

3. Venue of this action lies in the Northern District of Illinois, pursuant to ERISA §502(e)(2), 29 U.S.C. §1132(e)(2), because the Investment Group, Inc. 401(k) Profit Sharing Plan & Trust (the “Plan”) is administered in Chicago, Cook County, Illinois, within this district.

DEFENDANTS

4. The Investment Group, Inc. (“IGroup”), an Illinois corporation incorporated in 2000, was a mortgage brokerage firm which processed residential mortgages for a number of local banks.

5. At all relevant times, Alex Bulmash (“Bulmash”) was the President and an owner of IGroup.

6. On or about January 11, 2003, IGroup established the Plan for the benefit of its employees. The purpose of the Plan was to provide benefits to its participants and beneficiaries in the event of retirement, death, or disability.

7. At all relevant times, IGroup was the Plan Administrator of the Plan; and was a fiduciary of the Plan within the meaning of ERISA §3(21)(A), 29 U.S.C. §1002(21)(A).

8. At all relevant times, Bulmash was the Plan Administrator and Trustee of the Plan; and was a fiduciary of the Plan within the meaning of ERISA §3(21)(A), 29 U.S.C. §§1002(21)(A).

9. The Plan is an employee benefit plan within the meaning of ERISA §3(3), 29 U.S.C. §1002(3), which is subject to the provisions of Title I of ERISA pursuant to ERISA §4(a), 29 U.S.C. §1003(a).

10. The Plan is named as a defendant herein pursuant to Rule 19(a) of the Federal Rules of Civil Procedure solely to assure that complete relief can be granted.

ALLEGATIONS

11. Paragraphs 1 through 10 above are realleged and are hereby incorporated in these allegations.

12. According to Plan documents, Bulmash, as the Plan's Administrator and Trustee, and IGroup, as the Plan's Administrator, are the only legal persons authorized to direct the disbursement of the Plan's assets.

13. The Custodial Agent and Third Party Administrator for the Plan is Paychex, Inc. ("Paychex").

14. IGroup ceased operations sometime in 2007 and was involuntarily dissolved by the Illinois Secretary of State on October 9, 2009.

15. On June 9, 2010, Bulmash was convicted and sentenced to eight months in prison and thirty months of supervised release for one count of wire fraud. Consequently, Bulmash may no longer serve as a fiduciary to the Plan pursuant to ERISA §411(a)(1), 29 U.S.C. §1111(a)(1).

16. According to the last valuation for the period ending July 9, 2012, the Plan had three (3) participants and funds totaling \$22,476.00.

17. Based on information and belief, the Plan's last known fiduciaries have not administered the Plan since IGroup was closed in 2007.

18. Based on information and belief, the Plan has not been terminated.

19. Since the individuals and entities designated to act on behalf of the Plan failed to administer the Plan, participants and beneficiaries of the Plan have not been able to obtain distributions from the Plan of their individual account balances.

20. By the facts described in paragraphs 11 through 19 above, Bulmash and IGroup:
- a. failed to discharge their duties with respect to the Plan solely in the interest of the participants and beneficiaries and for the exclusive purpose of providing benefits to participants and beneficiaries and defraying reasonable expenses of administering the Plan, in violation of ERISA §404(a)(1)(A), 29 U.S.C. §1104(a)(1)(A); and
 - b. failed to discharge their duties with respect to the Plan solely in the interest of participants and beneficiaries and with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matter would use in the conduct of an enterprise of a like character and with like aims, in violation of ERISA §404(a)(1)(B), 29 U.S.C. §1104(a)(1)(B).

PRAYER FOR RELIEF

WHEREFORE, the Secretary prays for judgment:

- A. Permanently enjoining Defendants Alex Bulmash and IGroup from violating provisions of Title I of ERISA;
- B. Ordering the removal of Defendant Alex Bulmash from his position as Plan Administrator and Trustee;
- C. Ordering the removal of Defendant IGroup from its position as Plan Administrator;
- D. Permanently enjoining Defendants Alex Bulmash and IGroup from serving as fiduciaries or service providers to any ERISA-covered plan;
- E. Appointing an independent fiduciary to terminate the Plan consistent with the Plan's governing documents, the Internal Revenue Code, and ERISA, distribute its assets to the

participants and beneficiaries, and conclude any Plan-related matters connected with the proper termination of the Plan; and

F. Ordering such further relief as is appropriate and just.

M. PATRICIA SMITH
Solicitor of Labor

CHRISTINE Z. HERI
Regional Solicitor

s/ Mark H. Ishu _____
MARK H. ISHU
Attorney

P.O. ADDRESS:

Office of the Solicitor
U.S. Department of Labor
230 South Dearborn Street
Eighth Floor
Chicago, Illinois 60604
Telephone: (312) 353-6972
Email: Ishu.Mark.H@dol.gov

Attorneys for **SETH D. HARRIS**,
Acting Secretary, United States
Department of Labor,
Plaintiff