

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

CRIMINAL COMPLAINT

v.

CASE NUMBER:

JOSEPH MARIO MORENO,
also known as "Mario Moreno";
AMBROSIO MEDRANO;
STANLEY WOZNIAK;
GERALD W. LOMBARDI,
also known as "Jerry Lombardi, Sr."; and
JERRY A. LOMBARDI, JR.,
also known as "Jerry Lombardi, Jr."

UNDER SEAL

I, the undersigned complainant, being duly sworn on oath, state that the following is true and correct to the best of my knowledge and belief:

COUNT ONE

From on or about June 21, 2010 to on or about December 3, 2010, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere, JOSEPH MARIO MORENO, also known as "Mario Moreno," and AMBROSIO MEDRANO, defendants herein:

agents of Cook County, a local government receiving in excess of \$10,000 under a Federal program from January 1, 2010 to December 31, 2010, corruptly solicited and agreed to accept things of value, namely money, intending to be influenced and rewarded in connection with any business, transaction, and series of transactions of Cook County, specifically the purchase of medical bandages, which involved a value of \$5,000 or more;

in violation of Title 18, United States Code, Section 666(a)(1)(B).

COUNT TWO

From on or about June 21, 2010 to on or about December 3, 2010, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere, STANLEY WOZNIAK and GERALD W. LOMBARDI, also known as "Jerry Lombardi, Sr.", defendants herein:

corruptly offered and agreed to give things of value, namely money, to MORENO and MEDRANO, intending to influence and reward MORENO and MEDRANO, agents of Cook County, a local government receiving in excess of \$10,000 under a Federal program from January 1, 2010 to December 31, 2010, in connection with any business, transaction, and series of transactions of Cook County, specifically the purchase of medical bandages, which involved a value of \$5,000 or more;

in violation of Title 18, United States Code, Section 666(a)(2).

COUNT THREE

From on or about February 16, 2011 continuing to at least on or about September 28, 2011, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere, AMBROSIO MEDRANO, GERALD W. LOMBARDI, also known as “Jerry Lombardi, Sr.”, and JERRY A. LOMBARDI, also known as “Jerry Lombardi, Jr.,” defendants herein:

conspired to commit an offense against the United States, namely 18 U.S.C. § 666(a)(2), by conspiring to corruptly give, offer, and agree to give things of value, namely, money, to purported agents of County A, a local government receiving in excess of \$10,000 under a Federal program from October 1, 2010 to September 30, 2011, intending to influence and reward agents of County A, in connection with any business, transaction, and series of transactions of County A, specifically the purchase of medical bandages, which involved a value of \$5,000 or more,

in violation of Title 18 U.S.C. § 371.

I further state that I am a Special Agent with the Federal Bureau of Investigation, and that this complaint is based on the facts contained in the Affidavit which is attached hereto and incorporated herein.

Signature of Complainant
BRENDAN O'LEARY
Special Agent, Federal Bureau of Investigation

Sworn to before me and subscribed in my presence,

June 18, 2012
Date

at Chicago, Illinois
City and State

Susan Cox, U.S. Magistrate Judge
Name & Title of Judicial Officer

Signature of Judicial Officer

18 U.S.C. § 666(a)(2), by conspiring to corruptly give, offer, and agree to give things of value, namely, money, to purported agents of County A, intending to influence and reward agents of County A, in connection with any business, transaction, and series of transactions of County A, specifically the purchase of medical bandages, which involved a value of \$5,000 or more in violation of 18 U.S.C. § 371.

3. Because this affidavit is being submitted for the limited purpose of establishing probable cause in support of a criminal complaint charging MORENO, MEDRANO, WOZNIAK, LOMBARDI, SR. and LOMBARDI, JR. with the offenses described above, I have not included each and every fact known to me concerning this investigation.

4. This affidavit is based on my personal knowledge; information provided to me by other law enforcement agents; and my review of documents, consensual recordings made by Cooperating Witness 1 (“CW1”), and court-authorized interceptions of communications over cellular phones used by JOSEPH MARIO MORENO and AMBROSIO MEDRANO, pursuant to Title 18, United States Code, Section 2518.

Cook County and Elected Commissioners

5. Cook County (“the County”) is a local government located in the Northern District of Illinois. The County’s legislative branch of government is the Board of Commissioners, which is comprised of approximately seventeen Commissioners, each of whom represents one County district. Commissioners are compensated and publicly-elected.

6. The Board of Commissioners has the authority to set policy and pass ordinances and resolutions related to the responsibilities of County government, including approving certain County purchases and contracts. The Board of Commissioners established various committees upon which

Commissioners serve and which vote on resolutions, adopt policies, and review projects, contracts, and other aspects of County government.

7. Cook County was awarded in excess of \$10,000 in funds from federal programs from January 1, 2010 to December 31, 2010. For example, according to the Cook County Department of Public Health, on March 19, 2010, it was awarded a \$16 million grant from the U.S. Department of Health and Human Services for obesity prevention. Additionally, according to the Cook County State's Attorney's Office, on or about August 26, 2010, it was awarded a two-year, \$300,000 federal grant from the U.S. Department of Justice.

County A

8. County A is a county located outside of the State of Illinois that was awarded in excess of \$10,000 in funds from federal programs from October 1, 2010 to September 30, 2011. According to usaspending.gov, a publicly-available database established by federal statute, County A received over \$300 million in federal grant money during this time period.

The Defendants

9. Defendant JOSEPH MARIO MORENO served as an elected Commissioner for the 7th District of Cook County from approximately 1990 until approximately December 2010. While a Commissioner, MORENO served as a member of several committees, including: Finance, Health and Hospitals, Intergovernmental and Veterans Relations.

10. Defendant AMBROSIO MEDRANO worked as a Cook County employee on MORENO's staff until approximately December 3, 2010. According to NCIC and CLEAR databases, MEDRANO pled guilty to one count of extortion in the United States District Court for the Northern District of Illinois in

1996 and was sentenced to thirty months in prison. At the time of the offense, MEDRANO was an alderman in the City of Chicago.

11. According to the website www.chasinglionsinc.com, Chasing Lions, LLC is “a service connected disabled veteran owned business” and is a distributor of a medical bandage named Dermafill. As described herein, defendants LOMBARDI, SR., LOMBARDI, JR., and STANLEY WOZNIAK act as agents of Chasing Lions, LLC, attempting to sell Dermafill bandages to hospitals and entities in the public and private sectors.

Summary

12. As shown below, MORENO, MEDRANO, LOMBARDI, SR., and WOZNIAK agreed that MORENO and MEDRANO would receive kickbacks for using their influence as Cook County officials to attempt to cause Cook County to order bandages sold by LOMBARDI, SR., LOMBARDI, JR., and WOZNIAK under the brand name “Dermafill.”

