

SHARE Credit Union  
King County Credit Union  
School Employees' Credit Union Of Washington  
Seattle Credit Union Center  
Harborstone Credit Union

April 20, 2006

Mr. Scott Jarvis  
State of Washington  
Director, Department of Financial Institutions  
P.O. Box 41200  
Olympia, WA 98504

RECEIVED

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Credit Unions

Dear Mr. Jarvis:

The former Washington Credit Union Share Guaranty Association was disbanded ten years ago. The Legislature at that time decided to explicitly preserve the ability of state-chartered credit unions – after January 1, 1998 -- to choose between federal share insurance for their members' accounts and share insurance provided by another entity approved by the Director.

The law requires the Director to make a finding regarding the qualifications of a non-federal share insurer before a credit union can convert. While we have not yet decided to convert, we are anxious to explore the possibility of non-federal share insurance for our credit unions. Before proceeding further, however, we would first appreciate knowing how your Department would approach the process of making the finding required by the statute.

Accordingly, we would like to schedule a meeting with you and the Director of the Credit Union Division, Linda Jekel, to discuss this issue in greater detail. Since American Share Insurance (ASI) is the only non-federal multi-state provider of credit union share insurance, we also think it would be beneficial to have ASI present to answer preliminary questions you may have about their organization and how private share insurance operates in other states.

The Washington Credit Union League is also strongly supporting our efforts, and they will be sending you a letter under separate cover. We'd also like to ask that the League be included in our meeting to discuss this issue with you and your staff.

Gary Gardner is coordinating this effort on our behalf, and he will be in contact with you in the next week to discuss a possible meeting. If you wish to contact Gary, he can be reached at 206-933-0169.

Jarvis  
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Cordially,



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cc: Linda Jekel  
John Annaloro  
Gary Gardner