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October 23, 2008

Ms. Gigi Hyland  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314-3428

Dear Ms. Hyland:

I am sending this correspondence to request that NCUA follow the FDIC's lead on providing unlimited insurance for non-interest bearing business demand deposits at credit unions.

Our banking counterparts now have unlimited FDIC insurance on these deposits, but credit unions do not. While some credit unions pay interest on business demand deposits, others do not – and some have substantial balances that now exceed the NCUA insurance limit. One example is North Island Credit Union, where approximately \$15 million of their non-interest bearing business demand deposit accounts exceed the insurance limit. Our industry is at immediate risk of losing these balances as they leave our credit unions for the now 'safe haven' at banks.

Businesses today, like consumers, need as much confidence and assurance as possible regarding their accounts at financial institutions. If NCUA acts to provide the same unlimited insurance coverage as the FDIC has, it will send a strong, positive message to small business owners across the United States. If NCUA does not act, many of those same business owners will consider moving their funds, which will further limit the ability of credit unions to serve small businesses.

On behalf of CU Business Group's 283 credit unions, we respectfully request NCUA to make this important change. Thank you in advance for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Middleman", with a long horizontal flourish extending to the right.

**Larry Middleman**  
President/CEO