

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS, EASTERN
DIVISION

UNITED STATES OF AMERICA and STATE OF)
ILLINOIS ex rel. DANIEL FRAWLEY, and DANIEL)
FRAWLEY, individually,)

) Case No.:

Plaintiffs,)

) *Filed in Camera and*

) *Under Seal*

v.)

) **Jury Trial Demanded**

ANTHONY MCMAHON, FRANK MCMAHON,)

JOHN MCMAHON, **NANCY MCMAHON**,)

KATHLEEN MCMAHON, BRIDGET MCMAHON,)

SUSAN THEIS, CHRISTINE STAJSCZAK, MARY)

CATHERINE HRASCINKSI, DANIEL HEBERT,)

EDWARD BURKE and BRETT SIEBERT,))

Defendants.)

COMPLAINT

The Relator, DANIEL FRAWLEY, individually and on behalf of the UNITED STATES OF AMERICA and the STATE OF ILLINOIS, by and through his attorneys, Belongia, Shapiro & Franklin, LLP, alleges the following for Plaintiffs' Complaint against Defendants, ANTHONY MCMAHON, FRANK MCMAHON, JOHN

MCMAHON, NANCY MCMAHON, KATHLEEN MCMAHON

, BRIDGET MCMAHON (collectively, “McMahons”), SUSAN THEIS, CHRISTINE STAJSCZAK, MARY CATHERINE HRASCINKSI, DANIEL HEBERT, EDWARD BURKE and BRETT SIEBERT:

INTRODUCTION

1. This is a civil fraud action brought on behalf of the United States of America and the State of Illinois to recover treble damages and civil penalties arising from false claims and statements made, caused to be made and/or conspired to be made by Defendants to the United States government (“United States”) and to the government of the State of Illinois (collectively, 2 “Government”) in violation of the False Claims Act, 31 U.S.C. §§ 3729 *et seq.* and the Illinois Whistleblower Reward and Protection Act, 740 ILCS 175/1 *et seq.*
2. Defendants created an enterprise (hereinafter, “McMahon Family Business Enterprise”), consisting of McMahon Food Corporation, McMahon Dairy Products, Inc., C&M JV1 Company, Ltd., C & C Dairy, Inc., Krystal Dairy Services, Inc., Windy City Electric Co., Windy City Electric Aviation Corporation, Quantum Crossings, L.L.C., Ace Mechanical Co. and Plumbing Systems, Inc., as more fully described in paragraphs ____ through ____ of this Complaint. These inter-related entities were owned, operated and controlled, directly and indirectly, by male members of the McMahon family, in

particular ANTHONY MCMAHON, Frank McMahon (Kingpin McMahon) and JOHN MCMAHON.

3. However, since at least 1990, the McMahons have used the female participants of the conspiracy, NANCY MCMAHON, KATHLEEN MCMAHON, BRIDGET MCMAHON, CHRISTINE STAJSCZAK and MARY CATHERINE HRASCINKSKI, as well as certain non-party minorities, as the front owners of their companies in order to be awarded numerous Government contracts as minority and women-owned business enterprises.

4. The McMahons' efforts to defraud the Government were facilitated and furthered by the assistance of SUSAN THEIS, DANIEL HEBERT, EDWARD BURKE and BRETT SIEBERT, all of whom knowingly participated in the conspiracy and were financially rewarded by the McMahons for their participation.

5. Over the years, Defendants have submitted, caused to be submitted and/or conspired to submit false affidavits and documentation to the Government in order to renew their companies' status as being minority or women-owned. After submitting claims for payment 3 based on these false certifications, Defendants have received millions from the Government for their fraudulently awarded contracts.

