

News Release



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Detroit Trustee Restores Funds to Workers' Savings and Profit Sharing Plan *Agreement Settles U.S. Labor Department Suit*

DETROIT, Mich.--The U.S. Department of Labor has obtained a settlement requiring that \$31,763.54 be paid to the savings and profit sharing plan of two Detroit-based companies -- Salvage One Leasing Co. Inc. and Supreme Heating and Supply Company Inc. The agreement, which resolves a department lawsuit, also permanently bars the trustee for the plans from serving as a fiduciary or service provider to employee benefit plans governed by the Employee Retirement Income Security Act (ERISA).

The suit charged that Mark Provenzano, alleged former president of Salvage One Leasing Co., Mechanical HVAC Inc., and Supreme Heating and Supply Company, and plan trustee of the profit sharing plan, failed to remit employee contributions to the profit sharing plan of those businesses at various times between October 2001 and July 2004.

“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 Joseph Menez, director of the department’s Cincinnati regional office of the Employee Benefits Security Administration (EBSA).

As part of the consent judgment, Provenzano and Salvage One Leasing are liable for \$17,836.10 in unremitted employee contributions and lost opportunity costs; Provenzano and Supreme Heating are liable for restoring \$657.75 to the plan, and Provenzano and Mechanical HVAC are liable for \$13,269.69. The agreement also orders that Provenzano terminate the plan and distribute the assets to participants and beneficiaries in accordance with federal regulations.

Filed in federal district court in Michigan, the suit resulted from an investigation conducted by the Cincinnati regional office of EBSA. Employers and workers can reach the Cincinnati regional office at (859) 578-4680 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. Provenzano
Civil Action No. 2:04-cv-73019

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