13. Also as shown below, LOMBARDI, SR., LOMBARDI, JR., and MEDRANO agreed to provide kickbacks to: an undercover FBI agent posing as a third party purchasing agent for County A’s hospital system, and also to a purported employee of County A’s hospital system in exchange for causing County A’s hospital system to order Dermafill bandages from LOMBARDI, SR., LOMBARDI, JR., and MEDRANO.

Moreno Introduces Cook County Legislation Favorable to Service Disabled Veteran- Owned Businesses

14. During the investigation, I learned that MORENO uses the email address josmario@aol.com.¹

According to email records obtained from AOL pursuant to a search warrant, on June 21, 2010, an individual using the email address jlombardi@chasinglionsinc.com sent an email intended for MORENO stating:

It was a pleasure meeting with you this afternoon. I appreciate your time and attention. As you requested, please find the executive order attached to this email. This order regards new appropriations statutes for Service Disabled Veteran Owned Businesses.

15. It appears that MORENO did not receive the original email because the sender drafted the email to josmarino@aol.com instead of josmario@aol.com. An individual using the email address stanleywozniak@gmail.com, however, forwarded the original email to MORENO at josmario@aol.com on June 23, 2010. On June 23, 2010, an individual using josmario@aol.com forwarded the email to MORENO's assistant with the instruction to "[p]lease print and give to me." The attachment to the original email from jlombardi@chasinglionsinc.com was a copy of Executive Order 13360 from the Federal Register, which "strengthen[ed] opportunities in Federal contracting for service-disabled veteran businesses" by ordering agencies to "provide the opportunity for service-disabled veteran businesses to significantly increase the Federal contracting and subcontracting of such businesses."

16. According to the National Veteran-Owned Business Association's website, www.navoba.com, MORENO caused legislation beneficial to service disabled veterans businesses to be enacted by Cook County in September 2010:

¹ I know that MORENO uses this email address for at least three reasons. First, MORENO informed individuals that this was his email address during intercepted conversations. Second, CW1 exchanged emails with MORENO using this account. Third, the FBI executed search warrants on this email address, and my review of emails and account information shows that MORENO is the user of this account.

Two ordinances introduced on Sept. 1, 2010 passed [on September 15, 2010] with immediate effect. Cook County Commissioner Joseph Mario Moreno introduced an ordinance that would create a service-disabled veterans business preference program. It adds service-disabled VOBs to the minority- and women-owned business programs already in place for contractors bidding for county contracts. Moreno said the motivation to add service-disabled veterans was clear.

“This is a population of people that should be given a preference. They became disabled while serving our country bravely,” Moreno said. “Their businesses deserve a shot in the arm.”

The commissioner said the goal is for at least 3 percent of contracts to be awarded to service-disabled VOBs. Moreno said “Cook County is the second largest county in the country and we wanted to trigger something.”

17. According to the Cook County Clerk’s website, MORENO sponsored ordinance 10-O-60, which gave a preference to service-disabled veteran businesses. The ordinance specifically referenced Executive Order 13360. Cook County enacted that ordinance on September 15, 2010.²

Moreno Agrees to be Paid Money in Exchange for Using his Official Position to Cause Cook County to Purchase Dermafill Bandages

18. The FBI intercepted a conversation between MORENO and MEDRANO on September 28, 2010, at approximately 1:57 p.m. MEDRANO stated that he needed to talk to MORENO because “Stanley [WOZNIAK] and Jerry [LOMBARDI] would like to come in, they are going to dangle a bigger piece of the pie in front of you.” MORENO stated that it “sound[ed] like a plan to me.” MEDRANO stated, “They want to get moving.”³

² Also on September 15, 2010, MORENO, along with every other Cook County Commissioner, sponsored and enacted ordinance 10-O-52, which prohibited any Commissioner from lobbying while serving in that position. Lobbying is defined by the ordinance as “attempting to influence a County official or County employee with respect to any County matter” in exchange for compensation.

³ My descriptions of recorded conversations are summaries based on my review of the recordings and my understanding of the context of the recorded conversations. These descriptions are

19. Later on September 28, 2010, at approximately 5:22 p.m., the FBI intercepted a conversation between MORENO and MEDRANO. MEDRANO said that “Stanley [WOZNIAK] called me yesterday and asked if him and Jerry [LOMBARDI] can sit down with us. He’d like to dangle some more stuff in front of you.” MEDRANO stated that LOMBARDI “would like to sit down with you, just to see if we can speed up this thing a little bit more and he’d like to dangle, to make another offer to you.” MORENO responded, “Absolutely.” MEDRANO said that the conversation would be “[i]n terms of increasing what’s on the plate.”

20. On September 29, 2010, at approximately 2:17 p.m., the FBI intercepted a conversation between MORENO and MEDRANO. MEDRANO stated that WOZNIAK and LOMBARDI wanted to meet with MORENO to talk about “another business venture.” MORENO and MEDRANO agreed that they would meet with WOZNIAK and LOMBARDI the next day at a restaurant in Chicago at 2:00 p.m.

21. On September 30, 2010, I conducted surveillance of MORENO, MORENO’s wife, and MEDRANO at the restaurant in Chicago. I observed them meet with three other individuals, including one individual that matched photographs I have seen of WOZNIAK. The meeting began at approximately 2:11 p.m. I was not aware of the identities of LOMBARDI, SR. or LOMBARDI, JR. at the time, so I could not make a determination as to whether the two other individuals were LOMBARDI, SR. or LOMBARDI, JR.

22. During the meeting, at approximately 2:25 p.m., the FBI intercepted a conversation between MORENO and Cook County Hospital Official A, who was a high-ranking official for Cook County’s John

not based on final, verbatim transcripts. Since this affidavit is offered for a limited purpose, I have not included a description of every topic discussed or every statement contained in the recorded conversations.

H. Stroger Hospital, pursuant to the Court-ordered wiretap on Target Phone 1. MORENO asked County Hospital Official A who was in charge of purchasing at “the hospital.” MORENO stated that he introduced some “friends to the hospital” that gave a presentation about a bandage product. MORENO stated that the product would “save the county a ton of money.” MORENO said that he needed “to expedite the order, as big as possible.” MORENO said that “we need them [the hospital] to buy it quickly.” County Hospital Official A provided MORENO with the number of an individual who County Hospital Official A believed was “in charge of the whole supply chain.” MORENO asked if “she would be familiar with Dermafill [the bandage product].” County Hospital Official A suggested that MORENO “walk her through” the product “and tell her what it is you’re trying to do.” MORENO said, “yeah, because we need to get an order in quickly so that we can start the process and hopefully save the county a ton of money.” Based on MORENO’s references to “the hospital” and saving the county money, I believe MORENO was referring to having Cook County’s Stroger Hospital purchase Dermafill bandages.

