

January 3, 1994

Benjamin Lookofsky, Esq.
East Side Court Square
P.O. Box 696
Mayfield, Kentucky 42066

Re: Use of Attorney (Your December 20, 1993, Letter)

Dear Mr. Lookofsky:

You have asked whether a federal credit union can require the use of a specific attorney (who does the bulk of the FCU's legal work) to process the legal work in connection with an FCU mortgage loan, even though the buyer and seller would prefer to use a different attorney. This practice does not violate either the Federal Credit Union Act or NCUA's Regulations as long as the attorney is not an official of the FCU as specified in Section 701.21(c)(8) of NCUA's Regulations (12 C.F.R. 701.21(c)(8)).

Sincerely,

Richard S. Schulman
Acting Associate General Counsel

GC/MM:sg
SSIC 3501
93-1228