6. Further, during their performance of the Government contracts, the McMahons, with the assistance of Daniel Hebert, would increase their profits by fraudulently billing the Government for extra tools and materials that

were never ordered or used in connection with the contracts, paying themselves at higher rates than they were entitled under the contracts, paying themselves for time not actually worked, and creating a “ghost payroll” for employees who did not (Dan Hebert specifically says of the FBI wire tap John McMahon was billed as a plumber on a CHA Job that McMahon never showed up on and was not even a plumber. Hebert related the McMahon's made millions and Hebert was paid off in cash by the McMahon's)

7. By overbilling the Government, the McMahan's have been able to not only increase their profits on the Government contracts, but also to make cash payments to Daniel Hebert and others, which has allowed the McMahan's to perpetuate their fraudulent scheme against the Government for over twenty years. Frank

JURISDICTION AND VENUE

8. The Court has subject matter jurisdiction over this action: (a) pursuant to 31 U.S.C. § 3732, because this is an action brought under 31 U.S.C. § 3730; (b) pursuant to 28 U.S.C. § 1331, which confers federal subject matter jurisdiction; and (c) pursuant to 28 U.S.C. § 1345 because the United States is a Plaintiff.

9. The Court has supplemental jurisdiction over Plaintiffs' state law claims under 31 U.S.C. § 3732(b), because the state law claims arise from the same transaction or occurrence as those brought under Section 3730. The

5

Court also has supplemental jurisdiction, pursuant to 28 U.S.C. § 1367.

10. Venue properly lies in this District, pursuant to 31 U.S.C. § 3732(a) and 28 U.S.C. § 1391, because one or more of Defendants can be found in, reside in and/or transact 4

business in this District, and false or fraudulent acts proscribed by 31 U.S.C. § 3729 occurred in this District.

PARTIES

11. The Relator, DANIEL FRAWLEY, is a resident of Cook County, Illinois. The Relator brings this action individually and on behalf of the Government pursuant to 31 U.S.C. § 3730(b)(1) and 740 ILCS 175(b)(1).

12. Defendant, ANTHONY MCMAHON, is a resident of Cook County, Illinois.

13. Defendant, FRANK MCMAHON, is a resident of Cook County, Illinois.

14. Defendant, JOHN MCMAHON, is a resident of Cook County, Illinois.

15. Anthony McMahan, Frank McMahan (King pin of McMahan foods, McMahan dairy AND McMahan CONSTRUCTION and John McMahan are brothers and the true owners, operators and force behind the McMahan Family Business Enterprise.

16. Defendant, NANCY MCMAHON, is a resident of Cook County, Illinois. Nancy McMahan is the wife of John McMahan.

17. Defendant, KATHLEEN MCMAHON, is a resident of Cook County, Illinois. Kathleen McMahon is the wife of Anthony McMahon.

18. Defendant, BRIDGET MCMAHON, is a resident of Cook County, Illinois. Bridget McMahon is the daughter of Frank McMahon (Bridgett is Frank McMahon's daughter and does work at McMahon Foods located at 2110 S Marshall Blvd. Bridget is President of the Company, but exercises no control of McMahon Food Corp. The FNI tapes confirm Frank has total control of the company and makes all of the decisions and Frank prepares the fraudulent documents so McMahon Food Corp can qualify as a WBE)

19. Defendant, SUSAN THEIS, is a resident of Cook County, Illinois. Susan Theis is the sister of Kathleen McMahon.

20. Defendant, CHRISTINE STAJSCZAK, is a resident of Cook County, Illinois.

21. Defendant, MARY CATHERINE HRASCINSKI, is a resident of Cook County, Illinois.

22. Defendant, DANIEL HEBERT, is a resident of Cook County, Illinois. 5

23. Defendant, EDWARD BURKE (BURKE IS THE INSIDE CLOUT AND REASON FOR THE SUCCESS OF TONY, JOHN AND FRANKS SUCCESSFULL FRAUDULENT MINORITY BUSINESSES.

