

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

IN THE MATTER OF

PAMELA SUE FOUCH

No. 97-0302-IV

An Institution Affiliated Party and
Person Participating in the Affairs
of the Bay Area Medical 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 Bay Area Medical 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 1957, money laundering. You were sentenced on April 10, 1996, by the U.S. District Court for the Western District of Michigan, to imprisonment for eighteen months, followed by supervised release for three years, and ordered to pay restitution in the amount of \$887,000. A copy of the Judgment in a Criminal Case, dated April 11, 1996, 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, money laundering, was committed while you were a part-time employee at the Bay Area Medical Federal Credit Union of Traverse City, Michigan. Following anonymous calls regarding excessive spending by members of the Fouch family in July, 1992, a deficit of over \$2.5 million was discovered at the Bay Area Medical Federal Credit Union. Further investigation concluded that your husband, Michael, and your father-in-law, Jay, created numerous fictitious loans and engaged in other types of account manipulation to remove money from the credit union. These funds were then used to purchase numerous automobiles, boats, real estate and items of jewelry for the use and enjoyment of yourself and other members of the Fouch family. As a result of your actions and those of the rest of your family, the credit union was rendered

addressed to Helen C. Nieuwenhuis, Esq., 429 Turner, N.W., Steepleview Building, Grand Rapids, MI 49504, attorney for Ms. Fouch.

March 12, 1997

Date

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Jon J. Canerday
Trial Attorney
Office of General Counsel