

News Release



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Labor Dept. Sues Ohio Retirement Plan Officials for Misuse Of Retirement Plan Assets

CLEVELAND, Ohio – The U.S. Department of Labor has sued executives of the Acme Arsenia Company of Cuyahoga County for allegedly transferring \$765,000 in assets from the company’s retirement plan for their own benefit.

“This Administration is committed to protecting the retirement security of America’s workers, and we won’t hesitate to act when retirement plan officials mismanage workers’ benefits,” said Secretary of Labor Elaine L. Chao. “Last year, the Administration achieved record monetary results recovering a total of \$1.4 billion for retirement, 401(k), health and other benefits.”

John V. Arsenia, Victor J. Arsenia and Frank J. Arsenia, president and vice presidents, respectively, violated their duties as trustees by allegedly transferring the money to John and Victor Arsenia. The lawsuit also alleges that the asset transfers were not reported on the annual report that was filed by plan fiduciaries. The department’s Cincinnati regional office of the Employee Benefits Security Administration (EBSA) investigated the case.

The suit, filed in federal district court in Cleveland, seeks to have the defendants repay any losses and opportunity costs and offset their accounts in the plan if necessary to repay the losses. The department also seeks to permanently bar the defendants from serving any ERISA-covered plan, to remove the defendants as trustees and to appoint an independent fiduciary to oversee the plan.

The plan had 33 participants and \$3,233,453 in assets as of Dec. 31, 2002.

Employers and workers may contact the regional office at (859) 578-4680 or through EBSA’s toll free number, **1-866-444-EBSA (3272)** for help with questions about private-sector retirement and health plans.

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(Chao v. John V. Arsenia)
Civil Action No. 5:04CV1796