



NATIONAL CREDIT UNION ADMINISTRATION

WASHINGTON, D.C. 20456

December 10, 1991

William C. Carriger, Esq.  
Strang, Fletcher, Carriger,  
Walker, Hodge & Smith  
400 Krystal Bldg.  
One Union Square  
Chattanooga, TN 37402-2514

Re: NCUA Delegation of Authority  
Insurance No. 1

Dear Mr. Carriger:

On behalf of your client, Mutual Guaranty Corporation, you have requested an opinion regarding the authority of NCUA Regional Directors to make final decisions on applications for National Credit Union Share Insurance Fund ("NCUSIF") share insurance coverage. Under Section 201 of the Federal Credit Union Act, the NCUA Board has the authority to approve or disapprove of the application for NCUSIF insurance by a credit union. 12 U.S.C. §1781. The Board has delegated this authority to the Regional Directors by NCUA Delegation of Authority Insurance No. 1. That delegation provides that the Regional Directors are delegated the authority of the Board "to approve/disapprove certain applications for NCUA share insurance." NCUA Del. of Auth. Ins. No. 1. Upon approval of a NCUSIF application for insurance, the Board, through the person of the Regional Director, "shall notify the applicant and shall issue to it a certificate evidencing the fact that it is, as of the date of issuance of the certificate, an [NCUSIF] insured credit union...." 12 U.S.C. §1781(d).

Sincerely,

Hattie M. Ulan  
Associate General Counsel

GC/MEC:sg  
SSIC 8500  
91-0123t

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