

following manners:

- (1) Defendants shall not, contrary to Section 7 of the Act, employ any of their non-exempt employees in any workweek for workweeks longer than the hours now applicable under Sections 7 and 15(a)(2) of the Act (currently 40 hours), or which in the future become applicable under Sections 7 and 15(a)(2) of the Act, unless the employees receive compensation for their employment in excess of the prescribed hours at rates not less than one and one-half times the employees' regular rates.
- (2) Defendants shall make, keep, and preserve adequate records of their employees and of the wages, hours, and other conditions and practices of employment maintained by them as prescribed by the Regulations issued pursuant to Section 11(c) of the Act and found at 29 C.F.R. Part 516.
- (3) Defendants shall not discharge or take any retaliatory action against any employee because the employee engages in, or is believed to have engaged in, any of the following activities:
 - a. Discloses, protests, or threatens to disclose or protest, to a supervisor or to a public agency, any activity, policy, or practice of Defendants, or another employer with whom there is a business relationship, that the employee reasonably believes is in violation of the Act or a rule or regulation promulgated pursuant to the Act;
 - b. Provides information to, or testifies before, any public agency or entity conducting an investigation, hearing or inquiry into any alleged violation of the Act, or a rule or regulation promulgated pursuant to the Act, by

Defendants or another employer with whom there is a business relationship;

or

- c. Objects to, or refuses to participate in any activity, policy or practice which the employee reasonably believes is in violation of the Act, or a rule or regulation promulgated pursuant to the Act.

- (4) Defendants, along with their officers, agents, and managers, shall not tell anyone who works for them not to speak to representatives of the Department of Labor or to provide untruthful information to the Department of Labor regarding the terms or conditions of their employment.

II. Further, the Court finding that unpaid overtime back wages are owed and shall be paid to the employees listed on Exhibit A, which is attached hereto, in the total amount of \$140,000.00 plus an equal additional total amount of liquidated damages of \$140,000.00 for a total amount of \$280,000.00, it is:

ORDERED that Defendants shall pay and all persons acting on their behalf are enjoined and restrained from withholding the payment of \$140,000.00 in unpaid overtime back wages owed to their employees in the amounts listed opposite their names on Exhibit A. In addition, Defendants shall pay \$140,000.00 in liquidated damages owed to their employees in the amounts listed opposite their names on Exhibit A. These payments shall be made by Defendants in accordance with Paragraph III of this Consent Judgment.

III. The provisions of this Consent Judgment relative to back wage payments and liquidated damages shall be deemed satisfied when Defendants fully comply with the terms of payment set forth below and in Exhibit B, which is attached hereto.

- (1) Following the Court's entry of this Consent Judgment, payment of the minimum wage and overtime compensation shall be made beginning with a down payment of \$110,000.00 made on or before June 1, 2016. The remaining balance of \$170,000.00 shall be made in three (3) separate installments of \$110,000.00, \$40,000.00, and \$20,000.00 plus post-judgment interest calculated at the rate of 0.26% per annum. The three (3) installment payments shall be made according to the following schedule:
 - a. The first installment payment of \$110,000.00 plus \$83.56 post-judgment interest shall be made on or before September 1, 2016;
 - b. The second installment payment of \$40,000.00 plus \$12.39 post-judgment interest shall be made on or before October 1, 2016; and
 - c. The third installment payment of \$20,000.00 plus \$4.42 post-judgment interest shall be made on or before November 1, 2016.
- (2) All payments shall be made by delivery of a certified check or money order made payable to "Wage and Hour Division -- Labor" for the required amount, paid to the Plaintiff's representative:

U.S. Department of Labor/Wage & Hour Division
The Curtis Center, Suite 850 West
170 S. Independence Mall West
Philadelphia, PA 19106-3317

- (3) Each check or money order shall have the following reference number on it: 1724768, as well as "Back Wages" or "Liquidated Damages" as appropriate.
- (4) Copies of each certified check or money order and cover letter shall be simultaneously sent to Daniele Eller, Assistant District Director, U.S. Department

of Labor, Wage & Hour Division, Northern New Jersey District Office, 200 Sheffield Street, Room 102, Mountainside, NJ 07092.

IV. Plaintiff shall deliver the proceeds of each check less any legal deductions to the employees named on the attached Exhibit A. Any sums not distributed to the employees or to their personal representatives or estates within a period of three (3) years, because of inability to locate the proper persons or because of such persons' refusal to accept such sums, shall be deposited in the Treasury of the United States as miscellaneous receipts pursuant to 29 U.S.C. § 216(c).

