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PRESS RELEASE

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Florida Man Pleads Guilty to Scheming to Collect Compensation For Active-Duty Military Members Who Suffer Foreclosure Losses **Defendant Falsely Claimed He Was on Active Duty in Iraq** **When Two Condominiums Were Targeted for Foreclosure**

WASHINGTON – David Bernier, 52, of Fort Lauderdale, Fla., pled guilty today to a federal charge stemming from a scheme in which he forged military records and made false statements in an attempt to collect over \$700,000 under a federal law meant to protect active duty military members from suffering losses through mortgage foreclosures.

The guilty plea was announced by Channing D. Phillips, U.S. Attorney for the District of Columbia, Michael E. Horowitz, Inspector General for the Department of Justice, and James Springs, Inspector General for the National Archives and Records Administration.

Bernier pled guilty in the U.S. District Court for the District of Columbia to a charge of making a false statement. The charge carries a statutory maximum of five years in prison and potential financial penalties. Under federal sentencing guidelines, he faces a likely range of 24 to 30 months in prison and a potential fine of \$10,000 to \$95,000. The Honorable Colleen Kollar-Kotelly scheduled sentencing for Oct. 4, 2016.

The scheme involved Bernier's claims that he was entitled to protection under the Servicemembers Civil Relief Act, a law that provides protections for military members as they enter active duty. Among other things, the law prohibits non-judicial foreclosures against service members who are in military service or within the applicable post-service period, as long as they originated their mortgages before their period of military service began.

In 2012, the United States settled two lawsuits against financial institutions accused of improperly foreclosing on mortgages of active duty military service personnel. The court

agreements led to the creation of settlement funds out of which payments would be made to qualified individuals whose homes had been wrongfully foreclosed upon.

Bernier filed two such claims in 2014, involving foreclosures that took place in 2008 and 2009 of two condominiums he owned in Fort Lauderdale. In both claims, Bernier stated that the properties were foreclosed upon while he was on active duty in the U.S. Air Force in Iraq. He also provided documentation claiming he had received the Defense Meritorious Service Medal and Citation for conduct in Iraq from July 2008 to March 2010. Under the settlement agreements, if the claims were valid, Bernier could have received a total of \$730,000.

However, the financial institutions were unable to substantiate Bernier's claims, leading him to submit follow-up documents and make statements attesting to his service. In fact, an investigation determined that the documents Bernier had submitted were forgeries. At the time that Bernier supposedly was in Iraq, he was in fact working in the state of Washington. No money was paid to Bernier, whose actions became the subject of a criminal investigation.

In announcing the plea, U.S. Attorney Phillips, Inspector General Horowitz, and Inspector General Springs commended those who investigated the case from the Offices of Inspector General for the Department of Justice and the National Archives and Records Administration. They also expressed appreciation for the efforts of those who worked on the case from the U.S. Attorney's Office, including Document Management Analyst John Lowell, and Assistant U.S. Attorney Peter C. Lallas, who is prosecuting the matter.

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