

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

In the Matter of)	
RANDOLPH L. BALINGIT)	
An Institution Affiliated Party and)	
Person)	
Participating in the Affairs)	Docket No. 97-0701VI
of the Sony San Diego Employees)	
Federal Credit Union,)	
San Diego, California)	
)	

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 Sony San Diego Employees 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, misapplication of funds by a credit union employee. You were sentenced on April 7, 1997, by the U.S. District Court for the Southern District of California, to imprisonment for one day credit for time served, followed by supervised release for three years, and ordered to pay restitution in the amount of \$13,510.32. Copies of the Judgments in a Criminal Case, filed April 8, 1997, and May 21, 1997, are attached to this Order as Attachments 1 and 2, respectively, and are 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, misapplication of funds by a credit union employee, was committed while you were employed as the assistant operations manager of the Sony San Diego Employees Federal Credit Union of San Diego, California. After you reported to Vicki Miller, the manager of the Sony San Diego Employees Federal Credit Union, that your roommate was fraudulently using a credit card, Ms. Miller began reviewing financial transactions at the credit union. She discovered that you had embezzled approximately \$12,000 from the credit union by recording fictitious transactions in dormant accounts. Ms. Miller and the board chairman confronted you with this information in August 1996 and you confessed to having taken the money to pay for personal expenses. At the time of your criminal actions, Sony San Diego Employees Federal Credit Union was a federally chartered and 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 _____ day of July, 1997

National Credit Union Administration
by

DANIEL L. MURPHY
Regional Director, Region VI
National Credit Union Administration

CERTIFICATE OF SERVICE

This is to certify that I have served the foregoing Order of Prohibition in the Matter of Randolph L. Balingit, by depositing the same with the U.S. Postal Service, certified mail, return receipt requested, addressed to Michael L. Lipman, Esq., Coughlan, Semmer & Lipman, 501 West Broadway, Suite 400, San Diego, CA 92101, attorney for Mr. Balingit.

Date

Jon J. Canerday
Trial Attorney
Office of General Counsel