V. Upon request, Defendants shall make available to Plaintiff the social security number and the last known telephone number and mailing address of each employee or former employee named on the attached Exhibit A.

VI. Defendants, and anyone acting on their behalf, shall not in any way directly or indirectly, demand, require or accept any of the back wages or liquidated damages from any of the employees listed on the attached Exhibit A. Defendants, and anyone acting on their behalf, shall not threaten or imply that adverse action will be taken against any employee because of his or her receipt of funds due under the provisions of this Consent Judgment or the Act. Violation of this Paragraph may subject Defendants to equitable and legal damages, including punitive damages and civil contempt.

VII. A seven (7) calendar-day grace period shall be allowed for receipt of each payment that is required by Paragraph III of this Consent Judgment. If Defendants fail to make the payments within seven (7) calendar days, as set forth in Paragraph III of this Consent Judgment, upon written notice to Defendants, without Court approval, all remaining installment payments become due immediately.

VIII. If Defendants fail to make the payments, as set forth in Paragraph III of this Consent Judgment, then, in addition to the provisions of Paragraph VII, upon notice to Defendants, the Court shall appoint a Receiver to effectuate all of the terms of this Consent Judgment. In the event a Receiver is appointed, it is ORDERED that:

- (1) Defendants shall cooperate with the Receiver in all respects, and shall provide to the Receiver any and all reasonable information which the Receiver may require to carry out its appointment and in accordance with the authority given to the Receiver pursuant to applicable law at the time of appointment.
- (2) All the expenses of the accountant or Receiver shall be borne solely by Defendants.
- (3) The Receiver shall serve until the payment of the monetary terms of this Consent Judgment are satisfied.
- (4) The Receiver shall have full authority to: collect Defendants' assets and report his/her findings to the Court and the parties; to redeem and/or liquidate Defendants' assets and turn over the proceeds to the Secretary; if the asset is a debt that is due, collect it and turn over the proceeds to the Secretary; to analyze all indebtedness and where deemed appropriate seek restructuring; to analyze all transfers of Defendants' assets; to prevent waste or fraud; and to do all acts and take all measures necessary or proper for the efficient performance of the duties under this Consent Judgment.

IX. ORDERED that Defendants shall display in conspicuous places throughout their establishment for their employees' viewing the poster "Employee Rights Under the Fair Labor Standards Act" issued by the U.S. Department of Labor in both English and Spanish. Defendants shall maintain these postings permanently.

X. ORDERED that Defendants shall display in a conspicuous place in their establishment for their employees' viewing the attached Exhibit C in both English and Spanish. Defendants shall maintain this posting for a period of two years from entry of this Consent Judgment.

XI. ORDERED that Defendants shall provide all of their employees each of the following documents, in the employees' choice of Spanish or English, the flyer "Employee Rights Under the Fair Labor Standards Act" as issued by the U.S. Department of Labor; and "Fact Sheet #23: Overtime Pay Requirements of the FLSA" as issued by the U.S. Department of Labor. Defendants shall provide these documents to its current employees within thirty (30) days of the entry of this Consent Judgment. Thereafter, Defendants shall provide to any new employees, at the time that they hire them, each of those documents, in the employees' choice of Spanish or English.

XII. ORDERED that Defendants shall implement the following provisions to ensure their compliance with the Act:

- (I) Defendants shall amend and maintain their payroll and recordkeeping practices to comply with the Act:
 - a. Defendants shall utilize a time clock or other automated timekeeping system to accurately record all hours worked by all employees.
 - b. Defendants' time records shall include and record all hours worked by employees, including, if applicable, compensable travel time, including, but not limited to, travel time of employees who drive Defendants' vehicles from Defendants' principal place of business to remote worksites, or from one remote worksite to another.
 - c. Defendants' time records shall record the daily start and stop times for all

hours worked by each employee. Defendants shall ensure that daily start times are recorded as soon as employees commence their first principal activity, including, but not limited, to preparing and loading Defendants' vehicles, and that daily stop times are recorded at the end of the employees' last principal activity, including, but not limited to, returning Defendants' vehicles to Defendants' principal place of business or unloading Defendants' vehicles, in accordance with the Act and regulations issued under the Act.

