

UNITED STATES MARINE CORPS  
Marine Corps Base  
Camp Lejeune, North Carolina 28542

COMP/AKM/dh  
11300  
18 Jul 1978

From: Assistant Chief of Staff, Comptroller  
To: Assistant Chief of Staff, Facilities

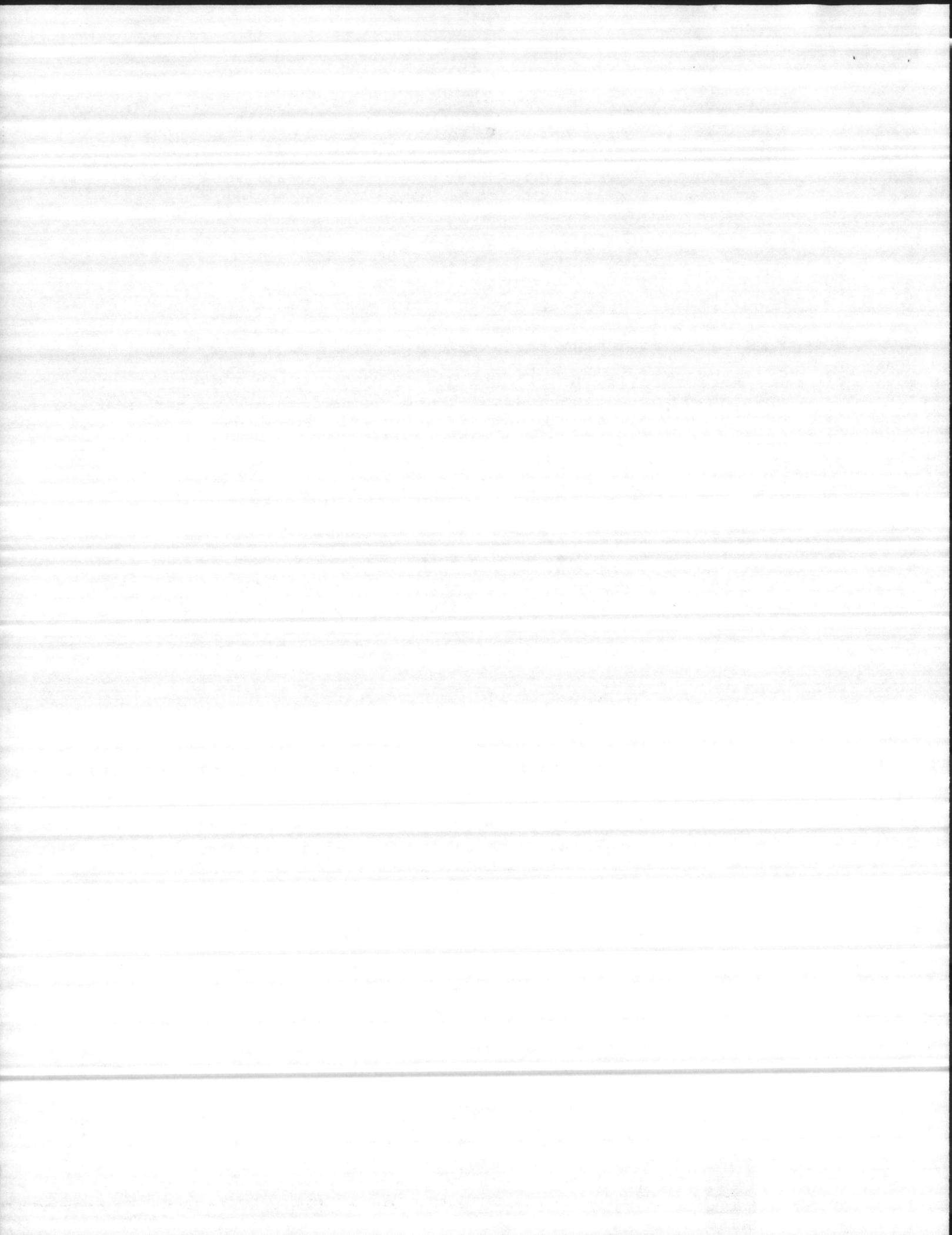
Subj: Lease Agreement and Utilities for Credit Union

Encl: (1) SECNAVINST 5381.3D

1. Enclosure (1) requires a no-cost permit for space furnished the Marine Federal Credit Union. Since no type of lease or permit now exists, it is requested that necessary action be taken to obtain the required permit.

*A. K. MAREADY*  
A. K. MAREADY  
Deputy Comptroller

*not true - the  
wording is may be provided*



7/20

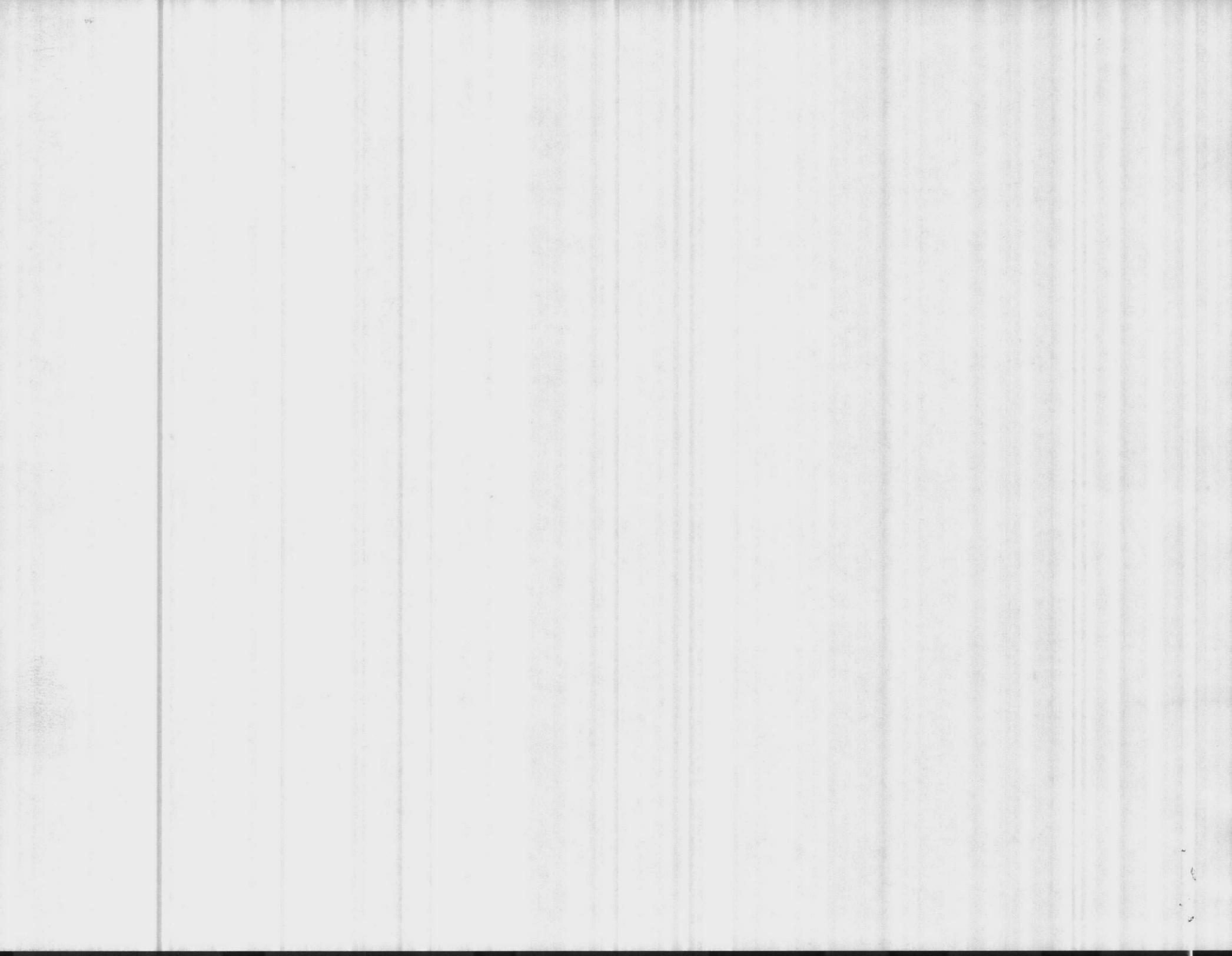
AC/s Fac,  
(Attn: Al Austin)

- I read this pkg a little differently.
1. The instruction says a no-cost permit may be provided ~~but~~ <sup>when available</sup> "not requires a no-cost permit".
  2. The lease mentioned on page 12 of encl. (2) seems to refer to the base of land rather than class II property, leaving the implication that a lesser type agreement may be appropriate. As a matter of fact, a license seems to be indicated (see ~~also~~ <sup>also</sup> the attached extracts from P-73).
  3. The CG (see also B.O. 11011.1F) can issue a 1 year license/permit. Longer term, LANTDIV (who can go 5 years). Longer

term seems preferable

4. Don't agree that these needs to be (or should be) two documents. Simply title the agreement referred to on pg 10, encl (2), "License" or "Permit" and incorporate all necessary understandings between the Parties (1) the Navy/Marine Corps and (2) the Credit Union. We await Comptrollers input draft. We will use that to develop the license in proper format, getting necessary help (if any) from LANTDIV, for LANTDIV signature as govt rep.

Rory  
Carsh



Boiler

HEADQUARTERS, MARINE CORPS BASE  
CAMP LEJEUNE, NORTH CAROLINA

Date 19 July 73

From: Assistant Chief of Staff Facilities

To: PWO

Subj: Lease agreement for Credit Union.

Two things are required by the Ref.

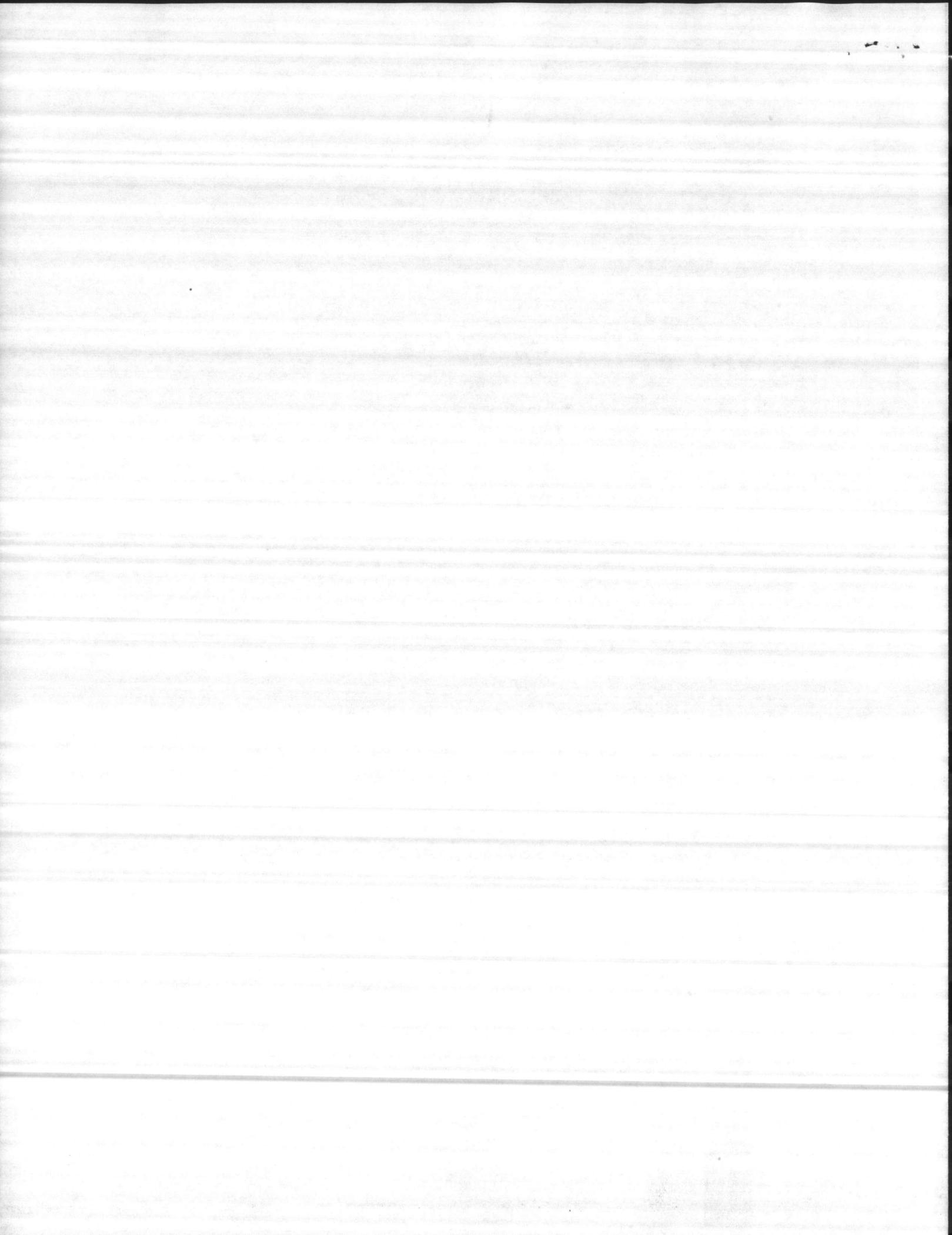
(1) agreement Between CG & Credit Union.  
Compt will do this (page 10 Encl(2))

(2) lease. (page 12 Encl(2))  
Pwo action.

