

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

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**IN THE MATTER OF**

**MICHAEL PING LEE**

**No. 00—0201VI**

**An Institution Affiliated Party and  
Person Participating in the Affairs  
of the Cal State 9 Credit Union  
Berkley, California**

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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 Cal State 9 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. You were sentenced on July 27, 1999, by the U.S. District Court for the Northern District of California, to imprisonment for twenty-one months, followed by supervised release for three years, and ordered to pay restitution in the amount of

\$355,442.97. A copy of the Judgment in a Criminal Case, dated August 17, 1999, 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 a branch manager of the Cal State 9 Credit Union of Berkley, California. From May 1996 until May 1998, you served as the manager of Cal State 9 Credit Union's San Francisco State University branch, located in San Francisco. After excessive change fund balances for your branch, as well as two suspicious ATM reconciling items, were detected, a surprise cash count was held at your branch on May 29, 1998. At that time, cash shortages were discovered. You then confessed to embezzling cash, totaling \$362,555, from the branch vault during the prior two years. At the time of your criminal actions, Cal State 9 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 28th day of February, 2000

by

**National Credit Union Administration**

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ROBERT E. BLATNER  
Acting Director, Region VI  
National Credit Union Administration