

RECEIVED

SEP 21 2007

DEPT. OF FINANCIAL INSTITUTIONS
OLYMPIA, WASHINGTON

P O Box 1739
Vancouver, WA 98668
www.iQcu.com
360.695.3441

September 19, 2007

Ms. Linda Jekel
Director of Credit Unions
Department of Financial Institutions
P.O. Box 41200
Olympia, WA 98504-1200

Re: Comments on Credit Union Alternative Share Insurance Programs

Dear Linda,

I have read the correspondence and draft rules posted on the DFI's website relevant to the alternative share insurance provisions in the Washington Credit Union Act, and wish to voice my opinion.

For over 20 years, the Washington Credit Union Share Guaranty Corporation operated here under the oversight of the DFT, and to my knowledge no-one in our State ever lost money in a WCUSGA – insured credit union. This program was terminated at the time of the Rhode Island failures that were caused by a bank. I commented to and worked to help keep the language which provides the authority for the Director of DFI to establish the rules under which private share insurance could be reactivated.

I believe that ASI has operated in numerous states for over 30 years without net losses or unpaid claims. I think they possess satisfactory diversity to meet requirements that should be enacted.

I am concerned about provisions in the current draft rules that insist that a private insurer have contracts reflecting national diversity equal to that of the NCUSIF. The intention should be that there is diversity in a private insurer. The diversity should not mirror NCUSIF.

As you know, our Credit Union strongly supports choices and options. We believe our value exists in Washington because of the quality interaction between the regulated and the regulator. I hope you will continue your work to remove the stumbling block and approve a solid rule.

Sincerely,



Roger Michaelis
President/CEO