23. On October 4, 2010, at approximately 3:37 p.m., MORENO received a text message from a telephone used by LOMBARDI, SR. The text message read, “[g]ood luck tomorrow with [County Hospital Official B]. I hope you can get an idea of the volume for the order.”⁴ MORENO’s cellular phone sent a text message response to LOMBARDI, SR. at approximately 4:18 p.m. stating, “will do.” I believe that these text messages suggest that MORENO had a meeting scheduled with County Hospital Official

⁴ This and other text messages referred to in this affidavit are quoted verbatim with the exception of the bracketed portions. I have not corrected typographical errors in the text messages, except where noted with brackets.

B, a high-ranking official of Cook County Hospitals, to try to convince Cook County Hospitals to purchase Dermafill bandages.

24. On October 5, 2010, at approximately 7:21 p.m., MORENO received a text message from a telephone used by LOMBARDI, SR. stating, "Hermano. Are we eating huevos de toro [bull testicles] or steak. Please let me know." I understand this to be a question as to whether they will be rich or poor based on MORENO's scheduled meeting with County Hospital Official B. Target Phone 1 sent a text message to a telephone used by LOMBARDI, SR. The text message read, "He wasn't at the meeting today." I believe this text message meant that County Hospital Official B was not at the meeting, and therefore MORENO did not have a chance to try to convince him to purchase Dermafill bandages on behalf of Cook County Hospitals. On October 5, 2010, at approximately 8:29 p.m., Target Phone 1 received a text message from a telephone used by LOMBARDI, SR. The text message read, "My son [LOMBARDI, JR.] and [I] value the partnership with you. Together we will prosper. It is our pleasure working with you." MORENO's cellular phone sent a reply stating, "I'm working hard on it. I will stay on top and get info on how many and when. Believe me I still have kids in grammar school and college is expensive!"

25. On October 12, 2010, at approximately 6:43 p.m., MORENO received a text message from the phone used by LOMBARDI, SR. The text message stated, "Sorry to bother you so late, I hope I'm not disturbing dinner it family time. I was just wondering how the meeting with [County Hospital Official B] went today." On October 13, 2010, at approximately 6:22 p.m., MORENO's cellular phone sent three text messages to the phone used by LOMBARDI, SR. stating, "Sorry for not getting back to you sooner. I called . . . [County Hospital Official B] at Bureau of health for status on Dermafil P.O. [purchase order] . I have a meeting with [County Hospital Official B] on Monday the 18th at 11am and will ask Him to have

info on that date or sooner re purchase . . . I'm on it and will stay focused to start purchase orders.” On October 14, 2010, at approximately 10:34 a.m., MORENO received a text message from the phone used by LOMBARDI, SR. stating, “I know you are on it. I know u will get it done.”

26. On October 13, 2010, at approximately 4:08 p.m., MORENO left a message on the phone used by LOMBARDI, SR. MORENO stated that he was waiting on a call back from County Hospital Official B and that their meeting was scheduled for October 18, 2010 at 11:00. Moreno stated that he called County Hospital Official B regarding the status of Dermafill. MORENO said he also called individuals associated with other hospitals. MORENO stated that he’s “got a lot of hooks out there, trying to catch some fish. Call me back.”

27. On October 14, 2010, at approximately 3:55 p.m., MORENO received a text message from a telephone used by LOMBARDI, SR. The text message asked, “Would it help with [County Hospital Official B] if we called [County Hospital Official C] to figure out where she’s at or would that be a burden? Time is becoming an increasingly serious issue.”⁵ MORENO’s cellular phone sent a reply text message stating, “Yes Call [County Hospital Official C] and let me know what she says . I will follow up thereafter.”

28. On October 15, 2010, at approximately 10:39 a.m., LOMBARDI, SR. left a voicemail message for MORENO. LOMBARDI, SR. stated, “We just spoke with [County Hospital Official C]. She said that the order was imminent.” LOMBARDI, SR. said, “We tried to pry to see where they were at, as far as the quantity. We were unable to do that. I pray to God that you can do that on Monday and be sure we don’t wind up getting really screwed with a couple hundred box order.”

⁵ According to Cook County’s website, at the time Cook County Hospital Official C was a Cook County employee with purchasing responsibilities.

29. On October 15, 2010, at approximately 11:40 a.m., MEDRANO called MORENO. MEDRANO stated that he had “some good news for” MORENO. MEDRANO said that “STANLEY [WOZNIAK] called me right after you called me.” MEDRANO stated that “they’re [Cook County Hospitals is] going to place an order.” MORENO replied, “Excellent. JERRY [LOMBARDI] called me but I couldn’t take the call.” MEDRANO said that WOZNIAK told MEDRANO that he wanted MEDRANO “to call the Commissioner [MORENO].” MEDRANO stated that he told WOZNIAK that he was going to call “the Commissioner [MORENO] and then I’ll call [WOZNIAK] back.” MORENO instructed MEDRANO to call WOZNIAK back.

30. On October 15, 2010, at approximately 12:08 p.m., MORENO called LOMBARDI, SR. MORENO started the conversation by informing LOMBARDI, SR. that MORENO owns a piece of property in Mexico. MORENO said that “[t]his thing [Dermafill] needs to hit so we can all become land owners down there . . . in beautiful villas and haciendas.” MORENO later said that “[t]his is part of the whole plan, JERRY. That’s why these things are so important. You know what I’m saying? We need to do Dermafill. We need to do a few other things that we want. But you know, I think Dermafill by itself will make us all very, very, very, very happy.” LOMBARDI, SR. stated that County Hospital Official C was very apologetic that it has taken so long. MORENO stated, “It’s got to be a big order, JERRY.” LOMBARDI stated, “I know that you [MORENO] are on our team and you’re part of our team. And if you can get it done for a thousand or two, it’s a thousand or two.” MORENO stated, “Hell, yeah. Shit. That means it is a little bit for everybody.”

31. During the same conversation, MORENO stated that he was “gonna call [County Hospital Official C] myself and see if we can find out how much” Cook County Hospitals would order. Later in the

same conversation, MORENO discussed his upcoming meeting with County Hospital Official B. MORENO stated that while he was in that meeting, he would “plug him there as well, to make sure that they get a big order.” I understand this comment to mean that MORENO would attempt to convince County Hospital Official B to order a large quantity of Dermafill on behalf of Cook County Hospitals.

32. On October 18, 2010, at approximately 11:12 a.m., MEDRANO called MORENO. MEDRANO informed MORENO that WOZNIAK called MEDRANO to remind MORENO that “they are getting that order tomorrow.” MORENO replied, “Yeah, Dermafill. I’m going to try and talk to him about increasing the amount.” I understand this comment to mean that MORENO would attempt to convince County Hospital Official B to order a large quantity of Dermafill on behalf of Cook County Hospitals.

