludes the members of the credit committee from holding any other office except that of a director.

The other officers of the corporation may be assistants to the treasurer because the credit union has the powers of a corporation generally. It cannot be denied that an officer in a corporation may be otherwise employed by the corporation if the rules and regulations so provide under Section 8623-62, General Code.

It is fundamental that when the language of the statute is clear and unambiguous the same will admit of no construction and the terms of the statute will control. The above meaning of the language of the legislature is justified by giving effect to the language as used.

In specific answer to your inquiry, it is my opinion that the board of directors of a credit union are not prohibited by Section 9686, General Code, from hiring a member to act as an assistant to the treasurer, that an assistant to the treasurer cannot be chosen from the audit or from the credit committee, and that any other officer may be chosen to act as an assistant to the treasurer of a credit union, the rules and regulations of the credit union so providing.

Respectfully,

HERBERT S. DUFFY,

Attorney General.