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**SAFE ROAD INDICTMENT ALLEGES FRAUD SCHEME INVOLVING
BRIBES FOR METRA CONTRACTS WORTH \$4 MILLION SINCE 1985**

CHICAGO -- A Chicago area businessman who owned or was affiliated with five companies that together received contracts and subcontracts totaling more than \$4 million since 1985 from Metra, the suburban rail agency, together with his partner in one of the businesses, allegedly directed at least \$130,000 in bribe payments to a former Metra board member to help secure the contracts, according to a federal grand jury indictment returned today. The businessman, his partner and an attorney who allegedly served as a conduit to disguise the illegal payments, were charged with various offenses in a five-count indictment stemming from the ongoing *Operation Safe Road* investigation of public corruption, announced by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois.

The two businessmen, **Roger Stanley** and **Robert Doyle**, were charged with directing the illegal bribes to Donald Udstuen, who served as a Metra board member from 1984 through April 30, 2002. The attorney, **Stanley Stewart**, a long-time friend and associate of Roger Stanley and Udstuen, was charged with funneling the money from Stanley, and to a lesser extent Doyle, to Udstuen and others through a scheme involving phoney invoices for legal services. Roger Stanley was also charged with obstructing the government's investigation of the alleged scheme.

Roger Stanley, 59, of Burr Ridge, a former Republican state representative, was charged with two counts of mail fraud, and one count each of money laundering, bribery and obstruction of

justice. The indictment also seeks forfeiture of at least \$130,000 against him. Stanley Stewart, 59, of Oak Park, currently the assistant general counsel in the Illinois Office of Banks and Real Estate, was charged with one count of money laundering; and Doyle, 63, of Midlothian, was charged with two counts of mail fraud. All three defendants will be summoned to appear for arraignment at a later date in U.S. District Court.

According to the indictment Stanley Stewart has been cooperating with the government since May 16, and Doyle began cooperating with the government on June 10. In addition, Metra has cooperated fully with the government's investigation, Mr. Fitzgerald said.

Udstuen, 58, of Crystal Lake, who was indicted as part of the *Safe Road* investigation last month, also is cooperating with the government. His arraignment and anticipated guilty plea to tax fraud conspiracy charges is scheduled for June 26.

"Bribing public officials is an unacceptable way of doing business. It is particularly disturbing when, as alleged in this case, the bribery takes place over more than a decade. Once federal authorities began focusing on the bribe scheme, the indictment alleges that Roger Stanley and the other participants attempted to obstruct the investigation. Such conduct will not be tolerated and will be pursued vigorously," Mr. Fitzgerald said.

Mr. Fitzgerald announced the charges with Thomas J. Kneir, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation; Thomas P. Brady, Acting Inspector-in-Charge of the Northern Illinois Division of the U.S. Postal Inspection Service; James W. Martin, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division; and Dieter Harper, Special Agent-in-Charge of the Midwest Region of the U.S. Department of Transportation Office of Inspector General. The investigation is continuing, they said.

According to the indictment, Roger Stanley owned or was affiliated with the following businesses that were awarded Metra contracts and subcontracts:

- he was the president and sole shareholder of Universal Statistical, Inc., also known as “Unistat,” of Bridgeview and formerly located in Lombard and Willowbrook, which provided direct mail services for political campaigns and other enterprises, and which was awarded a Metra marketing-related subcontract in 1995 and a Metra marketing-related contract in 1997;
- he was the secretary and 61 percent shareholder of Midwest CompuService Inc., or “MCS,” of Bridgeview and formerly of Willowbrook, which provided computerized mailing-related services, and which between 1993 and 1999 was awarded Metra on/off count and ridership survey contracts. Since 1992, Doyle was the president and 39 percent shareholder of MCS, and exercised substantial involvement in its finances and the performance of its Metra contracts;
- In the 1980s, Roger Stanley was associated with the former Precise Data, Inc., which provided direct mail services, and which was awarded a Metra on/off count contract in 1985;
- Grafcom Inc., now known as Liberty Graphics, a graphics design firm located first in Chicago Heights and later in Tinley Park. Roger Stanley facilitated certain contract proposals submitted to Metra on behalf of Grafcom, and between approximately 1992 and 2000, Grafcom was awarded Metra marketing-related contracts; and
- Security Professionals, Inc., formerly known as Special Operations Associates, a private security firm in Chicago. For 1987, 1989 and 1991, SPI was awarded Metra on/off count contracts, and in 1985, 1997 and 1999, SPI served as the principal subcontractor for the on/off count contracts. As to each Metra on/off count contract for which SPI performed services, a Roger Stanley-affiliated entity received a percentage of the proceeds of the particular contract.

