

News Release



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Hotel Union President in New Jersey Indicted For Stealing Over \$130,000 From Health and Union Funds

NEW YORK—A federal court in New Jersey unsealed the indictment against the president of Local 4-69 Hotel Employees and Restaurant Workers Union in Secaucus, N. J., for embezzling more than \$130,000 in assets from the union and the health fund, according to the U. S. Department of Labor’s Employee Benefit Security Administration (EBSA) New York regional office.

“Theft of employee benefit assets jeopardizes the benefits of workers,” said Francis Clisham, director of EBSA’s New York office. “This case was filed due to the collective efforts of several federal enforcement authorities to ensure that the assets of these funds are used for its intended purposes.”

David Feedback, the former administrator of the health plan, was indicted in August 2004 on charges he embezzled \$100,000 from the union’s general fund and over \$30,000 from the health fund. He allegedly misused union and health fund assets for his personal benefit, including payments at nightclubs and first-class restaurants for food, beverages and entertainment. The trial is set for Nov. 9, 2004 in Newark, N.J.

The health plan covers 3,059 union members throughout New Jersey and had assets of \$3,484,181.

This criminal action was jointly investigated by EBSA’s New York regional office, the Department of Labor’s Office of Inspector General in New York and the Federal Bureau of Investigation. The case is being prosecuted by Assistant United States Attorney V. Grady O’ Malley of the U.S. Attorney’s Office in Newark, N. J.

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(U. S. v. Feedback)
Criminal No. CR-04-559(WJM)