

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA

San Diego, California

***United States Attorney
Laura E. Duffy***

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For Immediate Release

Two San Diego Women Sentenced for Separate Bankruptcy Fraud Schemes

Rockxanna Hawks lied about her house in France; Ofelia DeAusen hid \$60,000 in jewelry

NEWS RELEASE SUMMARY - December 10, 2012

United States Attorney Laura E. Duffy announced that two San Diego women have pled guilty and were sentenced today for their role in separate bankruptcy fraud schemes

Rockxanna Hawks defrauded the Bankruptcy Court and her creditors by lying about her ownership of a house in France. According to court documents, in March 2008, Ms. Hawks filed for Chapter 7 bankruptcy protection in the United States Bankruptcy Court for the Southern District of California. In her bankruptcy petition, Hawks created the false impression that she owned no real property, listing "none" in a portion of the bankruptcy forms dedicated to real property.

In fact, however, Hawks was the legal owner of a house in France just outside the Principality of Monaco—at Montee de Grottes, Roquebrune Cap Martin, France. According to French property records submitted to the sentencing court, Hawks and her then-husband purchased this house in 1999 for the equivalent, in francs, of \$182,000. As part of her guilty plea, which took place on September 29, 2012, Hawks admitted to knowingly and fraudulently concealing the house from the Bankruptcy Court and her creditors. United States District Judge William Q. Hayes sentenced Hawks to serve one year of probation.

Ofelia DeAusen also defrauded the Bankruptcy Court and her creditors by concealing more than \$60,000 in jewelry and watches. According to court documents, in April 2008, Ms. DeAusen filed for Chapter 7 bankruptcy protection in the United States Bankruptcy Court for the Southern District of California. In her petition, filed jointly with her husband, DeAusen falsely claimed that she owned only “\$1,000” in fur and jewelry in the portion of the bankruptcy form dedicated to personal property.

In truth, however, DeAusen owned a \$63,232 stash of luxury items including, among many other things: a 1.64 carat diamond ring; a diamond-studded gold bangle; a ten-diamond white gold ring; a large 16-diamond men’s ring; three Movado watches; a yellow and white gold ring with nine diamonds surrounded by baguettes; and one yellow gold engagement setting with one larger diamond surrounded by smaller diamonds and baguettes. As part of her guilty plea, which took place on August 23, 2012, DeAusen admitted to knowingly and fraudulently concealing the jewelry and watches from the Bankruptcy Court and her creditors. United States District Judge Michael M. Anello sentenced DeAusen to serve three years of probation.

United States Attorney Duffy observed that bankruptcy protection is a privilege afforded to individuals who have suffered financial setbacks and not a means to allow debtors to squirrel away their pet assets – such as jewelry or vacation homes. Individuals seeking bankruptcy protection should be on notice that the United States Attorney’s Office will not turn a blind eye simply because the concealed

assets are not valued in the millions of dollars. United States Attorney Duffy stated, “Every dollar concealed is one less dollar that is available to satisfy legitimate creditors.”

The U.S. Trustee is the component of the Justice Department that protects the integrity of the bankruptcy system by overseeing case administration and litigating to enforce the bankruptcy laws. Acting United States Bankruptcy Trustee Tiffany L. Carroll noted, “Full and accurate disclosure of assets is a cornerstone of our nation’s bankruptcy system. We are grateful to the U.S. Attorney’s Office and the Federal Bureau of Investigation for their commitment to combating bankruptcy fraud and abuse, as demonstrated by these successful prosecutions.”

CASE NUMBER: 12CR3929-WQH

DEFENDANT

Rockxanna Hawks

SUMMARY OF CHARGES

Charge:	Concealment of Assets in Bankruptcy, in violation of Title 18, United States Code, Section 152(1)
Max. penalties:	5 years in prison, 3 years of supervised release, a \$250,000 fine and a \$100 special assessment

CASE NUMBER: 12CR3316-MMA

Ofelia DeAusen

Charge:	Concealment of Assets in Bankruptcy, in violation of Title 18, United States Code, Section 152(1)
Max. penalties:	5 years in prison, 3 years of supervised release, a \$250,000 fine and a \$100 special assessment

INVESTIGATING AGENCY

Federal Bureau of Investigation