33. On October 18, 2010, at approximately 11:54 a.m., MORENO called MEDRANO. MORENO stated that he spoke to County Hospital Official B about “how big of a volume (u/i).” After the call was disconnected, MORENO called MEDRANO back at approximately 11:56 a.m. MORENO stated that he told County Hospital Official B that the hospitals “needed to look at all the different specialities.” MORENO said that County Hospital Official B told MORENO that County Hospital Official B “can find out how much” the hospitals “are going to order.” MORENO said that he tried to “make sure that the order is big enough without telling [County Hospital Official B], ‘Fucking order (u/i).’” MEDRANO also stated that he would call WOZNIAK.

34. On October 19, 2010, at approximately 2:04 p.m., MORENO, using a telephone number assigned to Cook County, called MEDRANO. MORENO told MEDRANO, “Reach out to STANLEY [WOZNIAK] . . . I just got off the phone with [County Hospital Official B] . . . and he told me that he talked to [County Hospital Official C] in purchasing and she told him and he inquired about the size of the

order and she said they are still checking right now but it is going to be a very, very large order.” MEDRANO responded, “Oh, my God.” MORENO stated that he said to County Hospital Official B that he needed to know “what, ‘very, very large’ means. Even if it is only very large, ah, I’m hoping it is more than 2,500 boxes or more.” MEDRANO stated that he was “coming in the hall right now to hug you. I just parked the car Alright, I’m coming up right now.”

35. On October 19, 2010, at approximately 2:06 p.m., MEDRANO called WOZNIAK. MEDRANO asked WOZNIAK if he was “sitting down.” WOZNIAK said that he was. MEDRANO stated, “The Commissioner [MORENO] just called me . . . he got a call from [County Hospital Official B] . . . [County Hospital Official B] talked to [County Hospital Official C], she told him it was a very, very large order. . . . I’m creamin’ in my pants already.” During the same conversation, WOZNIAK stated, “Aw, fuck man. We’ll make our fucking Christmas, man. Fuck. Make our fucking, man. AMBROS[IO], man. We got a residual there every fucking order, man.”

36. On October 19, 2010, at approximately 2:13 p.m., MEDRANO again called WOZNIAK. MEDRANO asked whether “[o]ur end of it is what, like \$7 a patch?” WOZNIAK stated that “you can do what you want. MARIO [MORENO] is getting five. You are getting two, so your total is seven.” I understand this to mean that MORENO will be receiving five dollars, and MEDRANO would be receiving two dollars, for every patch ordered by Cook County. WOZNIAK stated that “we never told MARIO [MORENO] about your two, you know what I mean, so, I mean, that is going to go through . . . my company, so, if you know you do whatever you want to do but it is \$5 and \$2.” MEDRANO asked what a patch is. WOZNIAK explained that \$5 a patch worked out to \$70 a box. WOZNIAK stated that if “we get 1,000 boxes, your end is \$24,000 and then whatever your deal is with MARIO [MORENO]. You know

what I mean? I don't know what it is, but it is \$70,000 on that." WOZNIAK stated that if the order was big enough, he was hoping to build a manufacturing plant in Chicago and increase the payments to MEDRANO and MORENO.

37. On October 19, 2010, at approximately 3:10 p.m., MEDRANO again called WOZNIAK. After again discussing the order from Cook County, MEDRANO stated that "[t]he fucking Commissioner [MORENO] was on his fucking phone trying to multiply." I understand that comment to mean that MEDRANO observed MORENO using a calculator application on his cellular phone to try to determine how much he would be receiving from LOMBARDI and WOZNIAK based on the order by Cook County Hospitals.

38. On October 19, 2010, at approximately 4:40 p.m., MORENO called LOMBARDI, SR. MORENO asked if LOMBARDI, SR. got "a call from STANLEY [WOZNIAK]." LOMBARDI, SR. said he had and that "everybody is very excited." MORENO said that he told County Hospital Official B, "We need to get a substantial order and have at least 2,500, is what we were looking for. Or more." LOMBARDI, SR. asked if MORENO told "him 2,500 boxes or 2,500 sheets?" MORENO stated he told County Hospital Official B "2,500 boxes." LOMBARDI, SR. stated, "That's outstanding. And, of course, right where we want to be, buddy."

39. On October 21, 2010, at approximately 4:05 p.m., MORENO received a text message from a telephone used by LOMBARDI, SR. The text message said, "Thanks.. I hope we get this done." On October 21, 2010, at approximately 4:09 p.m., MORENO received a text message from a telephone used by LOMBARDI, SR. The text message said, "I would also mention to [County Hospital Official B] that this is already being used in the military as well as the vs [Veteran's Administration] hospitals."

40. On October 22, 2010, at approximately 3:23 p.m., MEDRANO received a call from WOZNIAK. WOZNIAK stated that he had “JERRY, JR. [LOMBARDI, JR.] on the phone.” WOZNIAK said that County Hospital Official C had no intention of ordering Dermafill bandages and that her only intention was to find out what they needed for clinical trials. WOZNIAK asked MEDRANO to call MORENO. I understand these comments to mean that WOZNIAK did not believe that the Cook County Hospitals were going to order any Dermafill products and that WOZNIAK was seeking MORENO’s assistance to persuade the hospitals to purchase Dermafill bandages.

41. On October 23, 2010, at approximately 11:21 a.m., MEDRANO called MORENO. During this call, MEDRANO and MORENO discussed some confusion relating to the order of Dermafill bandages by Cook County Hospitals and the hospitals’ desire to use Dermafill for free during a trial period. During the call, MEDRANO stated, “Yeah, it looks good now, it looks like everything straightened out . . . so I think everything is pretty much clarified now . . .” MORENO then stated, “Yes, because of this stuff going forward and certainly, if it works on those stage four ulcerated wounds, AMBROSIO, this thing is going to be the bomb.”

42. On October 27, 2010, at approximately 10:04 a.m., MORENO received text messages from the phone used by WOZNIAK. The messages stated, “Hi commish [MORENO], gerald [LOMBARDI, SR.] has to call brazil at about 1 to let them know whats going on , can you see if there is any word yet plus to let you know they shut down for 2 weeks in December.” I understand these text messages to mean that WOZNIAK wanted MORENO to contact County Hospital Official B to determine the size of Cook County Hospitals’ order of Dermafill bandages so that WOZNIAK and LOMBARDI, SR. could communicate the order to the manufacturer of the Dermafill bandages in Brazil.

43. On November 4, 2010, at approximately 4:19 p.m., MEDRANO called WOZNIAK and asked where they were at “with Dermafill.” WOZNIAK said that County Hospital Official C was supposed to “get back to us today,” but that she had not done so. WOZNIAK said that he left a message with MORENO. MEDRANO stated that he would talk to the “Commissioner [MORENO]” in the morning.

