

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

In the Matter of)	
)	
HUDSON HERITAGE FEDERAL CREDIT UNION, Middletown, NY.)	Docket No. 06-1102-I
)	
)	

ORDER OF ASSESSMENT OF CIVIL MONEY PENALTY

WHEREAS, Hudson Heritage Federal Credit Union, Middletown, NY, executed a Stipulation and Consent to Issuance of an Order of Assessment of Civil Money Penalty (“Stipulation”), and agreed and consented to the issuance of this Order of Assessment of Civil Money Penalty (“Order”), pursuant to Section 206(k) of the Federal Credit Union Act (“FCUA”), 12 U.S.C. § 1786(k), and Part 747 of the National Credit Union Administration Rules and Regulations (“Rules”), 12 C.F.R. § 747, *et seq.*; and

WHEREAS, pursuant to the FCUA and the Rules, the National Credit Union Administration Board (“NCUAB”) has authority to issue a final Order where the Respondent consents to the issuance of such an Order.

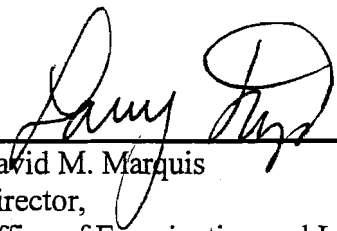
NOW THEREFORE, IT IS ORDERED that within ten (10) calendar days of the date of this Order, Hudson Heritage Federal Credit Union shall pay the sum of \$9,000.00 by tendering a certified check made payable to the order of the “National Credit Union Administration,”

together with a copy of the executed Order and a cover letter referencing the assessment. The payment should be sent to the National Credit Union Administration, c/o Dennis Winans, Chief Financial Officer, 1775 Duke Street, Alexandria, Virginia 22314.

FURTHERMORE, all technical words or terms used in this Order have meanings defined in the FCUA, the Rules, Title 12 of the United States Code, and any such words or terms undefined in the foregoing have meanings that accord with the best customs and usage in the credit union industry.

FURTHERMORE, this Order against Hudson Heritage Federal Credit Union incorporates the referenced Stipulation, and the Order is effective upon its issuance.

NATIONAL CREDIT UNION ADMINISTRATION BOARD

By: 
David M. Marquis
for Director,
Office of Examination and Insurance

Dated: 11/6/06

NCUAB of an Order of Assessment of Civil Money Penalty (“Order of Assessment”) in consideration of the settlement, compromise and resolution of all potential administrative claims and charges that have been or might be asserted by NCUAB against Hudson Heritage arising out of its filings of 2005 HMDA data.

2. Jurisdiction. Pursuant to its authority under Section 206 of the FCUA, 12 U.S.C. § 1786, the NCUAB is the appropriate Federal agency to maintain an administrative action against an “insured credit union.” Hudson Heritage is an “insured credit union” within the meaning of Section 101(7) of the FCUA, 12 U.S.C. § 1752(7). Accordingly, Hudson Heritage admits the jurisdiction of the NCUAB over itself and the subject matter of this action.

3. Finality. Hudson Heritage consents to the issuance of the Order of Assessment, and agrees to comply with all of its terms. The Order of Assessment complies with all requirements of law and issues pursuant to Section 206 of the FCUA, 12 U.S.C. § 1786. Upon its issuance, the Order of Assessment is final, effective, and fully enforceable by the NCUAB. The laws of the United States of America govern the construction and validity of this Stipulation and the Order of Assessment, and the section and paragraph headings do not affect the interpretation of this Stipulation or the Order of Assessment.

4. Waivers. Hudson Heritage waives its right to an administrative hearing provided by Section 206(k)(2)(H) of the FCUA, 12 U.S.C. § 1786(k)(2)(H). Hudson Heritage further waives its right to seek judicial review of the Order of Assessment, or otherwise challenge the validity or legality of the Order of Assessment.

5. Other Actions. Pursuant to this Stipulation, Hudson Heritage hereby agrees that the Order of Assessment is solely for the purpose of settling and resolving NCUAB’s claims against

it, as provided by paragraph 1 of this Stipulation, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, claims, charges against, or liabilities that may be or have been brought by any other Federal or state government agency or entity other than the NCUAB.

WHEREFORE, in consideration of the foregoing, Hudson Heritage Federal Credit Union and the National Credit Union Administration Board execute this Stipulation and Consent to the Issuance of an Order of Assessment of Civil Money Penalty.

HUDSON HERITAGE FEDERAL CREDIT UNION
By a majority of its Directors

Kurt R. Hottel
Director

9-21-06
Date

Paul J. Johnson
Director

9-21-06
Date

Thomas P. Hanten
Director

9/21/06
Date

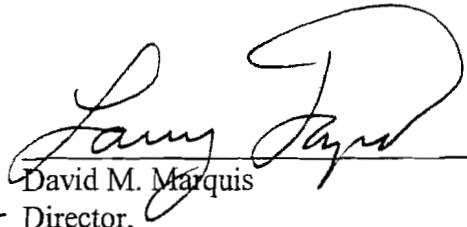
Kevin L. Kunkin
Director

9-21-06
Date

Robert S. Van Dusen
Director

9/21/06
Date

NATIONAL CREDIT UNION ADMINISTRATION BOARD



for David M. Marquis
Director,
Office of Examination and Insurance

11/6/06
Date