



NATIONAL CREDIT UNION ADMINISTRATION
Washington, D.C. 20456

September 10, 1986

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Office of General Counsel

Ms. Maggie Webb
Department of Justice Federal Credit Union
Suite 216
7525 Greenway Center Drive
Greenbelt, MD 20770-3509

Dear Ms. Webb:

This responds to your letter dated July 17, 1986, concerning the regulations, if any, governing sweepstake/giveaway promotions. More specifically, your Credit Union proposes to give away a free trip (donated by a vendor) as the prize in a sweepstakes program.

While it is the opinion of this Office that Federal credit unions (FCUs) may participate in and offer sweepstakes promotions, neither the FCU Act nor the NCUA Rules and Regulations address the offering of or participation in sweepstakes promotions by FCUs. You must look to state or other Federal laws that may be applicable to such promotions for guidance. To the extent that the sweepstakes program would violate state laws, i.e., lottery laws, etc., FCU participation would not be permitted.

I hope we have been of assistance.

Sincerely,

A handwritten signature in cursive script, appearing to read "S. Bisker".

STEVEN R. BISKER
Assistant General Counsel

YG:sg

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