44. On November 8, 2010, at approximately 11:53 a.m., MEDRANO received a call from WOZNIAK. WOZNIAK stated that they spoke to County Hospital Official C that morning and that she was still waiting on a doctor to determine the order. WOZNIAK told MEDRANO to let MORENO know that County Hospital Official C called and that “[w]e’re still waiting for that one fucking doctor to call.” WOZNIAK said that MORENO “should call [County Hospital Official B] and let him know to push this doctor. What the fuck? We’ve been waiting on this doctor for three weeks now.”

45. On November 22, 2010, at approximately 9:23 a.m., MORENO called County Hospital Official A. MORENO said that he wanted to meet with County Hospital Official A “face-to-face, sooner than later. I talked to you about that bandage, Dermafill. I would really, really, really love to see if we can’t get the Bureau [of Health] to buy as much of it as possible.” MORENO stated that he tried to “facilitate it [Cook County’s purchase of the bandages]. It’s been a, several months now . . . I wanna make sure that the first order is huge.” County Hospital Official A said that he would mention it to County Hospital Official C and get an update. MORENO said that County Hospital Official C “basically is the one that’s pulling the trigger on this. If you’re close to her, I mean, we would really, really, really, do me a favor by getting as much of this shit as possible.” County Hospital Official A said that he knew County Hospital Official C “very well.” MORENO replied that if County Hospital Official A “could facilitate, you know, the purchase of a large quantity, I would really appreciate it.”

46. On November 22, 2010, at approximately 2:42 p.m., WOZNIAK left a message for MEDRANO stating that they were meeting with a burn unit doctor for Cook County Hospitals on November 30, 2010, and that the Cook County Bureau of Health was seeking this doctor's input before ordering Dermafill bandages. Also in the voicemail message, WOZNIAK asked whether MEDRANO could have MORENO make a call to County Hospital Official B to see how many orders Cook County had at that time without the burn unit doctor's orders.

47. On November 23, 2010, at approximately 2:18 p.m., MORENO called County Hospital Official A. MORENO and County Hospital Official A agreed to meet on December 2, 2010. MORENO said that he wanted "to introduce you to a couple of friends of mine And I'll bring you the stuff on Dermafill as well." County Hospital Official A said that he talked to County Hospital Official C and that the Hospitals "want to get some [Dermafill bandages] to do the trial, but I mean it's gotta, it shows a lot of promise. A little pricey, but I think that as you get more volume then we can work on the pricing." MORENO explained the benefits of Dermafill bandages so County Hospital Official A could understand why they were pricey. MORENO said there were no other competitors with the product.

48. On November 30, 2010, at approximately 12:02 p.m, WOZNIAK called MEDRANO. WOZNIAK said that he had attended the meeting with the burn unit doctor for Cook County Hospitals and County Hospital Official C. WOZNIAK informed MEDRANO that there "is no order." WOZNIAK stated that the meeting "went phenomenal" and that the burn unit doctor wants 25 "boxes." WOZNIAK stated, however, that there would be no order until the trial of the bandages took place. WOZNIAK suggested that MEDRANO speak to MORENO. MEDRANO stated that MORENO "has a meeting tomorrow with" County Hospital Official A.

49. On November 30, 2010, beginning at approximately 11:59 a.m., the cellular phone used by WOZNIAK and MORENO's cellular phone exchanged text messages. The first text message from the phone used by WOZNIAK stated, "Good meeting but there not ordering shit want for free." MORENO's cellular phone sent a response, "No charge for trial period only ? They can't expect to have us give it to them without future orders !?" MORENO received a reply from the telephone used by WOZNIAK stating, "They sure said that there is no order even pending per [County Hospital Official C]." MORENO received another text message from the cellular phone used by WOZNIAK stating, "Clinicals will start January 1 than a least 6 weeks then they will determine if there will be a order."

50. On November 30, 2010, at approximately 5:28 p.m., WOZNIAK called MEDRANO. WOZNIAK stated that he believed that the burn unit doctor was "without a doubt . . . on our fucking side." WOZNIAK told MEDRANO that if "somebody called [County Hospital Official C] and [County Hospital Official C] called the doctor, the doctor would say 'Yes, put in the fucking order.'" I understand from these comments that WOZNIAK wanted MEDRANO to have MORENO contact County Hospital Official C and put pressure on her in an effort to have Cook County Hospitals purchase Dermafill bandages.

51. On November 30, 2010, at approximately 8:18 p.m., MORENO called MEDRANO. MEDRANO asked if MORENO got "the text message from STANLEY [WOZNIAK]?" After MORENO said that he had, MEDRANO said that WOZNIAK met with a burn unit doctor from Cook County and that, although the meeting went well, there would be "no order." MORENO stated that he had "an angle on that." MORENO said he would be meeting with County Hospital Official A and that MORENO wanted to have County Hospital Official A tell County Hospital Official C, "I want you to order as much of this shit [the Dermafill bandages] as possible."

52. On December 2, 2010, at approximately 1:57 p.m., MORENO called WOZNIAK. MORENO said that he “just had lunch with [County Hospital Official A].” MORENO stated that he gave County Hospital Official A “a complete packet of Dermafill . . . he’s gonna do me a favor by pressing as big an order as possible.” WOZNIAK and MORENO discussed how Stroger Hospital would publish a study after the trials and “circulate it to all the hospitals and medical schools.” MORENO stated that this would “get us in the door everywhere, STANLEY.” WOZNIAK stated that he would “call Gerald [LOMBARDI, SR.] now and let him know that.” MORENO said to “let him know everything.” MORENO stated that County Hospital Official A would be “pitching inside. He’s [an officer] of the hospital.”

53. In the same conversation, WOZNIAK asked MORENO to let him know if MORENO wanted “to do a little get together at [WOZNIAK’s nightclub] or something. You know, I mentioned it to Ambrose [MEDRANO] Invite your friends, you know, a couple hundred, whatever you’ve got You definitely deserve a little party for moving on [leaving office]. That’s for sure.”⁶

54. Over the next several weeks after MORENO left office, WOZNIAK, MORENO, MEDRANO, and LOMBARDI continued to discuss their efforts to have Cook County Hospitals purchase Dermafill medical bandages.

55. On February 8, 2011, at approximately 1:51 p.m., MEDRANO called WOZNIAK. WOZNIAK said, “This is now, it’s two and a half, it’s close to three months now since the stuff has been there.” WOZNIAK asked, “But, I mean, is there, is there somebody else that we should be calling that’s got juice with [County Hospital Official B] at this point?” WOZNIAK asked whether they should call

⁶ MORENO lost his bid for reelection as Cook County Commissioner during the February 2, 2010 primary. As a result, his last day as Commissioner was on or about December 3, 2010.

another Cook County Commissioner, and MEDRANO responded, “I don’t think so. Um, let me talk to MARIO right now.”

