

News Release



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U.S. Department of Labor Obtains Consent Judgment Restoring Over \$20,000 to West Chester 401(k) Plan

PHILADELPHIA -- The U.S. Department of Labor has obtained a consent judgment requiring the trustee to restore \$20,131 in delinquent employee contributions owed to the Terminal Technologies Inc. 401(k) plan sponsored by defunct NLOCI Corporation, West Chester, Pa.

“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 Mabel Capolongo, regional director of the department’s Employee Benefits Security Administration (EBSA) in Philadelphia.

Under the agreement, filed recently in the Eastern District Court of Pennsylvania, Frank T. Fiascki will make full restitution to the plan for failure to forward contributions deducted from employees’ paychecks between June 2002 and March 2003. Fiascki also will be removed as the plan’s trustee and will not serve as a trustee in the future. An independent fiduciary will be appointed to administer, terminate and distribute plan assets to six participants. At the time of the improper plan transaction, Fiascki was president of NLOCI Corporation.

The complaint alleged that Fiascki failed to remit employee contributions to a 401(k) plan in violation of the Employee Retirement Income Security Act (ERISA).

Employers with similar problems, who are not yet the subject of an investigation by EBSA, may be eligible to participate in the department’s Voluntary Fiduciary Correction Program (VFCP). Participation in the program requires employers to correct violations of the law but allows them to avoid EBSA enforcement actions and civil penalties as well as any applicable excise taxes. For more information about the VFCP, see www.dol.gov/ebsa.

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. Frank T. Fiascki, Terminal Technologies, Inc. 401(k) Plan)
Civil Action No. 04-cv-5699

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