

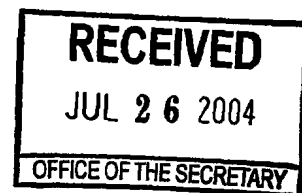


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July 20, 2004

Mr. Jonathan G. Katz, Secretary
Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549-0609



Dear Secretary Katz:

RE: File #S7-26-04 Proposed Rule Change – Broker Dealer Registration

We are pleased to be able to comment on this proposed SEC change to extend the three current bank exemptions on securities activities to credit unions as well.

- We strongly support and urge the extension of the networking exemption to credit unions and agree with the related conditions and definitions.
- We support the extension of the sweep account exemption to credit unions and agree with the related conditions and definitions.
- We support the extension of the trust and fiduciary activity account exemption to credit unions.
- We do not currently act as a trustee and/or custodian of pension and retirement plans for any of our credit union members but believe we should retain this right as currently permitted by NCUA regulations. Other than that, we agree with the SEC decision not to extend the safekeeping and custody exemption to credit unions.

We believe the proposed changes will better allow credit unions to provide needed financial services to people of all means, with consumers benefiting from increased competition, improved service, and better attention to their financial well-being. We appreciate this opportunity to comment.

Sincerely,

Frank E. Berrish
President/CEO

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Cc: C. Bender D. Woodburn R. Bradley

