

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

In the Matter of)	
)	
TRENA C. BLEDSOE)	Docket No. 09-0014-R3
)	
Former Employee or)	
Appalachian Community Federal Credit Union)	
Kingsport, Tennessee)	
)	

ORDER OF PROHIBITION

Pursuant to Section 206(i)(1)(C) of the Federal Credit Union Act ("FCUA"), 12 U.S.C. §1786(i)(1)(C), 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 Appalachian Community Federal Credit Union, Kingsport, Tennessee.

This prohibition is effective immediately upon service. In accordance with Section 206(g)(7)(A) of the FCUA, 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 were convicted of bank embezzlement, 18 U.S.C. § 657 and making a false oath and account in relation to a bankruptcy case, 18 U.S.C. § 152(2). On March 31, 2009, you were sentenced by the United States District

Court of the East District of Tennessee to thirty months imprisonment; 5 years supervised probation; and ordered to pay restitution in the amount of \$105,900.

You committed the offenses to which you were convicted in your capacity as Head Teller and Vault Custodian of Appalachian Community Federal Credit Union. Due to the nature of the offenses to which you were convicted 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 FCUA, 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 shall be sent to: Secretary of the Board, National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314-3428, with a copy sent to Associate General Counsel John K. Ianno at the same address. The hearing will be held in the Washington, D.C. metropolitan area, 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.* 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 at the discretion of the NCUA Board. 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 FCUA, 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(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.

National Credit Union Administration

By 
Alonzo A. Swann III, Region III
Regional Director
National Credit Union Administration

Dated: July 30, 2009

DEFENDANT: TRENA CLAYTON BLEDSOE
CASE NUMBER: 2:08-CR-84

IMPRISONMENT

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a total term of 30 months on Count 1, 30 months on Count 2, to run concurrently for a net effective sentence of 30 months.

The court makes the following recommendations to the Bureau of Prisons:

1. Designation to the federal facility at Alderson, WV.

The defendant is remanded to the custody of the United States Marshal.

The defendant shall surrender to the United States Marshal for this district:

at ___ a.m. p.m. on ___.

as notified by the United States Marshal.

The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons:

before 2 p.m. on _.

as notified by the United States Marshal.

as notified by the Probation or Pretrial Services Office.

RETURN

I have executed this judgment as follows:

Defendant delivered on _____ to _____

at _____, with a certified copy of this judgment.

UNITED STATES MARSHAL

By _____
DEPUTY UNITED STATES MARSHAL

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SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of

5 years on Count 1, 3 years on Count 2, to run concurrently for a net effective sentence of 5 years.

The defendant shall report to the probation office in the district to which the defendant is released within 72 hours of release from the custody of the Bureau of Prisons.

The defendant shall not commit another federal, state, or local crime.

The defendant shall not illegally possess a controlled substance. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days of release from imprisonment and at least two periodic drug tests thereafter, as determined by the court.

- The above drug testing condition is suspended, based on the court's determination that the defendant poses a low risk of future substance abuse. (Check, if applicable.)
- The defendant shall not possess a firearm, destructive device, or any other dangerous weapon.** (Check, if applicable.)
- The defendant shall cooperate in the collection of DNA as directed by the probation officer.** (Check, if applicable.)
- The defendant shall register with the state sex offender registration agency in the state where the defendant resides, works, or is a student, as directed by the probation officer. (Check, if applicable.)
- The defendant shall participate in an approved program for domestic violence. (Check, if applicable.)

If this judgment imposes a fine or a restitution obligation, it shall be a condition of supervised release that the defendant pay any such fine or restitution that remains unpaid at the commencement of the term of supervised release in accordance with the Schedule of Payments set forth in the Criminal Monetary Penalties sheet of this judgment.

The defendant shall comply with the standard conditions that have been adopted by this court (set forth below). The defendant shall also comply with the additional conditions on the attached page.

STANDARD CONDITIONS OF SUPERVISION

- 1) the defendant shall not leave the judicial district without permission of the court or probation officer;
- 2) the defendant shall report to the probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) the defendant shall support his or her dependants and meet other family responsibilities;
- 5) the defendant shall work regularly at a lawful occupation, unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) the defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any controlled substance or any paraphernalia related to any controlled substances, except as prescribed by a physician;
- 8) the defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) the defendant shall not associate with any persons engaged in criminal activity and shall not associate with any person convicted of a felony, unless granted permission to do so by the probation officer;
- 10) the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view of the probation officer;
- 11) the defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
- 13) as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

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SPECIAL CONDITIONS OF SUPERVISION

