

August 9, 1995

Mr. Steve Fortner
Mortgage Loan Manager
Energy One Federal Credit Union
220 W. 7th Street
Tulsa, OK 74119-1011

Re: Providing Services to Another Credit Union (Your July 7, 1995, Letter)

Dear Mr. Fortner:

You have asked whether Energy One Federal Credit Union (FCU) can assist a smaller credit union process its conforming mortgage loans.

Section 107(17) of the Federal Credit Union Act, 12 U.S.C. §1757(17), and Section 701.26(a) of the National Credit Union Administration (NCUA) Rules and Regulations, 12 C.F.R. §701.26(a), authorize FCUs to provide certain services to other federal or state-chartered credit unions through the use of a correspondent services agreement. NCUA has stated that such agreements can be used when larger credit unions aid smaller credit unions in providing services to their members. The originating credit union remains responsible for approving the mortgages processed by your credit union. Accordingly, the FCU may assist the smaller credit union process its mortgage loans.

We have also enclosed a letter dated April 2, 1991, from Hattie M. Ulan, AGC, to Ms. Renee T. Panackia, Corporate Credit Union of Arizona, to guide you in complying with the requirements of the correspondent credit union regulations.

I hope that we have been of assistance.

Sincerely,

Richard S. Schulman
Associate General Counsel

GC/JM:sg
SSIC 3500
95-0805
Enclosure