56. On March 4, 2011, at approximately 8:26 a.m., MEDRANO called LOMBARDI, SR. During the conversation, LOMBARDI, SR. discussed ways that they could go around MORENO in dealing with the Cook County Hospitals system. LOMBARDI, SR. said that MORENO has “had, uh, almost a year.” LOMBARDI, SR. stated that MORENO “did the best he could . . . but obviously for financial purposes, it wasn’t good enough.” I understand this to mean that MORENO had agreed to accept payments from the sale of Dermafill bandages approximately a year before, prior to the time when MORENO, as a Cook County Commissioner, introduced an ordinance benefitting disabled service veteran company, such as Chasing Lions, LLC. I further understand this to mean that LOMBARDI, SR. no longer believed that MORENO, who was out of office, had the ability to convince Cook County Hospitals to purchase Dermafill bandages.

Kickbacks to Purportedly Influence the Purchase of County A’s Purchase of Dermafill Bandages

57. As described below, the FBI introduced an undercover agent (“UC1”), who was posing as a third-party purchasing agent for County A’s hospital system to MEDRANO, LOMBARDI, SR., and LOMBARDI, JR. Since that introduction, MEDRANO, LOMBARDI, SR., and LOMBARDI, JR.: (1) agreed to provide kickbacks to UC1 and a fictitious official working for County A’s hospital system in exchange for orders placed by UC1 on behalf of County A’s hospital system; (2) provided UC1 with an invoice for the sale of \$9,360 worth of Dermafill bandages to be used by County A’s hospital system; (3) accepted payment from UC1’s purported company with the understanding they would be providing a 20% kickback to UC1 and the fictitious County A hospital system official; and (4) provided a kickback of 20%

for UC1 and the fictitious County A hospital system official based on UC1's order of Dermafill bandages for County A's hospital system.

58. On February 13, 2011, CW1 met with MEDRANO at CW1's residence.⁴ During the meeting, CW1 accepted a call that was purportedly from a friend. After concluding this conversation, CW1 informed MEDRANO that he had been speaking with UC1, who was a purchaser of medical supplies for hospitals in another state. CW1 stated that UC1 was in town. MEDRANO said, "you can help me." MEDRANO then described the Dermafill bandages to CW1. CW1 and MEDRANO discussed meeting with UC1 while UC1 was in Chicago. CW1 described UC1 as a "buyer for all of the . . . the hospitals" in an out of state city. MEDRANO stated that they were trying to sell Dermafill to Cook County Hospitals, but they were "meeting a little resistance." MEDRANO said that "we just need somebody to buy, to open up the door." CW1 responded, "That's what this guy is, a buyer." MEDRANO told CW1 that he would "drop whatever I'm doing to meet him."

59. On February 15, 2011, at approximately 2:40 p.m., WOZNIAK called MEDRANO. MEDRANO said that he wanted to meet with LOMBARDI, SR. or LOMBARDI, JR. the following day because someone was in town who could make purchases on behalf of another state's hospitals. WOZNIAK attempted to connect one of the LOMBARDIs by using three-way calling and left a voicemail

⁴ According to NCIC and CLEAR databases, CW1 has been convicted of theft twice since 1978 and was sentenced to probation both times. CW1 is currently the target of an Internal Revenue Service ("IRS") investigation based on CW1's submission of false tax returns in which CW1 failed to report significant income for himself and his company for several years. CW1 began cooperating with the government in March 2010 after being confronted by the IRS and U.S. Attorney's Office. CW1 is cooperating in the hopes of receiving leniency with respect to any pending charges or future sentence.

message requesting a call regarding a meeting the following day with the purchaser of medical supplies for hospitals in another state.

60. On February 15, 2011, at approximately 2:45 p.m., WOZNIAK called MEDRANO. During the call, MEDRANO relayed to WOZNIAK that CW1 had set up a meeting for them with UC1. On February 16, 2011, at approximately 8:38 a.m., LOMBARDI, SR. called MEDRANO. MEDRANO told LOMBARDI, SR. that they pushed the meeting back to 5:00 p.m. that day and that MEDRANO needed LOMBARDI, SR. or LOMBARDI, JR. to attend the meeting. MEDRANO said that the meeting would be with someone who acts as a purchaser for hospitals in another state. LOMBARDI, SR. said that he would see MEDRANO at the meeting.

61. On the evening of February 16, 2011, UC1 and CW1 met with LOMBARDI, SR., LOMBARDI, JR., and MEDRANO at a restaurant in Chicago. Both UC1 and CW1 recorded the meeting. UC1 stated that his job was to procure medical supplies for both private and public hospitals. After LOMBARDI, JR. explained Dermafill bandages to UC1, he asked UC1 if UC1 would “be able to get involved.” UC1 said the problem was that the product had not been vetted with clinical trials. UC1 stated, “There is another way that I can go about it.” UC1 explained:

UC1: I deal exclusively with an individual within the County system, that could potentially get this thing approved, you know, without having to go through the traditional, the Committees, the paperwork, the vetting all that.

LOMBARDI, SR.: All the bullshit.

UC1: Well, like anything else, there is a commission or a fee involved.

LOMBARDI, JR.: We can make it work.

LOMBARDI, SR.: We can make happen, whatever you want to happen.

UC1: Here is what I can do, I am gonna talk to this guy by tomorrow but, I have done this in the past, it is not a big issue. Here is what he needs though. He needs probably 10 percent, of whatever the order is.

LOMBARDI, SR.: Keep talking.

UC1: OK, and . . .

LOMBARDI, SR.: And your company needs what?

UC1: And, I need ten.

LOMBARDI, SR.: And, your company gets ten, and he gets ten.

UC1: I get ten, he gets ten.

LOMBARDI, SR.: And your company still gotta make a profit on top of that?

UC1: A little, it doesn't have to be much.

62. UC1 stated that he could make a preliminary order of \$10,000 worth of bandages. LOMBARDI, SR. stated that \$10,000 would get them about half a case of bandages. UC1 said that after the initial order, he would be able to place a bigger order of \$100,000. UC1 said that the product would automatically be re-ordered from there. LOMBARDI, SR. stated, “[UC1], we are going to make the register ring for everyone.” I understand this comment to mean that everyone, including UC1 and UC1’s associate within the County A’s hospital system, will earn a lot of money through these sales. UC1 said that he would need an invoice for the first order. UC1 stated that they would then receive “a check from [UC1’s] company, alright, for that amount.” UC1 said that “the only thing I need back is the amounts [the kickback] that we discussed.” UC1 stated that the payment could go to CW1. LOMBARDI, SR. responded, “Hey, whatever you want.” UC1 instructed them to give CW1 cash and that they would be “good to go.” LOMBARDI, SR. said that UC1 and CW1 should “work out whatever you want, and

wherever the drop is gotta go, it's gotta go. I am good with that." I understand this comment to mean that LOMBARDI, SR. would pay whomever he is instructed by UC1 to pay.

