

**UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA**

**THOMAS E. PEREZ**, Secretary of Labor,  
United States Department of Labor,

Civil No. 15-577 (DWF/SER)

Plaintiff,

v.

**JEAN HANVIK, SGH COMMUNICATIONS,  
INC., and SGH COMMUNICATIONS, INC.  
SIMPLE PLAN,**

Defendants.

**CONSENT ORDER AND JUDGMENT**

Plaintiff Thomas E. Perez, Secretary of Labor (the “Secretary”), United States Department of Labor, filed a complaint against Defendants Jean Hanvik, SGH Communications, Inc., and SGH Communications, Inc. Simple Plan (the “Plan”), alleging that Jean Hanvik and SGH Communications, Inc. (collectively “Defendants”) breached their fiduciary responsibilities under Title I of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended, 29 U.S.C. §§ 1001, *et seq.* with respect to the Plan.<sup>1</sup>

The Defendants waive service of the complaint and admit to the jurisdiction of this Court over them and the subject matter of this action.

The Secretary and Defendants agree to resolve all matters in controversy in this action between them (except for the imposition by Plaintiff of any penalty pursuant to ERISA § 502(l), 29 U.S.C. §1132(l), and any proceedings related thereto), and consent to entry of this Consent Order and Judgment (“Judgment”) by this Court in accordance therewith.

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<sup>1</sup> The Plan was only named as a defendant pursuant to Federal Rule of Civil Procedure 19(a) solely to assure that complete relief can be granted.

The parties agree that, if the Secretary of Labor assesses a penalty pursuant to ERISA § 502(l), 29 U.S.C. § 1132(l), in connection with the violations alleged in this matter, the “applicable recovery amount” shall include all amounts paid in accordance with this Judgment.

Now, therefore, upon consideration of the record herein, and as agreed to by the parties hereto, the Court finds that it has jurisdiction to enter this Judgment, and being fully advised in the premises, it is

**ORDERED, ADJUDGED AND DECREED** that:

1. On March 11, 2015, Defendant Jean Hanvik restored \$10,295.38 for losses owed to the Plan by sending a check to 1st Global Capital Corporation, P.O. Box 743248, Dallas, Texas 75374. The payment was made payable to “National Financial Services” for the benefit of “SGH Communications, Inc. Simple Plan.” Also on March 11, 2015, Defendant Jean Hanvik provided written allocation instructions to 1st Global Capital Corporation to allocate the restored funds to plan participants who: (1) were employees of SGH Communications, Inc.; (2) were Plan participants during the period of August 12, 2011 to April 26, 2012; (3) had voluntary employee contributions withheld from their pay for contribution to the Plan during this period and such contributions remain unremitted or were remitted untimely; and (4) have not received a distribution of their full account balance as of the date of the entry of this Consent Order and Judgment. On March 11, 2015, Defendant Jean Hanvik provided proof of the aforementioned restoration to the Kansas City Regional Director, U.S. Department of Labor, Employee Benefits Security Administration, Two Pershing Square, 2300 Main Street, Suite 1100, Kansas City, Missouri 64108 (“Regional Director”).

2. Defendants are permanently enjoined and restrained from violating the provisions of ERISA.

3. Defendants are permanently enjoined from serving or acting as a fiduciary or service provider with respect to any employee benefit plan subject to ERISA.

4. Nothing in this Judgment is binding on any government agency other than the United States Department of Labor.

5. Each party agrees to bear his/her/its own attorney fees, costs, and other expenses incurred by such party in connection with any stage of this proceeding to date including, but not limited to, attorneys fees which may be available under the Equal Access to Justice Act, as amended.

6. The Court retains jurisdiction for purposes of enforcing compliance with the terms of this Judgment.

**IT IS SO ORDERED THIS 14TH DAY OF MAY, 2015.**

s/Donvoan W. Frank  
DONOVAN W. FRANK  
United States District Judge

The undersigned apply for and consent to the entry of this Consent Order and Judgment this 11<sup>th</sup> of March, 2015.

For the Defendants:

s/Jean Faber Hanvik  
**JEAN HANVIK**

**SGH COMMUNICATIONS, INC.**

By: s/Jean Faber Hanvik

Name (written): Jean Faber Hanvik

Title: Owner

**SGH COMMUNICATIONS, INC.**  
**SIMPLE PLAN**

By: s/Jean Faber Hanvik

Name (written): Jean Faber Hanvik

Title: Owner

For the Secretary of Labor:

**M. PATRICIA SMITH**  
Solicitor of Labor

**CHRISTINE Z. HERI**  
Regional Solicitor

s/Stacey Scanlon  
**STACEY SCANLON**  
Attorneys for THOMAS E. PEREZ,  
Secretary of Labor, Plaintiff

U.S. Department of Labor  
Office of the Solicitor  
230 S. Dearborn St., Room 844  
Chicago, IL 60604  
Telephone: (312) 353-6990  
Fax: (312) 353-5698  
E-mail: [scanlon.stacey.l@dol.gov](mailto:scanlon.stacey.l@dol.gov)  
IL ARDC #: 6300769