

March 16, 1995

Roderick R. Rovzar, Esq.  
Norman, Hanson & DeTroy  
P.O. Box 4600  
Portland, ME 04112-4600

Re: Outside Counsel Serving on FCU Board of Directors (Your Letter of February 24, 1995)

Dear Mr. Rovzar:

You requested a legal opinion regarding whether an attorney could serve on the board of a federal credit union ("FCU") if the attorney's law firm no longer performs legal services for the FCU. The FCU had used the attorney's law firm solely as a closing agent on real estate loans, but, as the FCU decided to no longer offer real estate loans, the relationship has ceased. You represent that "a commercial relationship will be non-existent in the future." Given these representations, the attorney may serve on the FCU's board of directors.\* Of course, the attorney-director would be subject to the usual conflict of interest requirements mandatory upon all directors. See Letter from Hattie M. Ulan, Associate General Counsel, to Edward F. Harrington, Esq. Re: First Citizens FCU -- Loans to Officers and Directors, dated October 5, 1990 (enclosed). Region I concurs with this opinion.

Sincerely,

Richard S. Schulman  
Associate General Counsel

cc: Layne Bumgardner  
Region I Director

Enclosures  
GC/MS:sg  
SSIC 4060  
95-0231

\* See Letter from Hattie M. Ulan, Associate General Counsel, to Richard Ottow, Commissioner, State of Wisconsin, Re: Section 701.21(c)(8) of NCUA's Rules and Regulations, dated August 23, 1992; Letter from Ms. Ulan, to Len Topolski, Mutual Federal Credit Union, Re: Conflict of Interest, dated February 13, 1991; Letter from Timothy P. McCollum, Assistant General Counsel, to Dennis J. Grotrian, Miller, Grotrian, Stewart & Jackson, Re: Outside Counsel Serving on FCU Board of Directors, dated November 7, 1988(all enclosed).