



## U.S. Department of Justice

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### **MACHINERY MOVER LOCAL 136 PRESIDENT PLEADS GUILTY TO RECEIVING GRAFT IN CONNECTION WITH UNION PENSION PLANS**

ROCKFORD -- PATRICK J. FITZGERALD, United States Attorney for the Northern District of Illinois, J. D. NICHOLS, Special Agent-In-Charge of the Chicago Region of the United States Department of Labor, Office of Inspector General, Office of Labor Racketeering and Fraud Investigations, and KENNETH M. BAZAR, Regional Director of the Chicago Regional Office of the United States Department of Labor, Employee Benefits Security Administration, today made the following announcement:

**FRED SCHREIER**, 59, Willow Springs, Illinois, pleaded guilty today in federal court in Rockford to one count of receiving a gift, namely a Harley Davidson motorcycle, from Michael Linder because of Schreier's duties concerning two pension funds of the Machinery Movers Local 136. Schreier was indicted in Rockford on January 27, 2004, and charged with receiving the motorcycle from Linder. In his plea agreement, Schreier acknowledged that he was the President of the Machinery Movers, Riggers and Machinery Erectors Local 136, a part of the Iron Workers Union, and was also a trustee of two pension funds for Machinery Movers Local 136. According to his plea, the two pension funds entered into contracts with Joseph/Anthony and Associates, Inc. Linder, 58, Crete, Illinois, was the President of Joseph/Anthony. Schreier admitted that because of his actions, decision and duties relating to the pension funds, on January 4, 1999, he received a 1999 Harley Davidson motorcycle, Model FLHRI, valued at approximately \$19,060 from Linder and Joseph/Anthony.

A superseding indictment was returned by a federal grand jury on June 29, 2004, containing an additional charge that Schreier had converted \$18,000 from one of the pension funds of Machinery Movers 136. In the plea agreement, the government agreed to dismiss that charge at the time of sentencing.

Linder has been charged with giving the motorcycle to Schreier as well as giving a second Harley Davidson motorcycle to Thomas Kisting, 54, Rockford, Illinois, the former Business Manager for the Ironworkers Local 136 in Rockford. On September 10, 2004, Kisting was found guilty by a jury in federal court of receiving that motorcycle. The trial of Linder has been set to begin on December 13, 2004.

United States District Judge Philip G. Reinhard set sentencing of Schreier for February 2, 2005, at 1:30 p.m. The charge carries a maximum penalty of up to 3 years of imprisonment and a fine of up to \$250,000. The actual sentence will be determined by the United States District Court, guided by the federal Sentencing Guidelines and the Federal Rules of Criminal Procedure. Schreier will not be eligible for parole.

The case was investigated by the Chicago offices of the Department of Labor, Office of Labor Racketeering and Fraud Investigations and Employee Benefits Security Administration. The case is being prosecuted in federal court by Assistant United States Attorney JOHN G. McKENZIE.

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