Since the two documents will reflect the same agreements I suggest (and Compt agrees) that you wait for a copy of the "Agreement" before you write the lease

JO

Al Austin





DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20350

COMPT Comp  
COMPT \_\_\_\_\_  
RIDGE \_\_\_\_\_

SECNAVINST 5381.3D  
NAVCOMPT NCD4  
2 JUN 1978

SECNAV INSTRUCTION 5381.3D

From: Secretary of the Navy

Subj: Credit unions serving Department of the Navy  
personnel

Ref: (a) DOD Directive 1000.10 of 22 June 1977 (NOTAL)  
(b) BUPERSMAN, article 6210140 (NOTAL)  
(c) MCO P5800.8 (NOTAL)  
(d) SECNAVINST 1740.2B  
(e) SECNAVINST 5370.2G  
(f) NAVCOMPT Manual  
(g) SECNAVINST 11011.45  
(h) NAVFACINST 11012.111A  
(i) OPNAVINST 4000.76A  
(j) OPNAVINST 5112.1A  
(k) SECNAVINST 11013.29

Encl: (1) Definitions  
(2) Department of the Navy Policy on Credit Unions  
(3) Credit Union Directory  
(4) National Credit Union Administration National  
and Regional Office Directory

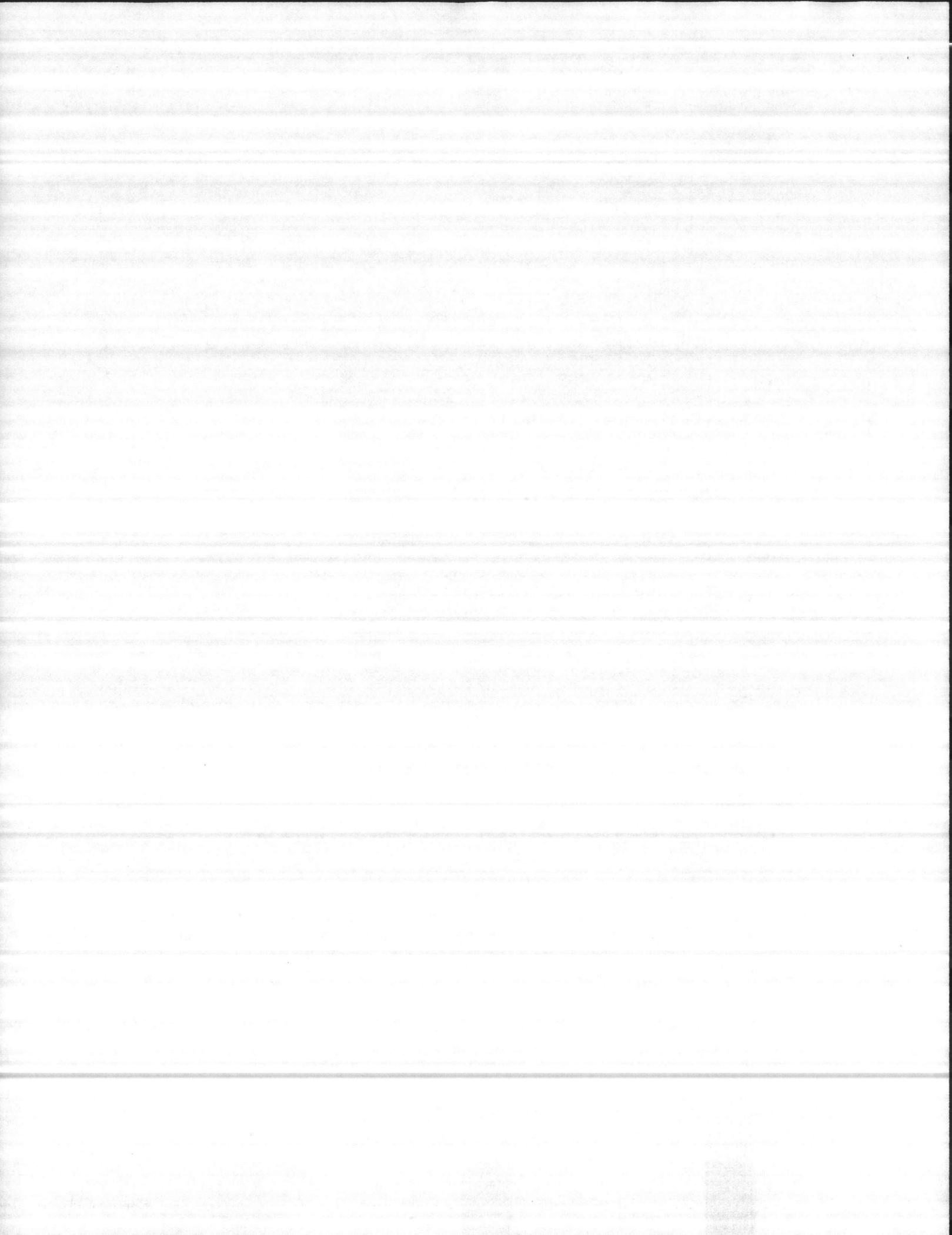
1. Purpose. To set forth the revised and amended policies concerning the establishment, support and relationships with credit unions serving Department of the Navy personnel, as set forth in reference (a). (F)

\* 2. Cancellation. SECNAV Instruction 5381.3C.

3. General

a. The Department of the Navy is committed to a strong credit union movement with full credit union services to all Department of the Navy personnel.

b. Credit unions are recognized as cooperative associations for the purpose of stimulating systematic savings and creating a source of credit for provident or productive purposes. They emphasize self-help and wise money management, including offering sound financial counseling services, thereby raising the standards of living, strengthening the family unit, and increasing the self-reliance of the member. Credit unions are recognized by the Department



2 JUN 1978

of the Navy as important morale and welfare resources. They shall be assisted at all echelons because they extend mutual benefits to Navy and Marine Corps personnel by:

(1) Inculcating the habits of thrift through the accumulation of savings;

(2) Combating usurious practices by providing money for personal loans at reasonable interest rates; and

(3) Extending financial counseling services on personal and family financial planning problems, true costs of installment buying contracts, and related matters of interest to members and their dependents.

c. The support and sympathetic understanding intended by this instruction will not be construed as representing direction, supervision or financial responsibility of credit unions by installation commanders, the Department of the Navy, or the Department of Defense.

d. Credit union service shall be made available to Department of the Navy personnel of all grades as set forth herein. Compliance is required with the Truth-in-Lending Act (15 USC 1601 et seq.) and the extent to which personal credit rating information of a member may be disseminated is set forth in references (b), (c), and (d).

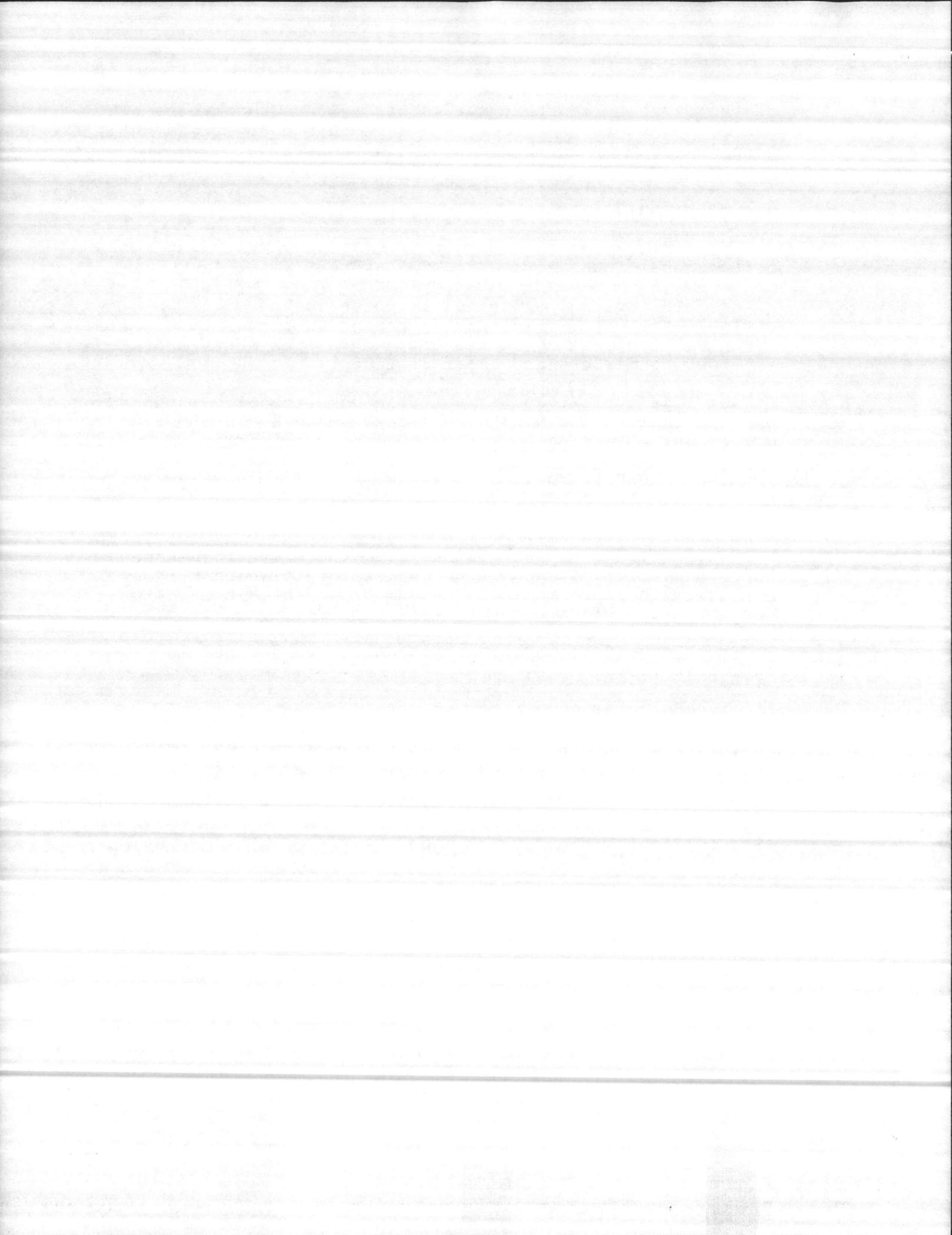
e. Terms used in this instruction are defined in enclosure (1).

f. Policies governing the establishment of new credit unions, logistical support to credit unions, and the operational requirements of credit unions on Navy and Marine Corps installations are set forth in enclosure (2).

g. Enclosure (3) contains a directory of various credit unions which serve Department of the Navy personnel. Enclosure (4) contains a directory of the National Credit Union Administration national and regional offices.

#### 4. Responsibilities

a. The Assistant Secretary of Defense (Comptroller) monitors the overall Department of Defense Credit Union



2 JUN 1978

Program to ensure its effective implementation and maintains liaison as appropriate with the National Credit Union Administration (NCUA) or equivalent state agencies, credit union associations, and credit unions to provide guidance and assistance. The Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics) is responsible for personnel welfare and morale.

b. The Secretary of the Navy recognizes and will assist credit unions in developing and expanding credit union services through the office of the Assistant Secretary of the Navy (Financial Management).

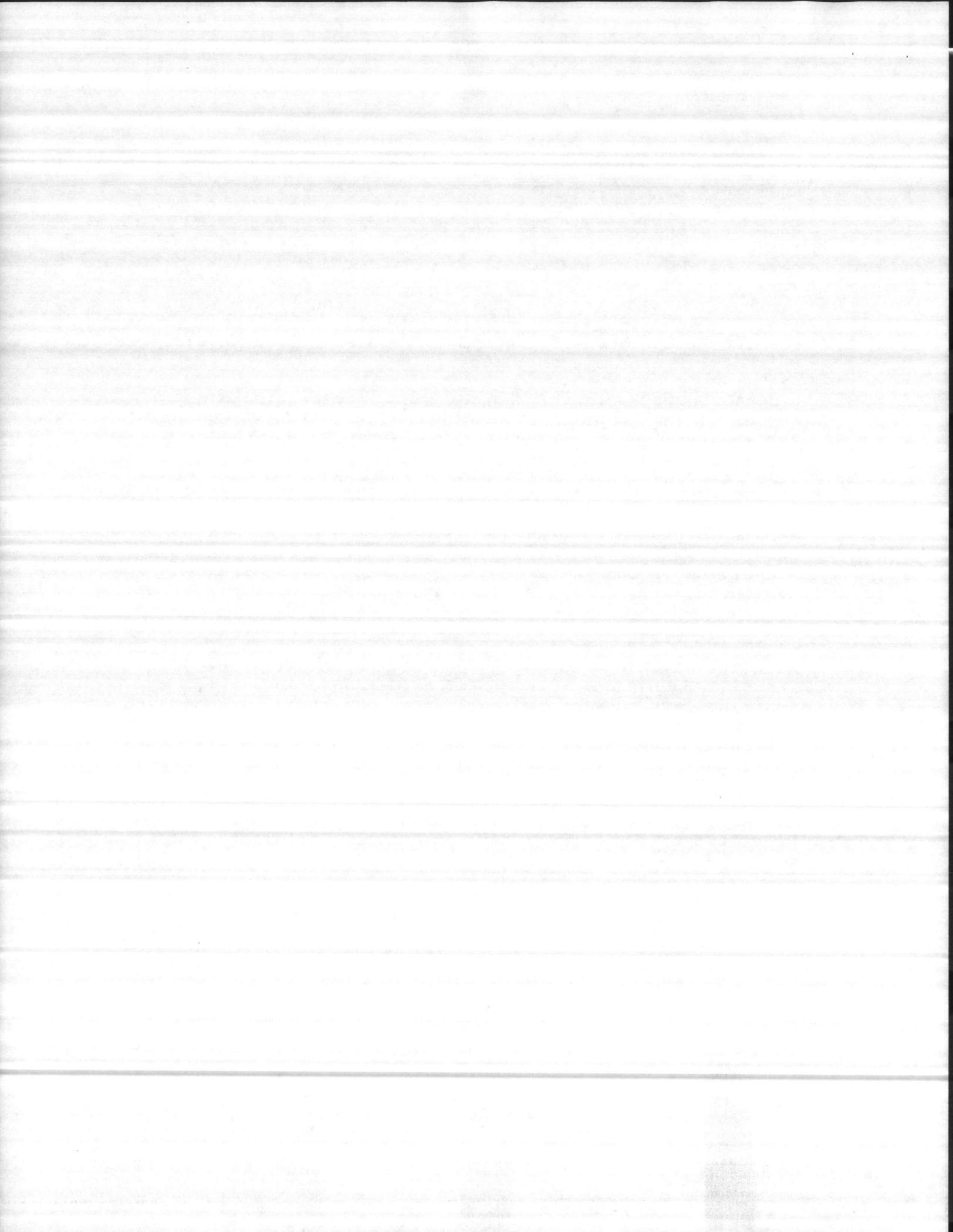
c. The Director of Banking and Contract Financing, Office of the Comptroller of the Navy (NCD4), is responsible for monitoring and supervising the Navy and Marine Corps credit union programs and representing the Department of the Navy in credit union matters with the Department of Defense, the National Credit Union Administration (NCUA), state chartering agencies and the credit union associations. All aspects of the credit union program which pertain to morale and welfare will be coordinated with the Chief of Naval Personnel (under the Chief of Naval Operations) or the Commandant of the Marine Corps as appropriate.

d. Commanders at all levels shall recognize the right of military and civilian personnel to organize and affiliate with credit unions formed under duly constituted authority and will encourage expansion of credit union services. Additionally, commanders shall encourage their personnel to volunteer to participate in credit union activities, such as serving on committees or boards, on a nonreimbursable basis where conflict of neither duties nor interests is involved as prescribed in reference (e).

5. Installation commanders serving on the Board of Directors or the Supervisory Committee. Installation commanders will not serve on the Board of Directors or the Supervisory Committee of an on-site credit union.

6. Action

a. Commanders are enjoined to render all possible assistance within bounds of this instruction to facilitate credit union efforts at the local level. They shall also periodically publicize the availability, practicability, and desirability of services offered by credit unions, particularly in the areas of financial counseling.



SECNAVINST 5381.3D

2 JUN 1978

b. Command awareness of such areas as credit union fields of membership, lending policies, and applied practices is required to ensure the effective use of credit union services. In this regard, liaison with the credit union serving the personnel of the installation is highly desirable and strongly encouraged.

c. Commanders shall encourage members of their commands to develop habits of thrift and point out the benefits derived from maintaining an accumulation of savings.



