

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

_____	)	
<b>IN THE MATTER OF</b>	)	
	)	
<b>Karl R. Hedke</b>	)	<b>Docket No.: 07-0803-I</b>
<b>Former Member Services/ Loan Officer</b>	)	
<b>Wyandotte FCU</b>	)	
<b>Wyandotte, Michigan</b>	)	
_____	)	

**ORDER OF PROHIBITION**

Pursuant to Section 206(i)(1)(C) of the Federal Credit Union Act, 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 Wyandotte 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 pled guilty to Bank Fraud in October 2006. On June 28, 2007, you were sentenced by the U.S. District Court for the Eastern District of Michigan to sixty-four (64) months in jail followed by four (4) years of probation and to pay restitution in the amount of \$1,494,131.96. Attached and incorporated by

reference is a copy of the Judgment in a Criminal Case, signed on June 28, 2007.

The offense, to which you pled guilty, bank fraud, was committed in your capacity as member services/loan officer of Wyandotte Federal Credit Union in Wyandotte, Michigan. Due to the circumstances and nature of the offense to which you pled 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 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 (30) 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, with a copy sent to Associate General Counsel, Allan Meltzer, at the same address. This hearing will be held in the Washington, DC, 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 (NCUA)'s Rules and Regulations, 12 C.F.R. § 747.301 *et seq.*

Should you request a hearing, it will commence thirty (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 at the discretion of the NCUA Board. If witnesses are permitted, you may cross-examine any witness called by NCUA and NCUA may, in turn, cross-examine any witness called by you. The Presiding Officer of the hearing will make his or her recommendations to the NCUA Board, where possible, within ten (10) 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 monetary 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 (5) years, a fine of up to \$1,000,000, or both.

**National Credit Union Administration**

By:                     /s/                     Date:   9/6/07    
Mark A. Treichel, Regional Director  
National Credit Union Administration