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UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF CONNECTICUT

Eugene Scalia, SECRETARY OF LABOR,¹
United States Department of Labor,

Plaintiff,

v.

BRIDGEPORT HEALTH CARE CENTER, INC.
and CHAIM STERN, Individually,

Defendants.

Eugene Scalia, SECRETARY OF LABOR,²
United States Department of Labor,

Plaintiff,

v.

BRIDGEPORT HEALTH CARE CENTER, INC.
and CHAIM STERN, Individually,

Defendants.

LOCAL 1522 OF COUNCIL 4, AMERICAN
FEDERATION OF STATE COUNTY AND MUNICIPAL
EMPLOYEES; THE ESTATE OF CARMEN ESPEJO;
NATIVIDADE GONCALVES; MARION V. PEREZ; and
CARLOTA RAFAEL, and on behalf of all others
similarly situated,

Plaintiffs,

v.

CIVIL ACTION NO.
3:16-cv-01519-KAD

CIVIL ACTION NO.
3:18-cv-00189-KAD

CIVIL ACTION NO.
3:15-cv-01019-KAD

¹ Pursuant to Rule 25(d) of the Federal Rules of Civil Procedure, Secretary of Labor Eugene Scalia is automatically substituted as the proper Plaintiff in this case. For ease of reference, the Secretary and his pertinent predecessors will be referred to herein as the "Secretary."

² Pursuant to Rule 25(d) of the Federal Rules of Civil Procedure, Secretary of Labor Eugene Scalia is automatically substituted as the proper Plaintiff in this case. For ease of reference, the Secretary and his pertinent predecessors will be referred to herein as the "Secretary."

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BRIDGEPORT HEALTH CARE CENTER, INC.
and CHAIM STERN,

Defendants.

CONSENT JUDGMENT AND ORDER

Plaintiffs the Secretary of Labor, United States Department of Labor (the “Secretary”), Local 1522 of Council 4, American Federation of State County and Municipal Employees (“Local 1522”), the Estate of Carmen Espejo, Natividade Goncalves, Marion V. Perez, and Carlota Rafael (collectively, “Plaintiffs”), and Defendants Bridgeport Health Care Center, Inc. (“BHCC”), through its Chapter 11 Trustee Jon P. Newton (the “BHCC Trustee”), and Chaim Stern (“Stern”), individually, (collectively, “Defendants”) (Plaintiffs and Defendants collectively, the “Parties”), have reached a resolution in the subject suits and consent to the Court’s entry of this Consent Judgment and Order (“Consent Order”), subject to the approval of the Bankruptcy Court (described below) pursuant to Section XI of the Consent Order.

On September 8, 2016, the Secretary filed Civil Action No. 3:16-cv-01519-AVC involving the Bridgeport Health Care Center, Inc. Retirement Plan (the “Retirement Plan”) pursuant to his authority under Title I of the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq. (“ERISA”). Subsequently, on February 1, 2018, the Secretary also filed Civil Action No. 3:18-cv-00189-KAD involving the Bridgeport Health Care Center, Inc. Benefit Plan (the “Health Plan”) pursuant to his authority under Title I of ERISA. On July 2, 2015, Local 1522 filed Civil Action No. 3:15-cv-01019-JCH involving inter alia the Health Plan, and subsequently the Retirement Plan, under ERISA and the Labor Management Relations Act, 29 U.S.C. § 141 et seq., among other things. On April 18, 2018, BHCC filed a voluntary petition for Chapter 11

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Bankruptcy, Case No. 18-30623(AMN) (Jointly Administered)³ (the “Bankruptcy Case”), in the United States Bankruptcy Court for the District of Connecticut (the “Bankruptcy Court”).

The Parties in the subject suits participated in mediation sessions with the Court on December 17, 2018, January 23, 2019, June 24, 2019, July 25, 2019, September 4, 2019, and October 24, 2019. The Parties also continued settlement discussions among themselves and through the mediator. As a result of the mediation, the Parties have reached a settlement to resolve the subject suits.

Now therefore, by consent of the Parties, and with due consideration,
IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

I. JURISDICTION

The Court has jurisdiction over the Parties to the Consent Order and the subject matter of the subject suits, and is empowered to provide the relief in the Consent Order. The Court shall retain jurisdiction over the Parties and the subject matter of the subject suits for the purposes of any approvals required under the Consent Order, assisting service providers to the Retirement and Health Plans, interpreting the terms of the Consent Order, and enforcing the Consent Order. Consistent with Section XI of this Consent Order, BHCC shall submit the Consent Order to the Bankruptcy Court for approval.