- d. Defendants shall inform all employees who do not drive Defendants' vehicles, in writing, that they may report directly to remote worksites or, alternatively, that they may choose, for their convenience, to travel in company vehicles from Defendants' principal place of business to remote worksites. Defendants shall further inform such employees that, regardless of which option they choose, employees are not required to perform any work duties until they arrive at remote worksites. Defendants shall not request, require, or otherwise cause such employees to perform work duties before arriving at remote worksites, unless such time is included in the employees' hours worked and compensated accordingly.
- e. Defendants shall provide sufficient advance notice regarding the location of remote worksites to any employee who chooses to report directly to remote worksites.
- f. Defendants shall ensure that their time records include the start and stop times of any non-compensable rest period during the workday, including,

but not limited to, lunch breaks.

- g. Defendants shall not request, require, or otherwise cause employees to perform work during designated non-compensable rest periods, unless such time is included in the employees' hours worked and compensated accordingly.
- h. Defendants shall not request, require, or otherwise cause employees to perform work "off the books" (not recorded in the time records), either before, during, or after the employees' shifts.
- i. Defendants shall pay wages to each non-exempt employee based on the hours actually worked by the employee during the applicable workweek, as recorded in Defendants' time records.
- j. For each workweek, Defendants shall prepare a statement of hours worked by each employee for each day, week, and pay period ("Work Hours Summary"). The Work Hours Summary will note any days when the employee drove Defendants' vehicles from Ferry Carpets to offsite worksites and/or from offsite worksites to Ferry Carpets. Defendants shall have each employee review his or her Work Hours Summary, write in corrections if necessary, and sign the Work Hours Summary.
- k. Defendants shall maintain all time and payroll records for a period of not less than three (3) years.
- l. No later than sixty (60) days from the entry of this Consent Judgment, Defendants shall provide to the Wage and Hour Division a complete sample, for a single continuous two-week period, of time records and payroll records for all of Defendants' employees, that comply with this Paragraph XII and with the

Regulations found at 29 C.F.R. Part 516, as amended from time to time. The records shall be sent to Daniele Eller, Assistant District Director, U.S. Department of Labor, Wage & Hour Division, Northern New Jersey District Office, 200 Sheffield Street, Room 102, Mountainside, NJ 07092.

- (2) Within six (6) months of the entry of this Consent Judgment, Defendants shall obtain an independent audit of their compliance with the Act, and regulations issued under the Act, to be conducted by a third-party examiner who is acceptable to Plaintiff. Plaintiff shall only reject a third-party examiner based upon an objectively reasonable basis and will provide such basis in writing to defense counsel within fourteen (14) days upon receipt of name and resume of the proposed third-party examiner. At least one month in advance of commencing the audit, Defendants shall submit the name(s) and resume(s) of the proposed candidate(s) for third-party examiner to Daniele Eller, Assistant District Director, U.S. Department of Labor, Wage & Hour Division, Northern New Jersey District Office, 200 Sheffield Street, Room 102, Mountainside, NJ 07092 to confirm acceptability of the candidate(s). The third-party examiner will prepare a written report which summarizes the steps taken to complete the audit, and the finding of the audit as to Defendants' compliance with the Act. Within a week of completing the report, the third-party examiner shall provide a copy of the report to Daniele Eller,

Assistant District Director, U.S. Department of Labor, Wage & Hour Division,
Northern New Jersey District Office, 200 Sheffield Street, Room 102,
Mountainside, NJ 07092.

- a. The third-party examiner shall have the ability to communicate with Defendants' employees in their native language, or shall be provided with an interpreter in order to be able to communicate with employees in a language they can understand, at Defendants' expense.
- b. Defendants shall cooperate in full with the third-party examiner, including providing the third-party with access to Defendants' worksites, employees, payroll, and time records, and any other records required by the third-party examiner to complete the audit.
- c. If the third-party examiner finds violations of the Act, or regulations issued under the Act for the time period subsequent to the execution of the Consent Judgment that result in back wages due, Defendants shall pay the wages due for that time period within thirty (30) calendar days from the examiner's findings, absent protest or objection submitted by Defendants to the examiner and to the Department of Labor.
- d. The third-party examiner may investigate and report incidents or allegations or complaints of retaliation to Defendants. If not resolved in a satisfactory manner, the third-party examiner shall report the incidents to the U.S. Department of Labor.
- e. The third-party examiner will conduct interviews with a representative sample of Defendants' employees, including at least some off-site interviews; such interviews, and other communications between

employees and the third-party examiner, will be kept confidential at the option of each employee, except that copies of all notes and interviews conducted by the third-party examiner, along with the examiner's report, will be made available to authorized representatives of the U.S. Department of Labor upon request.

