

News Release



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Labor Department Obtains Independent Fiduciary To Oversee HR Leasestaff's 401(K) Plan

DETROIT – The U. S. Department of Labor obtained a consent judgment and order on April 29, 2003, appointing Findley Davies Investment Consultants, LLC of Toledo, Ohio, as the independent fiduciary of the HR Leasestaff 401(k) plan. The independent fiduciary will terminate the plan and distribute its \$1,145,170 in assets to 263 plan participants.

The department filed a lawsuit on April 28, 2003 to remove Simplified Employment Services, Inc. (SES) as the nominal plan administrator of the 401(k) plan. The plan covered employees of the Human Resource Committee, Inc., an affiliate of SES. All trustees qualified to operate the plan resigned or were terminated prior to the appointment of a debtor-in-possession of the bankruptcy estate for SES and its affiliated companies. Distributions from the plan have been frozen since SES' bankruptcy filing.

The company, consisting of SES, HRCI and other SES affiliates filed for Chapter 11 bankruptcy on July 9, 2001. Assets of HRCI and affiliated companies were sold on May 29, 2002 under the bankruptcy proceedings. SES is still in Chapter 11 bankruptcy.

“The department has taken this action to give authority to an independent trustee so that the plan assets owed to participants and beneficiaries can be dispersed,” said Joseph Menez, regional director of the Cincinnati regional office of the Labor Department's Employee Benefits Security Administration (EBSA) that investigated the case. “The department's goal is to protect the hard-earned benefits promised to employees.”

Employers and workers can contact the Cincinnati regional office at (859) 578-4680 or EBSA's toll free number at 1-866-444-EBSA (3272) for help with any problems relating to private-sector pension and health plans.

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(Chao v. Simplified Employment Services, Inc.)
Civil Action # 03-71640
Bankruptcy Case #02-12672