

**SHARE Credit Union  
Prevail Credit Union  
School Employees' Credit Union Of Washington  
Seattle Credit Union Center  
Harborstone Credit Union**

**RECEIVED**

**OCT 18 2007**

**DEPT. OF FINANCIAL INSTITUTIONS  
OLYMPIA, WASHINGTON**

October 17, 2007

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

Dear Mr. Jarvis:

In March of 2006, we, along with the Washington CU League, requested that the Department begin the process of drafting a regulation to implement the provisions of RCW 31.12.408 which allows the Director to consider approving an alternative to federal share deposit insurance for credit unions. Since that time, the Director of the Credit Union Division and her staff have produced numerous drafts of a proposed regulation as part of the CR 101 process. The only provider of alternative insurance in the country, American Share Insurance, and interested Credit Unions, have worked with your Department by providing input and suggestions. However, during this complex and technical process it has become evident that that enabling statute allowing for approval of an alternative insurer may be in need of simplification and clarification.

Therefore, we would respectfully request that the Department temporarily suspend the CR 101 process so we can work with your staff to determine the statutory changes needed to provide DFI with the appropriate mechanism from which to reasonably evaluate an alternative share insurer.

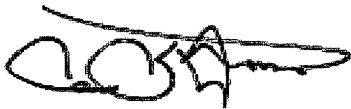
We are most grateful for the extensive and professional work of your Division of Credit Unions staff, and we look forward to working with your Department as this process continues. If you have any questions, please contact Gary Gardner 206-933-0169.

Jarvis  
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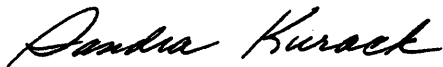
Cordially,



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