

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

IN THE MATTER OF)
)
BERNARD MONTOYA)
)
An Institution Affiliated Party and) Docket # 94-0401 v
Person Participating in the Affairs)
of the Guadalupe Credit Union)
)

ORDER OF PROHIBITION

Pursuant to Section 206(i)(1) of the Federal Credit Union Act, 12 U.S.C. §1786(i)(1), this Order of Prohibition prohibits you from participating in any manner in the affairs of any federally insured credit union. This Order of Prohibition results from your conviction for activities you engaged in during your affiliation with the Guadalupe Credit Union. This Order of 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 of Prohibition has been issued based upon the following information:

On or about December 17, 1991, you were found guilty by a jury of six counts of fraud in excess of \$250; eleven counts of fraud in excess of \$2,500; two counts of false written statements; one count of destruction of documents; and two counts of racketeering. You were sentenced on February 18, 1992, by the First Judicial District Court, County of Santa Fe, New Mexico, to sixty-seven and one-half years imprisonment, all of which was suspended except for nine years, five years probation, and restitution in an amount to be determined later. A copy of the Judgment, Sentence and Commitment is attached hereto as Attachment 1 and is incorporated by reference.

On August 6, 1993, the Court of Appeals of the State of New Mexico affirmed your convictions on all but two counts. The Supreme Court of New Mexico denied your petition for a writ of certiorari on October 13, 1993 (see letter at Attachment 2). Jurisdiction of your appeal returned to the Court of Appeals, which issued the opinion at Attachment 3. Except for a reassessment of your sentence in accordance with the dismissal as to two counts, your conviction is now final.

The offenses of which you were convicted were committed while you were employed by the Guadalupe Credit Union as the manager. The offenses involved a scheme with fellow employees of Guadalupe Credit Union to use credit union loans to finance the sale of used cars to credit union members at inflated prices. At the time of your criminal actions, Guadalupe Credit Union was a state chartered, federally insured credit union.

The offenses of which you were convicted involve 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. This hearing will be held in Washington, D.C., 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 _____ day of March, 1994.

National Credit Union Administration
by

John S. Ruffin
Regional Director, Region V
National Credit Union Administration

CERTIFICATE OF SERVICE

This is to certify that I have served the foregoing Order of Prohibition in the Matter of Bernard Montoya by depositing the same with the U.S. Postal Service, certified mail, return receipt requested, addressed to Art Michael, Esq. 128 Grant, Sante Fe, New Mexico 87501, Mr. Montoya's attorney of record.

Date

Jon J. Canerday
Trial Attorney
Office of General Counsel

June 21, 1994

VIA CERTIFIED MAIL/ RETURN RECEIPT REQUESTED

Mr. Bernard Montoya
Camp Sierra Blanca
P.O. Box 68

Fort Stanton, NM 88323

Re: Guadalupe CU/ Bernard Montoya

Dear Mr. Montoya:

Enclosed please find an amended Order of Prohibition issued by the National Credit Union Administration. While I believe the original Order was accurate, in order to facilitate a resolution of this matter as quickly and inexpensively as possible, the amended Order has been issued.

Should you have any questions regarding this matter, please contact me at the address shown below or by phone at (703) 518-6548.

Sincerely,

Jon J. Canerday
Trial Attorney
Office of General Counsel

OGC/JJC:jc
SSIC 4960
Enclosure