

Department of Justice

U.S. Attorney's Office

Eastern District of Michigan

FOR IMMEDIATE RELEASE

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Former Senior UAW Official Charged with Accepting Prohibited Payments from Fiat Chrysler Automobiles

A superseding indictment was unsealed today charging former UAW official Nancy A. Johnson, 57, of Macomb, Michigan, with criminal violations of the Labor Management Relations Act, announced United States Attorney Matthew Schneider. Between 2014 and 2016, Johnson held the second most senior position in the UAW Chrysler Department. Ms. Johnson also served as a member of the UAW National Committee that negotiated against Fiat Chrysler Automobiles during the 2015 collective bargaining sessions.

Joining in the announcement was James Vanderberg, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General, Ian Burg, District Director, U.S. Department of Labor – Office of Labor-Management Standards, Jeffrey E. Peterson, Special Agent in Charge of the Detroit, Michigan office of the Federal Bureau of Investigation, and Manny Muriel, Special Agent in Charge of the Detroit, Michigan office of the Internal Revenue Service – Criminal Investigations.

Ms. Johnson was charged with taking part in a conspiracy in which she and other senior UAW officials accepted a stream of concealed payments and things of value from FCA executives in the months leading up to the 2015 collective bargaining negotiations.

The superseding indictment charges Nancy A. Johnson with illegally accepting tens of thousands of dollars worth of designer clothing, golf resort fees, limousine services, lavish meals, luxury accommodations, luggage, and first-class travel for herself and one of her associates. In one instance, Ms. Johnson spent \$1,160 for a single pair of designer shoes, which were paid for with funds provided by FCA. On other occasions, Ms. Johnson spent \$1,217 for salon and spa services, and \$1,518 for a set of women's graphite golf clubs and a diva cart bag, all using funds provided by FCA.

"Today's indictment marks the sixth defendant charged in a scheme where senior UAW officials betrayed the hard-working men and women of the union by accepting illegal payments from company executives," said United States Attorney Schneider. "My office will continue to work tirelessly with our partners at the U.S. Department of Labor, IRS, and the FBI to expose and prosecute any union official or corporate executive involved in similar criminal conduct."

"An important mission of the Office of Inspector General is to investigate allegations relating to labor racketeering and prohibited payments between company officials and union officials governed by a collective bargaining agreement. We will continue to work with our law enforcement partners and the U.S. Department of Labor's Office of Labor-Management Standards to investigate these types of allegations," said James Vanderberg, Special Agent-in-Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

"As a former UAW official, Nancy Johnson chose personal greed over promoting individual leadership through her participation in a "pay to play" scheme to enrich herself at the detriment of union members she represented," said Jeffery E. Peterson, Acting Special Agent in Charge, Detroit Division of the FBI. "This indictment sends a clear message that the FBI, through collaboration with

our law enforcement partners, will continue to aggressively investigate anyone who circumvents their legal responsibilities within the union movement at the expense of their members.”

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

Nancy A. Johnson faces a maximum penalty of up to five years in prison and a fine of up to \$250,000 on each of the five counts in the superseding indictment.

An indictment is only a charge and is not evidence of guilt. Every defendant is entitled to a fair trial in which it will be the government's burden to prove guilt beyond a reasonable doubt.