



NATIONAL CREDIT UNION ADMINISTRATION

WASHINGTON, D.C. 20456

LS/YG:cch
4600

MAY 16 1985

Mr. M. R. Hellie
President
U. of C. Federal Credit Union
2935 Baseline Road
Boulder, CO 80303

Dear Mandy:

This is in reply to your letter dated April 16, 1985, concerning the operation of your ~~share draft program~~. Specifically, you describe your procedure for debiting share drafts and ask if it is legal.

For the most part, the pertinent provisions of law relating to operational aspects of share drafts (check, etc.) would be state law.

We have reviewed the FCU Act, the NCUA Rules and Regulations, and FCU Standard Bylaws, and have determined that they do not address the issues raised in your letter. Therefore, we suggest you consult with your counsel regarding applicable Colorado law.

I regret that I could not be of more assistance.

Sincerely,

ROBERT M. FENNER
Director, Department of Legal Services

CIA
II, Carl E. Z

share drafts