The indictment alleges that since 1985, Roger Stanley and Doyle, together with Udstuen, Stanley Stewart and others, engaged in a scheme to defraud Metra, the Regional Transportation Authority, and the citizens of Illinois of money and Udstuen’s honest services as a Metra board member. As part of the fraud scheme, Roger Stanley agreed to make payments from his businesses to, and for the benefit of, Udstuen to influence and reward Udstuen in the performance of his Metra duties, specifically his promotion and support of the efforts of Roger Stanley’s businesses to obtain Metra contracts. Between 1985 and 2000, Roger Stanley-affiliated businesses received at least 16 Metra contracts and subcontracts worth more than \$4 million, with Udstuen’s promotion, support

and board concurrence. Stanley directed that the payments be made from business accounts of Precise Data, Unistat and MCS, with Doyle assisting in the authorization of the MCS payments, knowing that they were for Udstuen's benefit, according to the indictment.

To conceal the payments, the indictment alleges that Udstuen and Roger Stanley recruited Stanley Stewart, who at various times worked as a public and private attorney, to serve as a conduit for the bribes. At their direction, between 1986 and 1999, Stanley Stewart allegedly created false legal invoices and submitted them by mail to Roger Stanley and Doyle for amounts specified by Roger Stanley and Udstuen. The invoices were fraudulent because Stanley Stewart allegedly did not perform the legal services that the bills indicated for Roger Stanley's businesses.

After receiving the false invoices, Roger Stanley and Doyle caused checks to be mailed to Stanley Stewart from Roger Stanley's businesses. Between 1985 and 1999, Stanley Stewart received more than \$100,000 in payments authorized by Roger Stanley and, to a lesser extent, Doyle, on behalf of and for the benefit of Udstuen. After receiving the checks, Stanley Stewart deposited them into his personal accounts, the indictment alleges.

To further conceal the Roger Stanley bribe payments, Stanley Stewart later wrote checks from his personal account to third parties at Udstuen's direction, including payments to Udstuen; Individual A, who was Udstuen's close personal friend and a social acquaintance of Roger Stanley's; Individual B, who was a long-time professional associate and personal friend of Udstuen's and a personal acquaintance of Stanley Stewart's; and numerous local, state and national political campaigns and candidates.

The indictment also alleges that from 1985 to 1990, Roger Stanley directed additional payments totaling approximately \$30,000 to Individual A on behalf of Udstuen. During that time, Individual A allegedly submitted false professional service invoices to Roger Stanley and received payments from him for work that was not performed. After receiving the payments, Individual A

distributed a portion of the Roger Stanley payments to Udstuen, while also retaining a portion of the funds for personal use.

All three defendants allegedly caused misleading IRS Form 1099 documents to be sent to certain individuals and the Internal Revenue Service, falsely indicating that the individuals received compensation for legitimate services performed for Roger Stanley's businesses. From April to June 2002, all three also committed acts in an attempt to conceal certain aspects of the fraud scheme from federal investigators, the indictment alleges.

In addition to the mail fraud counts, Roger Stanley and Stanley Stewart were charged with money laundering for allegedly concealing the bribe payments, and Roger Stanley was charged with bribery to influence the awarding of Metra contracts.

The obstruction count against Roger Stanley describes him as an individual who was referenced but not named in the April *Safe Road* indictment against Scott Fawell and others. Roger Stanley was charged with obstruction of justice for allegedly endeavoring to influence and impede the grand jury investigation of his business activities with Metra. On June 12, two days after Doyle began cooperating, Doyle and Roger Stanley met at Roger Stanley's request and Doyle showed Roger Stanley invoices that had been submitted in previous years by Stanley Stewart to MCS. At that meeting Roger Stanley allegedly directed and advised Doyle, with regard to inquiries by federal agents, that:

- Doyle and Roger Stanley had to "be on the same page" regarding their understanding as to purpose for the Stanley Stewart legal invoices;
- Doyle should "accept the fact" that Stanley Stewart had performed legitimate legal work for MCS over the years;
- the Stanley Stewart legal invoices to MCS were for "legitimate" legal work, such as collections and Secretary of State Office work; and
- Doyle, who had already retained an attorney for purposes of the grand jury investigation, should confer with an attorney referred by Roger Stanley in order for Doyle to get his "head better focused."

Today's indictment brings to 57 the number of defendants who have been charged since *Operation Safe Road* began in 1998. The government is being represented by Assistant U.S. Attorneys Patrick M. Collins, Zachary T. Fardon and Joel R. Levin.

If convicted, the offenses charged in the indictment carry the following maximum penalties on each count: money laundering -- 20 years in prison; bribery and obstruction of justice -- 10 years in prison; and mail fraud -- 5 years in prison. In addition, each count carries a maximum fine of \$250,000, or, as an alternative, some counts carry a maximum fine of twice the gross gain to any defendant or twice the gross loss to any victim, whichever is greater. The Court, however, would determine the appropriate sentence to be imposed under the United States Sentencing Guidelines.

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

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