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United States Attorney  
Northern District of Illinois

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FOR IMMEDIATE RELEASE

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**FORMER REDFLEX CEO SENTENCED TO 30 MONTHS FOR CORRUPTION  
IN THE AWARDING OF CHICAGO'S RED-LIGHT CAMERA CONTRACTS**

CHICAGO — The former chief executive of Chicago's first red-light camera vendor was sentenced today to 30 months in federal prison and over \$2 million in restitution for paying bribes to a city official to help procure the contracts.

As the CEO of Redflex Traffic Systems Inc., KAREN FINLEY would funnel cash and other financial benefits to the city official, JOHN BILLS, and his friend, MARTIN O'MALLEY, in exchange for improper assistance in awarding city red-light camera contracts to Redflex. The benefits included golf trips, hotels and meals, as well as hiring O'Malley as a highly compensated contractor for Redflex, some of which compensation was passed on to Bills.

The benefits flowed for nearly a decade, during which time the city expanded the Digital Automated Red Light Enforcement Program by awarding millions of dollars in contracts to Phoenix-based Redflex.

Finley, 57, of Cave Creek, Ariz., pleaded guilty last year to one count of conspiracy to commit bribery in a federal program. U.S. District Judge Virginia Kendall imposed the sentence in federal court in Chicago.

The sentencing was announced by Zachary T. Fardon, United States Attorney for the Northern District of Illinois; Michael J. Anderson, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation; Joseph M. Ferguson, Inspector General for the City of Chicago; and James D. Robnett, Special Agent-in-Charge of the Internal Revenue Service Criminal Investigation Division in Chicago.

All three defendants in the federal case have now been convicted and sentenced. Bills was sentenced in August to ten years in prison, while O'Malley was sentenced in September to six months in prison.

Redflex's technology uses cameras to automatically record and ticket drivers who run red lights. The company was awarded its first contract with the city of Chicago in 2003. Over the next eight years, Bills used his influence as a transportation official to expand Redflex's business with the city, resulting in millions of dollars in contracts for the installation of hundreds of red-light cameras.

Finley hired O'Malley as a contractor to ensure that Bills would continue to provide assistance to Redflex in obtaining and expanding contracts with the city. Finley personally signed O'Malley's contract, which included provisions for lucrative increases in O'Malley's compensation as new cameras were added. O'Malley testified at Bills' trial that O'Malley often stuffed money he received from Redflex into envelopes and gave it to Bills during meals in Chicago restaurants. O'Malley also used some of the Redflex money to purchase and pay all expenses on a condo in Arizona that Bills used as his own.

The government is represented in the case by Mr. Fardon and Assistant U.S. Attorneys Laurie Barsella and Timothy Storino.

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