

**Department of Justice**

U.S. Attorney's Office

Eastern District of Michigan

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FOR IMMEDIATE RELEASE

Wednesday, November 10, 2021

**Financial Secretary-Treasurer of UAW Local 412 Charged  
With Embezzling Over \$2 Million in Union Funds**

**DETROIT** - Timothy Edmunds, the Financial Secretary-Treasurer of Local 412 of the United Auto Workers union, has been charged in a Criminal Complaint with embezzling over \$2 million in union funds announced Acting U.S. Attorney Saima S. Mohsin.

Joining in the announcement were Irene Lindow, Special Agent in Charge of the U.S. Department of Labor – Office of Inspector General, Timothy Waters, Special Agent in Charge of the Detroit, Michigan office of the Federal Bureau of Investigation, and Sarah Kull, Special Agent in Charge of the Detroit, Michigan office of the Internal Revenue Service – Criminal Investigations, and Thomas Murray, District Director, U.S. Department of Labor – Office of Labor-Management Standards.

Timothy Edmunds, 53, of South Lyon, Michigan, is charged in the Criminal Complaint, that was unsealed today, with embezzling union funds, money laundering, failing to maintain union records, and filing false reports with the Department of Labor between 2015 and 2021.

According to court records, between 2011 and 2021, Edmunds has served as the Financial Secretary-Treasurer of union Local 412 of the International Union, United Automobile, Aerospace, and Agricultural Workers of America (“UAW”). UAW Local 412 is headquartered in Warren, Michigan, and it represents approximately 2,600 members employed by the automaker FCA US LLC, which is owned by Stellantis N.V. The local union’s members include many of those employed at the following Stellantis facilities located within in the Detroit area: Sterling Stamping Plant, Mack Engine Plant, Warren Truck Assembly Plant, Warren Stamping Plant, and Jefferson Assembly Plant.

As an elected officer of UAW Local 412, Edmunds was responsible to hold its money and property solely for the benefit of the organization and its members and to manage, invest, and expend the funds in accordance with the UAW constitution and Local 412 bylaws. Instead, Edmunds systematically drained the Local 412 accounts of about \$2 million by (1) using Local 412 debit cards for over \$142,000 in personal purchases, (2) cashing Local 412 checks worth \$170,000 into accounts he personally controlled, and (3) transferring \$1.5 million from bone fide Local 412 accounts into accounts that he personally controlled. Once Edmunds converted the funds to his own personal use, he used the money to gamble, purchase luxury clothing, high-end automobiles, and firearms. To conceal his theft from other UAW officers and the Local 412 members, Edmunds created false bank statements and caused false LM reports to be filed with the U.S. DOL. Edmunds supplied the fake bank statements to international UAW auditors in an effort to conceal his embezzlement. Auditors from the UAW international union, who recently conducted an audit of Local 412, provided federal agents with information detailing the diversion of approximately \$2 million in Local 412 funds by Edmunds.

Evidence indicates that Edmunds has used portions of the proceeds of his embezzlement to gamble extensively, to purchase firearms, and to purchase various high-end vehicles. For example, between

2018 and 2020, Edmunds used the UAW Local 412 debit card to make over \$30,000 in unauthorized withdrawals at the Greektown Casino. While gambling at the Greektown Casino, records indicate that Edmunds had cash buy-ins of over \$1 million, and he put over \$16 million in play while betting while being rated at the casino. Between 2020 and the present, Edmunds registered at least 10 firearms, which ranged in price between \$500 and \$2,000 per firearm. In February 2016, Edmunds purchased a 2016 Jeep Grand Cherokee SRT for \$74,365. In July 2020, Edmunds purchased a 2020 Jeep Grand Cherokee Trackhawk, for \$96,419. Subsequently, in July 2021, Edmunds purchased a 2021 Dodge Durango for \$76,491. Edmunds also leased two 2021 Jeep Grand Cherokee Limited in December 2020.

Based on the charge of embezzling union funds, Edmunds faces a maximum of five years in prison and a fine of up to \$10,000. Based on the charge of money laundering, Edmunds faces a maximum of twenty years in prison and a fine of up to \$500,000. On the charges of filing false reports with the Department of Labor, failing to maintain union records, and making false entries in union records, Edmunds faces a maximum of one year in prison and fine of \$10,000.

A Criminal Complaint is only a charge and is not evidence of guilt.

