

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

R. ALEXANDER ACOSTA, : CIVIL ACTION
SECRETARY OF LABOR, UNITED :
STATES DEPARTMENT OF LABOR :
v. :
JOHN J. KORESKO, V, et al. : NO. 09-988

ORDER

AND NOW, this 30th day of August, 2017, upon consideration of the Department of Labor's Motion for Equitable Distribution, Doc. 1384, the Unified Model of Distribution, the Objections filed by various plan sponsors to their plans' individual accountings, Docs. 1522-1539, 1543, the Response by the Department of Labor, Doc. 1551, the Plan Sponsor Statements sent to the plans, the hearings held on July 10 & 11, 2017, and the Report and Recommendation filed by Magistrate Judge Elizabeth T. Hey, IT IS ORDERED that:

1. All open plans in the Trusts shall have until October 11, 2017, to email Amended Distribution Election forms to Marcum.
2. All plan sponsors shall have the ability to direct the distribution of plan's assets to the employee-owner or named insured on an insurance policy provided the Plan Sponsor or representative of the Plan Sponsor provides a declaration that there are no other claims to the distribution, using the court's designated form, available on the court's website.
3. The objections by Briarpatch, Inc., and Quantic Group, Ltd., (Docs. 1522 & 1523) are **sustained in part and overruled in part**. To the extent these objectors seek distribution of the plan's assets to an individual, the objections are

sustained. See ¶ 2 above. To the extent Briarpatch, Inc., and Quantic Group, Ltd., seek additional assurances regarding the value of the policies, the objections are overruled.

4. The objection by **Complete Medical Care Services of New York, P.C.**, (Doc. 1524) is **sustained**. The policy associated with this plan shall be distributed to the Aric Hausknecht Irrevocable Life Insurance Trust U/A dated 4/16/2010, provided the plan sponsor provides a declaration as described in paragraph 2 above.

5. The objection by **Hazlet Pharmacy** (Doc. 1525) is **sustained in part and overruled in part**. To the extent Hazlet seeks distribution of the policies to the insured parties, the objection is sustained. See ¶ 2 above. To the extent Hazlet seeks additional information regarding the taxability of the distribution, the objection is overruled. To the extent Hazlet seeks additional time to return the Distribution Election Form, the objection is sustained. See ¶ 1 above.

6. The objection by **Haddon Orthodontics, P.C.**, (Doc. 1526) is **overruled**.

7. The objection by **Dick's Double D, Inc.**, (Doc. 1527) is **sustained**. See ¶ 2 above.

8. The objection by **Michael O'Brien, D.M.D, P.C.**, (Doc. 1528) is **sustained in part and overruled part**. To the extent the Plan Sponsor requests additional information regarding the policy associated with the plan, Judge Hey has already directed Wagner to request the insurance carrier to provide a breakdown of the amounts paid for the insurance and investment components of the policy. To the extent the Plan Sponsor seeks information regarding the conversion of the policy to another type of insurance, the objection is overruled. To the extent the O'Brien Plan asks for additional time to complete the Distribution Election form, the objection is sustained. See ¶ 1 above.

9. The objection by **Waterloo Contractors, Inc.**, (Doc. 1529) is **sustained**, and Wilmington is directed to pay Waterloo Contractors, Inc., the remaining amount of the life insurance proceeds received by the Trusts.

10. The objection by **Resource Realizations, Inc.**, (Doc. 1530) is **overruled**.

11. The objection by **Wilshire Palisades Law Group, P.C.**, (Doc. 1531) is **overruled**.

12. The objection by the **Silverstein Plan Sponsors** (Doc. 1532) is **sustained in part and overruled in part**. To the extent these objectors challenge the reserve, the objection is overruled. To the extent these objectors want access to the source records underlying the Plan Sponsor Statements and direct access to the insurance companies to

obtain additional information, the objection is overruled. To the extent these objectors challenge the terminology used for the dissolution of the Trusts and distribution of the assets, the objection is overruled. To the extent these objectors seek distribution of the plan's assets to an individual, the objection is sustained. See ¶ 2 above. To the extent these objectors seek additional time to return the Distribution Election form, the objection is sustained. See ¶ 1 above.

13. The objection by **A-Tech Concrete Co.**, (Doc. 1533) is **overruled**.

14. The objection by **Terry S. Wood, M.S., D.D.S., P.C.**, (Doc. 1534) is **overruled**. The distribution due this plan will be made to Dr. Wood's estate.

15. The objection by **Winchester Land and Development Corp.** (Doc. 1535) is **sustained** and the court. Marcum shall credit this plan's PennMont Internal Balance with \$50,000.

16. The objection by **Harry H. Monokian, D.M.D., P.A.**, (Doc. 1536) is **overruled in part and sustained in part**. To the extent the plan challenges a legal fee, the objection is overruled. To the extent the plan seeks return of a long-term care policy, the objection is sustained.

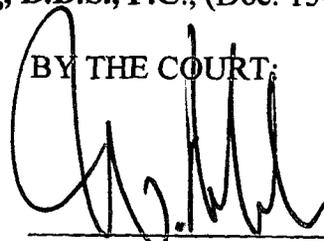
17. The objection by **Carson's Steak Warehouse and Saloon, Inc.**, (Doc. 1537) is **sustained in part and overruled in part**. Marcum shall credit the plan's PennMont Internal Balance with \$66,824.79.

18. The objection by **DVB Management, Inc.**, (Doc. 1538) is **overruled**.

19. The objection by **James M. LaRose, D.O. & Associates** (Doc. 1539) is **sustained**. Wilmington shall withdraw the amount of the invalid premium payments (\$127,280.33) from the policy and Marcum shall credit the plan's PennMont Internal Balance with this amount.

20. The objection by **Angela Leung, D.D.S., P.C.**, (Doc. 1543) is **overruled**.

BY THE COURT:



WENDY BEETLESTONE, J.