II. CONSOLIDATION

The Parties agree that the Court should consolidate the subject suits for approval of the Consent Order and any further proceedings.

³ BHCC’s Chapter 11 Bankruptcy, Case No. 18-50488(AMN), is jointly administered with the Rosegarden Health and Rehabilitation Center LLC’s Chapter 11 Bankruptcy, Case No. 18-30623(AMN).

III. THE BRIDGEPORT HEALTH CARE CENTER, INC. HEALTH PLAN

The Parties agree to the following terms to settle the subject suits for claims relating to the Health Plan.

A. Monetary Settlement for the Health Plan: Within fifteen (15) days of the final entry of the Consent Order, BHCC and Stern, using funds available through their fiduciary liability insurance carrier, Travelers Casualty and Surety Company of America (“Travelers”), shall pay one million dollars (\$1,000,000.00) to the Fund described below to be applied toward payment of unpaid health claims⁴ in the subject suits and retention of a temporary administrator for that purpose (“Claims Administrator”) in accordance with Section III.B. below.⁵ In addition, and also within fifteen (15) days of the final entry of the Consent Order, Stern shall pay one million, five hundred thousand dollars (\$1,500,000.00) to the Fund. Furthermore, and also within fifteen (15) days of the final entry of the Consent Order, BHCC shall pay twenty-six thousand, three hundred and ninety-two dollars 15/100 (\$26,392.15) to the Fund.⁶ Moreover, BHCC and the BHCC Trustee shall continue to pursue a fidelity bond claim for the Health Plan from Travelers as the

⁴ “Unpaid health claims” and “unpaid claims” means claims that were covered by the Health Plan, but were not paid by the Health Plan from February 4, 2013 (billing date) through July 4, 2018 (service date) including, but not limited to, claims which participants and beneficiaries paid out-of-pocket (excluding co-pays, coinsurance, and deductibles), and which participants and beneficiaries submit for payment upon notice from the Claims Administrator or otherwise in the Claims Administrator’s discretion.

⁵ Travelers, as the fiduciary liability insurance carrier, has agreed to pay such one million dollars (\$1,000,000.00) to the Fund.

⁶ The Parties agree that such funds reserved in the Bankruptcy Case for employee contributions to the Health Plan during the administrative period shall be remitted to the Fund, subject to Bankruptcy Court approval.

fidelity bond carrier.⁷ Such sums in the aggregate, but exclusive of any statutory surcharges or penalties, shall constitute the “Health Plan Settlement Amount.” The Health Plan Settlement Amount shall be applied to all unpaid health claims.

B. Claims Administrator for the Health Plan: Employee Benefits Design, Inc. located at 424 Strickland Road, Fort Fairfield, ME 04742 shall serve as the Claims Administrator for the Health Plan. The Claims Administrator shall be a fiduciary for the sole purpose of protecting, distributing, and accounting for the Health Plan Settlement Amount as set forth herein.

1. The Claims Administrator shall be covered by a bond in the amount of the Health Plan Settlement Amount consistent with Section III.B.4.a. below.

2. BHCC (if it exists)⁸ shall provide fiduciary oversight of the Claims Administrator.

3. Within ten (10) days of the final entry of the Consent Order, the Claims Administrator shall establish a fund for the Health Plan Settlement Amount (the “Fund”) and utilize the Fund for the sole purpose of paying unpaid health claims and the Claims Administrator’s fees and expenses related thereto in accordance with Section III.B. of the Consent Order. The Fund shall be interest bearing accounts the Claims Administrator opens in federally insured banks and savings associations, which accounts will bear the name “Trust Funds fbo Participants and Beneficiaries of the Bridgeport Health Care Center, Inc. Benefit Plan.”⁹ Brent Churchill of Employee Benefits Design, Inc. shall have signatory authority for the Fund.

⁷ BHCC continues to exist after its closing. All Bankruptcy Code provisions and the terms and conditions of this Consent Order are also applicable to successor trustees. Any receiver will also serve as a fiduciary of the Health and Retirement Plans.

⁸ See n. 7.

⁹ Checking accounts used to pay fees, expenses, and distributions may be non-interest bearing.

