



Department of Justice



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CINCINNATI AREA BUILDER CHARGED WITH BANKRUPTCY FRAUD IN SUPERSEDING INDICTMENT

CINCINNATI – A federal grand jury here returned a superseding indictment charging Bernard J. Kurlemann, 56, of Mason with committing bankruptcy fraud by hiding assets when he filed bankruptcy on behalf of his company, luxury home builder Kurlemann Builders, Inc. (“KBI”), in March 2008.

Carter M. Stewart, United States Attorney for the Southern District of Ohio, Keith L. Bennett, Special Agent in Charge, Federal Bureau of Investigation (FBI), Ohio Attorney General Richard Cordray, Warren County Prosecutor Rachel Hutzel, and other members of the Cincinnati Mortgage Fraud Task Force announced the indictment returned yesterday.

The indictment charges Kurlemann with one count of bankruptcy fraud, one count of concealment of assets, and one count of false oaths. The indictment adds the new charges to an indictment returned against him in January 2010 in which he was charged with conspiracy to commit loan fraud and loan fraud. All charges contained in the original indictment against Kurlemann and the other defendants remain in place.

The indictment alleges that Kurlemann engaged in a scheme to defraud the creditors of KBI and the bankruptcy trustee in the bankruptcy case he filed for KBI. This scheme to defraud involved the transfer of a parcel of real estate Kurlemann owned on behalf of KBI to a third party on or about August 16, 2007, in exchange for funds in the amount of approximately \$220,000 plus an undisclosed and concealed option to purchase or repurchase this property within a one-year period.

Each count is punishable by up to five years imprisonment, and a fine of up to \$250,000, or twice the gross gain or loss from the offense.

Stewart commended the cooperative investigation by members of the Task Force, and Assistant U.S. Attorney Jennifer Barry, who is prosecuting the case.

The Financial Fraud Enforcement Task Force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes. For more information on the task force, visit StopFraud.gov.

An indictment is merely an accusation. A defendant is presumed innocent unless and until proven guilty in court.

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