

## Man who gave company credit card to escort gets more than two years for \$5.79M fraud

By Jon Seidel Jul 23, 2020

Scott Kennedy saw Crystal Lundberg as “the last opportunity to have the family he has always wanted,” his lawyer said.

The two met following Kennedy’s costly 2012 divorce prompted him to binge on alcohol and prostitutes, court records show. He hired Lundberg, an escort. But by the end of 2015, Lundberg and her children had moved in with him in northwest suburban Buffalo Grove.

From there, Kennedy’s need for a family consumed him, his lawyer said. He wanted so badly to be a provider that he handed Lundberg his corporate credit card and doctored records while they racked up \$5.79 million in personal charges on an account belonging to the drug device company Nemera. The sad saga that followed cost Kennedy his job and reputation.

It also cost Kennedy his freedom Thursday, when U.S. District Judge Elaine Bucklo sentenced him to more than two years in prison for what she called an “inexplicable” crime. “It’s hard to imagine what you really got out of this,” Bucklo said. “In the end, of course, nothing.” Before learning his sentence via videoconference due to the coronavirus pandemic, Kennedy apologized at length for his crime and said, “I will continue to be sorry for the rest of my life.”

“I am genuinely surprised I didn’t lose more friends over this,” Kennedy said. Kennedy, 46, pleaded guilty to wire fraud early in 2018. The next year, he became the star witness at Lundberg’s trial. In open court — and in front of exasperated jurors — Kennedy explained how Lundberg repeatedly took advantage of him amid soaring credit card balances and Lundberg’s seemingly deceptive behavior. He said he loved her and hoped they would marry.

Lundberg, 34, has been accused in court records of using the corporate card to spend \$8,000 monthly on a personal driver for her kids and \$2,500 a month on a maid in San Diego, where she moved. She allegedly paid for therapy and prescription drugs, spent \$60,000 on two Rolex watches and paid for trips to Bali, France, Costa Rica, Hawaii, Santorini, Bora Bora and Fiji.

The jury eventually convicted her on five counts of wire fraud, and Bucklo gave her more than four years behind bars last December. She has yet to report to prison, successfully asking for delays because of the pandemic.

Unlike Lundberg, who went to trial, prosecutors said Kennedy began cooperating with authorities almost immediately after the scheme was discovered and

pleaded guilty. Assistant U.S. Attorney Kathryn Malizia asked Bucklo to give Kennedy 42 months in prison.

Defense attorney Sami Azhari asked for 25 months — the sentence Bucklo ultimately handed down — while pointing to the differences in behavior between Kennedy and Lundberg. While Kennedy was once hospitalized, he said, Lundberg bought tickets to the NBA Finals. While she at one point lived in an estate in San Diego, he said, Kennedy lived out of a motel. And while Kennedy was wracked with guilt, he said Lundberg ignored his written pleas to stop spending.

Near the end of Thursday’s hearing, the judge suggested Kennedy report to prison at the beginning of October. Kennedy spoke up, asking if he could report sooner. Pushing coronavirus concerns aside, the judge eventually agreed to let him report in early September.

Though she was sentenced more than seven months ago, Lundberg is not set to begin her sentence until the end of September. “I’m more concerned with just getting this over with,” Kennedy said. “I want to be able to move on with my life.”