

# News Release



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## **U.S. Labor Department Sues to Appoint Independent Trustee for Abandoned Buffalo, N.Y., Retirement Plan**

**BUFFALO, N.Y.** – The U.S. Department of Labor filed suit asking the federal district court in Buffalo to appoint an independent trustee for the Geneva B. Scruggs Community Health Care Center of Buffalo’s abandoned retirement plan.

When the health center ceased operations in April 2002, the retirement plan was left without a trustee to manage its assets, as required by the Employee Retirement Income Security Act (ERISA). As a result, participants and beneficiaries cannot obtain plan information or access accounts to reinvest before retirement or to begin collecting annuities when they retire.

The department’s lawsuit seeks appointment of an independent fiduciary to administer the plan, distribute its assets to plan participants and beneficiaries and oversee the plan’s termination. As of March 31, 2004, the plan had 183 participants and \$561,042 in assets. Equitable Insurance is the custodian of the funds.

“When a plan is abandoned, so are the workers who invested in it,” said James Benages, regional director for the Labor Department’s Employee Benefits Security Administration (EBSA). “We took this legal action so the plan will be properly administered and its participants can access the funds that rightly belong to them.”

The department’s suit resulted from an investigation conducted by EBSA’s Boston office, which has jurisdiction for western New York. Employers and workers can contact that office at (617) 565-9600 or EBSA’s toll free number, 1-866-444-EBSA (3272), for help with any problems relating to private-sector pension and health plans.

In fiscal year 2004, EBSA achieved record monetary results of \$3.1 billion related to pension, 401(k), health and other benefits of millions of American workers and their families. For more information see [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

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(Chao v. Geneva B. Scruggs Community Health Care Center Tax-Sheltered Annuity Plan)  
Civil Action No. 05-CV-696-S