

September 27, 2005

Ms. Mary Rupp
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

Comments on Proposed Rule Part 741.8 (delivered by e-mail to regcomments@ncua.gov)

I appreciate the opportunity to comment on the proposed revisions to the National Credit Union Administration's Rule 741. I am the CEO of River city FCU, a \$98,000,000 credit union primarily serving the select employee groups descending from "Ma Bell" and a major portion of San Antonio's underserved community.

We support the proposed addition of subsection (b)(3) to Part 741.8, clarifying that purchase and assumption transactions between federally-insured credit unions do not required NCUA approval. It doesn't seem that there is a material increase in the risk to the National Credit Union Share Insurance Fund by transferring assets from on insured institution to another.

We also support changing Part 741.8 on how credit unions can apply for NCUA approval for other types of purchase and assumption transactions.

We aren't sure that it is beneficial for NCUA to change the current Rule 741.3 concerning state chartered credit union activities and investments. We have always been strong supporters of the dual chartering system. In Texas there is a very credible state regulatory system. I'm not aware of any pervasive unsafe or unsound activity by State chartered credit union in the investment area.

Thank you for the opportunity to comment on the proposed revisions to the National Credit Union Administration's Proposed Rule 741.8. If you or other staff members have questions about my comments, please give me a call at 210-225-6866.

Sincerely,

Watt Prichard, CEO
River City FCU