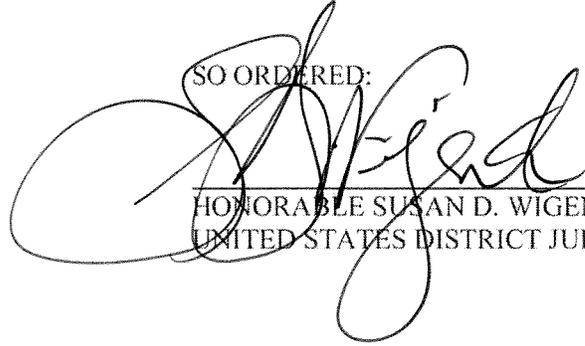
- f. Discrimination or retaliation by Defendants against any employee for cooperating or communicating with the third-party examiner is prohibited to the fullest extent of the law, as provided in Section 15(a)(3) of the Act.

XIII. Neither the commencement of this action nor the provisions of this Consent Judgment shall in any way affect, determine, or prejudice any and all legal rights of any employees of Defendants not listed on Exhibit A of this Consent Judgment, be they current or former employees, to file any action against defendants under section 16(b) of the Act or likewise for any current or former employee listed on Exhibit A of this Consent Judgment to file any action against Defendants under section 16(b) of the Act for claims based on events occurring on or after February 14, 2015.

XIV. Each party will bear its own fees and other expenses incurred by such party in connection with any stage of this proceeding.

XV. The Court retains jurisdiction over this matter for the purposes of enforcing this Consent Judgment.

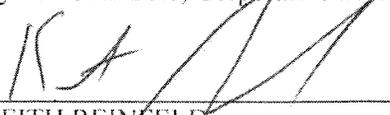
DATED: May 24, 2016

SO ORDERED:

HONORABLE SUSAN D. WIGENTON
UNITED STATES DISTRICT JUDGE

BY: 
ANTONIO LOLO, Individually


ALINA LOLO, Individually


FERRY CARREYS, INC.
By: Antonio Lolo, Corporate Officer


KEITH REINFELD
Fox Rothschild LLP
75 Eisenhower Parkway, Suite 200
Roseland, NJ 07068-1600
Attorney for Defendants

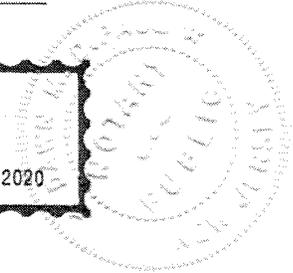
DATED: _____, 2016

STATE OF New Jersey,
COUNTY OF Essex) :SS:

On the 23rd day of May, 2016 before me came ANTONIO LOLO, to me known, who, being by me duly sworn, did depose and say that he is a duly authorized officer of FERRY CARPETS, INC. described in and which executed the foregoing instrument, that he signed his name thereto by like order.

Dawn M DePaul
NOTARY PUBLIC

DAWN M DEPAUL
Notary Public
State of New Jersey
My Commission Expires Aug 17, 2020

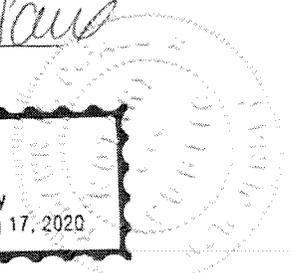


STATE OF New Jersey,
COUNTY OF Essex) :SS:

On the 23rd day of May, 2016 before me came ALINA ANTONIO LOLO, to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

Dawn M DePaul
NOTARY PUBLIC

DAWN M DEPAUL
Notary Public
State of New Jersey
My Commission Expires Aug 17, 2020



