



Department of Justice

Acting United States Attorney Kent S. Robinson
District of Oregon

FOR IMMEDIATE RELEASE

Tuesday, September 29, 2009

CONTACT: AUSA Craig Gabriel

PHONE: 503-727-1107

www.usdoj.gov/usao/or

Bend, Oregon Resident Sentenced to Federal Prison for Pension Fund Embezzlement

Company President Embezzled \$269,000 From His Employees' Retirement Fund

Portland, Ore. – Joel John Morris, of Bend, Oregon, was sentenced yesterday by U.S. District Judge Michael W. Mosman to 24 months in prison to be followed by 36 months of supervised release. Morris pled guilty in May 2009 to one count of Embezzlement from an Employee Benefit Plan.

From approximately 1998 until 2007, Morris was the owner and president of Jadco Chemical, Ltd., a business located in Portland until it closed down in 2007.

From 2005 through 2007, Morris made multiple unauthorized withdrawals from the Jadco Chemical Defined Benefit Plan, which was the pension plan established to provide retirement funds for Jadco employees. Morris was the trustee of the pension plan, and he took the pension money without the knowledge or consent of Jadco employees.

In all, Morris made eight illegal withdrawals from the pension plan totaling \$269,000. Morris depleted almost all of the pension funds that were intended to benefit twelve former employees of Jadco. Most of the withdrawals occurred while Jadco was still an operating business; however, two of the withdrawals were made by Morris in 2007 after Jadco had shut its doors.

Evidence provided by the U.S. Attorney's Office at the sentencing hearing showed that Morris used most of the \$269,000 for his personal benefit. After Morris' embezzlement was discovered, the Pension Benefit Guarantee Corporation, a United States agency, assumed the duties of trustee of the Jadco pension plan. Morris was ordered to pay full restitution to his victims.

“Mr. Morris' theft of his own employees' retirement funds was unconscionable,” said Kent S. Robinson, the Acting United States Attorney for the District of Oregon. “This case should send a message that prison is waiting for any corporate executive who illegally raids the company's pension plan.”

This investigation was conducted by the U.S. Department of Labor – Employee Benefits Security Administration and was prosecuted by Assistant U.S. Attorney Craig J. Gabriel.