4. The Claims Administrator shall use and disburse the Fund comprising of the Health Plan Settlement Amount in the following order:

a. *First* to pay and/or reserve up to two hundred and seventy-five thousand dollars (\$275,000.00) from the Health Plan Settlement Amount for those amounts necessary and appropriate to effect the distribution and accounting for the Health Plan Settlement Amount pursuant to the Consent Order. The Claims Administrator will be compensated at its usual customary rate of one hundred and twenty-five dollars (\$125.00) per hour, per person, per professional within the Claims Administrator's employ handling these matters on the Claims Administrator's behalf, subject to a two hundred and seventy-five thousand dollar (\$275,000.00) cap for all fees and expenses, which compensation shall be paid out of the Health Plan Settlement Amount.^{10 11} Prior to withdrawing any amounts for fees and expenses from the Fund, the Claims Administrator shall submit its invoices to the Court for approval. The Claims Administrator shall submit its first invoice to the Court within thirty (30) days of entry of the Consent Order and every two (2) months thereafter.

b. *Second*, to make disbursements and reimbursements in the following manner:

i. Negotiate with medical, prescription, dental, and vision providers (or related collection agencies and attorneys) which have asserted claims for payment,

¹⁰ The Claims Administrator may hire non-professional administrative staff to complete general administrative work. The Claims Administrator will be compensated for these non-professional administrative staff, if any, at \$62.50 per hour, per non-professional administrative person, subject to the cap of \$275,000.00.

¹¹ The cap of \$275,000.00 contemplates up to \$2,500.00 for the required bond. Any amount for the bond in excess of \$2,500.00 will warrant additional payment from the Fund. The cap of \$275,000.00 further contemplates up to \$5,000.00 for legal fees, if advice is necessary for the resolution of unpaid claims. Any amount for such legal fees in excess of \$5,000.00 will warrant additional payment from the Fund, subject to Court approval prior to engaging legal counsel.

and have a right of recourse against participants and beneficiaries, to compromise and pay such providers in return for a release of the claims for all purposes (except Stern's criminal proceedings). The Claims Administrator may utilize broad discretion in determining in what amounts to compromise with the goal of satisfying all such claims. The Claims Administrator shall endeavor in the first instance and make all reasonable efforts to obtain such release. If a provider will not provide such release, the Claims Administrator shall then seek a complete release for only the participant and beneficiary. If a provider will not provide either release, the Claims Administrator may pay the participant or beneficiary directly the amount that would have been paid to the provider in return for a release for claims against BHCC and Stern (except for Stern's criminal proceedings) for only the amount paid to the participant or beneficiary and not the entire claim. A copy of the releases obtained under Sections III.B.4.b.i & ii, except the releases for only the participants and beneficiaries, shall be provided to Stern when the Claims Administrator makes the accounting in Section III.B.8. If a release was only obtained for the participant and beneficiary, such information will be included in the accounting in Section III.B.8.

ii. Reimburse participants and beneficiaries for up to one-hundred percent (100%) of their actual out-of-pocket expenditures (excluding co-pays, coinsurance, and deductibles) to pay for medical, prescription, dental, and vision services which were covered under the Health Plan, but not paid by the Health Plan. The Claims Administrator shall endeavor to reimburse participants and beneficiaries for the full one hundred percent (100%) of their actual out-of-pocket expenditures without sacrificing his ability to obtain the releases in Section III.B.4.b.i. The Claims Administrator shall obtain a release for claims against BHCC and Stern (except for Stern's criminal proceedings) from the participants and beneficiaries for only the amount paid to the participant or beneficiary and not the entire claim.

iii. Prior to distributing any funds, the Claims Administrator shall submit to Plaintiffs and BHCC (if it exists)¹² for approval, and to Stern for informational purposes only without any right to challenge, a list of all proposed distributions once all claims have been negotiated and/or accounted for in the case of reimbursements.

iv. The negotiations with providers and reimbursements to participants and beneficiaries will be prioritized as follows:

- (1) *Garnishments and Liens*: Unpaid claims for which participants and beneficiaries have been garnished or for which liens have been placed on their properties;
- (2) *Judgments*: Unpaid claims for which judgments have been entered against participants and beneficiaries;
- (3) *Lawsuits*: Unpaid claims for which lawsuits have been initiated against participants and beneficiaries;
- (4) *Debt Collection*: Unpaid claims which are in debt collection; and,
- (5) *Volume*: All remaining unpaid claims prioritized by highest aggregate dollar amount for each participant and beneficiary.

c. *Third*, within thirty (30) days of making all distributions to resolve the unpaid claims, the Claims Administrator shall send notices for each affected participant and beneficiary, upon their request, to the three (3) major credit reporting agencies explaining that the

¹² See n. 7.