G. A. Peapples  
Assistant Secretary of the Navy  
(Financial Management)

Distribution:

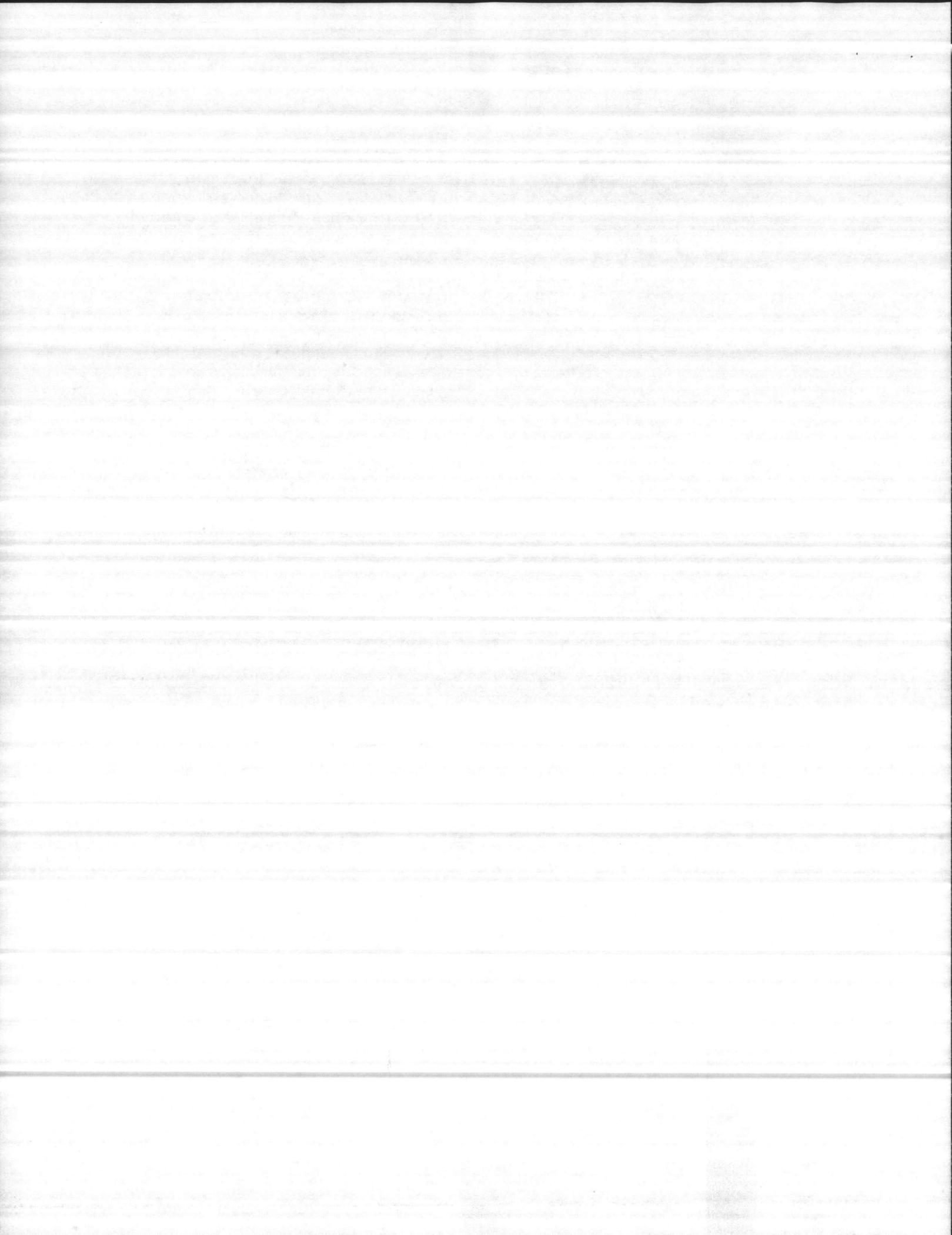
SNDL: A1; A2A; A6; E through V

Copy to:

SNDL: A3 (3 copies); A4A (3 copies); E2D (GLakes, only)  
Code 1B; FKM27-0721 C/L (NPPSMO) (2 copies)  
A5(BUPERS only) (5 copies)

Stocked:

CO, NAVPUBFORMCEN  
5801 Tabor Ave.  
Phila., PA 19120



DEFINITIONS

1. Automated Teller Machine (ATM). A machine which dispenses cash, accepts deposits and transfers funds between a member's various accounts. Equipment generally is activated by a plastic card in combination with pushbuttons.

2. Charter (Credit Union). A document issued by the National Credit Union Administration (NCUA) in the case of Federally-chartered credit unions and the state regulatory agency in the case of state-chartered credit unions, setting forth the authority of a credit union to conduct business.

3. Credit Union. A cooperative association organized for the purpose of promoting thrift among its members and creating a source of credit for provident or productive purposes.

4. Credit Union Branch. A subsidiary office of an existing full-service credit union.

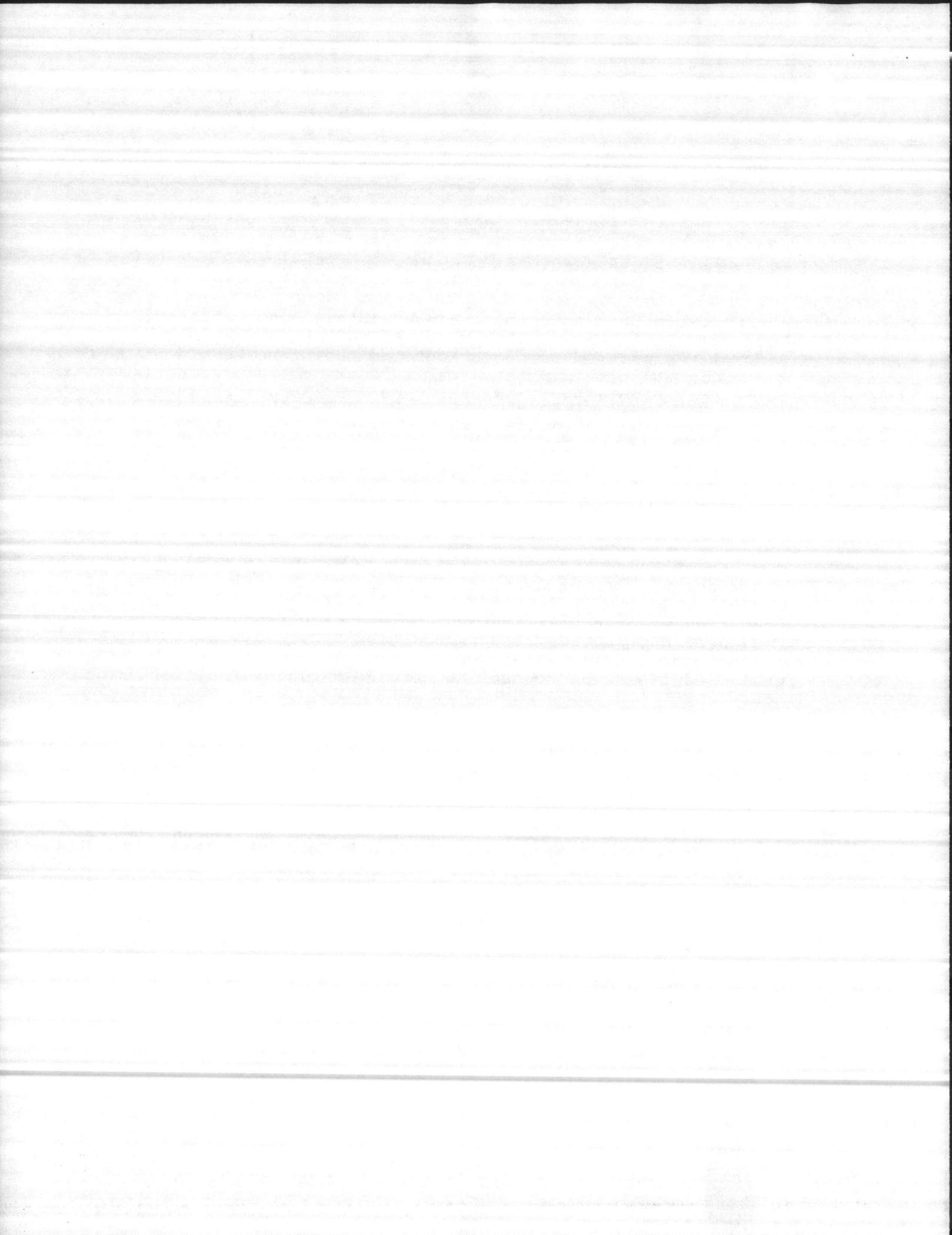
5. Credit Union Facility. A facility employing teletype or other communications systems with the main credit union to conduct business at remote locations where a full-service credit union branch is impracticable. Credit union facilities need not provide cash transaction services, but do disburse loans and shares via check or draft. They provide qualified financial counseling service during normal working hours.

6. Discrimination. Any differential treatment in the provision of services, including loan services, by a credit union to DOD credit union members and their dependents on the basis of race, color, religion, national origin, sex or marital status, age, rank, or grade.

7. DOD Credit Union. A credit union organized primarily to serve DOD personnel.

8. DOD Personnel. All military personnel, Civil Service employees, and other civilian employees including special Government employees of all Federal offices, agencies and departments carrying on functions on a Defense installation (including nonappropriated fund instrumentalities).

9. Fair Rental. Fair rental is a reasonable charge for on-base land and is not necessarily comparable with the



2 JUN 1978

rental charges in the local civilian economy. The charge will be based primarily on costs of administering the lease and will be as established by the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics). Once determined, the charges will be applicable for the entire term of the lease.

10. Federal Credit Union. A credit union established and operated under authority granted by the Federal Credit Union Act, as amended, as a legal entity with specific powers and authorities as approved by law. Federal Credit Unions are supervised and examined periodically by the National Credit Union Administration.

11. Field of Membership. The group or groups of persons a credit union serves, as specified in its charter. Group members normally have a common bond of occupation or association, or reside in a well-defined neighborhood, community, or rural district. A credit union's field of membership is established and modified by amendment to the credit union charter.

12. Full-Service Credit Union. A full-service credit union provides normal counter transaction service and is staffed with a loan officer, a person authorized to sign checks and a qualified financial counselor. (Counseling functions may be assumed by the loan officer or the person authorized to sign checks of the credit union.)

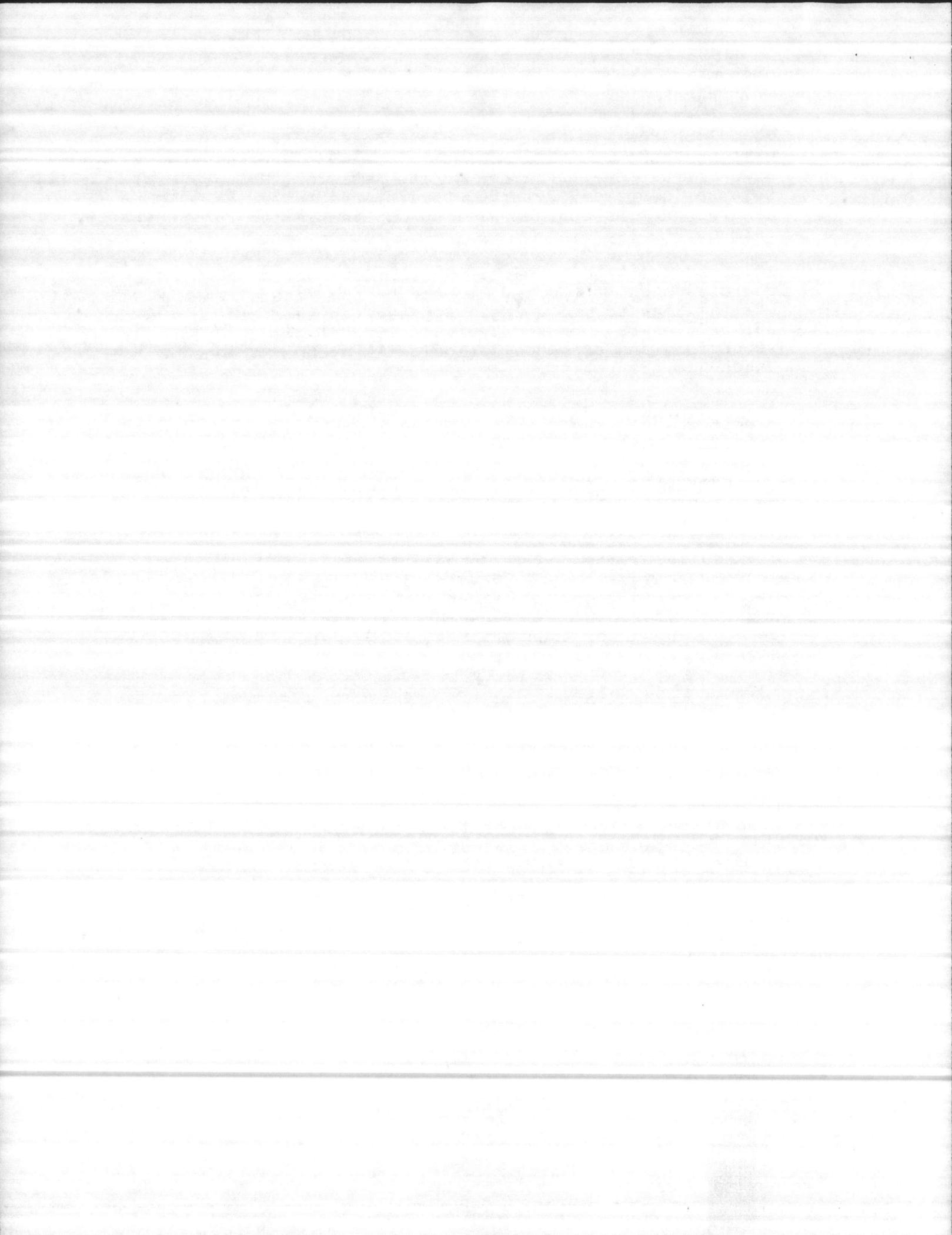
13. Lending Policy. A set of written directives promulgated by the Board of Directors of a credit union, setting forth the qualifying requirements for a credit union loan.

14. Malpractice. Any action or inaction in the operation of a credit union that may result in injury, loss or damage to a member, or members, of that credit union or the violation of the state or federal chartering agency's regulations whether intentional, criminal or merely negligent.

15. Overseas Credit Union. A federally-chartered full-service credit union which services its members through a branch or facility at U.S. military installations in foreign countries.

16. Share Drafts. A negotiable draft or other order prepared by the credit union member and used to withdraw

Enclosure (1)



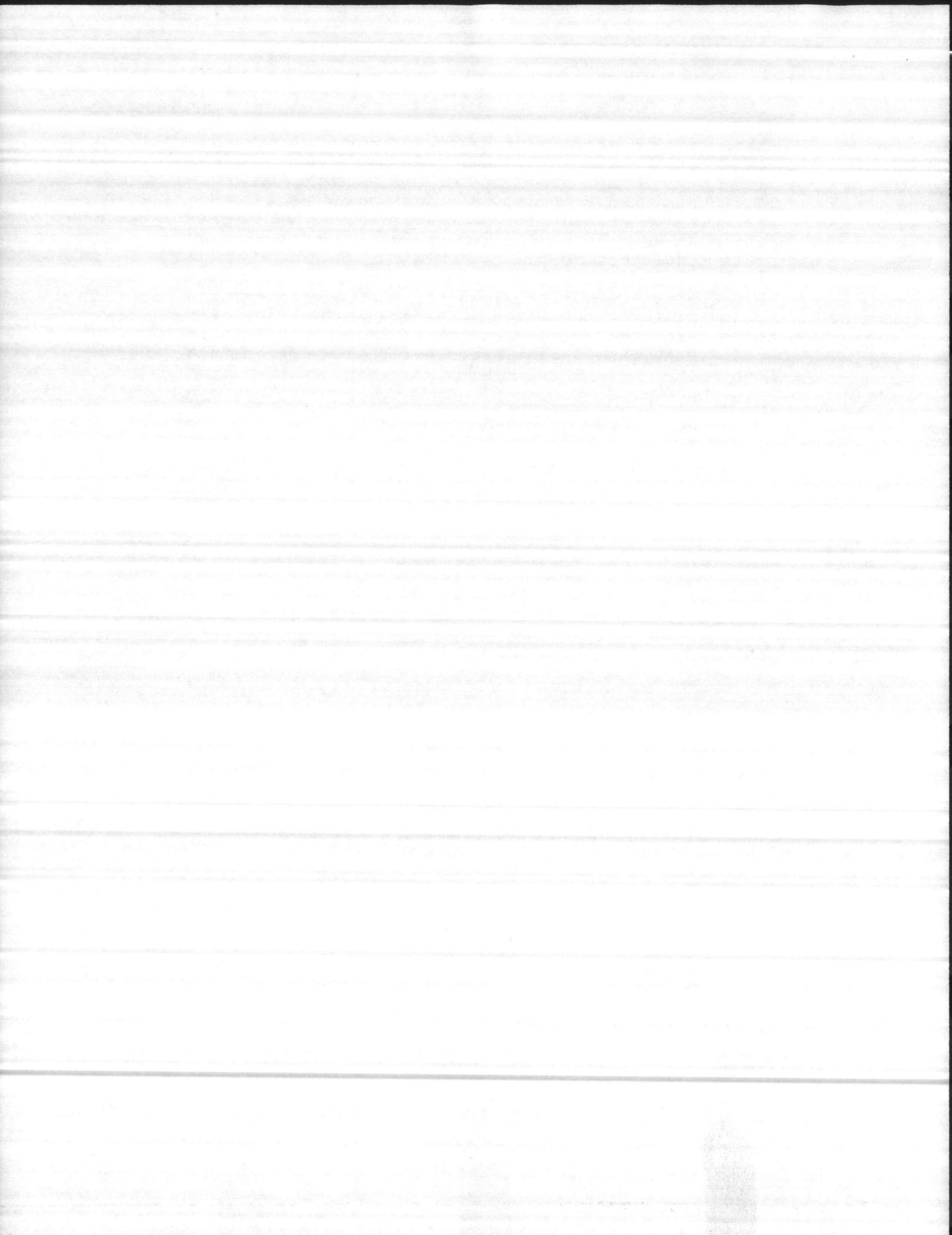
2 JUN 1978

shares from a share draft account, normally through the commercial banking system.

