

November 16, 1998

Shelly Halvorsen, Vice President, Loan Department
Houston Federal Credit Union
P.O. Box 5014
Sugar Land, Texas 77487-5014

Re: Nonmember Joint Owner's Ability to Obtain Advances Under an Open End
Credit Agreement.

Dear Ms. Halvorsen:

You have asked whether a nonmember joint account signer could request advances under an open end credit agreement. Yes, the request is permissible if the member is liable for the full amount of all credit advances. The LoanLiner Credit Agreement language that you cited in your letter states that: "each [joint owner] is individually and jointly responsible for paying all amounts owed."

I am enclosing a copy of a letter from Hattie M. Ulan to James R. Mayhew, dated September 2, 1992, that provides additional discussion of this issue.

Sincerely,

Sheila A. Albin
Associate General Counsel

GC/RMM:bhs
SSIC 4650
98-0915
Enclosure