

UNITED STATES OF AMERICA
NATIONAL CREDIT UNION ADMINISTRATION
Alexandria, Virginia

In the Matter of ROBERT C. PADDOCK, Respondent.	NCUA Docket No. 99-1102-I
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FINAL ORDER OF PROHIBITION

WHEREAS respondent Robert C. Paddock ("Respondent"), former manager of St. Elizabeth's Hospital Federal Credit Union, charter no. 15316, formerly located in Utica, New York ("the Credit Union"), was an "institution-affiliated party" of that credit union, as defined by 12 U.S.C. §1786(r);

WHEREAS on July 21, 1997, Respondent pled guilty to a single felony count of theft of money from a credit union, 18 U.S.C. §2113(b), as charged in a criminal information stating that he "reduced the amount of certain indebtedness on the books of the Credit Union without having received the corresponding payments, and increased the amount of indebtedness on certain delinquent loan balances in order to obtain cash from the Credit Union, [and] then took away the cash, rather than providing it to the individuals whose indebtedness has been increased on the records of the Credit Union." See Plea Agreement filed Aug. 19, 1997, at §3.4;

WHEREAS a violation of 18 U.S.C. §2113(b) is a crime involving dishonesty or breach of trust which is punishable by imprisonment for a term exceeding one year under federal law;

WHEREAS on February 24, 1998, Respondent was convicted of a single felony count of theft of money from a credit union, 18 U.S.C. §2113(b), and was sentenced for that offense to a term of six (6) months in prison, followed by supervised release for a period of three (3) years; 150 hours of community service; ordered to pay restitution in the amount of \$10,000.00. See "Judgment In A Criminal Case," United States v. Paddock, Criminal Action No. 97-CR-279 (N.D.N.Y.);

WHEREAS the NCUA Board finds that Respondent's service to or participation in the conduct of the affairs of a federally-insured credit union may pose a threat to the interests of the members of such credit union or may threaten to impair public confidence in such credit union; and

WHEREAS the NCUA Board has delegated authority to Regional Directors of the NCUA to issue an Order on its behalf when such Order is based upon a criminal conviction.

NOW, THEREFORE, IT IS HEREBY ORDERED that:

1. Robert C. Paddock 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 12 U.S.C. §1818(b)(3) or (4), or as a savings association under 12 U.S.C. §1818(b)(8); any insured institution chartered under 12 U.S.C. §2001 *et seq.*; any appropriate Federal depository institution regulatory agency; the Federal Housing Finance Board and any Federal home loan bank; and the Resolution Trust Corporation. *See* 12 U.S.C. §1786(g)(7)(A);

2. The "Judgment In A Criminal Case" against Robert C. Paddock in *United States v. Paddock*, Criminal Action No. 97-CR-279 (N.D.N.Y.), 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.

Opportunity for Hearing

Pursuant to 12 U.S.C. §1786(i)(3), you may request in writing, within 30 days of service of this Order, a hearing to present evidence and argument that your 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 such credit union's members or threaten to impair public confidence in such credit union. *See* 12 C.F.R. §747.306 *et seq.* The NCUA Board will consider the criteria set forth at 12 C.F.R. §747.311.

A request for a hearing must state with particularity the relief desired, the grounds therefor, and must include, when available, supporting evidence. The request must be sent to: Secretary of the Board, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428.

IT IS SO ORDERED this 15 day of November 1999.

NATIONAL CREDIT UNION
ADMINISTRATION BOARD

By: _____
ANTHONY LACRETA
Acting Regional Director
NCUA Region I

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of November 1999, I caused one copy of the foregoing "Final Order of Prohibition" and attached "Judgment In A Criminal Case" to be served by U.S. Mail, certified return receipt requested, upon:

George Aney, Esq.
Dolgeville Road
Little Falls, NY 13365

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Steven W. Widerman
Trial Attorney
Office of General Counsel