17. State Credit Union. A credit union organized under state law which operates on the same general principles as a federal credit union and is supervised and examined by a state regulatory body.

18. Stateside DOD Credit Union. A DOD credit union located in any state of the United States, the District of Columbia, the several territories and possessions of the United States, the Panama Canal Zone, or the Commonwealth of Puerto Rico.

Enclosure (1)



2 JUN 1978

share insurance program of the state in which the credit union is operating, or in a private insurance plan. State and private insurance plans must provide essentially the same insurance coverage as provided by the National Credit Union Administration (NCUA). Credit unions located on Navy and Marine Corps installations which do not have share insurance as of the date of this directive must provide such insurance by 22 June 1979. Failure to provide insurance will result in a removal from the installation and a request by the Navy to the appropriate regulatory body for charter revocation.

C. Dual Credit Unions. At certain installations, two credit unions, each with independent and/or overlapping fields of membership, now exist. These credit unions are encouraged to take voluntary action to request charter amendments which would permit full credit union services without discrimination to all eligible personnel.

(1) Where charter amendment is neither desired nor deemed appropriate by the officials of the credit unions, or where such proposed amendment is disapproved by the NCUA or the appropriate state agency, affected credit unions should be encouraged to consider the advantages of merger. Mergers may not be directed by Navy officials.

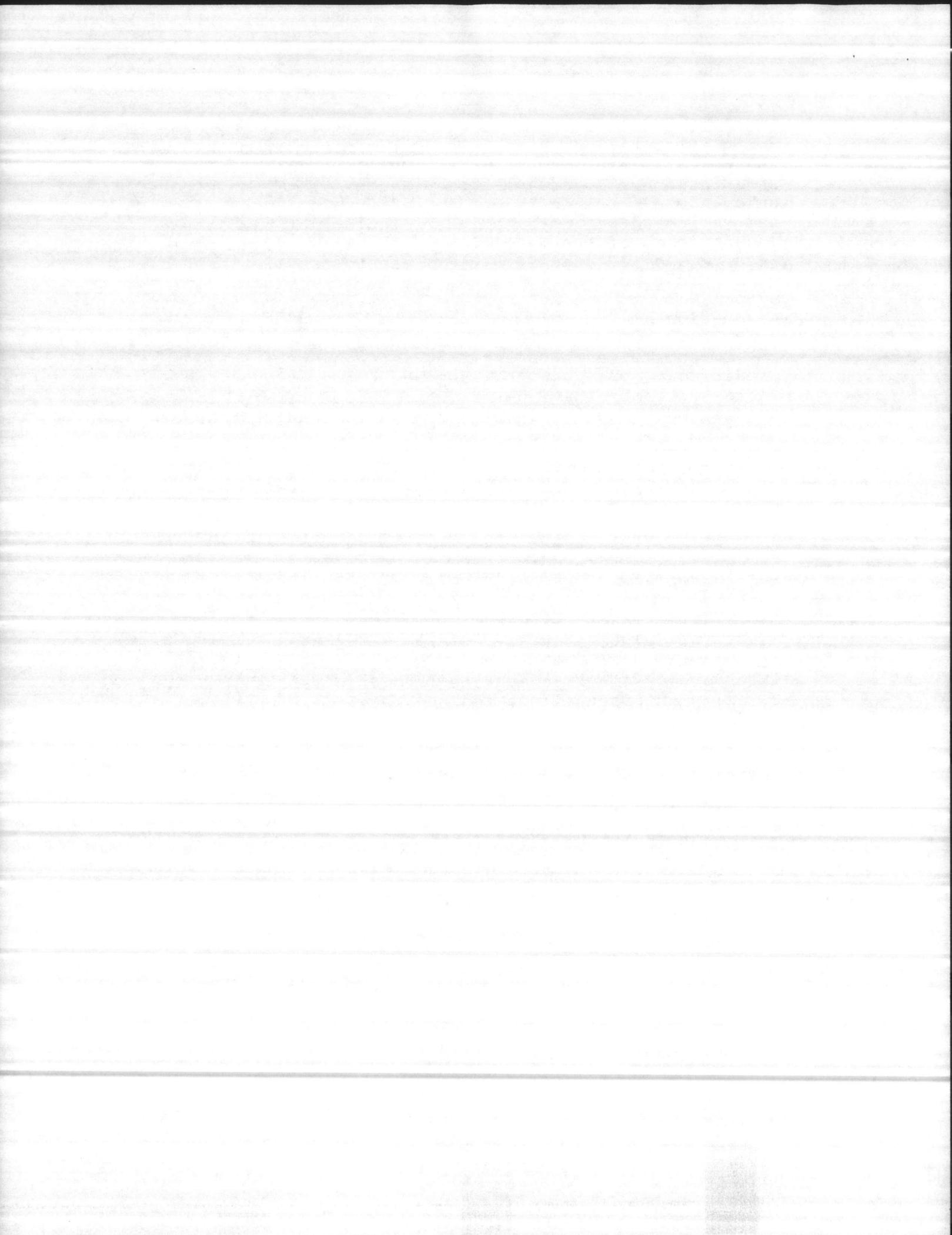
(2) Where neither charter amendments nor mergers are possible, existing credit unions, as an exception to section 3, this enclosure, may retain but not expand existing facilities or may elect to operate from an off-base location. Priority in space allocation and facility support will be tendered to that credit union offering full services.

(3) Where neither of two existing credit unions on a military installation offers full services and another credit union receives approval to provide full credit union services to all personnel at the installation, the installation commander shall:

(a) Withdraw on-base space and support functions for credit unions which do not provide full services.

(b) Require their removal to an off-base operating location.

Enclosure (2)



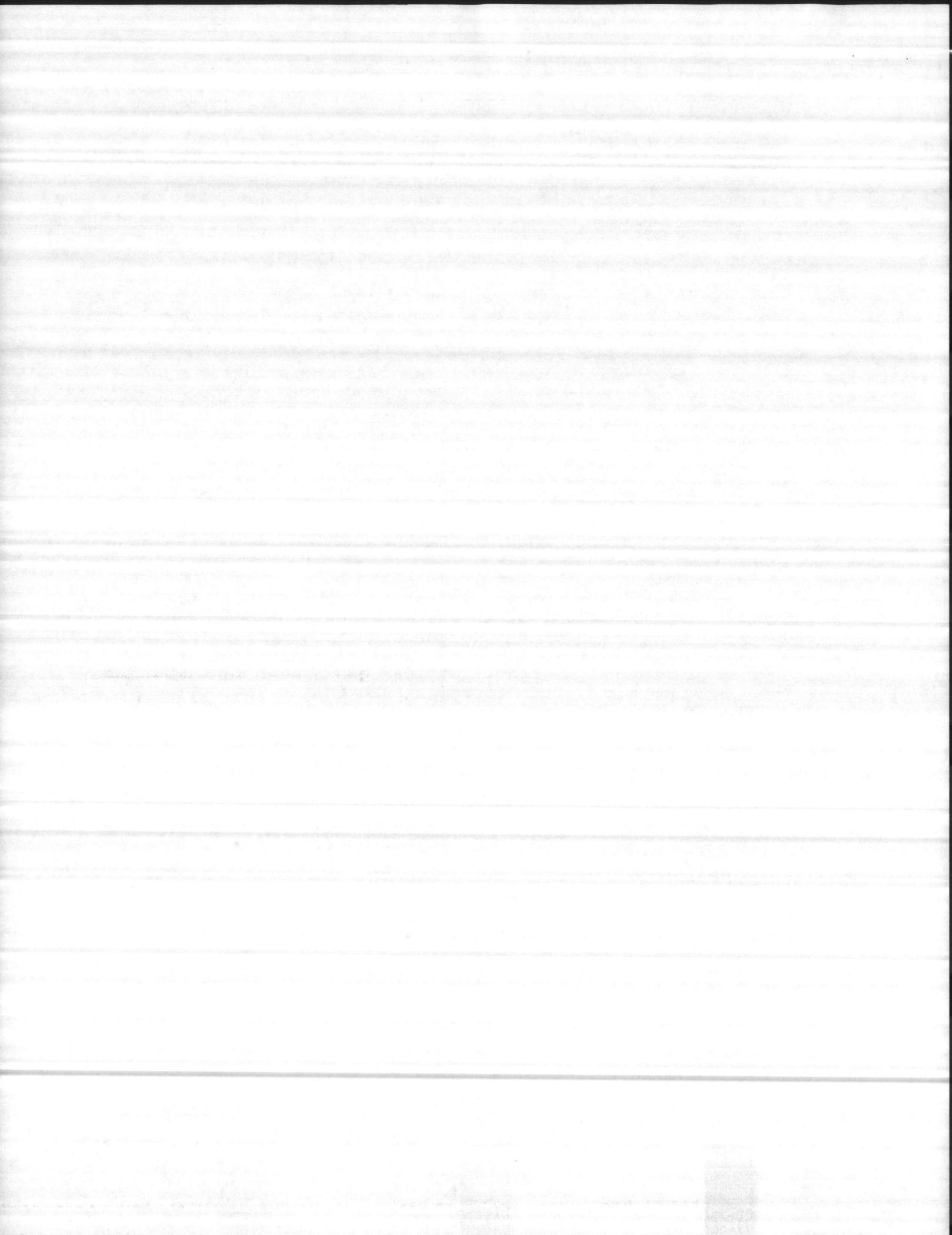
(4) Except for those credit unions in existence, only one credit union on a military installation is permitted, and its field of membership shall include all assigned DOD personnel if approved by the appropriate regulatory agency.

D. Credit Union Service Overseas. Credit unions established as a full-service branch or facility of a stateside DOD Federal credit union will be limited to on-base operations, and will confine their membership to DOD personnel and their dependents.

(1) Affected unified commanders and/or designated component commanders shall issue appropriate instructions consistent with this directive, governing existing branches or facilities under their jurisdictions, and encourage the extension of credit union service overseas consistent with the principles established for stateside Navy credit unions and any international arrangements related to the presence of U.S. forces in the country concerned. One copy of any instructions so issued, and subsequent changes thereto, will be forwarded through channels to the Comptroller of the Navy (NCD4).

(a) The Comptroller of the Navy (NCD4) will be notified through military channels when a local commander determines that there is need for credit union services in an overseas location. This notification shall include the name of a designated project officer and a statement that the requirement has been coordinated with the U.S. Chief of Mission or U.S. Embassy involved and that the country involved will permit the operation.

(b) The NCUA will make the final selection of a credit union to provide service in an overseas area. Each approved branch office will be assigned a primary installation from which to operate and a geographical territory for further expansion through additional branches and facilities. These may be permanent locations or traveling service through mobile outlets. The Comptroller of the Navy (NCD4) will be notified in advance of any expansions proposed in accordance with this paragraph. However, any credit union having a charter which authorizes it to serve its members while stationed overseas may continue to do so by direct mail, including the use of available media for commercial solicitation through advertising.



2 JUN 1978

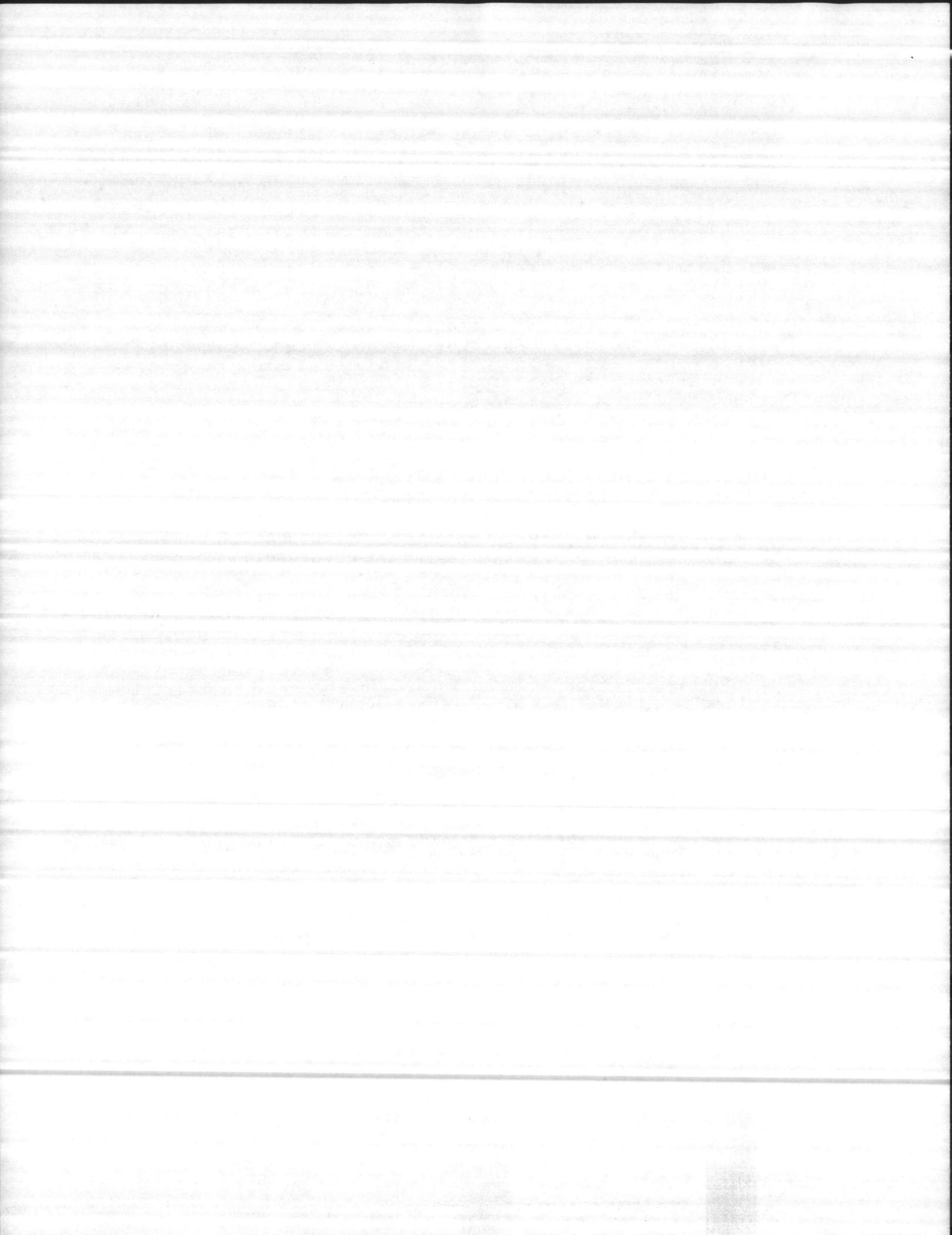
(2) Should a credit union propose to provide any substantially new service (e.g., share drafts, etc.) to members which is an addition to or a departure from the services it has been providing at a particular location, a request detailing the proposal shall be informally coordinated with the U.S. Chief of Mission or U.S. Embassy involved to determine if the country involved will permit the new service. A statement citing such discussions shall be included when forwarding the command recommendation through military channels to the Comptroller of the Navy (NCD4) for review and approval in concert with the NCUA.

