



**United States Attorney's Office
Eastern District of Michigan**

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PRESS RELEASE

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**Former Senior UAW Official Sentenced to Prison
for Conspiracy to Bribe Union Officials**

The second highest official in the Chrysler Department of the United Auto Workers union (the International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America) was sentenced to prison today based on her conviction for accepting bribes from high-level executives of Fiat Chrysler Automobiles US LLC ("FCA" or "Fiat Chrysler"), announced U.S. Attorney Matthew Schneider.

Joining in the announcement were James Vanderberg, Special Agent in Charge of the U.S. Department of Labor – Office of Inspector General, Timothy Slater, Special Agent in Charge of the Detroit, Michigan office of the Federal Bureau of Investigation, Manny Muriel, 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.

Nancy A. Johnson, 57, of Macomb, Michigan was sentenced today to 12 months in prison and ordered to pay a \$10,000 fine based on her July 2018 conviction for conspiring with other UAW officials and FCA executives to take illegal payments from Fiat Chrysler. Between 2014 and 2016, Johnson was one of the most senior UAW officials responsible for administering and negotiating the collective bargaining agreements on behalf of tens of thousands of UAW members employed by FCA. Johnson served as a member of the UAW's National Negotiating Committee in 2015 responsible for negotiating the collective bargaining agreement between the UAW and FCA. She was the second highest UAW official in the union's Chrysler Department.

During the course of the conspiracy, Johnson made over \$40,000 in purchases using money from Fiat Chrysler for her own personal benefit or for the benefit of other, more senior UAW officials. Johnson admitted that she and other senior UAW officials accepted thousands of dollars' worth of clothing, electronics, golf equipment, and other personal items that were paid for by Fiat Chrysler. Johnson spent tens of thousands of dollars in Fiat Chrysler money to pay for lavish meals for the personal enjoyment of herself and other senior UAW officials. For example, Johnson spent \$6,912.81 in Fiat Chrysler money for liquor, cigars, and an extravagant meal at the London Chop House in Detroit Michigan in September 2015 for herself and other senior UAW officials, while Johnson and those same UAW officials were negotiating with Fiat Chrysler executives over a new collective bargaining agreement. Johnson also expended thousands of dollars in Fiat Chrysler money to pay for fancy meals and rounds of golf for herself and senior UAW officials in Palm Springs, California. Finally, Johnson used thousands of dollars of Fiat Chrysler money to pay for a single pair of shoes for herself that cost over \$1,100, as well as visits to a spa and a hair salon.

The Court's sentencing of Johnson marks the seventh defendant to be sentenced in the ongoing criminal investigation into illegal payoffs to UAW officials. On July 13, 2018, defendant Monica Morgan was sentenced to 18 months in prison and ordered to pay \$190,747 in restitution for her tax fraud in connection with the receipt of illegal payments by her husband, the now deceased Holiefield, who had served as the Vice President of the UAW in command of the Chrysler Department. On August 27, 2018, Alphons Iacobelli, FCA's Vice President for Employee Relations, was sentenced to 66 months in prison and ordered to pay \$835,523 in restitution for his involvement in the conspiracy to bribe UAW officials and his submission of false tax returns. On November 7, 2018, defendant Jerome Durden, an FCA executive and Controller of the Joint UAW/FCA National Training Center, was sentenced to 15 months in prison and ordered to pay \$8,000 in restitution for his involvement in the conspiracy. Also on November 7, 2018, defendant and FCA executive Michael Brown was sentenced to 12 months in prison and ordered to pay a \$10,000 fine for lying to and misleading a federal grand jury in order to cover up FCA's involvement in the conspiracy. Also on November 7, 2018, defendant Keith Mickens, who served as the UAW's Director of the National Training Center, was sentenced to 12 months in prison and a \$10,000 fine for conspiring to take prohibited payments from FCA. Finally, on November 13, 2018, defendant Virdell King, a senior UAW official, was sentenced to two months in prison and a fine of \$5,500 for her participation in the conspiracy with FCA and other UAW officials.

"Senior UAW officials have sworn to zealously represent the hard working men and women of the union, first and foremost," said United States Attorney Matthew Schneider. "The Court's sentence today shows that our office will continue to prosecute UAW officials who betray their union oaths and break the law."

"Ms. Johnson chose to forsake her obligation to serve the rank and file of the UAW in exchange for obtaining items worth thousands of dollars, including jewelry and clothing, from FCA corporate officials with whom she negotiated. We will continue to

work with our law enforcement partners to safeguard the assets of union members,” said James Vanderberg, Special Agent in Charge, Chicago Region, U.S. Department of Labor Office of Inspector General.

“Union leaders are placed in those positions to advocate for fair wages, benefits, and working conditions for the workers they represent,” said SAC Slater. “The FBI Organized Crime Labor Racketeering Task Force will continue to investigate those who place their own interest ahead of members' needs and corrupt the collective bargaining process by using those positions for personal profit.”

“Nancy Johnson betrayed the trust of the union membership who rightfully expected her, as a union official, to protect and safeguard their union’s funds and assets,” said Thomas Murray, District Director, U.S. Department of Labor, Office of Labor-Management Standards. “Johnson’s conviction leaves no question as to the agency’s commitment to seek justice when anyone puts personal financial gain ahead of the best interests of union members.”

These cases are being prosecuted by Assistant U.S. Attorneys David A. Gardey, Erin S. Shaw, and Adriana Dydell.