August 10, 2006

Ms. Mary Rupp
Secretary of the Board
NCUA
1775 Duke Street
Alexandria, VA 22314-3428

Re: Proposed Rule Making – Part 703 – Repurchase Transactions and First Lien Mortgages

Dear Ms. Rupp:

On behalf of Visions FCU of Endicott, New York, I would like to respond to your questions concerning the proposed changes on Part 703.14 concerning Repurchase Transactions. Although our credit union does not envision purchasing such securities immediately, we support the right of other credit unions to do so and generally support the proposed rule.

1) Typically securities are purchased through a third party who will provide the information concerning the underlying loans that make up the security. We do not feel it is necessary to provide more than tri-party custodial arrangement to accomplish this task.

2) We do not believe there should be separate requirement for the counterparty to have an A-1 or A- credit rating on investment repurchase transactions concerning mortgage notes since there is no such requirement ion 703 on other mortgage backed securities.

3) Daily monitoring of the investment pool value does not seem necessary as part of the regulation, even if this is standard part of such transactions since financial statements are prepared only on a monthly basis and none of these investments is to be held longer than 30 days. The pool only needs to be valued on a monthly basis as part of preparation of the credit unions monthly financial statements. The investment pools are secured by whole loan investments that have value

4) We agree that the agency should consider excluding long term credit requirements for counter parties in mortgage note repurchase transactions due to the short term nature of the instrument.

We appreciate the opportunity to comment on this proposed rule change.

Sincerely,

Frank E. Berrish
President/CEO