1. Any portion of the restitution that is not paid in full at the time of your release from imprisonment shall become a condition of supervision. Any balance toward the restitution which remains unpaid at the time of commencement of supervised release shall be paid in monthly installments, at the rate of at least 10 percent of your monthly gross income.
2. You shall provide the probation officer with access to any requested financial information.
3. You shall not incur new credit charges or open additional lines of credit without permission of the probation officer until \$105,900 has been paid in full.
4. You shall participate in a program of mental health treatment, as directed by the probation officer, until such time as you are released from the program by the probation officer. You shall waive all rights to confidentiality regarding mental health treatment in order to allow release of information to the supervising United States Probation Officer and to authorize open communication between the probation officer and the mental health treatment provider.
5. You shall not become or continue serving as an officer, director, employee, or institution-affiliated party, as defined in Title 12, United States Code Sec. 1786(r) (the Federal Credit Union Act as amended), or participate in any manner in the conduct or the affairs of any institution or agency specified in Title 12, United States Code Sec. 1818(e)(7)(A) without the prior written approval of the appropriate federal financial institution regulatory agency as defined in Title 12, United States Code Sec. 1818(e)(7)(D).

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CRIMINAL MONETARY PENALTIES

The defendant shall pay the following total criminal monetary penalties in accordance with the schedule of payments set forth on Sheet 6. The assessment is ordered in accordance with 18 U.S.C. § 3013.

Totals:	<u>Assessment</u> \$ 200.00	<u>Fine</u> \$ 0	<u>Restitution</u> \$ 105,900.00
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- The determination of restitution is deferred until __. An Amended Judgment in a Criminal Case (AO 245C) will be entered after such determination.
- The defendant shall make restitution (including community restitution) to the following payees in the amounts listed below.

If the defendant makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, if the United States is a victim, all other victims, if any, shall receive full restitution before the United States receives any restitution, and all restitution shall be paid to the victims before any restitution is paid to a provider of compensation, pursuant to 18 U.S.C. §3664.

<u>Name of Payee</u>	<u>*Total Amount of Loss</u>	<u>Amount of Restitution Ordered</u>	<u>Priority Order or Percentage of Payment</u>
Chub Group of Insurance Companies	\$ 97,900.00	\$ 97,900.00	
Appalachian Community Federal Credit Union	\$ 8,000.00	\$ 8,000.00	
TOTALS:	<u>\$ 105,900.00</u>	<u>\$ 105,900.00</u>	

- If applicable, restitution amount ordered pursuant to plea agreement \$ __

The defendant shall pay interest on any fine or restitution of more than \$2500, unless the fine or restitution is paid in full before the fifteenth day after the date of judgment, pursuant to 18 U.S.C. §3612(f). All of the payment options on Sheet 6 may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. §3612(g).

- The court determined that the defendant does not have the ability to pay interest, and it is ordered that:

The interest requirement is waived for the fine and/or restitution.

The interest requirement for the fine and/or restitution is modified as follows:

* Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18, United States Code, for offenses committed on or after September 13, 1994 but before April 23, 1996.

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SCHEDULE OF PAYMENTS

Having assessed the defendant's ability to pay, payment of the total criminal monetary penalties shall be due as follows:

- A Lump sum payment of \$ 106,100.00 due immediately
 not later than __, or
 in accordance with C, D, or E or F below; or
- B Payment to begin immediately (may be combined with C, D, or F below); or
- C Payment in ____ (e.g., equal, weekly, monthly, quarterly) installments of \$ __ over a period of __ (e.g., months or years), to commence __ (e.g., 30 or 60 days) after the date of this judgment; or
- D Payment in ____ (e.g., equal, weekly, monthly, quarterly) installments of \$ __ over a period of __ (e.g., months or years), to commence __ (e.g., 30 or 60 days) after release from imprisonment to a term of supervision; or
- E Payment during the term of supervised release will commence within 0 (e.g., 30 or 60 days) after release from imprisonment. The court will set the payment plan based on an assessment of the defendant's ability to pay at that time; or
- F Special instructions regarding the payment of criminal monetary penalties:

The government may enforce the full amount of restitution ordered at any time pursuant to Title 18, United States Code, Sections 3612, 3613, and 3664(m).

Unless the court has expressly ordered otherwise, if this judgment imposes a period of imprisonment, payment of criminal monetary penalties is due during the period of imprisonment. Unless otherwise directed by the court, the probation officer, or the United States attorney, all criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, shall be made to **U.S. District Court, 220 W. Depot St., Suite 200, Greeneville, TN 37743**. Payments shall be in the form of a check or a money order, made payable to U.S. District Court, with a notation of the case number including defendant number.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

- Joint and Several

Defendant Name, Case Number, and Joint and Several Amount:

- The defendant shall pay the cost of prosecution.
- The defendant shall pay the following court cost(s):
- The defendant shall forfeit the defendant's interest in the following property to the United States:

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) community restitution, (6) fine interest (7) penalties, and (8) costs, including cost of prosecution and court costs.