UNITED STATES OF AMERICA NATIONAL CREDIT UNION ADMINISTRATION NATIONAL CREDIT UNION ADMINISTRATION BOARD

In the Matter of ELIZABETH ANN SENN

An Institution Affiliated Party and Person Participating in the Affairs of the Crossett Paper Mills Employees Federal Credit Union, Crossett, Arkansas

ORDER OF PROHIBITION

Docket No. 97-0901III

Pursuant to Section 206(i)(1) of the Federal Credit Union Act, 12 U.S.C. §1786(i)(1), you are hereby notified that you are prohibited from participating in any manner in the affairs of any federally insured credit union. This prohibition results from activities you engaged in during your affiliation with Crossett Paper Mills Employees Federal Credit Union. This prohibition is effective immediately upon service. In accordance with Section 206(g)(7)(A) of the Federal Credit Union Act, 12 U.S.C. §1786(g)(7)(A), this Order shall constitute a prohibition from further participation in any manner in the affairs of any federally insured financial institution, or other entity identified therein, without the written permission of the appropriate federal regulatory agency. This Order has been issued based upon the following information.

You pleaded guilty to one count of Title 18, United States Code, Section 657, embezzlement of funds from a financial institution. You were sentenced on August 7, 1997, by the U.S. District Court for the Western District of Arkansas, to imprisonment for twelve months and one day, followed by supervised release for three years, and ordered to pay restitution in the amount of \$138,697.35. A copy of the Judgment in a Criminal Case, dated August 11, 1997, is attached to this Order as Attachment 1 and is incorporated by reference herein. Because an appeal has not been filed within the time specified by the Federal Rules of Appellate Procedure, your conviction is now final.

The offense of which you were convicted, embezzlement of funds from a financial institution, was committed while you were employed as a loan officer at the Crossett Paper Mills Employees Federal Credit Union of Crossett, Arkansas. The credit union's manager discovered that you had removed money illegally from the credit union by forging the names of other members on loan documents and then forging their endorsements on checks. When the false loans came due, you either renewed the loans, made payments if possible, or advanced due dates to hide the delinquency. The credit union discovered approximately twenty such improper loans totaling over \$154,000. At the time of your criminal actions, Crossett Paper Mills Employees Federal Credit Union was a federally chartered credit union.

The offense to which you pleaded guilty involved personal dishonesty and breach of trust. Your continued participation in the affairs of any federally insured credit union may pose a threat to the interests of credit union members and may threaten to impair public confidence in the credit union involved.

NOTICE OF HEARING

Pursuant to Section 206(i)(3), of the Federal Credit Union Act, 12 U.S.C. §1786(i)(3), you may request in writing, within thirty days of service of this Order, an opportunity for a hearing at which you may present evidence and argument that your continued participation in the affairs of any federally insured credit union would not, or would not be likely to, pose a threat to the interests of that credit union's members or threaten to impair public confidence in the credit union. Any such request should be sent to: Secretary of the Board, National Credit Union Administration, 1775 Duke Street, Alexandria, VA 22314-3428. This hearing will be held in the Washington, D.C. metropolitan area, or such other place as designated by the Board, in accordance with Subpart D of Part 747 of NCUA's Rules and Regulations, 12 C.F.R. §747.301 et. seq.

PENALTY FOR VIOLATION OF ORDER OF PROHIBITION

Pursuant to Section 206(k)(2) of the Federal Credit Union Act, 12 U.S.C. §1786(k)(2), any violation of this Order may subject you to a Civil Money Penalty of up to \$1,000,000.00 a day for each day said violation continues. In addition, pursuant to Section 206(I) of the Federal Credit Union Act, 12 U.S.C. §1786(I), any violation of this Order is a felony offense that is punishable by imprisonment of up to five years and a fine of up to \$1,000,000.00.

Dated this <u>5th</u> day of September, 1997					
National Credit Union Administration					
by					
ALONZO A. SWANN, III					
Regional Director, Region III					
National Credit Union Administration					

CERTIFICATE OF SERVICE

This is to certify that I have served the foregoing Order of Prohibition in the Matter of Elizabeth Ann Senn, by depositing the same with the U.S. Postal Service, certified mail, return receipt requested, addressed to Paul S. Rainwater, Esq., Griffin, Rainwater & Draper, P.O. Box 948, Crossett, AR 71635, attorney for Ms. Senn.

Se	pt.	18,	1997	S

Date Jon J. Canerday

Trial Attorney

Office of General Counsel