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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA FPMR (41 CFR) 101-11.6

~~SECRET~~

UNITED STATES GOVERNMENT

Memorandum

TO : DIR

DATE: 2 OCT 1967

FROM : ADC

SUBJECT: Cryptographic Holdings of USS Liberty (U)

1. Reference is made to your memorandum, subject as above, dated 17 August 1967. My people and the Navy people have gotten together and worked out the general doctrine relative to the issue of extended lead time to operational elements. The doctrine, which will appear in our KAG-1D (the document which prescribes physical security doctrine) to be distributed in October, is inclosed for your information.

2. We will continue to work with Navy and others on the operational implementation of the doctrine with emphasis on assuring ourselves that we and the SCAs are continuously aware of the status of material lead time. The Navy has been most cooperative in this matter; therefore, I do not consider it necessary to correspond officially with CNO at this time.

Howard C Barlow

HOWARD C. BARLOW
Assistant Director, NSA
for
Communications Security

Incl:
a/s

Declassified and approved for release by NSA on 11-17-2006 pursuant to E.O. 12958, as amended. ST Case 51671

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2212. User Holdings of Keying Material (U) - The least practicable quantity and variety of keying material consistent with efficient operations shall be held by users. Restricting the amount of material on hand is necessary to limit the likelihood and scope of possible compromise in the event of subversion, overrun, or other catastrophe. Additionally, rapid resupply and net reactivation can be accomplished only if extensive future holdings are not involved, particularly in the case of keying material used by a large number of holders. The following apply:

a. The normal maximum amount of keying material which may be held at user levels is four months' supply, including the effective edition. For irregularly superseded material, e.g., one-time pads, one-time tapes, this means the best estimate of a normal four months' supply. The following exceptions are authorized:

(1) KW-26 key cards may be issued in blocks of 5 books when required by the practicalities of distribution systems, even though 5 books may be in excess of a normal four months' supply.

(2) At least two editions of any type of keying material may be held, even though the material may serve only for contingency, back-up, or emergency purposes, and may therefore constitute more than a four months' supply.

b. Although no specific limits can be set on the number of different short titles held by an individual unit, a policy of strict limitation

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should be followed. That is, only that material which is clearly essential to mission requirements should be held by each unit. The practice of a unit holding all short titles which are used within a geographical area even though some are never used, or used so infrequently as to be superfluous to mission requirements, should be avoided. The holding of a large variety of cryptomaterial is especially dangerous when a unit is operating under hazardous conditions where the likelihood of physical loss of material is increased.

c. In exceptional cases the heads of departments and agencies may approve the issue of up to six months' material to specified users, but only when the following conditions are met:

(1) More frequent issuance is not practicable because of the location of the unit in question and the duration of its mission.

(2) The requirement has been coordinated with NSA to insure that sufficient back up material is in the pipeline to provide for timely replacement in the event of compromise, and that production lead time can be adjusted to support the extended user holdings.

d. There shall be no exceptions to the issue of material in excess of six months without the prior approval of the Director, National Security Agency.

e. In consonance with the objectives of the above limitations on user holdings, the number of personnel authorized access to future, as

differentiated from effective, keying material authorized under c., above, should be limited as much as possible and such material should be stored separately from effective material if practicable. Access to safes used to store keying material should be limited to the custodian and alternate custodian if possible.