BURKE GOT ANTHONY P MCMAHON HIS FIRST CITY JOB AS A CITY ELECTRICIAN. BURKE

APPOINTED BOTH TONY AND JOHN MCMAHON 14TH WARD PRECINCT CAPTAINS. BURKE THEN OBTAINED FOT THE MCMAHON'S CPS, CHA ETC. CONTRACTS. BURKE HAS AT ALL TIMES KNOWN THE PLETHRA OF MCMAHON BUSINESSES ARE FRAUDULENT MINORITY COMPANIES. BURKE PARTICIPATED AND AIDED THE NUMEROUS MCMAHON SHCEMS AND PROFITED FROM THEM. THE MCMAHON'S ARE SUBSTATIAL CONTRIBUTORS AND FUND RAISERS TO BURKE.)

Edward M Burke, is a resident of Cook County, Illinois. Edward Burke is alderman of the 14th Ward of the City of Chicago and is the Finance Committee Chairman. Edward Burke facilitated the McMahaons' business with the Board of Education of the City of Chicago and the City's Department of Aviation. The McMahaons are significant financial supporters of Edward Burke.

24. Defendant, BRETT SIEBERT, is a resident of Cook County, Illinois. Brett Siebert is the husband of Teresa (McMahon) Siebert, and a brother-in-law of the McMahaons.

COMMON FACTUAL ALLEGATIONS

A. The City of Chicago's MBE/WBE Program.

25. The City of Chicago ("City") is a municipal corporation and a political subdivision of the State of Illinois.

26. Since as early as 1980, the City has implemented various programs seeking to promote an increased

opportunity for minority and women-owned business enterprises (“MBE/WBEs”) to compete for Government contracts.

27. The City implemented its first MBE program because the City received funds from the United States Department of Transportation (“USDOT”), which required the City to establish an MBE program for all federally funded contracts. The City's MBE program was established pursuant to USDOT regulations contained in 49 C.F.R. part 23.

28. In 1990, the City passed an Ordinance officially implementing a Minority and Women-Owned Business Enterprise Procurement Program to promote use of MBE/WBEs for City procurement, encompassing construction, goods and services. The Ordinance requires that the City use its purchasing functions to provide and enhance competitive opportunities for 6 MBE/WBEs located within the six-county region of Cook, DuPage, Kane, Lake, McHenry and Will in the State of Illinois.

29. The Ordinance furthers the City's policy that MBE/WBEs shall have the maximum feasible opportunity to participate fully in all contracts financed in whole or in part with City funds, or funds over which the City has control. The City's MBE/WBE certification is also used by the United States government in conjunction with contracts funded in whole or in part by the United States.

30. Under the Ordinance, to participate either directly as a contractor or indirectly as a subcontractor, a minority or woman-owned business is required to be certified as an MBE or WBE by the City. The certification regulations were designed to prevent the infiltration of “front” firms, or those not owned and controlled by minorities or women.

31. To be City-certified as an MBE/WBE, a minority or woman-owned applicant company is required to submit an MBE/WBE certification application and all required documentation to the City demonstrating, *inter alia*, that the applicant company meets certain ownership and control requirements, including:

- a. That at least 51% of the company is owned and controlled by one or more minorities or women, and that the ownership and control is real, continuing and beyond the pro forma ownership as reflected in ownership documents;
- b. That the management and daily business operations of the company are controlled by one or more such individuals, who possess the power to direct company policies and objectives and make all substantive, day-to-day decisions, and that primary responsibility for these functions is not vested in someone who is not a minority or a woman; and
- c. That the company is a viable, independent business and the minority or female principal of the company possess the resources and expertise to operate in the company’s

area of specialty, without substantial reliance upon finances, resources, expertise, manpower, facilities or equipment of non-minority or non-women businesses.

32. Approved certifications are valid for a period of five years, after which time the certifications must be renewed in order to continue doing business with the City as an MBE/WBE.

33. The Ordinance directs the City's Chief Procurement Officer to establish an overall goal of awarding not less than twenty-five percent (25%) and five percent (5%) of the annual dollar value of all City contracts to MBEs and WBEs, respectively. Contracts funded by the United States government often contain more stringent requirements for use of MBE/WBEs.

