

News Release



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U.S. Labor Department Settlements Restore 401(k) Plan Assets For Former Quality Home Foods Employees *\$11,500 owed to 27 former employees of Las Vegas company*

SAN FRANCISCO – The U.S. Department of Labor has obtained consent judgments in both the U.S. Bankruptcy Court and the U.S. District Court in Nevada to restore \$11,500 owed to the 401(k) profit sharing plan of 27 former employees of Las Vegas-based Quality Home Foods Inc. Quality Home Foods is a defunct business that provided home delivery of meats, produce and other foods.

When Robert Marc Raskin, former owner and president of Quality Home Foods Inc. filed for Chapter 7 bankruptcy protection in January 2003, the U.S. Labor Department filed a complaint in the bankruptcy court. The department alleged that Raskin's debt to the company's 401(k) plan, while acting as a fiduciary of the plan, involved misappropriation of the pension funds and could not be discharged by the bankruptcy.

A second complaint filed in April 2004 in U.S. District Court alleges that Raskin did not act in the best interests of the plan when he failed to forward to the plan employee contributions, participant loan repayments and employer matching contributions.

The judgment in bankruptcy court was approved on April 9, 2004, and the district court judgment was approved on April 19, 2004. Under the judgments, Raskin must repay \$11,500 to the 401(k) plan, forfeit his own account balance in the plan and accept a court-appointed independent fiduciary to administer the plan. Raskin also permanently barred from acting as a fiduciary of an employee benefit plan.

“This sends a strong message to those responsible for employee benefit plans that they cannot misuse their employees’ funds or have their personal debts forgiven at the expense of the employees,” said Bette Briggs, regional director of the Labor Department’s Employee Benefits Security Administration (EBSA) in San Francisco, which investigated the case.

In fiscal year 2003, EBSA achieved record monetary results of \$1.4 billion related to the pension, 401(k), health and other benefits of millions of American worker and their families. Employers and workers with questions or concerns regarding their private-sector pension and health plans can contact the EBSA regional office in San Francisco at (415) 975-4600 or EBSA’s toll free number, 1-866-444-EBSA (3272). Information is also available from the agency’s web site at www.dol.gov/ebsa.

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(Chao v. Raskin)
Civil Action No. BK-S-03-10488 RCJ (Bankruptcy Court)
Civil Action No. CV-S-04-0444-PMP-RJJ (District Court)

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