

PRESS RELEASE

Suburban Chicago Attorney Sentenced to More Than Three Years in Federal Prison for Bankruptcy Fraud

Tuesday, June 27, 2023

For Immediate Release

U.S. Attorney's Office, Northern District of Illinois

CHICAGO — A federal judge today sentenced a suburban Chicago attorney to more than three years in prison for fraudulently enabling her brother to conceal more than \$357,000 from creditors and the trustee in his bankruptcy case.

JAN R. KOWALSKI was a licensed attorney when she engaged in the fraud scheme in 2018 with her brother, co-defendant ROBERT M. KOWALSKI. When Robert Kowalski filed for bankruptcy, he possessed hundreds of thousands of dollars in cashier's checks payable to himself but which were the property of his bankruptcy estate. Jan Kowalski helped her brother conceal the cashier's checks, as well as money orders and other checks, by depositing them into her attorney trust account (IOLTA). She then withdrew a portion of the funds in cash or for use in, among other things, real estate transactions for her brother's benefit.

When the bankruptcy trustee discovered the IOLTA account activity, Jan Kowalski attempted to conceal the scheme by fabricating documents and making materially false statements to the U.S. Bankruptcy Court. The funds concealed through the fraud scheme have yet to be recovered.

Jan Kowalski, 59, of LaGrange, Ill., pleaded guilty last year to a federal charge of concealing assets from a bankruptcy trustee. In addition to the 37-month prison term, U.S. District Judge Virginia M. Kendall ordered Jan Kowalski to pay \$357,492 in restitution.

The sentence was announced by Morris Pasqual, Acting United States Attorney for the Northern District of Illinois; Vincent R. Zehme, Special Agent-in-Charge of the Chicago

Region of the FDIC's Office of Inspector General; Machelie L. Jindra, Special Agent-in-Charge of the U.S. Department of Housing and Urban Development's Office of Inspector General in Chicago; Justin Campbell, Special Agent-in-Charge of IRS Criminal Investigation in Chicago; Catherine Huber, Special Agent-in-Charge of the Central Region of the Federal Housing Finance Agency, Office of Inspector General; Robert W. "Wes" Wheeler, Jr., Special Agent-in-Charge of the Chicago Field Office of the FBI; Andrea Peacock, Special Agent-in-Charge of the Department of the Treasury, Office of Inspector General; Deborah Witzburg, City of Chicago Inspector General; and Kathryn B. Richards, Chicago Housing Authority Inspector General. Valuable assistance was provided by the U.S. Trustee Program. The government was represented by Assistant U.S. Attorneys Michelle Petersen, Brian Netols, and Kristin Pinkston, and Special Assistant U.S. Attorney Jeffrey Snell.
