

# News Release



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## **Labor Department Sues Company Hired to Service Pension and Welfare Plans of Six Chicago Area Local Unions and Employer Associations**

**CHICAGO--**The U.S. Department of Labor has sued Michael Linder, Elizabeth Linder and their companies, Crete, Ill.-based Joseph/Anthony & Associates Inc. and Liz/Mar and Associates Inc., and three plan trustees for actions they took in providing services to 12 pension and welfare plans of six Illinois local unions and their respective employer associations. Among other relief, the complaint seeks the recovery of allegedly undisclosed and improperly charged fees involving all twelve plans.

“The department will act when plan fiduciaries fail to carry out their duty to protect the retirement plan assets held on behalf of participants,” said Kenneth Bazar, director of the department’s Chicago regional office of the Employee Benefits Security Administration (EBSA).

The lawsuit alleges that Michael Linder (Linder), through Joseph/Anthony & Associates, Inc. made unauthorized payments for a variety of expenses and arranged for payments to Joseph/Anthony & Associates, Inc. and Liz/Mar and Associates, Inc. from parties doing business with the plans. The complaint also alleges that Fred Schreier, a trustee of the Machinery Movers, Riggers & Machinery Erectors Local 136 plans, and Thomas Kisting, plan administrator for the Iron Workers Local 498 plans, each received a gift of a motorcycle from Michael Linder to influence their actions in carrying out responsibilities associated with the pension and welfare plan assets. Brian Diskin, a trustee of the Iron Workers Local 380 Retirement and Severance Plan, is named in the complaint as having knowledge of Linder’s violations and failing to communicate that knowledge to other trustees, or take any steps to remedy the violations. Schreier and Kisting were similarly charged.

In a related action, Linder and two trustees also were charged with corruption in connection with Ironworkers Local 498 and 136 plans in criminal indictments issued by the Federal District Court in Rockford, Ill., on Jan. 27, 2004.

The Labor Department has asked the Federal District Court in Chicago to order Michael Linder and Elizabeth Linder and their respective companies, and Schreier, Kisting and Diskin to restore to the appropriate plans all losses incurred as a result of breaches of their fiduciary responsibilities, and to prohibit them from serving as fiduciaries or service providers to any employee benefit plans covered by the Employee Retirement Income Security Act (ERISA).

The suit, filed in federal district court in Chicago, resulted from an investigation conducted by the Chicago regional office of EBSA. Employers and workers can reach the Chicago 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. 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.

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Chao v. Linder  
Civil Action No. 05-C-3812

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