

News Release



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Owner of Central Michigan Trucking Company Sued To Recover Employee 401(k) Contributions

DETROIT —The U.S. Department of Labor has sued the owner of Great Lakes Trucking Company, Inc., Perry, Mich., to recover employee contributions that he failed to forward to the workers' 401(k) plan.

"We filed this case to ensure that the plan participants recoup the money they contributed to pay for their retirement years," said Joseph Menez, director of the Employee Benefits Security Administration's (EBSA) Cincinnati regional office.

The suit alleges that the George Frazier violated the Employee Retirement Income Security Act (ERISA) when he failed to forward 401(k) plan contributions withheld from employees' paychecks from January 1999 to Dec. 25, 2001. The suit asks that Frazier and Great Lakes repay to the plan any losses with interest. The department also asks the court to permanently bar Frazier from serving as a fiduciary to any plan governed by ERISA and to appoint an independent fiduciary to manage the Great Lakes plan.

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 Correction Program (VFCP). Participation in the VFCP 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.

The suit, filed in the federal district court in Detroit, Mich., resulted from an investigation conducted by EBSA's Cincinnati regional office. In fiscal year 2004, EBSA achieved record monetary results totaling \$3.1 billion for retirement, 401(k), health and other programs. Employers and workers can reach the Cincinnati office at (859) 578-4680 or through 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. Great Lakes Trucking Co., Inc.)
Civil Action No. 04-74646