

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

IN THE MATTER OF)
)
HAROLD JOHNSON)
)
Institution-Affiliated Party of)
The Former Birch Run Area)
Credit Union)
Birch Run, MI)
_____)

Docket No.: 03-0902-IV

ORDER OF PROHIBITION

WHEREAS, Harold Johnson has executed a Stipulation and Consent to Issuance of an Order of Prohibition, which is accepted and approved by the National Credit Union Administration acting through its counsel; and

WHEREAS, Harold Johnson in the Stipulation has consented and agreed to the issuance of this Order of Prohibition pursuant to Section 206(g) of the Federal Credit Union Act, 12 U.S.C. §1786(g), and Part 747 of the National Credit Union Administration Rules and Regulations.

NOW THEREFORE, IT IS ORDERED THAT:

1. Harold Johnson is an institution-affiliated party in that he was the credit union chairman of the former Birch Run Area Credit Union Credit Union.
2. The Stipulation and Consent to the Issuance of this Order of Prohibition is made a part hereof and is incorporated herein by reference.

3. Harold Johnson is prohibited from participating in any manner in the conduct of the affairs of any federally insured credit union and any other institution as defined in 12 U.S.C. §1786(g)(7).

4. This Order of Prohibition shall be effective on the date it is issued.

NATIONAL CREDIT UNION ADMINISTRATION BOARD

By: /s/
Nicholas Veghts
Acting Regional Director
Region IV

Date: October 1, 2003

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Institution- Affiliated Party of)
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Credit Union)
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Docket No.: 03-0902-IV

STIPULATION AND CONSENT TO ISSUANCE OF
ORDER OF PROHIBITION

The National Credit Union Administration Board (“NCUA Board”), by and through its undersigned counsel, and Harold Johnson, an institution-affiliated party of the former Birch Run Area Credit Union, Birch Run, Michigan hereby stipulate and agree as follows:

1. Consideration. The National Credit Union Administration is of the opinion that grounds exist to initiate an administrative prohibition against Harold Johnson pursuant to Section 206 of the Federal Credit Union Act, 12 U.S.C. §1786. Harold Johnson, without admitting or denying that said grounds exist (except those set forth as to Jurisdiction in paragraph 2), desires to avoid the time, cost and expense of administrative litigation. Accordingly, Harold Johnson consents to the issuance by NCUA Board of an Order of Prohibition (“Order”) and hereby stipulates and agrees to the following terms in consideration of the settlement, compromise and resolution of all potential administrative claims and charges that have been or might be asserted by the NCUA Board against Harold

Johnson arising out of his position as the credit union chairman of the former Birch Run Area Credit Union.

2. Jurisdiction.

(a) Harold Johnson is an "institution-affiliated party" within the meaning of Section 206(r) of the Federal Credit Union Act, 12 U.S.C. §1786(r).

(b) Pursuant to the authority vested in the Board of the National Credit Union Administration under Section 206(g) of the Federal Credit Union Act, 12 U.S.C. §1786(g), and Part 747 of the National Credit Union Administration Rules and Regulations, it is an appropriate Federal agency to maintain enforcement proceedings against such institution-affiliated party. Therefore, Harold Johnson is subject to the authority of the National Credit Union Administration to initiate and maintain prohibition proceedings against him.

3. Consent. Harold Johnson consents to the issuance by the National Credit Union Administration Board of the accompanying Order of Prohibition. He further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of the Federal Credit Union Act.

4. Waivers. Harold Johnson waives his right to the administrative hearing provided for in Section 206(g)(4) of the Federal Credit Union Act, 12 U.S.C. §1786(g)(4). He further waives his right to seek judicial review of the Order of Prohibition or otherwise challenge the validity or legality of the Order.

5. Other Actions. Pursuant to this Stipulation, the Order settles and resolves any NCUA Board claims, known and unknown, against Harold Johnson as provided by paragraph 1 of this Stipulation. The Stipulation, however, does not release, discharge, compromise, settle, dismiss, resolve, or in any way effect

any actions, claims, charges against, or liabilities that arise and that may be or have been brought in the name of Birch Run Area Credit Union, or any federal or state government agency or entity other than the NCUA Board.

6. Finality. The Order of Prohibition is issued pursuant to Section 206(g) of Federal Credit Union Act, 12 U.S.C. §1786(g). Upon its issuance by the National Credit Union Administration Board, it shall be a final Order, effective and fully enforceable by the National Credit Union Administration.

WHEREFORE, in consideration of the foregoing the undersigned, on behalf of the National Credit Union Administration, and Harold Johnson execute this Stipulation and Consent to Issuance of Order of Prohibition.

By: /s/
Margaret E. McPartlin
Trial Attorney
Office of General Counsel

 9-23-03
Date

 /s/
Harold Johnson

 7/29/03
Date