



NATIONAL CREDIT UNION ADMINISTRATION

WASHINGTON, D.C. 20456

December 4, 1985

OFFICE OF GENERAL COUNSEL

Ms. Rochelle Granat
Attorney-Advisor
Bureau of the Public Debt
300 13th Street, S.W.
Room 735-1
Washington, DC 20239-0001

Dear Ms. Granat:

This is in response to your recent letter to Mr. Harvey Baine, concerning a specific credit union's request for authorization to serve as a certifying officer for United States securities pursuant to 31 C.F.R. §306.45. During a telephone conversation with a staff person in Mr. Baine's office, the general issue of such FCU authority was raised.

It is our opinion that an FCU can serve as a certifying officer on United States securities pursuant to its authority to perform services as the Secretary of the Treasury may require in connection with the lending, borrowing and repayment of money by the United States. (See Section 121 of FCU Act, 12 U.S.C. §1767.) It is our opinion that, if approved by the Department of the Treasury, an FCU could serve as a certifying officer for both members and nonmembers of the FCU.

Although we have no legal objection to an FCU serving as a certifying officer, there are safety and soundness issues which are of concern to NCUA. We welcome the opportunity to provide further input to your Office with respect to a possible future modification of 31 C.F.R. §306.45.

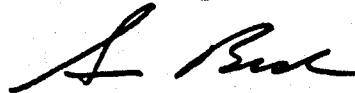
Mr. Baine will contact you shortly, if he has not already done so, concerning the information you requested on the specific credit union that has submitted a request.

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We hope that we have been of assistance. If further questions arise, please contact Hattie Ulan of this Office.

Sincerely, .



STEVEN R. BISKER
Assistant General Counsel

cc: Regional Director, Region II