

**UNITED STATES OF AMERICA  
NATIONAL CREDIT UNION ADMINISTRATION  
Alexandria, Virginia**

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In the Matter of	)	
	)	
FREDERICK A. MERCHANT,	)	NCUA Docket No.
	)	96-09-01-I
Respondent.	)	
_____	)	

**FINAL ORDER OF PROHIBITION**

WHEREAS respondent Frederick A. Merchant ("Respondent"), a former officer, director and committee member of Myles Standish Federal Credit Union ("Myles Standish"), formerly located in Marshfield, Massachusetts, was an "institution-affiliated party" of that credit union, as defined by 12 U.S.C. §1786(r)(1);

WHEREAS the United States Attorney for the District of Massachusetts ("U.S. Attorney") alleged that respondent created false records at Myles Standish in order to defraud the National Credit Union Administration ("NCUA") in violation of 18 U.S.C. §1006;

WHEREAS respondent entered into an agreement with the U.S. Attorney on February 16, 1996, to settle said allegation by (1) agreeing to pay a civil money penalty of \$50,000 to the United States pursuant to 12 U.S.C. §1833a; and (2) consenting to issuance of a final order of prohibition against him pursuant to 12 U.S.C. §1786(g);

WHEREAS respondent has executed a "Stipulation and Consent" to a final order of the NCUA Board, pursuant to 12 U.S.C. §1786(g), permanently barring him from participating in the affairs of any federally-insured financial institution, which "Stipulation and Consent" has been accepted on behalf of the NCUA Board by its counsel;

WHEREAS Respondent has waived his right to an administrative hearing as provided in 12 U.S.C. §1786(g)(4), and has further waived his right to seek judicial review of this Final Order of Prohibition or to otherwise challenge its validity or legality; and

WHEREAS the NCUA Board finds that proper grounds exist to issue a Final Order of Prohibition against Respondent;

WHEREAS the NCUA Board has delegated authority to Regional Directors of the NCUA to issue an Order on its behalf when a respondent has consented to issuance of such an Order.

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. Frederick A. Merchant is prohibited from participating in any manner in the conduct of the affairs of any federally-insured credit union, and from continuing or commencing to hold any office, or participate in any manner, in the conduct of the affairs of any insured depository institution; any institution treated as an insured bank under paragraphs (3) or (4) of section 8(b) of the Federal Deposit Insurance Act ("FDIA"), or as a savings association under section 8(b)(8) of the FDIA; any insured institution chartered under the Farm Credit Act of 1971; any appropriate Federal depository institution regulatory agency; the Federal Housing

Finance Board and any Federal home loan bank; and the Resolution Trust Corporation. 12 U.S.C. §1786(g)(7)(A).

2. The "Stipulation and Consent" to issuance of this Order is made a part hereof and is incorporated herein by reference; and

3. This Final Order of Prohibition shall be effective and enforceable on the date of set forth below.

IT IS SO ORDERED this \_\_\_\_ day of October 1996.

**NATIONAL CREDIT UNION ADMINISTRATION BOARD**

By: \_\_\_\_\_  
LAYNE L. BUMGARDNER  
Regional Director  
NCUA Region I (Albany)

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CERTIFICATE OF SERVICE

I hereby certify that on this \_\_\_\_ day of October 1996, I caused one copy of the foregoing "Final Order of Prohibition" and attached "Stipulation and Consent" to be served by U.S. Mail, certified return receipt requested, upon:

Frederick A. Merchant  
1034 Johnson Street, #404  
Victoria, British Columbia, Canada V8V3N7

Frederick A. Merchant  
c/o David A. Bunis, Esq.  
Dwyer & Collora  
600 Atlantic Avenue  
Boston, Massachusetts 02210-2211

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Steven W. Widerman  
Trial Attorney  
Office of General Counsel