

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

IN THE MATTER OF) CATHY M. URBANCIC) An Institution Affiliated Party and) Person Participating in the Affairs) of the Cleveland Heights Employees Credit Union))))))))))) No. 96-1202IV
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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 Cleveland Heights 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 from a financial institution. You were sentenced on October 23, 1995, by the U.S. District Court for the Northern District of Ohio, to imprisonment for thirty months, followed by supervised release for four years, and ordered to pay restitution in the amount of \$70,000. A copy of the Judgment in a Criminal Case, dated October 24, 1995, 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 from a financial institution, was committed while you were employed as the manager of the Cleveland Heights Employees Credit Union of Cleveland Heights, Ohio. It appears you used your position as manager of the credit union to repeatedly misapply funds belonging to the credit union to your benefit and the benefit of your family members. In your plea agreement, you admitted that the amount so misapplied exceeded \$120,000. At the time of your criminal actions, Cleveland Heights Employees Credit Union was a federally insured credit union.

The offense to which you pleaded guilty involves 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 21st day of November, 1996

National Credit Union Administration

by

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NICHOLAS VEGHTS
Regional Director, Region IV
National Credit Union Administration

CERTIFICATE OF SERVICE

This is to certify that I have served the foregoing Order of Prohibition in the Matter of Cathy M. Urbancic, by depositing the same with the U.S. Postal Service, certified mail, return receipt requested, addressed to John F. Trebets, Esq., 6990 Lindsay Drive, Mentor, OH 44060, attorney for Ms. Urbancic.

Date 12-6-1996

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Jon J. Canerday
Trial Attorney
Office of General Counsel