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NORTH SUBURBAN BUSINESSMAN INDICTED FOR ALLEGEDLY ENGAGING IN SEPARATE MILLION-DOLLAR FRAUD SCHEMES

CHICAGO – A suburban businessman was indicted on federal fraud charges for allegedly engaging in four separate swindles beginning more than a decade ago, federal law enforcement authorities announced today. In one alleged scheme, the defendant, **Patrick Del Monico**, allegedly obtained approximately \$1.2 million from his employer through fraud, while he allegedly attempted to obtain more than \$2.3 million from the United States government in a separate defense contract fraud scheme. He was indicted on 20 counts of fraud and related offenses by a federal grand jury late yesterday, announced Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, and Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation.

Del Monico, 64, of Long Grove, will be arraigned at a later date in U.S. District Court in Chicago.

According to the indictment, from 1993 through 2003, Del Monico was the transportation manager for suburban Wheeling-based Indeck Power Equipment Co., responsible for the coordination of all freight shipments for the company, which sold and leased power equipment, including complex boiler and emergency power generation systems. From June 2005 through

February 2006, he was a sales representative for Demar Logistics, Inc., a Carol Stream-based company that engaged in warehouse storage and transportation logistics.

The indictment alleges that while at Indeck, between February 1994 and February 2003, Del Monico created fraudulent invoices for goods and services, using the names of Indeck's vendors on some of the phony invoices, and using fictitious names on others. Del Monico submitted those fraudulent invoices to Indeck for payment, causing Indeck to issue checks which Del Monico misappropriated and used for his own benefit. Del Monico falsely represented that Indeck owed money to the named vendors for services rendered, when, in fact, he knew that no services had been performed and no money was owed. This scheme resulted in a loss to Indeck of approximately \$1.2 million. Del Monico allegedly used the funds he obtained to make payments on personal loans and credit cards bills, including payment of a \$500,000 home equity loan.

In a separate scheme, the indictment alleges that between August 2003 and July 2005 Del Monico falsely represented to the United States that he had provided 10 emergency generators to the Department of Defense and the Air Force, when, in fact, he had not provided any generators. Del Monico allegedly fraudulently attempted to obtain approximately \$2.4 million from the United States, based on six fraudulent invoices that he submitted to the United States relating to the generators. According to the invoices that Del Monico submitted, five generators that were purportedly in Alaska, were also purportedly in Virginia at the same time, the indictment alleges.

In the third alleged fraud scheme, between June 2005 and February 2006, Del Monico allegedly falsely represented that two companies had agreed to hire Demar to manage the transportation of freight, which would generate millions of dollars of revenue for Demar. Del Monico created phony documents relating to one company, which he submitted to Demar to create the false appearance that Del Monico had generated substantial revenue for Demar. By promising

that both companies were going to hire Demar within a short period of time, Del Monico was able to obtain payments from Demar of approximately \$1,000 a week for approximately 25 weeks, as a draw against future commissions, and to obtain health insurance benefits from Demar. This scheme resulted in a loss to Demar of more than \$40,000, according to the indictment.

Finally, the indictment alleges that in 2004 and 2005, Del Monico engaged in a separate bankruptcy fraud scheme involving his own voluntary bankruptcy petition that he filed in 2004. He allegedly lied about his income, failed to disclose that he was a plaintiff in a personal injury lawsuit, and falsified bank statements.

The government is being represented by Assistant U.S. Attorney Jacqueline Stern. The U.S. Trustee Program, which supervised the administration of the bankruptcy case, cooperated with the investigation of the alleged bankruptcy fraud scheme.

If convicted, the charges in the indictment each carry maximum penalties varying from 5 to 10 to 20 years in prison and a \$250,000 fine. As an alternative, the Court may impose a maximum fine equal to twice the loss to any victim or twice the gain to any defendant, whichever is greater. Restitution is mandatory and the Court would determine the appropriate sentence to be imposed.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendant is presumed innocent and is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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