

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

IN THE MATTER OF)	
)	
CARL J. ANDERSON)	
)	
An Institution Affiliated Party and)	No. 95-1101 I
Person Participating in the Affairs)	
of the Ocean Spray Employees)	
Federal Credit Union)	
)	

ORDER OF PROHIBITION

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 Ocean Spray 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 four counts of Title 18, United States Code, Section 1344, fraud against a financial institution and one count of Title 18, United States Code, Section 1341, mail fraud. You were sentenced on December 20, 1994, by the U.S. District Court for the District of Massachusetts, to imprisonment for twenty-seven months, followed by supervised release for three years, and ordered to pay restitution in the amount of \$2,375,576.97. A copy of the Judgment in a Criminal Case, dated December 28, 1994, 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 offenses of which you were convicted, mail fraud and defrauding a financial institution, were committed while you performed real estate loan closings for the Ocean Spray Employees Federal Credit Union of Lakeville-Middleboro, Massachusetts. Your illegal activity involved a check-kiting scheme, between March, 1991 and February, 1993, in connection with real estate loans from Ocean Spray Employees Federal Credit Union. Your sentence obligates you to make restitution to the credit union in the amount of \$2,375,576.97. At the time of your criminal actions, Ocean Spray Employees Federal Credit Union was a federally chartered credit union.

The offenses to which you pleaded guilty involve 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(l) of the Federal Credit Union Act, 12 U.S.C. §1786(l), 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 _____ day of October, 1995

National Credit Union Administration
by

LAYNE L. BUMGARDNER
Regional Director, Region I
National Credit Union Administration

CERTIFICATE OF SERVICE

This is to certify that I have served the foregoing Order of Prohibition in the Matter of Carl J. Anderson, by depositing the same with the U.S. Postal Service, certified mail, return receipt requested, addressed to Carl J. Anderson, Federal Medical Center, P.O. Box 4600, Rochester, MN 55903.

Date

Jon J. Canerday
Trial Attorney
Office of General Counsel