Edmunds is the seventeenth defendant charged in connection with the ongoing criminal investigation into corruption within the UAW or relating to illegal payoffs to UAW officials by FCA executives. The following other individuals have already pleaded guilty to their participation in the scheme and have been sentenced: former UAW President Gary Jones (28 months in prison); former FCA Vice President for Employee Relations Alphons Iacobelli (66 months in prison), former FCA Financial Analyst Jerome Durden (15 months in prison), former Director of FCA's Employee Relations Department Michael Brown (12 months in prison), former senior UAW officials Virdell King (60 days in prison), Keith Mickens (12 months in prison), Nancy A. Johnson (12 months in prison), Monica Morgan, the widow of UAW Vice President General Holiefield (18 months in prison), former UAW Vice President Norwood Jewell (15 months in prison), former senior UAW official Michael Grimes (28 months), former UAW Midwest CAP President Edward "Nick" Robinson (12 months in prison), former UAW Vice President Joseph Ashton (30 months), former UAW President Dennis Williams (21 months) and former UAW Region 5 Director UAW Board member Vance Pearson (12 months in prison). The company, FCA US LLC, now known as Stellantis, pleaded guilty in January 2021 to conspiring to violate the Taft-Hartley Act, and was ordered to pay a fine of \$30 million and be subject to an outside Monitor for three years. Former senior UAW official Jeffrey "Paycheck" Pietrzyk passed away before being sentenced.

In December 2020, the United States filed a civil lawsuit against the International UAW under the Anti-Fraud Injunction Act based on the criminal investigation of the UAW, FCA US LLC, and FCA's executives. Subsequently, the United States and the International UAW entered into a Consent Decree to settle the lawsuit that was approved by the U.S. District Court. The Court has appointed attorney Neil Barofsky to serve as the Independent Monitor of the UAW for the next six years. The Monitor is tasked with providing federal oversight of the UAW concerning fraud, corruption, and misconduct within the UAW. In addition, the Monitor is conducting a referendum of all UAW members to determine if the membership wants to adopt a direct election, also known as "one member, one vote," method of electing the members of the UAW's International Executive Board.

Acting U.S. Attorney Mohsin commended the outstanding work of the Internal Revenue Service – Criminal Investigations, the U.S. Department of Labor – Office of Labor-Management Standards and Office of Inspector General, and the Federal Bureau of Investigation in conducting a comprehensive criminal investigation into labor corruption activities involving a vital sector of the local and national economy.

“The members of the UAW deserve a union free of corrupt and crooked leadership,” said Acting United States Attorney Saima Mohsin. “We will continue to root out and prosecute those corrupt leaders who seek to use UAW funds as their own personal piggybank.”

"An important mission of the Office of Inspector General is to investigate allegations of fraud involving labor unions. We will continue to work with our law enforcement partners to investigate these types of allegations," stated Irene Lindow, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

“Mr. Edmunds held a position of trust within the UAW and his alleged theft of nearly \$2 million from UAW accounts is a betrayal to every UAW worker,” said Timothy Waters, Special Agent in Charge of the FBI’s Detroit Division. “The FBI and its law enforcement partners will use all available resources to hold criminals accountable and seek justice for those victimized.”

“This complaint leaves no question as to the Department of Labor’s commitment to seek justice for unions and their members when union officers or employees put their personal financial gain ahead of the best interests of the union and the members they represent,” said Thomas Murray, District Director, U.S. Department of Labor, Office of Labor-Management Standards. “Today’s complaint alleges an outrageous abuse of power and misuse of Mr. Edmunds’s position of trust. Mr. Edmunds allegedly embezzled over \$2 million from the members of UAW Local 412, took extreme measures to conceal his actions from the union, and used embezzled funds to live a lavish lifestyle. While almost all union officials and employees pursue the best interests of the union and the members they represent, a very small amount do not. When a union official or employee endangers the financial integrity of their union, OLMS will seek justice for the union and its members.”

“Today’s allegation is yet another example of corrupt leadership and abuse of fiduciary duties of a trusted UAW official,” said Special Agent in Charge Sarah Kull, Internal Revenue Service – Criminal Investigation, Detroit Field Office. “IRS – Criminal Investigation is committed to investigating corrupt union officials who steal from their membership to enrich themselves.”

The case is being prosecuted by Assistant U.S. Attorneys David A. Gardey and Steven Cares.

**Topic(s):**  
Public Corruption

**Component(s):**  
[USAO - Michigan, Eastern](#)