34. The City can attain its MBE/WBE contracting goals by either:

- a. Contracting directly with MBE/WBE certified companies through the "target market" program, which designates certain contracts for competition limited exclusively to MBE/WBE companies; or
- b. Including a requirement in all City contracts of a value in excess of \$10,000 that the contractor awarded that contract commit to the expenditure of at least the MBE/WBE percentages of the dollar value of the contract with MBE/WBE firms. 8

35. Companies subcontracting work to MBE/WBEs are further required to periodically report to the City all expenditures made to achieve compliance with the

MBE/WBE commitments made as part of its contract with the City.

B. The McMahon Family Business Enterprise.

36. In 1987, the McMahon Family Business Enterprise began with the incorporation of McMahon Dairy Products, Inc. ("McMahon Dairy"), an Illinois corporation located at 2110 South Marshall Boulevard, Chicago, 60623. Although Frank McMahon was the owner, operator and chief decision-maker with regards to McMahon Dairy's day-to-day business, in or about 1990, Frank McMahon began listing his daughter, Bridget McMahon, as the President and principal owner of McMahon Dairy in order to qualify as a WBE under the City's new Ordinance. On information and belief, Bridget McMahon has been listed as the President and principal owner of McMahon Dairy since she was approximately nine-years old.

37. In 1991, Frank McMahon incorporated McMahon Food Corporation ("McMahon Food"), an Illinois corporation also located at 2110 South Marshall Boulevard, Chicago, Illinois 60623. As with McMahon Food, Frank McMahon fraudulently (all decisions concerning McMahon foods are made by Frank McMahon as related by the FBI wiretaps) listed Bridget McMahon as the President and principal owner of McMahon Dairy in order to become a City-certified WBE.

38. Bridget McMahon is still listed as the President and principal owner of McMahon Food and McMahon Dairy, despite the fact that Bridget McMahon has never been involved in the management, operations, decision-making or any other aspect of either business. (Bridget does participate in the business but is a straw owner and makes none of the decisions as evidenced by the FBI tapes that says all of the McMahon Companies are phony)

39. At all relevant times, McMahon Food and McMahon Dairy have been in the business of distributing dairy, fish/seafood, juices and other food products on a direct contract and subcontract basis to the City, primarily to the Board of Education of the City of Chicago ("Board of Education"). McMahon Food and McMahon Dairy were awarded contracts and 9

subcontracts by the City and Board of Education based on their false certifications as WBEs. McMahon Food is currently certified as a WBE by the City and has existing contracts with the Board of Education and other City agencies based on its false certifications.

40. In 1989, Anthony McMahon and John McMahon expanded the McMahon Family Business Enterprise by incorporating Windy City Electric Co. ("Windy City Electric"), an Illinois corporation with its principal address listed as 7225 West Touhy Avenue, Chicago, 60631. In order to become City-certified as a WBE, Anthony McMahon and John McMahon listed their wives, Nancy McMahon

ABSOLUTELY NO AFFILIATION WITH WINDY CITY ELECTRIC OR WINDY CITY AVIATION. NANCY IS OWNER IN NAME ONLY TO MAKE THE COMPANIES WBE. NANCY HAS NO SAY IN DECISIONS. AND NO PARTICIPATION OTHER THAN TO FRAUDULENTLY OBTAIN GOVERNMENT CONTRACTS, THIS IS CLEARLY DEFINED AND SAID IN THE FBGI TAPES and Kathleen McMahon, as the officers and owners of Windy City Electric. At all relevant times, Nancy McMahon (is 100% front owner for her husband John McMahon) has been listed as the President and 50% owner of Windy City Electric, and Kathleen McMahon has been listed as the Secretary and remaining 50% owner.

