



U.S. Department of Justice

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ROCKFORD WOMAN SENTENCED TO 5 MONTHS IN FEDERAL PRISON FOR CONCEALING ASSETS IN BANKRUPTCY

ROCKFORD – PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois, and ROBERT D. GRANT, Special Agent-In-Charge of the Chicago Office of the Federal Bureau of Investigation, today made the following announcement:

United States District Judge Philip G. Reinhard today sentenced **KATHY M. BARTELS**, formerly known as Kathy M. Hoefer, 46 (DOB: 08/14/60), 1303 15th Avenue North #2, Rockford, Illinois, to 5 months in federal prison without parole for concealing property from the bankruptcy trustee, creditors, and the United States Trustee in connection with a bankruptcy proceeding. In addition, the court ordered Bartels to serve 3 years of supervised release following her release from prison, and to pay restitution of \$40,497.

Bartels was charged by information and pled guilty on October 18, 2006. In pleading guilty, Bartels acknowledged that on April 11, 2003, she and her (then) husband filed a Chapter 7 Bankruptcy Petition, Schedules of Assets and Liabilities, and Statement of Financial Affairs in the United States Bankruptcy Court for the Northern District of Illinois, Western Division. According to the plea agreement, Bartels knew before she filed for bankruptcy that she would receive property as a result of her father's death. On April 28, 2003, Bartels personally deposited a distribution check for \$29,875 from her deceased father's estate into a bank account, but did not list any inheritance or trust interests in her bankruptcy documents as required. Further, when Bartels was questioned under oath by the Trustee on May 15, 2003, she denied that she expected to receive any inheritance within the following six months. On August 2, 2003, Bartels received a check in the amount of \$42,872.00 as life insurance proceeds payable as a result of her father's death which she deposited into another account. Bartels admitted that she intentionally withheld information concerning the two checks from the Trustee, knowing that she was required to disclose any inheritances she received within six months after she filed her bankruptcy petition.

The case was investigated by the Rockford office of the Federal Bureau of Investigation, and was prosecuted in federal court by Assistant United States Attorney Michael D. Love.

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