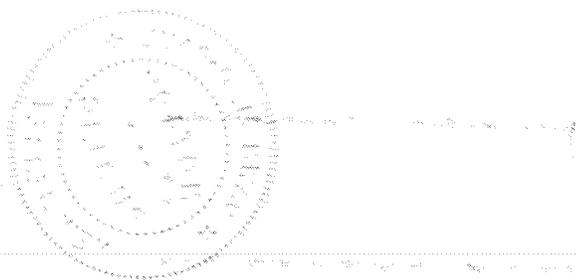
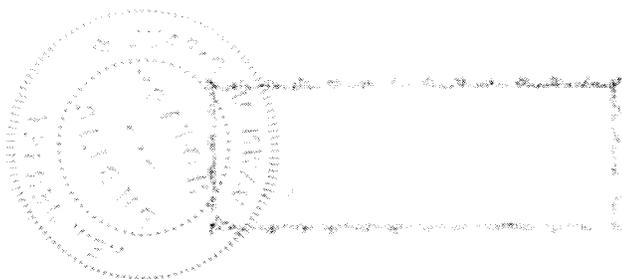


EXHIBIT A

Employee Name	Back Wages Due	Liquidated Damages Due	Total Back Wages and Liquidated Damages
Pedro Avendano	\$12,373.18	\$12,373.18	\$24,746.36
Angel Rueda Dregel	\$1,038.31	\$1,038.31	\$2,076.62
Luis Alberto Flores	\$17,354.25	\$17,354.25	\$34,708.50
Jose Guevarra	\$7,060.50	\$7,060.50	\$14,121.00
Orlando Jimenez	\$5,537.65	\$5,537.65	\$11,075.30
Jose Lara	\$9,898.55	\$9,898.55	\$19,797.10
Diego Losano	\$10,383.09	\$10,383.09	\$20,766.18
Jaime Miranda	\$4,707.00	\$4,707.00	\$9,414.00
Gabriel Perez	\$8,583.36	\$8,583.36	\$17,166.72
Roberto Ramos	\$15,040.35	\$15,040.35	\$30,080.70
Benjamin Ramos Rodriguez	\$9,898.55	\$9,898.55	\$19,797.10
Osmani Santana	\$8,414.18	\$8,414.18	\$16,828.36
Daniel Santiago	\$5,258.86	\$5,258.86	\$10,517.72
Eicilio Santiago	\$14,847.81	\$14,847.81	\$29,695.62
Ricardo Solares	\$9,604.36	\$9,604.36	\$19,208.72
Total	\$140,000.00	\$140,000.00	\$280,000.00

Exhibit B (Schedule of Payments)

Payment No.	Date Due	Amount Due	Amount Type	Interest Due	Total Due
1	6/1/2016	\$110,000.00	Liquidated Damages	\$0.00	\$110,000.00
2	9/1/2016	\$110,000.00	Liquidated Damages (\$30,000) and Back Wages (\$80,000)	\$83.56	\$110,083.56
3	10/1/2016	\$40,000.00	Back Wages	\$12.39	\$40,012.39
4	11/1/2016	\$20,000.00	Back Wages	\$4.42	\$20,004.42
TOTALS:		\$280,000.00		\$100.37	\$280,100.37

EXHIBIT C – NOTICE TO EMPLOYEES

Ferry Carpets, Inc. and its owners have settled a lawsuit with the U.S. Department of Labor and entered into a settlement agreement, which has been approved by a judge. Under this settlement agreement, Ferry Carpets, Inc. will pay the Department of Labor money for former and current employees who worked at Ferry Carpets from May 15, 2012 through February 13, 2015, and the Department of Labor will distribute the money directly to the employees. This settlement resolves claims involving the Fair Labor Standards Act during the time period from May 15, 2012, through February 13, 2015.

Ferry Carpets, Inc. may not request that you return this money to them. If you are an employee of Ferry Carpets, Inc. and leave this job, please call the U.S. Department of Labor at (908) 389-5457 to update your contact information.

Ferry Carpets, Inc. must pay its employees for all hours worked, including time that employees spend cleaning out and loading company vans. In addition, Ferry Carpets, Inc. must pay its non-exempt employees overtime for all hours worked over 40 in a workweek at a rate of 1.5 times the employee's regular rate of pay.

Ferry Carpets, Inc. and Antonio and Alina Lolo may not fire, threaten to fire, retaliate (including retaliating through work assignments/hours of work), or discriminate against employees in any other way because the employee cooperated with the Department of Labor as asserted their rights to be paid minimum wage, overtime, and provide information to the Department of Labor. If you are an employee and you are not paid for all the hours you worked or are not paid overtime or you need to update your contact information, or if any person associated with Ferry Carpets, Inc. retaliates against employees or tells employees to return their wages, please call the U.S. Department of Labor at (908) 389-5457. Your name will be kept confidential and not disclosed.