

# News Release



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## **U.S. Labor Department Obtains Order Restoring Nearly \$60,000 to Delaware Jewelry Company's 401(k) Plan**

**NEWARK, Del.**—The U.S. Department of Labor has obtained a court order requiring Foley Brofsky Inc. (FB), Foley Jewelers Christiana Inc. (FJC) and FJC's president David A. Mazer to restore \$52,214 to the companies' 401(k) plan. Mazer must pay an additional \$6,783 as restitution for lost income caused by violating the Employee Retirement Income Security Act (ERISA).

Mabel Capolongo, regional administrator of the department's Employee Benefits Security Administration (EBSA) said, "We filed this case to ensure that the plan participants recoup the money they set aside for their retirement years."

In a suit filed Feb. 8, 2005, the department alleged that Mazer and the two companies violated ERISA by failing to ensure that employee contributions were remitted to the 401(k) plan, and remitted in a timely manner.

Besides making restitution, the order removes Mazer, FJC and FB as fiduciaries of the plan and permanently prohibits them from serving as trustees, fiduciaries, advisors or administrators to any ERISA-covered employee benefit plan.

David Lipkin has been appointed as independent fiduciary of the plan with authority to distribute benefits to participants and beneficiaries. As of Dec. 31, 2003, the plan had 19 participants and \$561,469 in assets.

The case was investigated by EBSA's Philadelphia 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 Philadelphia regional office at (215) 861-5300. Help with problems relating to private sector retirement and health plans can also be obtained through EBSA's toll-free number (866) 444-EBSA (3272).

(Chao v. Mazer, et al)  
Civil Action Number: 2:05-cv-00611

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