



U.S. Department of Justice

*United States Attorney
District of Connecticut*

*Connecticut Financial Center
157 Church Street
New Haven, Connecticut 06510*

*(203) 821-3700
Fax (203) 773-5376
www.justice.gov/usao/ct*

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CONTACT: Tom Carson
Public Information Office
(203) 821-3722
(203) 996-1393 (cell)

**EMPLOYEE BENEFIT PLAN MANAGER SENTENCED TO MORE
THAN FIVE YEARS IN FEDERAL PRISON FOR STEALING \$1 MILLION**

David B. Fein, United States Attorney for the District of Connecticut, announced that MICHAEL L. MILLMAN, 64, of North Kingstown, Rhode Island, formerly of Fairfield, Connecticut, was sentenced today by Senior United States District Judge Peter C. Dorsey in New Haven to 63 months of imprisonment, followed by five years of supervised release, for stealing more than a million dollars while he owned and operated an employee benefit plan.

According to court documents and statements made in court, MILLMAN owned and managed the *Nutmeg Benefit Group, LLC*, and the *Nutmeg Welfare Benefit Plan and Trust*, which, collectively, was a vehicle through which companies could provide their valuable employees with life insurance and disability benefits. Between June 2005 and December 2009, MILLMAN stole \$655,893.55 by failing to send insurance premiums to the appropriate insurance carrier, by taking loans from the value of participants' insurance policies, and by diverting proceeds from policies that a plan participant had directed him to surrender and transfer to another insurance company. MILLMAN also defrauded *Essex Savings Bank*, the former trustee of the Plan and Trust, of \$344,516.40.

In order to avoid detection of his theft, MILLMAN created fraudulent policy statements for several of the plan participants, which purported to show that the premiums paid by participants had been forwarded in full to the insurance companies, and that no loans had been taken on the policies.

On April 19, 2010, MILLMAN pleaded guilty to one count of bank fraud, two counts of wire fraud, and one count of embezzlement and theft from an employee pension or welfare benefit plan.

As a result of his criminal conduct, MILLMAN caused a loss of \$1,000,409.95 to his victims. Of that loss, \$25,000 has previously been repaid. Today, Judge Dorsey ordered MILLMAN to pay restitution in the amount of \$975,409.95.

The U.S. Department of Labor, through the Employee Benefits Security Administration, is responsible for the administration and enforcement of the provisions of Title I of the Employee Retirement Income Security Act (ERISA). ERISA regulates, among other programs, employee welfare benefit plans.

This matter was investigated by the United States Department of Labor, by officials in both the Office of the Inspector General and the Employee Benefits Security Administration – Boston Office. This case was prosecuted by Assistant United States Attorney David E. Novick.

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