



U.S. Department of Justice

*Executive Office for United States Trustees*

*Office of Research and Planning*

*Washington, D.C.*

**PRESS RELEASE**

For Immediate Release  
March 6, 1998

**CHAPTER 7 DEBTOR SENTENCED FOR CONCEALING  
\$50,348 IN FUNDS FROM DIVORCE SETTLEMENT**

Chapter 7 debtor Kathleen A. Roy of Allentown, Pa., was sentenced February 20 after pleading guilty to concealing from the bankruptcy trustee \$50,348 in funds from her divorce settlement.

District Judge Franklin S. Van Antwerpen of the Eastern District of Pennsylvania sentenced Roy to four months incarceration, four months home confinement, and three years supervised release; the judge also ordered Roy to pay restitution of \$300 per month for the three years of her supervised release.

Roy was charged under 18 USC 152(1) with concealing \$50,348 that she received, within 90 days pre-petition, as a settlement in her divorce proceeding. Roy failed to disclose the existence of the funds in her bankruptcy schedules. She further attempted to conceal the funds from the bankruptcy trustee by stating that she used most of them to pay a pre-existing debt to her grandmother. The bankruptcy trustee interviewed the grandmother, who denied that the debt existed or that she had received the funds. Roy still has not satisfactorily accounted for the funds.

The bankruptcy trustee referred the matter to the Philadelphia office of the United States Trustee, which referred it to Michael R. Stiles, United States Attorney for the Eastern District of Pennsylvania, for prosecution.

The restitution will be paid to creditors listed on Roy's bankruptcy schedules. Van Antwerpen determined that Roy could not pay full restitution. Additionally, in light of Roy's financial circumstances, the judge deemed it inappropriate to impose a criminal fine.

Contact: Public Information Officer  
Executive Office for United States Trustees  
(202) 305-7411