

News Release



U.S. Department of Labor
Office of Public Affairs
Philadelphia, Pa.
Release Number 05-1464-PHI (ebsa 05-087)

For Immediate Release
Date: Aug. 1, 2005
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Charleston Profit Sharing Plan Trustee Sued to Restore Plan Losses

CHARLESTON, W.Va. -- The U.S. Labor Department has filed a lawsuit against Richard Lewis, trustee of the profit sharing plan of Benefit Services Inc., Charleston, W.Va., to restore losses resulting from violations of the Employee Retirement Income Security Act (ERISA).

The suit also seeks to permanently bar Lewis from serving as a fiduciary to any ERISA-covered plan in the future.

The investigation conducted by the Washington district office of the Employee Benefit Security Administration (EBSA) found that when Lewis, company owner and plan trustee, sold Benefit Services in April 2000, he failed to distribute account balances to former employees.

According to the Department of Labor, as of April 2000 the value of the plan should have been calculated and all participants should have received their benefits. In Dec. 1999, the plan had nine participants and \$224,249 in assets.

By June 2002, the value of the plan had substantially declined; there were little remaining assets; and not all participants had received their benefits. The suit alleges that Lewis overpaid himself and a former employee and could not account for additional withdrawals from the plan.

“The Department of Labor will aggressively enforce the law to protect the retirement funds of this nation’s hardworking men and women,” says Mabel Capolongo, regional administrator for employee benefits security.

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. Employers and workers can reach EBSA’s Philadelphia Regional Office at (215) 861-5300 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. Richard Lewis, Benefit Services Inc.)
Civil Action No. 2:05-0581

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