



U.S. Department of Justice

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November 30, 2011

LANCASTER LAWYER CONVICTED OF ALL CHARGES IN BANKRUPTCY FRAUD

ALLENTOWN, PA - Kenneth G. Reidenbach, 61, an attorney practicing in Lancaster, PA, was convicted today of all charges in connection with fraud stemming from three bankruptcy proceedings in which he represented the debtors. Reidenbach was convicted of conspiracy to commit bankruptcy fraud and to conceal property in a bankruptcy, bankruptcy fraud, two counts of concealing property in bankruptcy, two counts of being an agent concealing property in bankruptcy, two counts of embezzlement against a bankruptcy estate, and one count of false declaration, certification, or verification in a bankruptcy proceeding.

With respect to the first bankruptcy proceeding, Reidenbach concealed more than \$51,000 of clients' real estate sales proceeds from the bankruptcy court. In connection with the second proceeding, Reidenbach concealed nearly \$40,000 of a client's real estate proceeds from the bankruptcy court. In the third proceeding, Reidenbach falsely represented that he had agreed to receive only \$1,500 for representing the client in the bankruptcy proceeding when he had, in fact, received approximately \$4,800.

Reidenbach is facing a statutory maximum possible sentence of 45 years in prison and a fine of \$2.25 million when sentenced on May 2, 2012.

The case was investigated by the Federal Bureau of Investigation with assistance from the Office of the United States Trustee and is being prosecuted by Assistant United States Attorney David J. Ignall.

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