(3) The rules and regulations of the NCUA apply directly to all overseas credit union branches and facilities. Funds shall be deposited and/or invested in accordance with the authority applicable to Federal Credit Unions, giving full consideration to the use of the services of military banking facilities whenever available. All overseas credit union member transactions must either be in U.S. currency or Military Payment Certificates prescribed for the area in which the overseas credit union is operating unless specifically authorized by the Comptroller of the Navy (NCD4). No credit union loans may be made for the purpose of purchasing real property or for the purpose of purchasing or erecting any type of residence in any foreign country.

E. Joint Operations. Joint operations at the same location by multiple credit unions normally are not necessary. However, when required in order to provide proper service to DOD personnel, such operation may be approved. Requests for approval of joint operations must be submitted by the installation commander through channels to the Comptroller of the Navy (NCD4). The installation commander must include a specific comment on the ability to provide any additional logistic support which may be required. Approved requests will be provided to the appropriate regulatory agency for final confirmation.

F. Requests for Service Referral. Credit unions located on Department of the Navy installations that receive requests for service from DOD personnel who are not clearly within their assigned field of membership shall forward such requests through channels to the Comptroller of the Navy (NCD4). Commanders shall be guided by enclosure (3) in referring members of their command to a particular credit union from which credit union service may be obtained.

Enclosure (2)



DEPARTMENT OF THE NAVY POLICY ON CREDIT UNIONS

I. GENERAL

A. New Stateside DOD Credit Unions

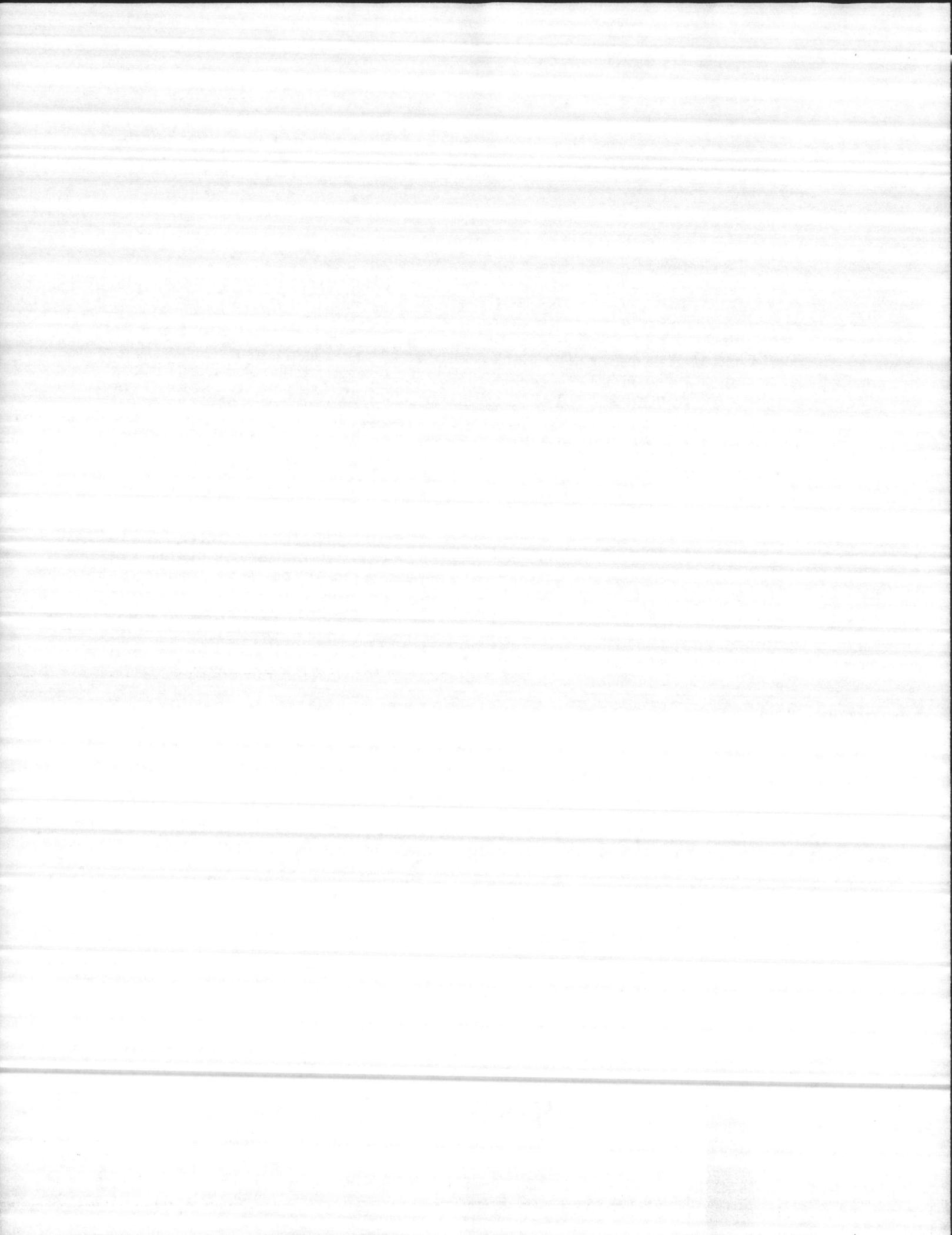
(1) Where there is a demonstrated need for credit union services, primary emphasis shall be placed on service to the member by establishing a full-service credit union when sufficient personnel capability and interest exist or using a branch office of an existing credit union under the common bond principle (e.g., Navy credit unions servicing Navy personnel at Navy installations). However, credit union services should not be denied or delayed merely because commonality between the Military Departments cannot be satisfied.

(2) Any group of persons seeking to establish a full-service credit union on a Navy or Marine Corps installation without a full-service credit union shall submit a proposal to the installation commander for review. The proposal will be forwarded, with a recommendation for approval or denial, through channels to the Director of Banking and Contract Financing, Comptroller of the Navy (NCD4) for final determination in coordination with the ASD(C) and the appropriate credit union regulating agency.

(3) When it is not possible to obtain credit union services through the organization of a new credit union or by arranging for a branch operation of an existing credit union, a credit union facility of an existing credit union may be established to provide financial counseling, share withdrawal and loan service using communications with its headquarters.

(4) Where none of the possibilities above exists, service by mail is permitted by any credit union whose charter authorizes such membership.

B. Share Insurance. Credit unions sponsored by Department of the Navy activities or operating branch offices or facilities on Navy and Marine Corps installations must qualify for Federal share insurance as provided by the Federal Credit Union Act, or participate in the state-sponsored



G. Merger Actions. Credit unions experiencing difficulties in standards of service or financial stability may consider merger action as an alternative in solving their problem. Merger agreements shall be executed in accordance with regulations prescribed by the NCUA, or the appropriate state regulatory agency. Installation commanders should be aware of this option as any merger action will affect personnel of their command, but mergers may not be directed by military officials.

H. Automated Teller Machines (ATM). Credit unions on Department of the Navy installations may submit proposals for ATMs either collocated or remote (those not collocated with the credit union to access one or more financial institutions). However, in the case of multiple access ATMs, credit unions may only propose multiple access to other credit unions if the installation is served by an on-site banking office. Proposals for ATMs on Department of the Navy installations shall be forwarded through channels to the Comptroller of the Navy (NCD4) for approval. Proposals must provide that the cost of ATM installation will be borne by the credit union involved.

(1) For remote ATMs the local command must provide the following:

(a) Approximate number of officers, enlisted personnel, civilian employees and dependents assigned to the installation, plus any other persons who may be authorized to use the on-site ATM.

(b) Square footage and location of the proposed area to be leased to the credit union.

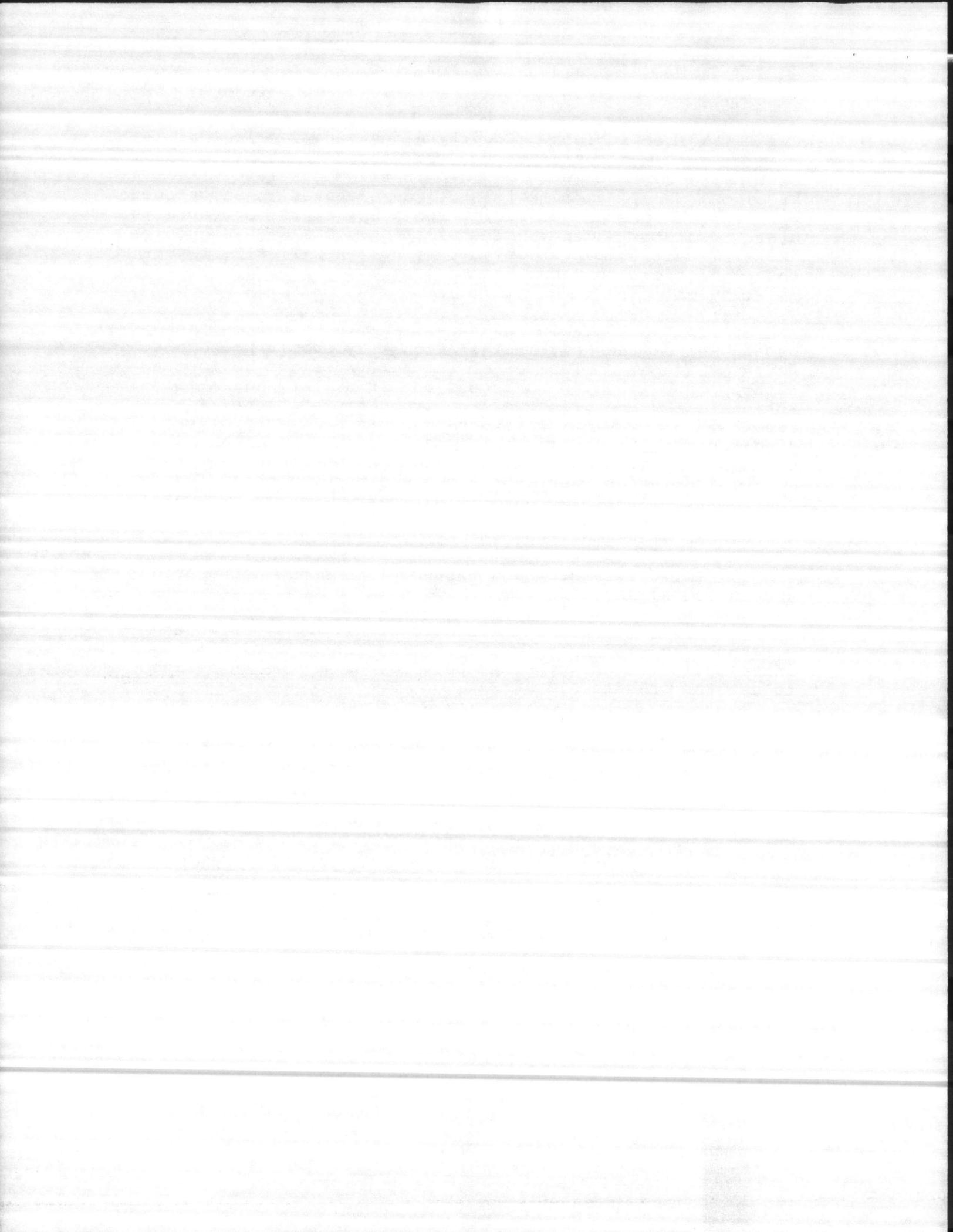
(c) Length of lease.

(d) Estimated cost of the proposed ATM.

(e) Estimated fair value of the space to be leased.

(f) A brief description of the extent to which the credit union will be responsible for utility connections and other utility and maintenance costs.

Enclosure (2)



2 JUN 1978

(2) Proposals for locations in exchanges, commissaries, etc. must be coordinated through those channels prior to forwarding to the Comptroller of the Navy (NCD4).

(3) All credit union members must have access to the ATM. Access must be offered by debit (transaction) cards and may not be provided solely by credit cards.

(4) The above requirements do not apply to ATMs already in existence; however, the Comptroller of the Navy (NCD4) should be advised through channels of such ATMs.

## 2. Operating Policies and Procedures

A. Savings. Members will be encouraged to participate in a regular savings plan which:

(1) meets their individual needs and provides a reasonable return on savings; and

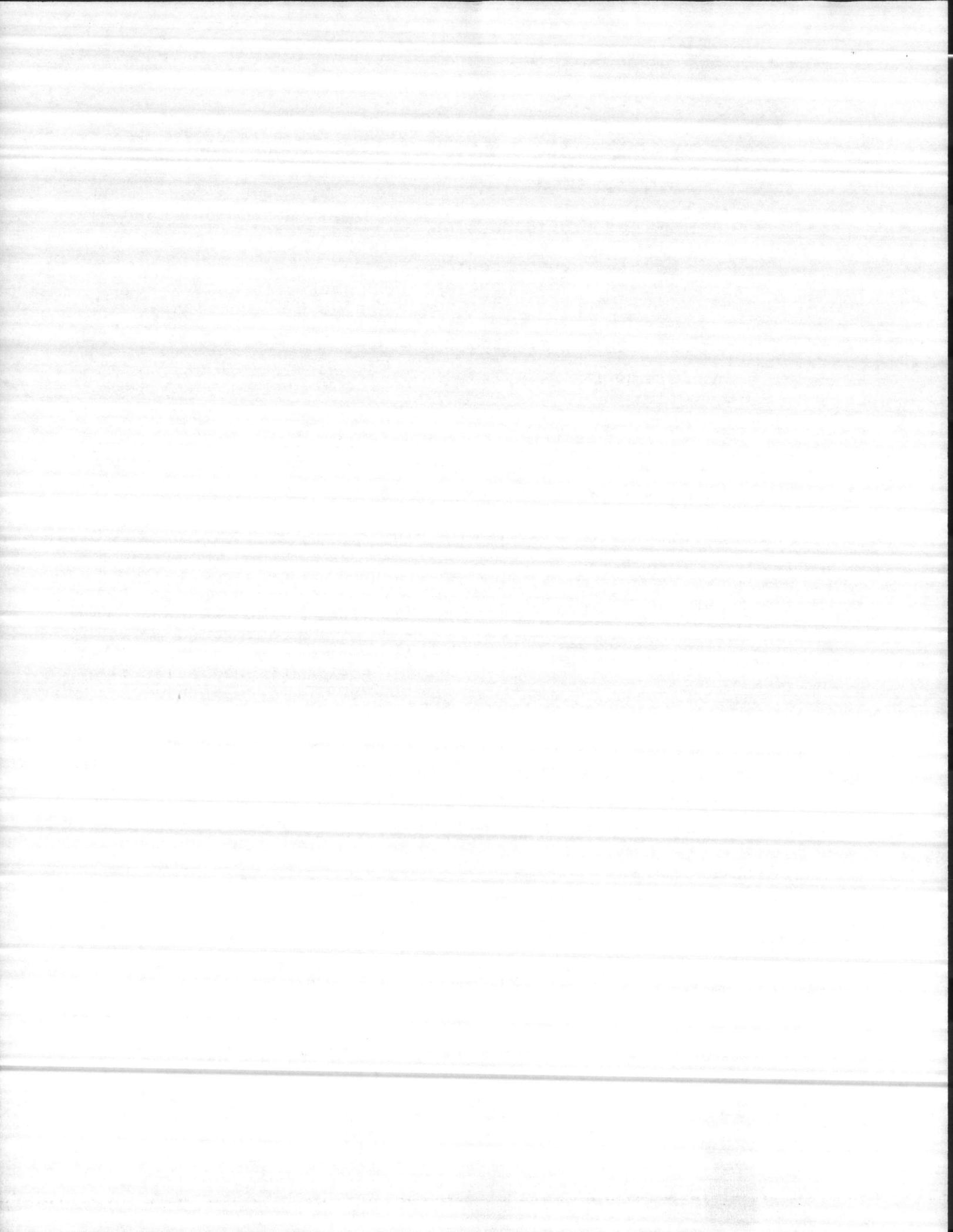
(2) is dictated by good management principles as to amounts that may be deposited at any one time or the total amount which may be held in savings.

