

United States Department of Justice

For Immediate Release

July 15, 2010 **United States Attorney's Office**
Central District of California

Bel-Air Man Convicted of Bankruptcy Fraud and Assault

Yesterday, after a two-week trial, a jury convicted defendant Milton Lee Vandevort of concealing assets in a bankruptcy case, making a false oath and a false declaration in a bankruptcy case, assaulting a process server, and money laundering.

Vandevort, 49, who filed chapter 7 bankruptcy in 2005, was convicted of concealing his interests in: a residence in the Bel-Air neighborhood in Los Angeles, California; a nursing registry business, "Always There Nursing Care" (ATNC); and various pass-through entities that he created for income generated from ATNC.

"Criminal bankruptcy fraud threatens the integrity of the bankruptcy system, as well as public confidence in that system," stated Peter Anderson, United States Trustee for the Central District of California (Region 16). "We are grateful to U.S. Attorney Andre' Birotte Jr. for his strong commitment to combating fraud and abuse in the bankruptcy system, as demonstrated by this successful prosecution."

Vandevort also was convicted of assaulting a process server for brandishing a golf club at a private investigator the bankruptcy trustee had hired to serve subpoenas on Vandevort's wife. After doing so, Vandevort called 911, falsely claiming among other things, that his family was experiencing a "home invasion robbery." Finally, Vandevort was convicted of money laundering for using income generated from ATNC to pay his own expenses and using the proceeds of a 2004 refinance of the Bel-Air residence to buy undeveloped land in Wyoming in the name of his mother-in-law.

After returning its guilty verdicts, the jury found that the properties that Vandevort had concealed should be forfeited to the government. At the conclusion of the trial, United States District Judge Phillip S. Gutierrez remanded Vandevort into federal custody. Sentencing is scheduled for October 18, 2010.

The U.S. Trustee Program is the component of the Justice Department that protects the integrity of the bankruptcy system by overseeing case administration and litigating to enforce the bankruptcy laws. Region 16 is headquartered in Los Angeles, with additional offices in Santa Ana, Riverside, and Woodland Hills, Calif.

The case was investigated by the Federal Bureau of Investigation with assistance from the U.S. Trustee Program.