

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

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**IN THE MATTER OF**

**DEAN MANGUM**

No. 02-0801-III

An Institution Affiliated Party and  
Person Participating in the Affairs  
of the UARK Federal Credit Union  
Fayetteville, Arkansas

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**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 UARK 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 eight counts of Title 18, United States Code, Section 1957(a), money laundering; one count of Title 26, United States Code, Section 7206(1), filing a false income tax return; and two counts of Title 18, United States Code, Section 982(a)(1), criminal forfeiture. You were sentenced on June 24, 2002, by the U.S. District Court for the Western District of Arkansas, to imprisonment for seventy months, followed by supervised release for

three years, and ordered to pay a fine in the amount of \$15,000 and pay restitution in the amount of \$3,013,669.50. A copy of the Judgment in a Criminal Case, dated June 25, 2002, is attached to this Order as Attachment 1 and is 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 offenses of which you were convicted, money laundering, filing a false tax return, and criminal forfeiture, were committed while you were the President of the UARK Federal Credit Union of Fayetteville, Arkansas. For a number of years, you maintained a second post office box in the name of UARK Federal Credit Union. You used this post office box to launder millions of dollars that were intended for the credit union. Some of these funds you used to purchase an expensive home for yourself. At the time of your criminal actions, UARK Federal Credit Union was a federally insured credit union.

The offenses to which you pleaded guilty involve 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   2nd   day of  August , 2002

by

  /s/  

**ALONZO A. SWANN III**  
Regional Director, Region III  
National Credit Union Administration