41. Neither Nancy McMahon nor **Kathleen McMahon** (Kathleen has been involved in the everyday business of Windy City Electric for a number of years, the business did not start out that way. Tony double dipped and worked for the City of Chicago for years after the business started and John McMahon worked for Cook County during the same time Tony worked for the City) Tony & John double dipped. The brothers were paid by the City and County while they were doing Windy City Electric Company contract jobs when they were supposed to be working for their respective government entities. Tony left his City Job first when Windy City Electric became so busy Tony could no longer do the Windy City Electric business full time and get away with being paid

by the city. Tony's first job with the city was fixing the Police Department radios. Ed Burke obtained this city Job for Tony. Tony was also a 14th Ward Precinct Captain for Ed Burke during this period. John left the Cook County Job several years after Tony left his City Job. John left in the 1990's when investigations were going on into County and City Workers involving the exact double dipping that Tony and John were doing. The brothers are both Qualified for pensions from the government agencies they worked for. Kathy McMahon went to work full time when Windy City became busy with the CPS and other contracts obtained for Windy City required full time support. (The Federal tapes clearly state that although Kathy works for Windy City Electric Kathy has no part in the decision making. has ever been involved in the management, operations, decision-making or any other aspect of Windy City Electric. On information and belief, John K. McMahon and Nancy McMahon have five children together, and Nancy McMahon is a One of Kathleen McMahon's sons, Anthony McMahon, Jr., is an employee of Windy City Electric.

42. At all relevant times, Windy City Electric has been in the business of providing electrical construction and maintenance services to the Chicago Housing Authority ("CHA"), City of Chicago and Board of Education on a direct contract and subcontract basis. Windy City Electric was awarded contracts and subcontracts by the CHA, City

of Chicago and Board of Education based on its false certifications as a WBE.

43. In or about 1993, the McMahons decided to further expand their enterprise to include MBEs, which would provide greater opportunities for obtaining Government contracts. 10

44. Edward Burke facilitated the McMahons' development of MBEs by arranging a meeting between Anthony McMahon, John McMahon and James Harney, the former Facilities Director for the Board of Education,¹ in or about 1993.

1 In 1996, James Harney was sentenced to forty-one months in federal prison for extortion and kickbacks. The Court also required James Harney to pay approximately \$300,000 in restitution to Chicago Public Schools.

45. During their meeting, James Harney informed Anthony McMahon and John McMahon that the Board of Education intended to give a significant portion of its funds to minority contractors. James Harney also informed Anthony McMahon and John McMahon that his girlfriend's brother, Jimmy Acevado, was Hispanic and could be used as the front person for a phony MBE plumbing contracting company.

46. Accordingly, in 1993, the McMahons incorporated Ace Mechanical Co. ("Ace Mechanical"), an Illinois corporation with its principal address listed as 4151 West Fletcher Street, Chicago, Illinois 60641. At all relevant times, Jimmy Acevado has been listed as the President

and principal owner of Ace Mechanical, and the McMahons have used Jimmy Acevado as a mere straw man in order to become a City-certified MBE.

47. Jimmy Acevado has no real ownership interest in Ace Mechanical, nor has he ever been involved in the management, operations, decision-making or any other aspect of Ace Mechanical.

48. From approximately 1993 through 2008, the McMahons utilized Ace Mechanical's status as an MBE to obtain direct contracts and subcontracts from the CHA, City of Chicago and Board of Education for plumbing services. Ace Mechanical was involuntarily dissolved in 2008. 11

49. With the incorporation of Ace Mechanical, the McMahon Family Business Enterprise successfully added an MBE to its portfolio, and further infiltrated the CHA, City and Board of Education's food/dairy, electrical and plumbing areas of procurement.

50. At all relevant times, Frank McMahon, Anthony McMahon and John McMahon have operated the McMahon Family Business Enterprise out of McMahon Food's headquarters located at 2110 South Marshall Boulevard, Chicago, Illinois 60623. In or about _____, one of Brett Siebert's construction companies, which were financed by the McMahons, built an addition to the McMahons' headquarters to allow for their growing enterprise.

