

the election and qualification of successors; to have charge of the investment of funds of the corporation except loans to members and to perform such other duties as the members may from time to time authorize.

(b) The officers elected by the Board of Directors may receive such compensation as the members may authorize. The members of the Board of Directors and the members of the Credit and Supervisory Committees may receive such compensation as the members may authorize subject to the final approval of the State Bank Commissioner.

142. (a) A credit union may loan to its members for such purposes, and upon such security and terms as the by-laws shall provide, and the credit committee may approve, but security need not be taken for any loan of three hundred dollars (\$300.00) or less, or for the sum of three hundred dollars (\$300.00) in any case where the loan is in excess of said amount.

(b) An endorsed note, or a note secured by a duly recorded lien upon unencumbered real or leasehold property, or the assignment of shares and deposits in the credit union, may be deemed security by the credit committee within the meaning of this sub-title. No member of the board of directors, credit committee or the supervisory committee shall directly or indirectly borrow from or become security for a loan or advance made by the corporation, in excess of the total of his shares and deposits, or in excess of the total of paid in shares and deposits held by him and his co-makers in said credit union, unless said loan shall have been approved at a regularly called meeting of the membership of the corporation by a majority vote of those present and represented at said meeting, and unless the call for the meeting contained notice of the fact that such loan would be discussed at said meeting.

(c) All officers and members of committees in any way knowingly permitting or participating in making a loan of funds of a credit union to a non-member thereof shall be guilty of a misdemeanor. The credit union shall have the right to recover the amount of said illegal loans from the borrower or from any officer or member of committees who knowingly permitted or participated in the making thereof, or from them all jointly. The supervisory committee shall appoint a substitute to act on the credit committee in the place of any member, in case such member makes application to borrow money from the credit union or to become surety for any other member, whose application for a loan is under consideration. A borrower may repay the whole or any