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participant's employer previously did not pay the relevant health claims, the status of the claims, and attaching the Consent Order.

d. If any amounts from the Health Plan Settlement Amount continue to remain six (6) months after all distributions, fees, and expenses have been satisfied, such amounts shall be distributed as follows:¹³

- i. *First*, to pay attorneys' fees up to one hundred thousand dollars (\$100,000.00) to Council 4, American Federation of State County and Municipal Employees, which retained the Law Offices of J. William Gagne, Jr. & Associates, P.C., representing Local 1522, the Estate of Carmen Espejo, Natividade Goncalves, Marion V. Perez, and Carlota Rafael; and,
- ii. *Second*, any remaining amounts shall be paid to the Bridgeport Health Care Center, Inc. Retirement Plan.

5. The Claims Administrator shall establish specific written procedures for the following, which shall require approval by Plaintiffs and BHCC (if it exists)¹⁴, but shall not require Court approval, unless there is an unresolvable dispute;

- a. Paying the distribution expenses and compensation of the Claims Administrator;

¹³ The funds Travelers pays to the Fund as the fiduciary liability insurance carrier shall only be used for distributions and the fees and expenses of distributions. Such funds will be used first and the funds Stern contributes to the Fund will be used second. Any amounts attributed to Stern that continue to remain after all distributions, fees, and expenses have been satisfied shall be distributed pursuant to Section III.B.4.d. Prior to making distributions under Section III.B.4.d., actual out-of-pocket expenditures pursuant to Section III.B.4.b.ii. will be reimbursed at one hundred percent (100%).

¹⁴ See n. 7.

- b. Distributing the funds;
- c. Securing the releases described in Sections III.B.4.b.i. & ii. above;
- d. Sending notices to credit reporting agencies;
- e. Sending forms, notices, and reports to participants and beneficiaries.

The Claims Administrator shall make a good faith effort to contact participants and beneficiaries, which shall include no more than three (3) mailing attempts. The Claims Administrator shall attempt to contact participants and beneficiaries until all disbursements have been made; and,

- f. Carrying out any additional notice or reporting requirements including, but not limited to, government entities and courts. The Claims Administrator shall not be responsible for filing Form 5500s or Form 1095-Cs for the Health Plan.

6. Acknowledging that very limited information currently is available to BHCC and the BHCC Trustee, BHCC shall otherwise fully cooperate with the Claims Administrator including, but not limited to, by providing any reasonably available data, information, and documents requested in a timely manner. The Claims Administrator shall have full access to all data, information, and documents in the Health Plan's possession or under its control, including information contained in the records of any service providers, including but not limited to, information on paid and unpaid health claims, addresses of participants and beneficiaries, and service provider information.

7. The Claims Administrator shall provide brief updates, which need not exceed one (1) page in length, every two (2) months to all the Parties on the progress of his duties and work under this Consent Judgment.

8. When the distributions are complete or within eighteen (18) months of the final entry of the Consent Order in the subject suits (whichever date is earlier), the Claims Administrator shall make an accounting to Plaintiffs, BHCC (if it exists)¹⁵, and Stern of its distributions, fees, and expenses. If the Claims Administrator requires an extension of time, the Claims Administrator shall notify the Parties at least two (2) months prior and explain its reasons for the extension. Plaintiffs and BHCC (if it exists)¹⁶ will make a determination on the requested extension of time. If there is an unresolvable dispute, the Claims Administrator will seek the Court's approval.

9. If the Claims Administrator resigns prior to the completion of the duties set forth in the Consent Order, the Claims Administrator will immediately notify the Plaintiffs, BHCC, and Stern and make an accounting of what has been completed at the time of its resignation. BHCC will recommend a successor Claims Administrator within fifteen (15) days of notification of the resignation. BHCC will notify Plaintiffs and Stern of its recommendation and Plaintiffs shall have fifteen (15) days to make a reasonable objection to the selection. If after fifteen (15) days, no Plaintiff has objected, the recommended Claims Administrator shall be retained. If there is a reasonable objection to the selection within fifteen (15) days, BHCC shall propose an alternate candidate within fifteen (15) days for review by Plaintiffs, as well as provide notice to Stern. If there is a reasonable objection by Plaintiffs within fifteen (15) days of the alternate proposal,

¹⁵ See n. 7.

