

October 1, 1997

Patricia S. Kimmel, President/CEO  
Fort Belvoir Federal Credit Union  
14040 Central Loop  
Woodbridge, Virginia 22193

Re: Treasury General Accounts  
Your Fax of September 24, 1997

Dear Ms. Kimmel:

You have asked whether your credit union may open a Treasury General Account for the Fort Belvoir Commissary. FCUs are permitted to act as fiscal agents and depositories for the United States. 12 U.S.C. §1767(a). To engage in these activities, FCUs must follow applicable Treasury rules. In addition, FCUs must follow Section 701.37 of NCUA's Regulations. Essentially, this rule permits FCUs to serve as a Treasury tax and loan depository, a depository of public money, and a financial agent of the United States government. Section 701.37(a)(4) defines a Treasury General Account as "an account, established under United States Treasury Department regulations, in which a zero balance may be maintained and from which the entire balance may be withdrawn by the depositor immediately under all circumstances except closure of the credit union." Funds held in such accounts must be exempt from the 60-day notice requirement of Article III, Section 5(a) of the FCU Bylaws. We have no legal objection to your credit union opening a Treasury General Account for the Fort Belvoir Commissary as long as all the relevant rules are followed.

You have also asked if your credit union can open a branch office in the Fort Belvoir Commissary. Your field of membership includes "Members of the U.S. Armed Forces, active or retired, or their dependents or dependent survivors, who are eligible by laws and regulations to receive, and are receiving benefits or services from Fort Belvoir." We have no legal objection to your credit union opening a branch office at the Fort Belvoir Commissary assuming all Defense Department Regulations are met and there are no safety and soundness concerns.

Sincerely,

Sheila A. Allbin  
Associate General Counsel

GC/MJMck:bhs  
SSIC 3501  
97-0949