

News Release



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New Jersey Executive Indicted for Embezzling \$500,000 From Pension Plan

PHILADELPHIA -- A New Jersey grand jury indicted the owner of Knight Contracting Company, Clarksburg, N.J., on one count of theft for failing to forward approximately \$500,000 in employee contributions to the company's pension plan.

"Theft of workers' retirement funds will not be tolerated," said Ann L. Combs, assistant secretary of labor for employee benefits security. "This case reaffirms our commitment to protecting workers' benefits by identifying criminal activity wherever and whenever it occurs."

Frank V. Knight was charged with second-degree theft for failing to deposit employee contributions into his company's plan from July 26, 2002 to Dec. 20, 2003. If convicted, Knight faces a maximum sentence of 10 years in prison and \$150,000 in fines.

Knight Contracting Company sponsored the pension plan for approximately 120 employees. The plan was funded with fringe benefit contributions mandated under a prevailing wage contract with the state of New Jersey.

The New York regional office of the Labor Department's Employee Benefits Security Administration and the Monmouth County, N. J., Police Department conducted the investigation. The indictment was handed down by a Monmouth County grand jury.

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(U.S. v. Knight)
Case No.05-01617

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