¹⁶ See n. 7.

Plaintiffs and BHCC shall work together to agree to a successor Claims Administrator. If there is an unresolvable dispute, Plaintiffs and BHCC agree to request that the Court appoint a successor Claims Administrator. If BHCC no longer exists, the Court shall appoint a successor Claims Administrator upon the Plaintiffs' recommendations.

C. Civil Money Penalties Relating to the Health Plan

1. *BHCC*: BHCC has applied for a financial hardship waiver pursuant to ERISA Section 502(1)(3)(B), 29 U.S.C. § 1132(1)(3)(B), and the Secretary has granted such waiver for civil penalties relating to the Health Plan.

2. *Stern*: Upon Travelers' payment as the fiduciary liability insurance carrier and Stern's payment of his portions of the Health Plan Settlement Amount or after sentencing in Stern's criminal proceedings, whichever comes last, the Secretary by letter from a duly authorized representative, shall assess to Stern the civil penalty of twenty-percent (20%) of the "applicable recovery amount" as defined in ERISA Section 502(1)(2), 29 U.S.C. § 1132(1)(2), which is four hundred thousand dollars (\$400,000.00). As part of the Consent Order, Stern agrees to waive any defenses or appeals in relation to this civil penalty, except to the extent that he applies for, and is granted a waiver based on ERISA Section 502(1)(3)(B), 29 U.S.C. § 1132(1)(3)(B).

IV. THE BRIDGEPORT HEALTH CARE CENTER, INC. RETIREMENT PLAN

The Parties agree to the terms below to settle the subject suits for claims relating to the Retirement Plan.

A. For purposes of this Consent Order, Plaintiffs agree that the Retirement Plan is owed approximately four million, four hundred and seventy-three thousand, seven hundred and ninety-four dollars (\$4,473,794.00) in principal and approximately one million, four hundred and

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ninety-nine thousand, fifty dollars (\$1,499,050.00) in lost opportunity costs. BHCC and Stern have not provided any information to the contrary.

B. Stern and Plaintiffs agree that on August 27, 2018, Stern paid approximately four million, one hundred and forty-one thousand, nine hundred and fifty dollars (\$4,141,950.00) to the Retirement Plan. Stern and Plaintiffs further agree that, of that sum, Stern paid three million, one hundred and thirty-three thousand, two hundred and twenty-nine dollars (\$3,133,229.00) toward the owed principal and one million, eight thousand, seven hundred and twenty-one dollars (\$1,008,721.00) toward the owed lost opportunity costs. BHCC has not provided any information to the contrary.

C. Monetary Settlement for the Retirement Plan: Within fifteen (15) days of the final entry of the Consent Order, BHCC and Stern, through their fiduciary liability insurance carrier Travelers, shall pay seven hundred and eighty thousand, five hundred and sixty-five dollars (\$780,565.00) in principal to the Retirement Plan.¹⁷ In addition, and also within fifteen (15) days of the final entry of the Consent Order, Stern shall pay sixty thousand dollars (\$60,000.00) in principal to the Retirement Plan. Moreover, BHCC and the BHCC Trustee shall continue to pursue a fidelity bond claim for the remaining five hundred thousand dollars (\$500,000.00) owed in principal (based on Sections IV.A. & B.) from Travelers as the fidelity bond carrier.¹⁸ Such sums in the aggregate, but exclusive of any statutory surcharges or penalties, shall constitute the “Retirement Plan Settlement Amount.” The Retirement Plan Settlement Amount does not include funds reserved in the Bankruptcy Case for employer contributions during the administrative

¹⁷ Travelers, as the fiduciary liability insurance carrier, has agreed to pay seven hundred and eighty thousand, five hundred and sixty-five dollars (\$780,565.00) to the Retirement Plan.

¹⁸ See n. 7.

period, which the Parties agree shall be remitted to the Retirement Plan, subject to Bankruptcy Court approval.

D. Assurances on August 27, 2018 Deposit into Retirement Plan Account

By entering into this Consent Order, Stern represents under pains and penalties of perjury that the funds deposited into the Retirement Plan account on August 27, 2018 are not subject to any claims.

