

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

In the Matter of)	
)	
KAREN L. RAVENELL,)	
)	
Former Employee of)	Docket No. 00-1201-III
VF Credit Association Federal Credit Union,)	
Greensboro, North Carolina.)	
)	

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 your conviction for activities you engaged in during your affiliation with VF Credit Association 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 of Credit Union Funds, 18 U.S.C. § 657. You were sentenced on September 7, 2000, by the U.S. District Court for the Middle District of North Carolina, to imprisonment for one month followed by supervised release for five years, and ordered to pay restitution in the amount of \$11,969.29. A copy of the Judgment in a Criminal Case, signed September 26, 2000, is attached to this Order as Attachment 1 and is incorporated by reference herein.

The offense to which you pleaded guilty, embezzlement of credit union funds, was committed in your capacity as an employee of VF Credit Association Federal Credit Union, Greensboro, North Carolina.

Due to the nature of the offense to which you pleaded guilty 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. Pursuant to 12 C.F.R. § 747.306, your request must state with particularity the relief desired, the grounds, and must include, when available, supporting evidence.

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 the National Credit Union Administration's Rules and Regulations, 12 C.F.R. § 747.301 *et. seq.*

Should you request a hearing it will be an informal hearing in the Washington, D.C. metropolitan area and will commence 30 days after receipt of your request. The procedure to be followed is contained in 12 C.F.R. § 747.307. You may appear at the hearing personally, through counsel, or personally with counsel. The proceedings will be recorded and you will be entitled to a transcript after payment of the costs thereof. Witnesses may be called in the discretion of the NCUA Board, although they need not be sworn. If witnesses are permitted, you may cross examine any witnesses called by the NCUA's enforcement staff, and they in turn may cross-examine any witnesses called by you. The Presiding Officer of the hearing will make his or her recommendations to the NCUA Board, where possible, within ten business days following the close of the record.

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. 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.

National Credit Union Administration

By _____ /s/_____
Alonzo A. Swann, III
Regional Director
National Credit Union Administration

Dated: December 1, 2000