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**EMPLOYEE BENEFIT PLAN MANAGER
ADMITS STEALING MORE THAN \$1 MILLION**

Nora R. Dannehy, United States Attorney for the District of Connecticut, announced that MICHAEL L. MILLMAN, 63, of Fairfield, pleaded guilty today before Senior United States District Judge Peter C. Dorsey in New Haven to federal charges related to his theft of more than a million dollars while he owned and operated an employee benefits 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.

Today, 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. Judge Dorsey has scheduled sentencing for September 3, 2010, at which time MILLMAN faces a maximum term of imprisonment of 75 years and a fine of up to approximately \$2 million.

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 is being prosecuted by Assistant United States Attorney David E. Novick.

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