

News Release



U.S. Department of Labor
Office of Public Affairs
Boston, Mass.
05-1360-BOS / BOS 2005-201

For Immediate Release
Thursday, July 21, 2005
Contact: John M. Chavez
Phone: (617) 565-2075

Westwood, Mass., Business Owner Agrees to Restore Pension Funds to Settle U.S. Labor Department Lawsuit

BOSTON – Joseph P. Zoppo of Westwood, Mass., agreed to restore \$8,386 to the pension plan of his now-defunct company, I/O Desktop Specialists Inc., to settle a lawsuit filed by the U.S. Department of Labor. The suit alleged violations of the Employee Retirement Income Security Act (ERISA), the federal law that protects private employee pension and benefit plans.

Filed last January in the U.S. District Court for the District of Massachusetts, the lawsuit alleged that Zoppo, CEO of I/O Desktop Specialists and trustee of the company's retirement plan, failed to transmit to the plan money withheld from employee paychecks. As part of a consent agreement and order, Zoppo will repay the money to the plan within 60 days. The order also prohibits Zoppo from acting as a fiduciary to any ERISA-covered employee benefit plan for a period of three years.

“The law specifically prohibits the use of pension plan assets for any purpose other than the benefit of plan participants and beneficiaries,” said James Benages, regional director of the Labor Department's Employee Benefits Security Administration (EBSA) in Boston. “The Labor Department will pursue the recovery of misused plan assets no matter how small the amount involved.”

I/O Desktop Specialists, formerly located in New Hampshire, closed May 2001. Zoppo subsequently filed for bankruptcy in Massachusetts. On Sept. 16, 2003, a consent judgment was entered in that case determining that the defendant owed a non-dischargeable debt to the company's retirement plan.

This case was investigated by EBSA's Boston regional office. 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 reach EBSA's Boston regional office at 617-565-9600. Help with problems relating to private-sector retirement and health plans can also be obtained through EBSA's toll-free number, 1-866-444-EBSA (3272).

#

(Chao v. Zoppo)
Civil Action Number: 05-0092-PBS