B. Counseling. Financial counseling service shall be made available by credit unions to all credit union members without charge, and shall include helping members, particularly youthful and inexperienced personnel and young married families, to solve money problems and to budget. The importance of this service cannot be overstressed. Its need by younger personnel and their dependents is of special value and it can contribute substantially to morale.

### C. Lending

(1) In accordance with accepted credit union practice, lending policies will be as liberal as possible and still be consistent with the interests of the credit union membership and the individual member. Credit unions must strive to provide the best possible service, to include minimum interest on loans, to all of their members. Lending policies shall be well publicized. Unnecessary restrictive, unreasonable, or out-of-date rules on the size of loans, type and amount of security or waiting period before loan eligibility are to be avoided. Special attention will be given to counseling of military members in pay grades E-1, E-2 and E-3 who apply for loans.

Enclosure (2)



(2) Credit unions which evidence a policy of discrimination in their loan services will be in violation of this instruction. A continuing failure to reflect a fair proportion of loan services to all ranks, grades, or classes of personnel is one of the factors to be considered in determining that a credit union is practicing discrimination. The procedures to be followed by the installation commander in resolving complaints of discrimination are specified in paragraph 2E.

D. Relations. It is a mutual responsibility of the installation commander and the credit union manager to build a viable relationship in which there is an in-depth understanding of each other's requirements. This relationship should be one in which continuous communications are maintained and problems anticipated and resolved as smoothly as possible.

(1) Credit unions operating on Department of the Navy installations shall:

(a) Keep the installation commander advised of the credit union operations.

(b) Furnish him a copy of the monthly financial report and other local credit union publications.

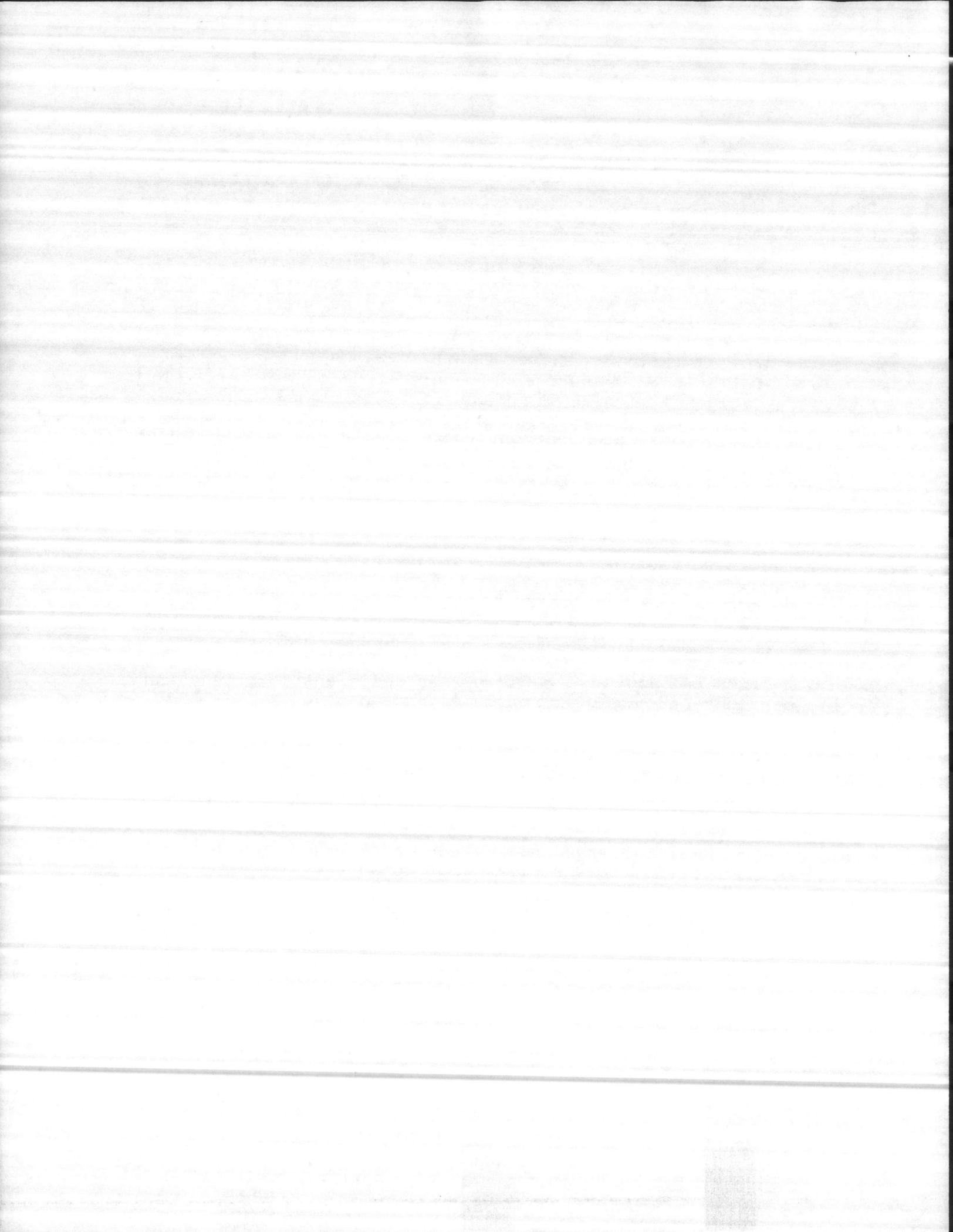
(c) Invite him or his designees to attend annual meetings and other appropriate functions.

(2) Credit unions will, to the extent resources permit and when so requested, provide the installation commander with lecturers and material on consumer credit matters in support of educational programs for DOD personnel as prescribed by reference (d).

(3) Cooperation, liaison and exchange of information between credit unions of all DOD components is encouraged. Credit union associations, credit union leagues, and councils formed by DOD credit unions can provide an excellent means of communication.

E. Complaints Processing

(1) Discrimination. Installation commanders who suspect or receive complaints of discrimination or



2 JUN 1978

violations of standards of service may first attempt to solve the problem through negotiation with the credit union officials. Failing this, a request in writing for investigation shall be made to the regional representative of the NCUA in the case of a federal credit union, or to the state authority in the case of a state-chartered credit union. The request will clearly describe the problem. These regulatory bodies will attempt to resolve the situation. An information copy of all correspondence relating to the matter shall be forwarded through channels to the Comptroller of the Navy (NCD4).

(2) Malpractice. Any evidence of suspected malpractice shall be reported in writing by the installation commander suspecting such malpractice to the regional representative of the NCUA in the case of federal credit unions, or to the state regulatory agency in the case of state-chartered credit unions.

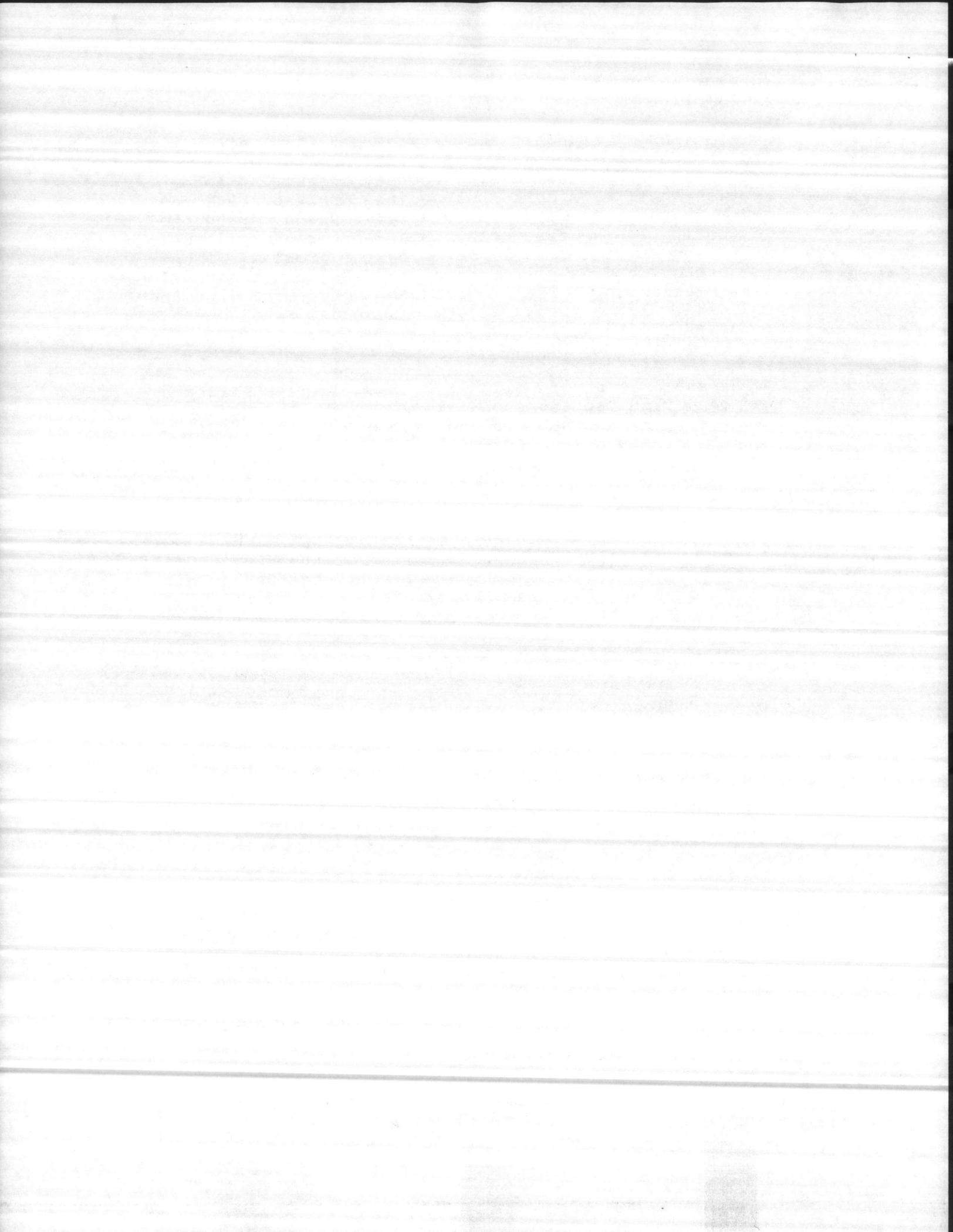
(3) Reporting. If action by the appropriate regulatory agency's local representative fails to solve the problem, a full report with recommendations shall be submitted through channels to the Comptroller of the Navy (NCD4). Appropriate follow-up action, directly to the Administrator, NCUA, or to a state regulatory agency, which may include a request for charter revocation, will be accomplished.

#### F. Facilities and staffing

(1) Full services shall be provided by on-site credit unions staffed by (i) a loan officer authorized to act for the credit committee, (ii) an individual authorized to sign checks, and (iii) a qualified financial counselor available to the membership during operating hours. Exceptions to this requirement may be requested and forwarded for approval through channels to the Comptroller of the Navy (NCD4) in the case of newly organized credit unions.

(a) Where an on-site credit union requires only minimum staffing, the counselor duties may be assumed by another member of the on-site staff.

(b) Where an on-site credit union extends its services to one or more areas of the same installation and direct courier or message service is available to the main office, a one-person operation is authorized for the extended operation.



(2) All staffing shall be accomplished in full compliance with the spirit and intent of the equal employment opportunity policies and programs of the Department of the Navy.

G. Hours of Operation. Credit unions will be permitted to conduct operations during normal duty hours, provided there is no undue interference with the performance of official duties of military or civilian personnel. Credit unions are encouraged to establish operating hours consistent with the needs of the installation to best serve the overall needs of the membership within sound management principles. ATMs may be used by credit unions as a means to provide service and expand operating hours.

H. Advertising

(1) Advertising in official Armed Forces newspapers and periodicals is prohibited. Department of Navy credit unions may be afforded advertising space in civilian enterprise newspapers on a paid basis.

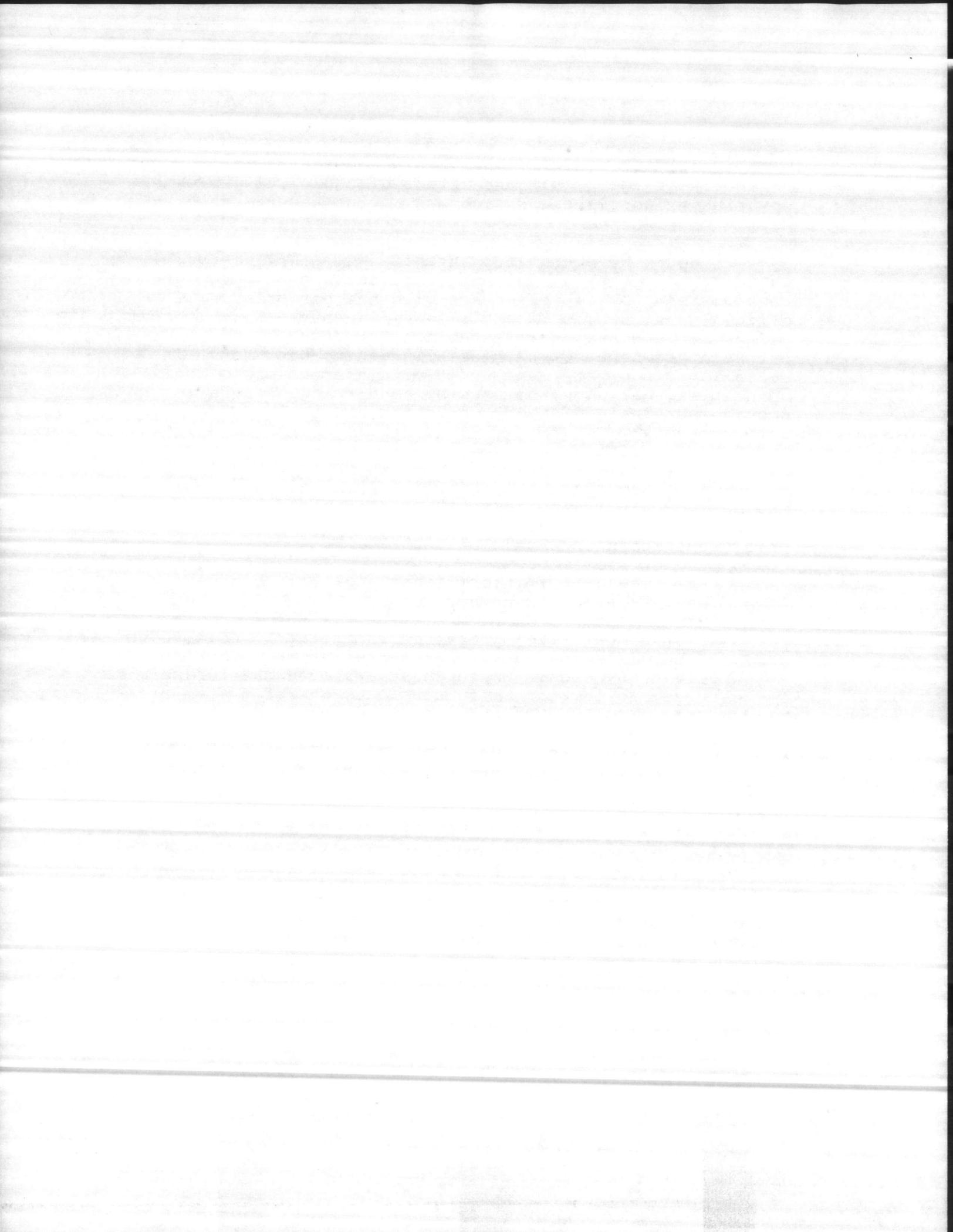
(2) The use of informational bulletin boards for promotional material is authorized.

