

(-C/RRI850) 3660 7

NATIONAL CREDIT UNION ADMINISTRATION Washington, D.C. 20456

May 16, 1989

Office of General Counsel

Daniel W. Fram, Esq. Peterson, Franke & Riach 300 Midwest Federal Building 50 East Fifth St. St. Paul, Minnesota 55101

Re: Suspension of Member Services (Your March 30, 1989, Letter)

Dear Mr. Fram:

You have requested our opinion concerning suspension of services to Federal credit union ("FCU") members who have caused a loss to an FCU. Enclosed please find several letters on this issue. In general, an FCU member has two fundamental rights which cannot be taken away or limited without a formal expulsion under Section 118 of the FCU Act (12 U.S.C. §1764). Those rights are: (1) to vote in all elections, and (2) to hold a share account in the FCU.

Sincerely,

Hattie M. Illan

HATTIE M. ULAN Assistant General Counsel

RRD:sg

Enclosures

FUIA VOL. TIL (A)(3)(c) FOU member Rights