

News Release



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U.S. Labor Department Sues Owner of Bankrupt Grand Junction Company to Recoup Pension Assets for Unitel Workers

GRAND JUNCTION, Colo. – The U.S. Department of Labor has filed an adversary complaint in federal bankruptcy court against the owner of now-defunct **Unitel, Inc., Grand Junction, Colo.**, to prevent him from discharging more than \$2,000 owed to participants of the company’s SIMPLE IRA plan.

“This lawsuit underscores the Labor Department’s commitment to hold accountable those who are entrusted with the assets of workers’ retirement plans,” said Steve Eischen, regional director of the Employee Benefits Security Administration (EBSA) office in Kansas City, which investigated the case.

Unitel was a computer services company that ceased doing business in early 2005. Patrick Watriss, the owner of the company, subsequently filed for personal bankruptcy.

The adversary complaint, filed in U. S. Bankruptcy Court for the District of Colorado, alleges that Watriss violated the Employee Retirement Income Security Act by failing to remit to the plan contributions withheld from employees’ paychecks from March 2003 through January 2004.

Employers with similar problems who are not yet the subject of an investigation by EBSA may be eligible to participate in the department’s Voluntary Fiduciary Compliance Program (VFCP). Participation in the program requires employers to reimburse plans and participants but allows them to avoid EBSA enforcement actions and civil penalties as well as any applicable excise taxes. For more information about the VFCP, see www.dol.gov/ebsa.

In fiscal year 2004, EBSA achieved record monetary results of \$3.1 billion related to the pension, 401(k), health and other benefits of millions of American workers and their families. Employers and workers can contact the Kansas City regional office at 816-426-5131 or EBSA’s toll-free number at 1-866-444-EBSA (3272) for help with problems relating to private-sector retirement and health plans.

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(Chao v. Patrick A. Watriss
Civil Action No. (05-01830)

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