

July 22, 1996

Randy Ingram
Southwest Corporate Federal Credit Union
P.O. Box 655147
Dallas, Texas 75265-5147

Re: Corporate Nonmember Deposits (Your July 18, 1996, "E-Mail")

Dear Mr. Ingram:

Your mail to our internet address asks whether your corporate can deposit funds into one of your member's credit unions and whether that deposit is insured. The corporate is not a member of this credit union. The member credit union does not have a "low-income" designation which would allow it to accept insured nonmember deposits.

The Federal Credit Union (FCU) Act allows FCUs to receive payments on accounts from other credit unions. 12 U.S.C. §1757(6). NCUA's share insurance regulations define member accounts to include "those nonmembers permitted under the [FCU] Act to maintain accounts in an insured credit union, including nonmember credit unions . . ." 12 C.F.R. §745.1(b). If properly maintained, the corporate's account is insured up to the current \$100,000 limit.

Sincerely,

Richard S. Schulman
Associate General Counsel

GC/RSS:bhs
SSIC 3000
96-0731