51. Frank (over charge for milk not required by contracts and fraudulently charges for milk not delivered, Reference Board of Education vs. C&M JV1 Ron Blackstone) (Frank routinely bills and instructs subordinates to bill CPS, Cook County Jail, The juvenile Detention Center etc fraudulently for products never delivered) has at all relevant times been responsible for overseeing and managing the dairy and food supply sections of the enterprise, while Anthony McMahon and John McMahon oversee and manage the electrical and plumbing services. Daniel Hebert(Hebert was not a licensed plumber and signed off as such on millions of dollars of Government construction projects with the knowledge of the McMahaons')is also responsible for managing the day-to-day operations of the plumbing services, including preparation and submission of invoices to the Government.

52. **Anthony McMahon** (Anthony P McMahon is mentioned as the paper work genius filling out all CPS,CHA and other government minority contracts to fraudulently obtain Hundreds of millions in Government contracts. *(Frank McMahon on tape says Tony does the same thing for defrauding the CPS etc in construction that Frank does with Milk and food) **became the point person for preparing and submitting all paperwork to the City, CHA or Board of Education for false MBE/WBE certification in connection with the Government contracts.**

53. Bridget McMahon, Nancy McMahon, Kathleen McMahon, Christine Stajszczak, Mary Catherine Hrascinski and Jimmy Acevado each signed the disclosures, affidavits and other paperwork prepared by Anthony McMahon for MBE/WBE certification of their respective entities with knowledge that they were not actually involved in the ownership, management and operations of the entities.

54. Susan Theis, a Notary Public, notarized the majority of paperwork prepared by Anthony P McMahon (Susan Theis is Kathleen McMahon, Anthony P McMahon's wife and Susan Theis is an employee of Windy City Electric. Susan Theis's son is also a Windy City Employee in connection with the City's certifications and contract process, despite 12 knowing that Bridget McMahon (Bridget and Kathleen McMahon do take part in the respective businesses Nancy takes no part in the businesses at all) but all of the decisions are made by Tony, John and Frank McMahon), Nancy McMahon, Kathleen McMahon, Christine Stajszczak, Mary Catherine Hrascinski and Jimmy Acevado were not involved in the ownership, management and operations of the entities. Susan Theis's son also works for the McMahon Family Business Enterprise.

55. Because the McMahon Family Business Enterprise was largely composed of WBEs, the McMahons

developed new ways to circumvent the Government's MBE requirements and gain further business from the Government.

56. For example, in 2003, the McMahons incorporated C&M JV1 Company, Ltd. ("C&M"), an Illinois corporation with its principal address listed as 16408 South Pulaski Road, Markham, 60426. Corporate records list Christine Stajszczak as the President of C&M, and Bridget McMahon CMJVI is a front for Frank McMahon, just as it was when Ron Blackstone of RJB was the Black Minority Majority owner of CMJV1) (Christine Stajszczak and Ms. Hrascinski

take part in the respective business but are fronts for Frank McMahon who makes all of the decisions and obtains all of the contracts through his political contacts, chiefly Ed Burke who is named in the FBI tapes as a member of Frank, Tony and John McMahon's CREW. The FBI tapes confirm that Edward M Burke got the CPS business for the McMahon's and that Burke is their (McMahon's CLOUT))does take part in as the Secretary of C&M.

57. On information and belief, C&M is a joint venture of McMahon Food, McMahon Dairy, C & C Dairy, Inc. ("C & C Dairy") and Krystal Dairy Services, Inc. ("Krystal Dairy"). At all relevant times, C&M has been in the business of distributing dairy products on a direct contract or subcontract basis to the City of Chicago, primarily to the Board of Education. C&M was awarded contracts

with the City and Board of Education by falsely representing that two or more WBEs would serve as its vendors: McMahon Food, McMahon Dairy, C & C Dairy and/or Krystal Dairy. The Board of Education consistently waived its MBE requirements in reliance on this representation, finding that C&M had made “good faith efforts” at compliance.

