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OWNER OF FORMER SUBURBAN CAR DEALERSHIP ARRESTED; CHARGED WITH TWO OTHERS IN FRAUD ON CUSTOMERS AND LENDERS

CHICAGO – The owner of a former west suburban car dealership was arrested today on federal charges alleging that he and two former employees, who also were charged, engaged in a fraud scheme involving more than 100 vehicles and caused lending institutions, car dealerships and customers to lose nearly \$2.8 million. **Patrick McManamon**, owner of the former Clover Financial Sales & Leasing, Inc., a car dealership located in Roselle, was charged with mail and wire fraud in an 11-count federal grand jury indictment that was returned Wednesday and unsealed today following his arrest, 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. Mr. Fitzgerald and Mr. Grant thanked the Illinois Secretary of State Police and the Illinois Attorney General's Office, both of which assisted in the investigation.

McManamon, 49, of Elk Grove Village, is expected to appear at 3:00 p.m. today before Magistrate Judge Sidney I. Schenkier in U.S. District Court in Chicago. Also indicted, but not arrested, were **Glenn Stancil**, 37, Clover's former president, who ran its used car department, and

Pamela Mendyk, 35, who worked in Clover's finance department. Stancil and Mendyk, both of Lake in the Hills, will be arraigned at a later date in U.S. District Court.

The indictment seeks forfeiture of \$2,795,601 from McManamon and Stancil.

According to the indictment, McManamon and Stancil persuaded customers to transfer to Clover vehicles that they owned or leased, by falsely representing that Clover would pay off the customers' loans or leases on those vehicles. McManamon and Stancil then sold or leased these vehicles to other customers, falsely representing that Clover had good title to the vehicles. McManamon, Stancil, and Mendyk allegedly arranged for lending institutions to finance the purchase and lease of vehicles from Clover by falsely representing that Clover had paid off prior loans and leases on those vehicles.

The indictment alleges that between March 2005 and December 2006, McManamon, Stancil, and Mendyk caused at least 127 vehicles to be transferred to Clover based on false representations, failed to pay off the loans and leases on those vehicles, and caused losses to Clover's lenders and customers of at least \$2,795,601.

The defendants allegedly induced lenders to finance customers' purchases and leases of the fraudulently-obtained vehicles from Clover by providing the lenders with fraudulent documents, including altered titles and checks falsely purporting to represent pay-offs of outstanding loans and leases. When customers who bought vehicles from Clover had trouble obtaining valid license plates and car registrations, the defendants falsely represented that the Illinois Secretary of State was behind in processing and issuing titles, and that Clover's transactions were processed more slowly because it was not a large dealership.

The investigation is continuing and officials urged anyone who thinks he or she might also be a victim to contact the FBI's North Resident Agency at (847) 290-0525.

The government is being represented by Assistant U.S. Attorneys Felicia Manno Alesia and Scott Drury.

Each count of wire or mail fraud carries a maximum penalty of 20 years in prison and a \$250,000 fine, or a fine totaling twice the loss to any victim or twice the gain to the defendant, whichever is greater. If convicted, the Court would impose a sentence it deems reasonable under the advisory 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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