63. LOMBARDI, JR. asked if UC1's friend's 10 percent was just to get the product into the system in the beginning, or if it would go down once the product was in the system. UC1 responded, "He [the County A hospital system official] will be on board, but, unfortunately, that is the price of business." LOMBARDI, JR. stated, "I understand." UC1 said that "down the road" they may be able to reduce his friend's fee a little.

64. LOMBARDI, JR. provided UC1 with his business card. UC1 said he would call LOMBARDI, JR. the next day and "firm things up." LOMBARDI, JR. asked if UC1 wanted the invoice faxed or emailed to him. UC1 said that he wanted it sent both ways.

65. LOMBARDI, SR. asked, "What phone number can he [LOMBARDI, JR.] speak to you on, that is clear, no trouble or, no ears . . . because he needs a number he can call that is a safe number . . . because I don't like telephones, when you're talking about, you know" I understand this comment to mean that LOMBARDI, SR. was concerned about talking about the kickback arrangement on a telephone that was wiretapped. CW1 said that UC1 "knows the program" and that CW1 has known UC1 for 30 years. LOMBARDI, SR. stated, "No, no, no. I don't mean for him. But if he has got to say 'listen, your end or whatever,' pick a phone that is not (u/i)."

66. After LOMBARDI, SR. and LOMBARDI, JR. left the restaurant, MEDRANO explained to CW1 and UC1 that WOZNIAK introduced the LOMBARDIs to MORENO and MEDRANO, and "the Commissioner [MORENO] helped them out." I understand this to mean that MORENO used his official

duties as Cook County Commissioner to assist the LOMBARDIs with their attempted sale of Dermafill bandages to Cook County Hospitals.

67. On February 17, 2011, UC1 called LOMBARDI, JR. During the call, UC1 told LOMBARDI, JR. that he spoke with “my guy at the County,” who was “good with his piece and, you know, I’m good with mine.” LOMBARDI, JR. responded, “OK.” UC1 then explained that he wanted the money in cash, and that the money should be paid to CW1. LOMBARDI, JR. responded, “Yeah.” UC1 further stated, “[t]he percentage that we talked about, the ten and ten.” LOMBARDI, JR. responded, “That’s not, uh, shouldn’t be an issue at all.” I understand this to mean that LOMBARDI, JR. was willing to pay UC1 and his associate ten percent each for sales of Dermafill bandages to County A’s hospital system. UC1 later explained that after the initial order they could order \$100,000 in bandages, which would automatically be re-ordered once the product was used. LOMBARDI, JR., responded, “Perfect.” UC1 then stated, “Like your dad said last night, you know, then the cash registers will ring for everybody.” LOMBARDI, JR. again responded, “Perfect,” and added, “I am loving it.” LOMBARDI, JR. informed UC1 that LOMBARDI, JR. soon would be sending an invoice to UC1.

68. On February 18, 2011, an undercover email account for UC1 received an invoice from Chasing Lions, LLC to UC1’s fictitious company for \$9,360 worth of Dermafill bandages. The same day, the undercover facsimile machine for UC1’s fictitious company also received an incoming facsimile. The incoming facsimile was blank, however.

69. On February 24, 2011, UC1 called LOMBARDI, JR. again. UC1 asked LOMBARDI, JR. to re-send the invoice to UC1. LOMBARDI, JR. said that he would do so. UC1 said that he was going to send a check for the amount that was on the emailed invoice from February 18, 2011. UC1 instructed

LOMBARDI, JR. to “[g]ive our piece [the kickbacks for UC1 and his associate] to [CW1] like we talked about at that meeting.” LOMBARDI, JR. responded, “Yep, that is not a problem. That is all taken care of and arranged.” I understand this comment to mean that LOMBARDI, JR. and LOMBARDI, SR. had already worked out the details on how to provide the money to CW1.

70. Later on February 24, 2011, the facsimile for UC1’s fictitious company received the Chasing Lions, LLC invoice for the purchase of \$9,360 worth of Dermafill bandages. The FBI caused a \$9,360 check from an undercover bank account registered to UC1’s fictitious company to be sent by United States mail and delivered to the address for Chasing Lions, LLC on February 26, 2011.

71. On March 4, 2011, at approximately 8:26 a.m., MEDRANO called LOMBARDI, SR. LOMBARDI, SR. informed MEDRANO that “I have a check for you From, uh, [County A’s state].” MEDRANO responded, “Oh, wow.” I understand this to mean that LOMBARDI, SR. had received the check from UC1 and would be paying MEDRANO money based on that the purported sale of the Dermafill bandages to County A’s hospital system. LOMBARDI, SR. and MEDRANO arranged to meet for lunch at a restaurant near WOZNIAK’s residence. LOMBARDI, SR. stated, “I have something for, what’s the [CW1’s occupation’s] name?” MEDRANO provided LOMBARDI, SR. with CW1’s name. LOMBARDI, SR. said, “I have uh, something for those guys.” I understand this comment to mean that LOMBARDI, SR. had the kickback payment for UC1 and his associate, and that LOMBARDI, SR. would be giving the money to MEDRANO so that MEDRANO could provide it to CW1.

72. On March 4, 2011, at approximately 12:40 p.m., FBI agents observed MEDRANO arrive at and enter a restaurant in Chicago, where he met with LOMBARDI, SR., LOMBARDI, JR., and WOZNIAK. At approximately 1:45 p.m., MEDRANO called an associate and said that MEDRANO “just

got paid” on his Dermafill project. I understand MEDRANO’s comments to mean that MEDRANO received payment based on the purported sale of Dermafill to County A’s hospital system.

73. The same day, at approximately 3:11 p.m., MEDRANO called CW1, asked if CW1 was “around,” and requested a return call. At approximately 3:45 p.m., CW1 called MEDRANO, who stated that he needed to see CW1. They discussed meeting in person later in the day. At approximately 5:07 p.m., MEDRANO called CW1, and they discussed meeting in a parking lot in a few minutes.

74. CW1 met with MEDRANO as scheduled in CW1’s car. During the meeting, which was audio and video recorded, MEDRANO handed CW1 an envelope and stated, “that’s yours.” CW1 responded, “That’s for him and his County guy. That’s for him and his guy out there.” MEDRANO again stated, “That’s yours.” CW1 replied, “No, not mine. This is supposed to be something for him, no?” MEDRANO stated, “Oh, I don’t know, I guess that’s it then.” CW1 responded, “Oh yeah. No, I don’t get nothing. No, I don’t get nothing. This is for them.” MEDRANO responded, “Alright. This is for them. Alright Whatever he said.” MEDRANO stated, “The guy made me count it [the money in the envelope]. There’s eighteen seventy . . . eighteen hundred seventy-two there. Whatever it is. He made me count it. I sealed it [the envelope], and he told me to give it to you.” MEDRANO said that UC1 “[k]ept his word He said in a month, if it is true I don’t know, I don’t care if it is half that much. But he said in a month, or two months, I forget, it would be ten times that.” CW1 replied, “Well that is what we talked about at the dinner.” MEDRANO said, “Right, right.” I understand this to mean that UC1 would be ordering \$100,000 worth of Dermafill bandages. MEDRANO stated, “So if it is ten times what that is, it is ten times that for him.” I understand MEDRANO to mean that UC1 and his associate would receive approximately \$20,000 for a \$100,000 order. CW1 said, “Well it is for his County connection out there.”