58. Corporate records list Christine Stajszczak as the President, Secretary and principal owner of C & C Dairy, an Illinois corporation. At all relevant times, C & C Dairy has been certified as a WBE by the City, but on information and belief, Christine Stajszczak has no real or substantial ownership, control or involvement in the operations of C & C Dairy. 13

59. Corporate records list Mary Catherine Hrascinski as the President, Secretary and principal owner of Krystal Dairy, an Illinois corporation. At all relevant times, Krystal Dairy has been certified as a WBE by the City, but on information and belief, Mary Catherine Hrascinski has no real or substantial ownership, control or involvement in the operations of Krystal Dairy.

60. In 2005, the McMahons incorporated Plumbing Systems, Inc. (“Plumbing Systems”), an Illinois corporation with its principal address listed as 2361 South Whipple, Chicago, Illinois 60623. Corporate records list John McMahon as the President and 50% owner of Plumbing Systems, and Anthony P McMahon (McMahon's did so per FBI tapes because

Jimmy Acevado knew too much so the McMahan's paid Acevado hush money to leave Ace Mechanical.) as the **Secretary and 50% owner.**

61. Because Plumbing Systems was not itself an MBE, Anthony P McMahon(The FBI tapes confirm Jose Plumbing was a front to the front company Plumbing Supply to provide other contractors such as RELIABLE named in the government tapes to continue to Use the McMahan's as a phony MBE supplier to obtain hundreds of millions in subcontracts from Reliable and others on top-e of the hundreds of millions of dollars in Fraudulent contracts the McMahan's had obtained in their own firms. another form of McMahon **DOUBLE DIPPING.**)**and John McMahon use phony MBE suppliers, such as one referred to as "Jose Supply", in order to meet the Government's MBE requirements and participate indirectly as a subcontractor on Government contracts. "Jose Supply" did not actually supply any plumbing tools or materials for the Government contracts, and was operated out of a telephone booth. The McMahons provided plumbing services and materials through Plumbing Systems and under the guise of "Jose Supply". From approximately 2005 to the present, Plumbing Systems has worked directly and indirectly on Government contracts with the CHA, City of Chicago and Board of Education in this manner. In return, Anthony McMahon and John McMahon pay individuals such as "Jose" a percentage of the amount billed for supplies.**

62. In 2006, the McMahons incorporated Windy City Electric Aviation Corporation (“Windy City Aviation”), an Illinois corporation. Corporate records list Nancy McMahon as the President and 50% owner of Windy City Aviation, and Kathleen McMahon as (Kathy works for Windy City Aviation at the same Touhy Ave address in Park Ridge that Windy City Electric is located. Tony and John make the decisions for the company not Kathy as clearly pointed out in the FBI tapes the Secretary and remaining 50% owner. On information and belief, Windy City Aviation conducts business out of the same office location as Windy City Electric. At all relevant times, Windy City Aviation 14

has been certified as a WBE by the City of Chicago based upon Nancy McMahon and Kathleen McMahon’s false representations that their ownership and control of Windy City Aviation is real, continuing and substantial.

63. Since at least 2007, Windy City Electric has partnered with Quantum Crossings, LLC (“Quantum Crossings”), an Illinois limited liability company located at 111 East Wacker Street, Suite 990, Chicago, Illinois 60601. At all relevant times, Quantum Crossings has been certified as an MBE by the City of Chicago. Windy City Electric and Quantum Crossings would list each other as direct or subcontract parties to the Government contracts in order to meet the Government’s WBE/MBE requirements. At all relevant times, Quantum Crossings knew that Windy City Electric was a phony WBE.

