

# News Release



U.S. Department of Labor  
Office of Public Affairs  
Kansas City, Mo.  
Release Number 04-622-KAN

For Immediate Release  
Date: April 12, 2004  
Contact: Gloria Della  
Phone: (202) 693-8664

## Labor Department Sues Owner of Minnesota Company Over Delinquent Employee Contributions

**KANSAS CITY**—The U. S. Department of Labor has sued the owner of Ver-Sa-Til Associates, Inc. in Chanhassen, Minn., for failing to timely forward employee contributions owed to the company's profit sharing plan.

“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 responsibilities is putting money from workers' wages into their 401(k) accounts on time,” said Robert Webber, Acting Director of the Employee Benefits Security Administration's (EBSA) Kansas City regional office.

The lawsuit alleges Darrell Tamosuinas violated his duties as a trustee under the Employee Retirement Income Security Act (ERISA). The defendant allegedly failed to cause Ver-Sa-Til to timely forward to the plan employee contributions from January 1999 to April 2002 and allowed the company to retain the contributions.

The department is asking the court to require Tamosuinas to restore any losses with interest and to offset the trustee's plan account to reimburse the losses. The suit also asks that Tamosuinas correct any transaction prohibited by law and be permanently barred from serving plans in the future.

Ver-Sa-Til was a machine shop that produced products for the defense industry. The profit sharing plan at one time covered as many as 96 participants and had \$360,783.47 in assets as of January 2004.

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](http://www.dol.gov/ebsa).

In fiscal year 2003, EBSA achieved record monetary results of \$1.4 billion related to the pension, 401(k), health and other benefits of millions of American workers and their families. This case was investigated by the department's regional EBSA office in Kansas City. Employers and workers can contact the Regional Office at (816) 426-5131 or EBSA's toll free number, **1-866-444-EBSA (3272)**, for help with problems relating to private-sector pension and health plans.

###

(Chao v Tamosuinas) Civil Action No. 04-1330 RHK/AJB

U.S. Labor Department releases are accessible on the Internet at <http://www.dol.gov/ebsa>. The information in this news release will be made available in alternate format upon request (large print, Braille, audio tape or disc) from the COAST office. Please specify which news release when placing your request. Call (202) 693-7773 or TTY (202) 693-7755.