(3) Competitive literature from other credit unions will not be disseminated at that installation. This does not preclude any credit union whose approved charter permits it to serve its members while stationed overseas from utilizing a direct mail approach or a commercial advertising campaign in the same area. Distribution of competing credit union literature through Navy and Marine Corps Exchange outlets in areas where an on-site credit union exists is not authorized.

(4) The use of the American Forces Radio and Television Service to promote a specific credit union is prohibited.

I. Allotment Procedures. Navy and Marine Corps personnel may use the allotment of pay privileges to make allotments to credit unions to establish sound credit and savings practices. Members who elect to deposit funds by allotment shall have their accounts credited on the date the credit union is authorized to deposit funds received on

Enclosure (2)



2 JUN 1978

behalf of the members. Under no circumstances will the initiation of an allotment of pay become a prerequisite for a loan approval or delivery of funds to the credit union member. Allotments voluntarily initiated to a credit union continue in force at the pleasure of the allotter (credit union member).

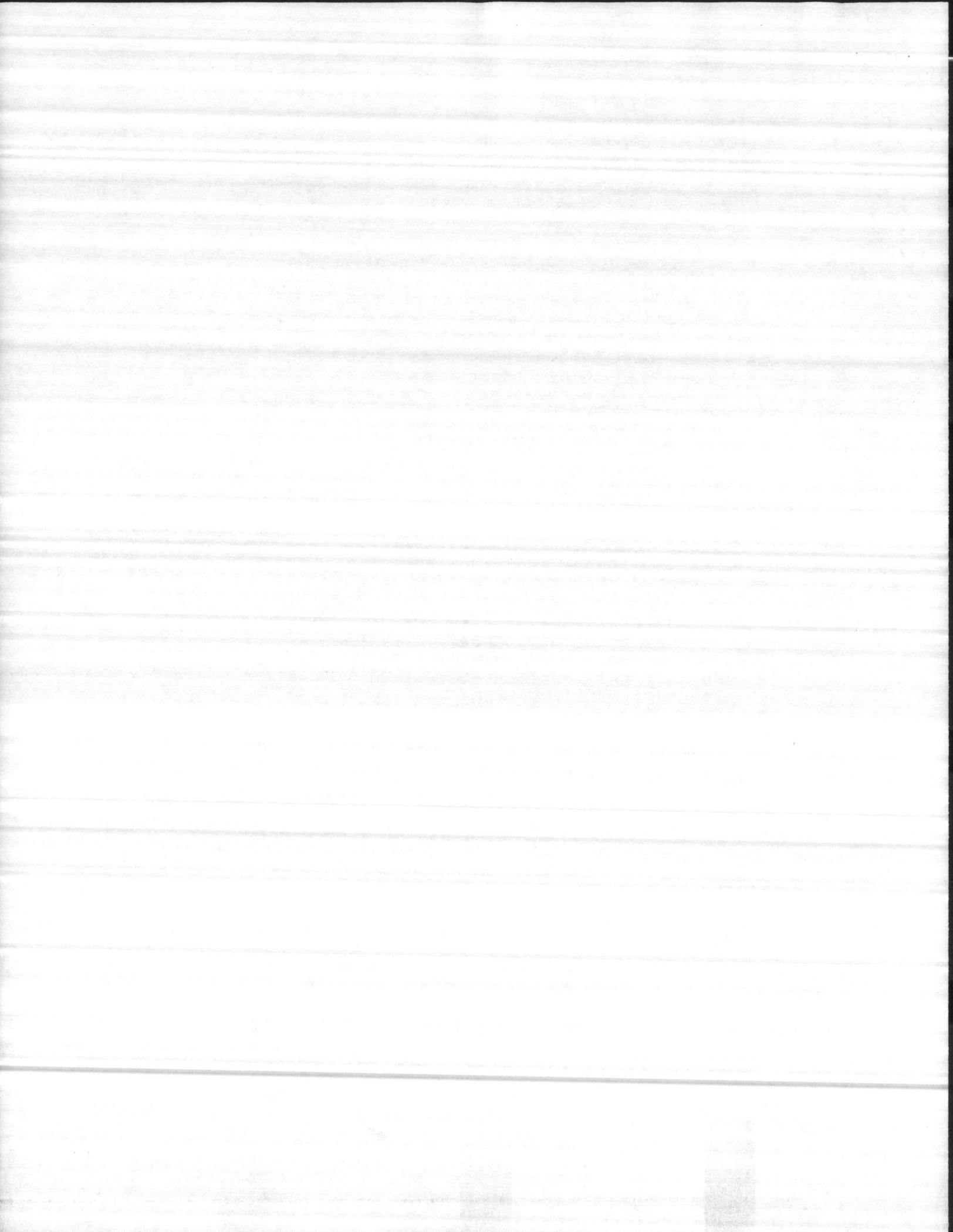
J. Personnel Transfer/Change of Address. Military and civilian personnel who are members of an on-site credit union, particularly those with outstanding loan balances, will be encouraged to notify the credit union of their change of address in writing prior to permanent departure from the installation in accordance with clearance procedures established by the installation commander. Care must be exercised to assure that any procedure adopted for notice of change of address does not involve coercion.

K. Locator Service. Requests for central locator service for military addresses of active duty personnel by credit unions located on a military installation will be provided at no cost in accordance with reference (f), Vol. III, Chap. 5. Credit unions should cite this authority when requesting such service. This service is provided only when necessary to locate individuals for settlement of accounts including bad checks and delinquent loans.

L. Operating Agreements. Credit unions organized by and for Department of the Navy personnel may be provided with the property and logistical support as set forth in section 3 of this enclosure provided operating policies are consistent with this instruction. A written agreement will be effected between the installation commander and the on-site credit union. Included in such agreements will be the provision that the credit union will abide by the applicable provisions of this regulation and NCUA, or state regulatory authority regulations. Agreements should include the services to be provided by the credit union, the hours of operation, and the support to be provided by the installation. An information copy of this agreement will be forwarded through channels to the Comptroller of the Navy (NCD4).

(1) Credit unions will indemnify and save harmless the government from and against any loss, expense, claim or demand to which the government may be subjected as a result of death, loss, destruction, or damage in connection with

Enclosure (2)



2 JUN 1978

the use and occupancy of premises of the Department of the Navy occasioned in whole or in part by agents and/or employees of the credit unions.

(2) Neither the Department of the Navy nor the installation commander will have any responsibility or liability for the financial operation of the credit union, or for any losses (including criminal losses), expenses, or claims for damages arising from the credit union operation.

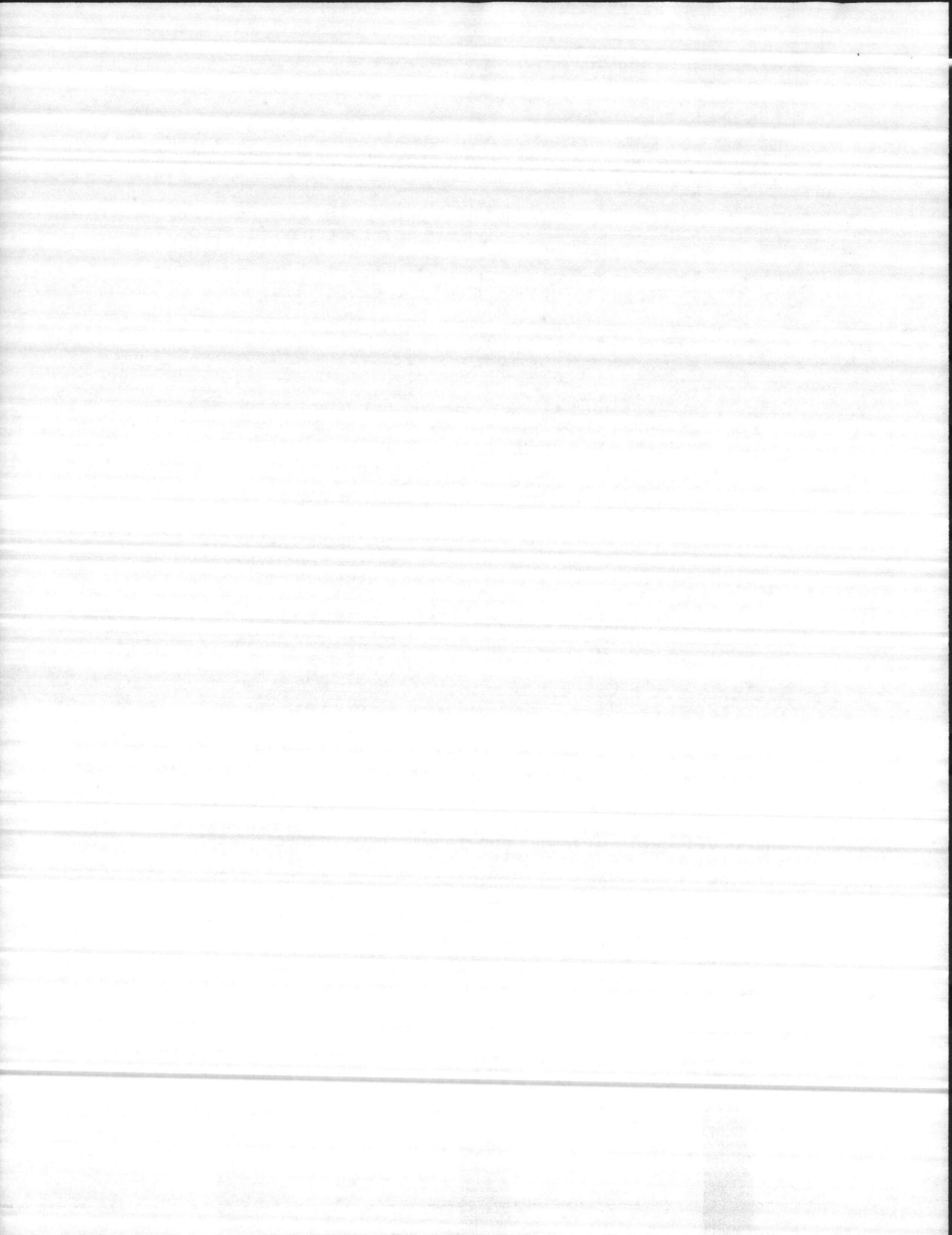
### 3. Military Real Property and Space

A. Space. One full-service credit union office, credit union branch or credit union facility at each Navy or Marine Corps installation will be furnished space, when available, by no-cost permit for periods of 5 years as prescribed in reference (g). The furnishing of office space and related real property to credit unions will be governed by Section 1770 of the Federal Credit Union Act (12 USC 1770). Credit unions providing less than full service are not authorized to be furnished space. Criteria governing the assignment of existing space facilities and construction of new space facilities (when authorized) for credit unions will be in accordance with those specified in reference (h).

B. Logistical Support. Credit unions assigned military real property and space will reimburse the Department of the Navy for all services such as telephone lines, long-distance toll calls, space alterations, air conditioning, heat, light, etc. However, no reimbursement will be made for janitorial services, fixtures and maintenance when provided. Logistical support for overseas credit unions will be in accordance with the above and with reference (i). Military postal service for overseas credit unions may be authorized in accordance with reference (j).

C. New Construction Procedures. Proposals by credit union officials for the construction of structures on Navy and Marine Corps installations at credit union expense must receive the prior approval of the Chief of Naval Operations or the Commandant of the Marine Corps, the Comptroller of the Navy (NCD4), the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics) and the Assistant Secretary of Defense (Comptroller) and must be reported to Congress in accordance with reference (k). The following provisions are emphasized:

Enclosure (2)



2 JUN 1978

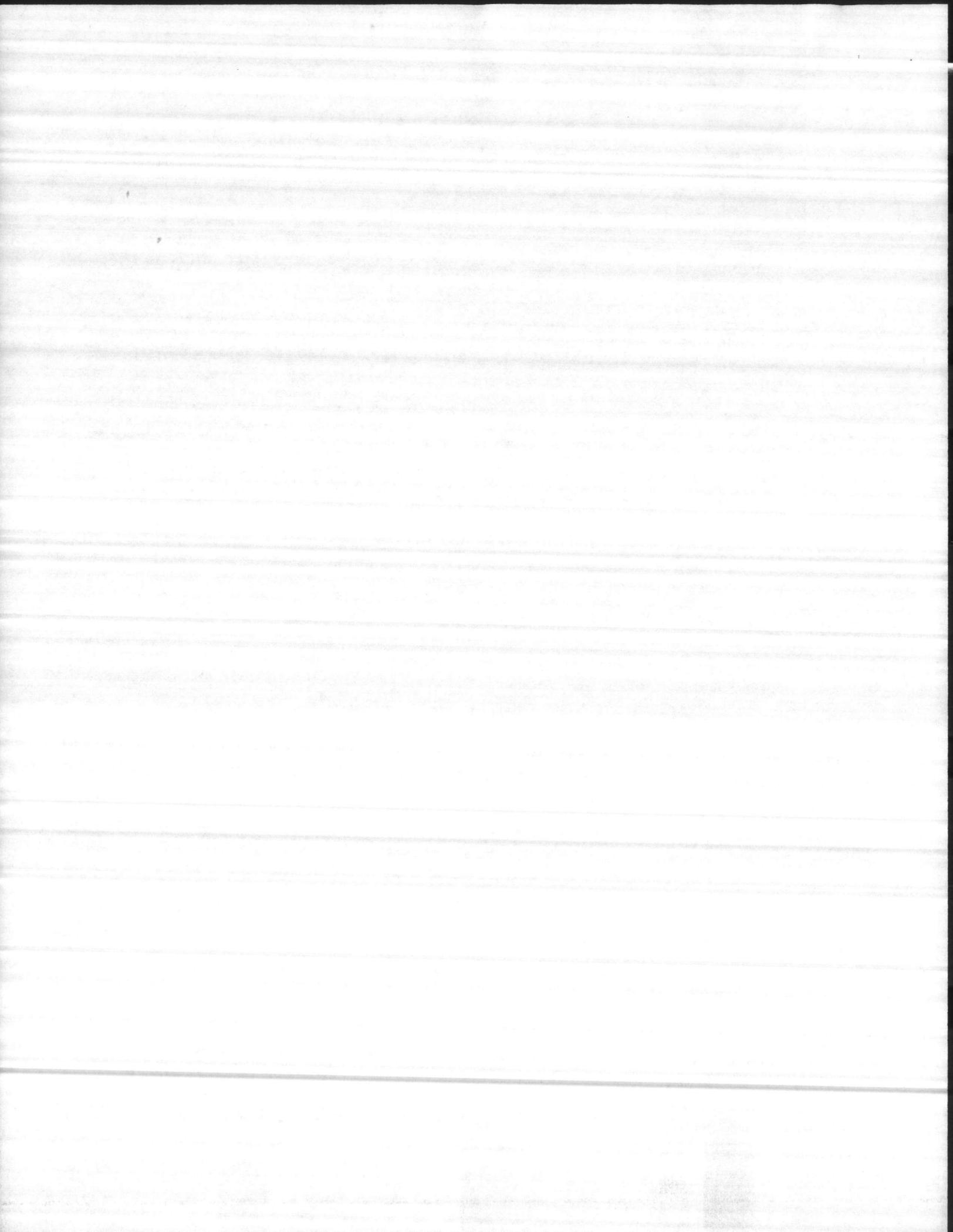
1. The building must be confined to the needs of the credit union. The building will not be used to house other commercial enterprises or Government instrumentalities.

