

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

In The Matter Of:

**Debra Kinney
Respondent**

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Docket No. 14 -088-B

ORDER

This Order permanently bars Debra Kinney from engaging in the financial services industry in Vermont.

Background

1. The Commissioner is charged with administering and enforcing the laws of the State of Vermont governing state chartered credit unions. 8 V.S.A. §§ 11, 12, 30201.
2. Kinney is an individual, formerly residing in Derby, Vermont.
3. Kinney was the former manager of Border Lodge Credit Union located in Derby, Vermont.
4. In November 2012 the Federal Bureau of Investigation, the Department, and federal regulators searched the credit union and seized the documents and operations of the credit union based on evidence of fraud and misappropriation of members' funds.
5. The National Credit Union Administration ("NCUA") shut down Border Lodge Credit Union and liquidated its assets.
6. Kinney was indicted for misappropriation of credit union funds.
7. Kinney plead guilty to embezzlement of funds from a savings association.
8. Kinney was sentenced to be imprisoned for 36 months.

9. Pursuant to 8 VSA §§30701, the Commissioner may prohibit an individual who has been convicted of a crime involving dishonesty from engaging in the credit union business.

10. Pursuant to 8 VSA §15, the Commissioner may issue such other and additional orders as shall be necessary to regulate the financial services industry in Vermont.

11. An order prohibiting Kinney from engaging in the financial services industry in Vermont is necessary to properly protect and regulate the financial services industry in Vermont.

12. Kinney was properly served in this matter by sending a copy of the Administrative Charges and Notice of Hearing Rights to her last known address.

Order

It is ordered:

13. Kinney is permanently prohibited from engaging in the financial services industry in Vermont.

Entered at Montpelier, Vermont, this 22nd day of December, 2014.



Susan L. Donegan, Commissioner
Vermont Department of Financial Regulation