



## ***DCU BULLETIN***

***Division of Credit Unions***

***Washington State Department of Financial Institutions***

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February 24, 1999

No. B-99-5

### **Completing Year 2000 (Y2k) Testing With TransAlliance Before March 31, 1999**

[DCU's Y2K Update #10]

At a recent meeting with DFI, TransAlliance indicated that time is available for most Washington credit unions to complete their Y2K testing (with TransAlliance) prior to the end of March 1999. However, credit unions must make such arrangements with TransAlliance soon in order to take advantage of this window of availability.

We strongly encourage those credit unions that have not yet tested with TransAlliance to contact Deborah J. Olivey at TransAlliance, at (425) 644-5124, to schedule a time for your testing. We understand that many of you will need to schedule testing through your primary share and loan vendor. Others will need to schedule tests directly with TransAlliance. In each case, we encourage you to get your credit union on the schedule as soon as possible.

### **Credit Unions That Did Not Substantially Complete Y2K Testing By December 31, 1998 - Attachment To Supervisory Agreement**

By letter dated January 19, 1999, DCU asked credit unions that had not substantially completed Y2K testing by December 31, 1998 to sign a Supervisory Agreement. In the Agreement, the credit union agrees to complete Y2K testing by March 31, 1999, which is the DCU benchmark for completion of testing.

We understand that some of the credit unions that received the January 19 letter will not be able to complete Y2K testing of certain vendor-supplied systems by March 31, 1999.

Of course, the enhanced availability of testing with TransAlliance, discussed above, should make it easier for many credit unions to meet the March 31, 1999 benchmark. Nonetheless, some credit unions that received the January 19 letter may still feel that they cannot meet the March 31, 1999 benchmark, because of later testing by vendors. We have developed the enclosed Attachment (to the Supervisory Agreement) to accommodate this situation.

In the Attachment, the credit union agrees that it will successfully complete Y2K testing of its mission-critical systems by March 31, 1999, except for the vendor systems listed in the Attachment. The credit union must provide a date for the completion of testing of the listed systems. We expect the testing to be completed no later than June 30, 1999, which is the NCUA benchmark for completion of testing.

Credit unions in this situation should complete and sign the Supervisory Agreement and Attachment and return the entire January 19, 1999 letter with the Attachment to Mike Delimont of the Division as soon as possible.

**Attachment to Supervisory Agreement with DCU  
(Included with DCU Letter Dated January 19, 1999)**

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(Credit Union) is not able to comply fully with paragraph 1 of the Supervisory Agreement described above (Supervisory Agreement) because it will not be able to successfully complete Y2K testing of certain vendor-provided, mission-critical systems by March 31, 1999. However, the Credit Union has agreed to complete Y2K testing of such systems by certain dates, in accordance with the following:

Notwithstanding paragraph 1 of the Supervisory Agreement, the Credit Union agrees that it will successfully complete Y2K testing of its mission-critical system(s) by March 31, 1999, except for the vendor-provided, mission-critical system(s) listed below. The Credit Union agrees that it will successfully complete Y2K testing of the system(s) listed below by the applicable date(s) provided below.

<u>Mission-critical System</u>	<u>Vendor</u>	<u>Testing Completion Date</u>
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The Board of Directors of the Credit Union has duly approved the Credit Union's execution of this Attachment at a meeting held on \_\_\_\_\_, 1999.

**On behalf of the Credit Union:**

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Board Chairman                      Date

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Managing Officer/CEO              Date

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Print name

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Print name