2. Credit unions submitting such plans for consideration must also agree to be financially responsible for and to reimburse the Department of the Navy for any maintenance, utilities and other services furnished.

3. Land required for approved construction at credit union expense shall be made available only at fair rental by real estate lease not to exceed 25 years in duration in accordance with reference (g).

D. Leases. Leases will include the provision that, at the option of the Government, structures and other improvements erected thereon shall be conveyed to the Government without reimbursement, or removed and the land restored to its original condition in the event of (i) installation inactivation, closing or other disposal action, (ii) liquidation of the credit union, or (iii) revocation or other termination of the credit union lease.

Enclosure (2)



SECTION I

1. This section contains a listing of Federal and state credit unions from which credit union service may be obtained by active duty Navy and Marine Corps personnel and civilian employees of the Department of the Navy.

STATE/COUNTRY                      CREDIT UNION

Alabama

Mobile County	Mobile Security FCU 750-Downtowner Blvd. Mobile, AL 36609
Montgomery	Maxwell-Gunter, FCU Building 683 Maxwell Air Force Base Montgomery, AL 36112
Other Locations	Albany MCSC FCU Marine Corps Supply Center Albany, GA 31704

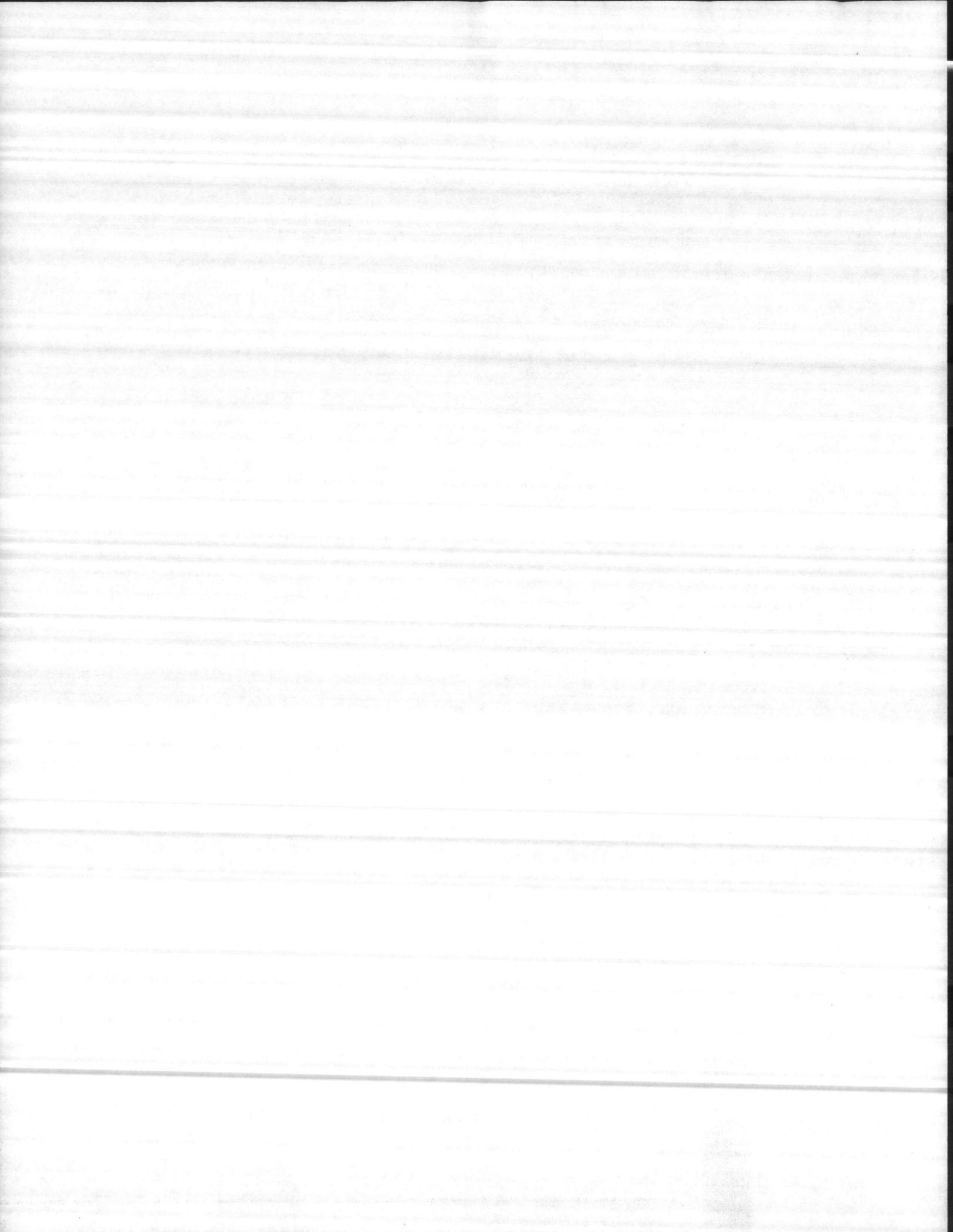
Alaska

Kodiak	Fedalaska, FCU 731 I Street Anchorage, AK 99501
Other Locations	Alaska USA FCU 777 Juneau Street Elmendorf Air Force Base Anchorage, AK 99501

Arizona

Davis-Monthan AFB	DMAFB FCU P.O. Box 15115 Davis-Monthan AFB Tucson, AZ 85708
----------------------	----------------------------------------------------------------------

Enclosure (3)



2 JUN 1978

STATE/COUNTYCREDIT UNIONNew Mexico

Albuquerque	Sandia Area FCU Kirtland AFB, East NM 87115
Naval Reserve Training Facility (Las Cruces)	White Sands FCU Box 118 White Sands, NM 88002
Santa Fe	Santa Fe Federal Employee's FCU P.O. Box 2207 Santa Fe, NM 87501
Las Cruces, Silver City and White Sands	White Sands FCU Box 118 White Sands, NM 88002
Other Locations	San Diego Navy FCU Administration Office P. O. Box 26339 San Diego, CA 92126

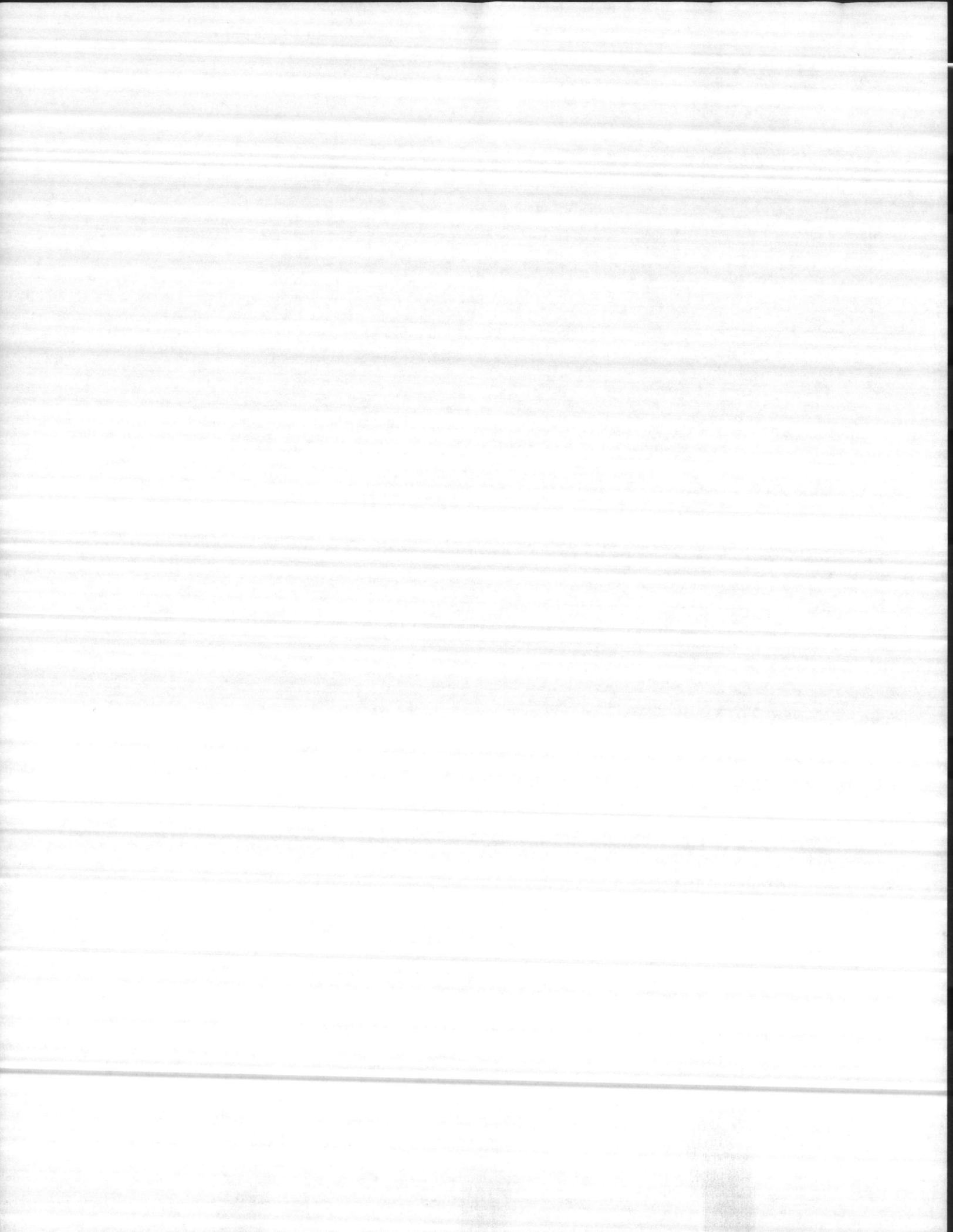
New York

Brooklyn, NYC Federal Office Building	CGA FCU Federal Office Building 830 3rd Ave. Brooklyn, NY 11232
Other Locations	NFCU, Washington, DC 20391

North Carolina

Cherry Point (MCAS)	Cherry Point FCU Marine Corps Air Station Cherry Point, NC 28533
Camp Lejeune	Marine FCU Camp Lejeune, NC 28542

Enclosure (3)



SECNAVINST 5381.3D  
2 JUN 1978

STATE/COUNTY      CREDIT UNION

Other Locations Marine FCU  
Camp Lejeune, NC 28542

North Dakota

All Locations NFCU, Washington, DC 20391

Ohio

Rickenbacker Ohio Military FCU  
AFB Rickenbacker AFB, OH 43217

Vienna (Young- See Ohio Military FCU  
stown (ARB))

Wilmington See Ohio Military FCU  
(CDC)

Other Locations Navy Finance Center FCU  
1240 East 9th St.  
Cleveland, OH 44199

Oklahoma

All Locations San Diego Navy FCU  
Administration Office  
P. O. Box 26339  
San Diego, CA 92126

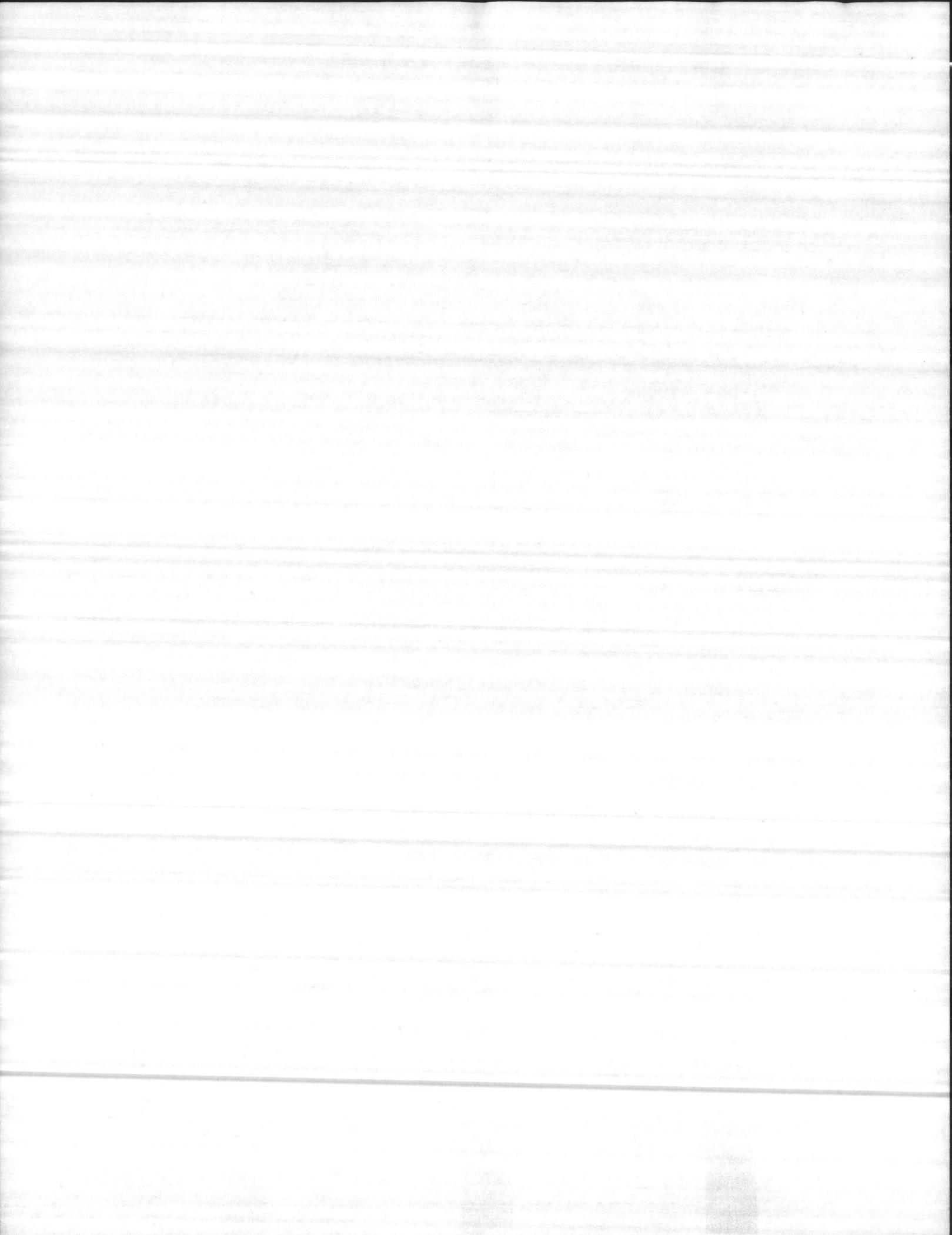
Oregon

Astoria, Clatsop Tillamook  
Garibaldi Teachers FCU  
and P.O. Box 517  
Tongue Point Rockaway, OR 97136

Other Locations NW Employee's FCU  
2500 15th Ave., West  
Seattle, WA 98109

Pennsylvania

Johnsville, NADC FCU  
Warminster Johnsville  
and Warminster, PA 18974  
Willow Grove



COMPTROLLER OF THE NAVY

DDD DIRECTIVE 1000.10

SEC NAV INST

5381.1F

9 MAY 78 PARA 14 PG. 23

