



*Office of the United States Attorney
District of Arizona*

FOR IMMEDIATE RELEASE
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PHOENIX ATTORNEY GUILTY OF BANKRUPTCY FRAUD AND MONEY LAUNDERING

PHOENIX - On May 13, 2008, James Joseph Everett, 53, a Phoenix attorney of Paradise Valley, Ariz., was found guilty by a federal jury of 33 counts of False Declarations in Bankruptcy Proceedings, Bankruptcy Fraud and Money Laundering. The 7-day trial was held before U.S. District Judge James A. Teilborg. Sentencing is set before Judge Teilborg for August 25, 2008.

During the trial, the evidence showed that Everett made numerous material false declarations in his Chapter 7 bankruptcy filings designed to conceal from the U.S. Bankruptcy Trustee approximately \$500,000 in assets and income. Everett also used more than \$300,000 in concealed assets to purchase a house in Paradise Valley.

A conviction for False Declarations in Bankruptcy Proceedings and Bankruptcy Fraud carries a maximum penalty of five years in federal prison, a \$250,000 fine or both. A conviction for Money Laundering carries a maximum penalty of 20 years in federal prison, a \$500,000 fine or both. In determining an actual sentence, Judge Teilborg will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

The investigation preceding the indictment was conducted the U.S. Trustee's Office and the Internal Revenue Service Criminal Investigation Division. The prosecution is being handled by John R. Lopez IV, and Frank Galati, Assistant U.S. Attorneys, District of Arizona, Phoenix.

CASE NUMBER: CR-06-0795-PHX-JAT
RELEASE NUMBER: 2008-118(Everett)

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