



NATIONAL CREDIT UNION ADMINISTRATION

Washington, D.C. 20456

October 16, 1986

Office of General Counsel

GC/HMU:sg  
4693

Fotios M. Burtzos, Esq.  
Attorney and Counselor at Law  
P.O. Box 1088  
Wheat Ridge, Colorado 80033

Dear Mr. Burtzos:

This is in response to your letter of August 28, 1986, concerning credit union service organizations (CUSO's) offering vehicle warranty programs.

Section 701.27 of the NCUA Rules and Regulations (12 C.F.R. §701.27) is entitled "Investments in and Loans to Credit Union Service Organizations." The regulation is applicable to Federal credit unions (FCU's) that have invested in or made a loan to a CUSO. Section 701.27(d)(5) sets forth an exclusive listing of activities that a CUSO can provide. On the list is the "provision of vehicle warranty programs" (this includes extended service contracts).

I hope that we have been of assistance. Please let me know if further questions arise.

Sincerely,

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

STEVEN R. BISKER  
Assistant General Counsel

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FOIA file: UG1 TIE C 2 - CUSO'S