

# News Release



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## **Labor Department Sues South Carolina Firm, Executives For Delinquent 401(k) Contributions**

**ATLANTA, Ga.**—The U. S. Department of Labor sued Dieter Bryce, Inc. of Gaston, S.C. and its executives for failure to forward employee contributions to their retirement plan and misusing plan assets to pay the operating expenses of the firm.

Dieter Bryce is a South Carolina lumber equipment manufacturer. The plan allowed employees to have 401(k) contributions withheld from their paychecks. According to the latest information available to the department, the plan had \$608,577 in assets and covered 46 participants.

The suit alleges that the company and its executives Jeffrey P. Sasko and Gene C. Carter violated the Employee Retirement Income Security Act (ERISA). The suit also alleges that they failed to remit employee contributions owed to the 401(k) beginning in April 2001 and to forward employee contributions in a timely manner starting in January 1998. Sasko and Carter served as trustees.

The department is seeking a court order to require the company and its executives to repay all losses with interest and offset the 401(k) accounts of Sasko and Carter to repay any losses. The suit asks that they correct transactions prohibited by law, return illegal profits and permanently bar Sasko and Carter from servicing plans governed by ERISA in the future.

“Trustees of a 401(k) plan have a responsibility to ensure that the assets of the plan are used solely to benefit participants. One of the most important duties is putting money from workers’ wages into their 401(k) accounts on time,” said Howard Marsh, director of the Atlanta regional office of the Employee Benefits Security Administration (EBSA) that investigated the case.

Employers with similar problems, who are not yet the subject of an investigation by the EBSA, may be eligible to participate in the department's Voluntary Fiduciary Correction Program (VFCP). Participation in the program requires employers to make workers whole 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](http://www.dol.gov/ebsa).

Employers and workers can contact the regional office at (404) 562-2156 or EBSA’s toll free number, **1-866-444-EBSA (3272)**, for help with problems relating to private-sector pension and health plans.

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(Chao v. Dieter Bryce, Inc.)  
Civil Action No. 3:04-41-22

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