

News Release



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Chicago Businessman Ordered to Restore More Than \$625,000 To Workers' Profit Sharing Plan

CHICAGO--The U.S. Department of Labor has obtained a settlement requiring the president of Chicago Spectro Service Laboratory Inc., Oak Park, Ill., to restore \$626,215.20 to the company's profit sharing plan.

The consent judgment, filed in federal district court in Chicago, also removes Richard Goldblatt and the company as fiduciaries to the plan, permanently bars them from future service as fiduciaries to plans governed by the Employee Retirement Income Security Act and names an independent fiduciary to manage and administer the Chicago Spectro plan.

"The Department achieved a major victory for workers and we're on track to restore over \$600,000 to their profit-sharing plan," said U.S. Labor Secretary Elaine L. Chao. "Today's action should send a strong message to those guilty of abusing workers that the Labor Department is committed to strong enforcement, not to mention our record monetary results of over \$3.1 billion for retirement, 401(k), health and other programs in just the past year."

The settlement resolves a lawsuit filed by the department alleging that Goldblatt failed to remit employer contributions to the employee benefit plan between 1970 and 1989. Each year until 1998, plan participants received account statements showing that promised contributions were made to the plan and that earnings were generated by those contributions, even though the payments were never made.

The original lawsuit resulted from an investigation conducted by the Chicago regional office of the Labor Department's Employee Benefits Security Administration (EBSA). Employers and workers can reach the Chicago regional office at (312) 353-0900 or through EBSA's toll-free number, 1.866.444.EBSA (3272), for help with problems relating to private-sector retirement and health plans.

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Chao v. Chicago Spectro
Civil Action No. 04 C 8058

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