

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

In the Matter of Marlene Vladika, Former Manager of Lackawanna Diversified Federal Credit Union, Eynon, Pennsylvania.	 Docket No. 98-0801-II
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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 Lackawanna Diversified 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 2113(b), credit union larceny. You were sentenced on September 30, 1996, by the U.S. District Court for the Middle District of Pennsylvania, to probation for five years and restitution in the amount of \$79,806.53 made payable to Lackawanna Diversified Federal Credit Union. A copy of the Judgment in a Criminal Case, dated October 2, 1996, is attached to this Order as Attachment 1 and is incorporated by reference herein.

The offense of which you were convicted, credit union larceny, was committed while you were employed as manager of Lackawanna Federal Credit Union located in Eynon, Pennsylvania. At the time of your criminal actions, Lackawanna Diversified Federal Credit Union was a federally-chartered 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 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, Virginia 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 National Credit Union Administration'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 19th day of August, 1998

National Credit Union Administration

by

/S/

Tawana J. James
Acting Regional Director, Region II
National Credit Union Administration