C. The Government Contracts.

64. From approximately 1990 to the present, the McMahons have been defrauding the CHA, City of Chicago and Board of Education through the McMahon Family Business Enterprise.

65. The CHA, City of Chicago and Board of Education have awarded the various entities within the McMahon Family Business Enterprise contracts to perform services for the Government based on the McMahons' false representations that the entities were either MBE/WBEs, or subcontracting with MBE/WBEs.

66. The severity of Defendants' fraud on the Government can be comprehended by an overview of a mere portion of the Government contracts awarded to the McMahon Family Business Enterprise in reliance on their false WBE/MBE representations. 15

(i) The City of Chicago.

67. In or about 1990, the McMahons began obtaining contracts with the City of Chicago to provide food/dairy supply services, electrical services and eventually plumbing services under McMahon Family Business Enterprise.

68. At all relevant times, McMahon Food, McMahon Dairy, Windy City Electric, Windy City Aviation and Ace Mechanical were certified by the City as MBE/WBEs based on the falsely sworn affidavits and other documentation submitted by the McMahons that such entities were owned, controlled and managed by women

Detention
Center of
Cook
County
("Detention
Center")
and the
Cook
County
Bureau of
Health
Services
("Bureau of
Health
Services"):

Date

Awarded:

04/08/04	4-72-276	Dairy products – Stroger Hospital	\$94,426.72
05/18/04	4-55-386	Dairy and seafood products – Detention Center	\$481,318.50
06/15/04	4-54-596	Ice cream/froze	\$48,520

		n desserts – Detention Center	
10/05/04	4-54-746	Fruit juices – Detention Center	\$171,496.3 2
12/01/04	4-54-747	Fruit juices – Detention Center	\$78,54.80
04/19/05	5-54-145	Dairy products – Stroger Hospital	\$164,111.1 2
06/21/05	5-54-397	Dairy products – Detention Center	\$314,740
09/20/05	5-54-394	Ice cream/froze n desserts – Detention Center	\$54,740
02/02/06	6-54-158	Dairy products – Detention Center	\$79,848
04/18/06	6-54-61	Fruit juices – Bureau of	\$247,905.4 5

		Health Services	
06/06/06	6-54-159	Fruit juices – Detention Center	\$247,238
11/02/06	6-54-680	Ice cream/froze n desserts –	\$49,380.80

ADDITONAL JOHN AND JOE BIRKETT

1) JONHBIRKETT IS FORMER DUPAGE COUNTY STATE'S ATTORNEY AND CURRENT ILLINOIS APPELLATE COURT JUDGE. John Birkett worked for Windy City and Ace mechanical for decades. (the FBI recordings state what an incompetent john Birkett is and that Tony McMahon obtained a Job at O'Hare Field for John Birket

and that John Birkett was now the City's problem.

2) Joe Birkett and his entire family have know and abetted the numerous frauds by their cousins Fran, Tony and john McMahon.

3) Joe has directly benefitted from the frauds from the hundreds of thousands of dollars donated and loaned by the McMahon brothers to the Birkett campaigns. Tony McMahon flew Joe Birket around the state in Tony McMahon's private plane for his runs as Attorney General and Luet. Governor. Joe has direct and intimate knowledge of these schemes that have defrauded taxpayers of hundreds of millions in Direct contract to McMahon Family enterprise owned businesses and Billions when the government contracts that the McMahon's were used as a fraudulent WBE and MBE Subcontractors to other firms such as Devane Electric, Girtz electric, Walsh Construction and others. Joe has directly ENABLED THIS CORRUPTION IN DIRECT CONTRAVENTION TO JOE'S 2009 SPEECH BLAMING OTHER POLITICIANS FOR ENABLING THE CORRUPTION BY governors Ryan AND Blagojevich. (WHILE DOING THE SAME ONLY IN A LARGER SENSE FOR THE MCMAHON FAMILY ENTERPRISE OF WHICH THE BIRKETT FAMILY IS A MEMBER.