

Department of Justice

U.S. Attorney's Office

Northern District of Texas

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Couple Indicted For Embezzling \$14.5 Million from Retirement Funds

A federal grand jury indicted a Red Oak, Texas couple who allegedly embezzled \$14.5 million from retirement plans they managed, U.S. Attorney for the Northern District of Texas Erin Nealy Cox announced today.

Jeffrey Richie, 53, and Wendy Richie, 58, co-owners of Vantage Benefits Administrators, were charged with conspiracy, theft from an employee benefit plan, wire fraud, and aggravated identify theft.

According to the indictment, Vantage served as third party administrator for dozens of retirement funds, including several 401(k)s. With her husband's knowledge, Ms. Richie -- posing as various beneficiaries -- allegedly submitted fraudulent distribution requests to the retirement fund custodian, Matrix Trust Co. Instead of depositing the money into beneficiaries' accounts, however, she transferred it into Vantage's operating account. The couple allegedly used those funds to pay Vantage payroll and other operating expenses, as well as personal expenses, including mortgage and escrow payments, farming equipment, and home décor.

The Richies misappropriated funds from at least 1,000 plan participants in at least 20 employer's retirement plans, prosecutors say.

"This couple took advantage of innocent people who were working hard and saving for their future," said Nealy Cox. "We cannot permit such brazen financial misconduct to go unchecked."

"An important mission of the Office of Inspector General is to investigate allegations of fraud related to U.S. Department of Labor programs. We will continue to work with DOL's Employee Benefits Security Administration and our law enforcement partners to safeguard retirement benefits intended for American workers," stated Steven Grell, Special Agent-in-Charge, Dallas Region, U.S. Department of Labor Office of Inspector General.

"Theft from pension funds violates the law and deprives plan participants of their hard-earned retirement benefits," said Deborah Perry, Employee Benefits Security Administration (EBSA) Regional Director, Dallas. "The U.S. Department of Labor will continue to aggressively investigate fiduciaries and others who misuse assets of private-sector benefit plans."

If convicted on all counts, the Richies face up to 81 years in federal prison.

The Department of Labor – Office of Inspector General, the Federal Bureau of Investigation, the Department of Labor's Employee Benefits Security Administration, and the Texas State Auditor's Office conducted the investigation. Assistant U.S. Attorney Christopher Stokes is prosecuting the case.