UNITED STATES OF AMERICA

BEFORE THE NATIONAL CREDIT UNION ADMINISTRATION

In the Matter of

XXXXXXXXXXXX

Docket 98-INS-001

XXX

XXXXXXXXXXXXXXX

Insurance Claim

Espirito Santo Federal Credit Union

Decision and Order on Appeal

Decision

This matter comes before the National Credit Union Administration Board (Board) pursuant to 12 CFR 745.202 as an appeal of the determination by the Agent for the Liquidating Agent of Espirito Santo Federal Credit Union denying the xxxxxxxxxx insurance claim in the amount of xxxxxxxxxxx.

Background

Espirito Santo Federal Credit Union, located in Fall River, Massachusetts, was an associational credit union, chartered to serve members of the Espirito Santo Roman Catholic Parish in Fall River. It was placed into involuntary liquidation due to insolvency, effective September 5, 1997. The liquidation was due to alleged embezzlement involving certain credit union officials.

The Agent for the Liquidating Agent insured all of the xxxxxxxx accounts as joint accounts held by the same combination of individuals. The funds in the four accounts were added together and insured for a total of xxxxxxxxx, leaving xxxxxxxxxx uninsured. Unpaid dividends in the amount of xxxxxx brings the uninsured total to xxxxxxxxxx.

The Board is satisfied that the xxxxxxxxx established two individual term share certificate accounts. The

Order

For the reasons set forth above, it is ORDERED as follows:

So **ORDERED** this 23rd day of June, 1998 by the National Credit Union Administration Board.

Becky Baker

Secretary of the Board