MEDRANO responded, “And, it takes care of me. And I make a living, I am happy, and I don’t have to fucking worry about where my next paycheck is coming from.” MEDRANO said that he was “glad that this worked out. And if this increases, then everybody is going to be happy. Everybody. Everybody is going to be happy. [UC1] is going to be happy, we are going to be happy.”

75. After the meeting, CW1 provided an envelope to the FBI. The envelope contained \$1,872, which represents twenty percent of the \$9,360 that UC1’s fictitious company purportedly paid to Chasing Lions, LLC.

Lombardi, Sr. Agrees to Additional Kickbacks in Exchange for \$100,000 Orders

76. On June 22, 2011, CW1 called MEDRANO in a recorded conversation. MEDRANO said he wanted to know if the product “was working out for them . . . if we were going to be looking at something [another order] down the line.” CW1 told MEDRANO that UC1 loved the product and that they were waiting until October to order more Dermafill.

77. On September 13, 2011, UC1 received an email from the email account gerald@deltabrands.net. The email stated, “Just checking in to see if we are still on track for an order this month. Please let me know so we can get this into production.” The email was signed, “Gerald.” On September 21, 2011, an email was sent from UC1’s undercover email address asking whether the email was “from father or son?” This email also stated that “we are on track for another order.” The email account gerald@deltabrands.net sent a response stating, “[t]his is the old man. I am always available to talk. Please call the office . . . or my cell phone . . . I look forward to talking with you.”

78. On September 22, 2011, UC1 called LOMBARDI, SR. UC1 stated that he had “good news” and asked if LOMBARDI, JR. was there as well. LOMBARDI, SR. stated that LOMBARDI, JR. was

sitting right next to LOMBARDI, SR. UC1 said that his “guy at [County A] Hospital” had approval for a \$100,000 order of the bandages. UC1 said that if all went well, they might be able to have four \$100,000 orders a year. UC1 instructed LOMBARDI SR. to fax him an invoice for a \$100,000 order.

79. UC1 said that he also needed them to “honor our agreement that was previously arranged before that we discussed when we met.” LOMBARDI, SR. responded, “Absolutely.” UC1 explained, “that means 10 for my guy and then 10 for me.” LOMBARDI, SR. said, “Right, not a problem.” UC1 stated that this should happen “once you guys get your checks.”

80. UC1 stated that the orders would occur “as long as we keep this guy [County A hospital system official] happy, give him his 10% over there.” LOMBARDI, SR. replied, “You and I are solid . . . I do what I’ve got to do, um, and if it works and everybody is happy when we make a pie . . . you know, [UC1], uh, then they keep coming back for pie.” LOMBARDI SR. stated that things were better “years ago, [when] you used to be able to sit in somebody’s office or take them out for a drink or a dinner, you know, have a cigarette, drink a little bit, cut a fucking deal, do what you have to do and life was real good. Now that everybody’s afraid to do the old fashioned way, you know things are tougher that way today. So I prefer doing just what we are doing.” UC1 responded, “I got to keep this guy happy because all I am doing, I am the middle man right here. He is the one that actually gets the orders, you know, approved, he is the one that is moving this thing, not me. But at the same time you know, I have to take care of some business at my end, too.” LOMBARDI, SR. responded, “Without a doubt, without a doubt.” LOMBARDI, SR. informed UC1 that “we’ll get an invoice out probably tomorrow” and suggested that they should “get together and have lunch or dinner or something” next time UC1 was in town.

81. On September 23, 2011, a cover letter and invoice for \$99,840 of Dermafill bandages was sent to the fax number utilized by UC1. The cover letter stated, “As discussed on the phone, here is the invoice for the upcoming Dermafill Order.” According to the invoice, the bandages will be shipped to UC1’s undercover company in County A’s state via UPS.

82. On September 28, 2011, CW1 called MEDRANO and informed him that UC1 had received a fax from the LOMBARDIs. CW1 stated that UC1 would cut the first check for \$100,000 on October 28, 2011. CW1 informed MEDRANO that after the check cleared, MEDRANO would have to “see me and take care of me.” MEDRANO said that it would be “no problem . . . we’ll do it exactly the same way we did it last time.” CW1 stated that the UC1 “has got to give that to the County guy.” MEDRANO responded, “OK. No problem.” CW1 said that it was “a \$400,000 deal. I don’t want to mess this up.” MEDRANO responded, “No, no, no, no. I don’t want to mess nothing up either. I’m going to church every Sunday just saying a prayer . . . just thanking, thanking Him.”

Conclusion

83. Based on the foregoing, I submit that there is probable cause to believe that:

a. JOSEPH MARIO MORENO, also known as MARIO MORENO, and AMBROSIO MEDRANO, agents of Cook County, a local government receiving in excess of \$10,000 under a Federal program from January 1, 2010 to December 31, 2010, corruptly solicited and agreed to accept things of value, namely money, intending to be influenced and rewarded in connection with any business, transaction, and series of transactions of Cook County, specifically the purchase of medical bandages, which involved a value of \$5,000 or more, in violation of 18 U.S.C. § 666(a)(1)(B);

b. STANLEY WOZNIAK and GERALD W. LOMBARDI, also known as JERRY LOMBARDI, SR. (“LOMBARDI, SR.”), corruptly offered and agreed to give things of value, namely money, to MORENO and MEDRANO, intending to influence and reward MORENO and MEDRANO, agents of Cook County, a local government receiving in excess of \$10,000 under a Federal program from January 1, 2010 to December 31, 2010, in connection with any business, transaction, and series of transactions of Cook County, specifically the purchase of medical bandages, which involved a value of \$5,000 or more, in violation of Title 18, United States Code, Section 666(a)(2);

c. MEDRANO, LOMBARDI, SR., and JERRY A. LOMBARDI, also known as JERRY LOMBARDI, JR. (“LOMBARDI, JR.”), conspired to commit an offense against the United States, namely 18 U.S.C. § 666(a)(2), by conspiring to corruptly give, offer, and agree to give things of value, namely, money, to purported agents of County A, intending to influence and reward agents of County A, in connection with any business, transaction, and series of transactions of County A, specifically the purchase of medical bandages, which involved a value of \$5,000 or more in violation of 18 U.S.C. § 371

FURTHER AFFIANT SAYETH NOT.

BRENDAN O’LEARY
Special Agent, Federal Bureau of Investigation

SUBSCRIBED AND SWORN to before me on June 18, 2012.

SUSAN COX
United States Magistrate Judge