




**MEMORANDUM  
CHICAGO HOUSING AUTHORITY  
OFFICE OF THE INSPECTOR GENERAL**

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**To:** Angela Hurlock, Chairperson, Board of Commissioners  
Matthew Brewer, Vice Chairperson, Finance and Audit Committee  
Tracey Scott, Chief Executive Officer  
Eric Garrett, Chief Property and Asset Management Officer

**From:** Kathryn B. Richards, Inspector General 

**Date:** November 30, 2022

**Subject:** Significant OIG Activity – Guilty Plea of Maurice Green, Pillar Insurance Services, LLC; U.S. v. Green, 22-CR-391

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On November 28, 2022, Maurice Green, owner of Pillar Insurance Services, LLC, pleaded guilty in the U.S District Court for the Northern District of Illinois, to one count of wire fraud, in violation of 18 U.S.C. 1343, for his scheme to sell fraudulent surety bonds to Chicago Housing Authority (CHA) construction contractors. The contractors believed they were purchasing legitimate surety bonds, which were required for their work on CHA contracts.

As Green acknowledged in the plea agreement, from approximately October 2015 through December 2018, he and his company Pillar Insurance sold fictitious surety bonds and insurance policies purporting to be from legitimate insurance companies, when in fact those insurance companies had not issued the policies, and Pillar had not been authorized to sell them.

Green collected approximately \$270,776 in fees from CHA contractors for the fictitious bonds and policies, which had a combined purported coverage value of \$6,764,078. The CHA required certain contractors performing work for the Authority to obtain surety bonds, which would insure against those contractors' failure to perform on the contract or to pay any subcontractors. As described in the single count charged, Green defrauded a CHA construction contractor, which believed it was purchasing a legitimate surety bond. Green acknowledged that a majority of the fraudulent surety bonds and policies that he sold to his customers were provided to the CHA as part of his customers' contracting process with the CHA. He further acknowledged that, as a result of having purchased one of the fraudulent surety bonds, one of those customers was obligated to pay \$30,000, the amount that would have been covered by the bond, had it been legitimate.

Green's sentencing is scheduled for March 17, 2023. The parties agreed that the applicable advisory sentencing guidelines range is 27 to 33 months' imprisonment, in addition to any supervised release, fine, and restitution the Court may impose. The Court must order restitution to the victims of the offense in an amount determined by the Court. To the extent CHA reimbursed some of the contractors for their insurance costs, per the terms of their contract, CHA may be entitled to restitution in addition to the construction contractors who purchased the fraudulent bonds. The CHA Office of the Inspector General (OIG) is working with the U.S. Attorney's Office to provide information regarding the loss amounts.

The CHA OIG initiated this investigation and worked in partnership with the U.S. Department of Housing and Urban Development OIG and the FBI. Prosecution of the matter is being handled by the U.S. Attorney's Office for the Northern District of Illinois.

The OIG's investigation will remain open pending the outcome of Green's sentencing. Please feel free to contact me or Senior Investigator Justin King with any questions regarding this matter.