E. Civil Money Penalties Relating to the Retirement Plan

1. *BHCC*: BHCC has applied for a financial hardship waiver pursuant to ERISA Section 502(l)(3)(B), 29 U.S.C. § 1132(1)(3)(B), and the Secretary has granted such waiver for civil penalties relating to the Retirement Plan.

2. *Stern*: Upon Travelers' payment as the fiduciary liability insurance carrier and Stern's payment of his portions of the Retirement Plan Settlement Amount or after sentencing in Stern's criminal proceedings, whichever comes last, the Secretary by letter from a duly authorized representative, shall assess to Stern the civil penalty of twenty-percent (20%) of the "applicable recovery amount" as defined in ERISA Section 502(1)(2), 29 U.S.C. § 1132(1)(2), which is ninety thousand fifty-seven dollars (\$90,057.00). As part of the Consent Order, Stern agrees to waive any defenses or appeals in relation to this civil penalty, except to the extent that he applies for, and is granted a waiver based on ERISA Section 502(l)(3)(B), 29 U.S.C. § 1132(1)(3)(B).

V. STERN AGREES TO NOT SERVE AS A FIDUCIARY

Stern voluntarily agrees to never serve as a fiduciary of an ERISA-covered plan in the future. If Stern violates this provision of the Consent Order, Stern agrees he will be held in contempt.

VI. IN THE EVENT STERN FILES FOR PERSONAL BANKRUPTCY OR IF AN INVOUNTARY BANKRUPTCY PETITION IS FILED AGAINST STERN

If Stern files for personal bankruptcy, or if an involuntary bankruptcy petition is filed against Stern, prior to his payment of his portions of the Health Plan and Retirement Plan Settlement Amounts and the civil penalties relating to the Health Plan and Retirement Plan, Stern agrees that he will not oppose the Secretary's Complaint for Determination of Dischargeability of Debt pursuant to 11 U.S.C. Sections 523(a)(4) and (7) in the amount of his portion of the Health Plan and Retirement Plan Settlement Amounts. Stern further agrees not to file for personal bankruptcy any sooner than ninety-one (91) days after making the payments he is required to make under Sections III.A. and IV.C. of the Consent Order.

VII. ADMISSIONS/NON-ADMISSIONS

BHCC and Stern neither admit nor deny the allegations in Plaintiffs' Complaints in the subject suits and in executing the Consent Order do not admit nor deny, and shall not be deemed to have admitted or denied, liability to Plaintiffs in connection with their Complaints in the subject suits.

VIII. BINDING AGREEMENT

Nothing in this Consent Order is binding on any other agency or department of the United States, including but not limited to, any agency or department responsible for criminal matters, and will not affect or resolve any criminal matters or any criminal liability. Nothing in this Consent Order will affect the rights of any victims under any federal criminal statute. Nothing in this Consent Order is binding on any person or entity who is not a Party in the subject suits or a signee to the Consent Order.

IX. COSTS AND EXPENSES

The Parties shall each bear their own costs, expenses, and attorneys' fees in connection with the subject suits, unless otherwise stated in the Consent Order.

X. ALL CLAIMS FULLY AND FINALLY RESOLVED

The Parties agree that the Consent Order fully and finally resolves all claims alleged in Plaintiffs' Complaints in the subject suits or that could have been asserted from the allegations in Plaintiffs' Complaints in the subject suits by the Parties in the subject suits (except for claims for the Health and Retirement Plans from Travelers as the fidelity bond carrier that remain unresolved). Chaim Stern and Joseph Stern also specifically release BHCC of any and all claims they independently or collectively have or could have had against the bankruptcy estate, other than claims related to their respective personal 401K's. BHCC also specifically releases Chaim Stern and Joseph Stern, independently or collectively, of any and all claims it has or could have had against Chaim Stern or Joseph Stern, other than claims related to their respective personal 401K's. Notwithstanding the foregoing, nothing in the Consent Order shall be deemed to waive any claim by any Party relating to the obligations set forth in the Consent Order. Other than resolving the claims in Plaintiffs' Complaints, as set forth in the Consent Order, nothing in the Consent Order shall preclude the Secretary from initiating or continuing any audit or investigation, or from pursuing any other claims or actions, against any entities or persons relating to any ERISA-covered plan.

XI. PROCEDURE FOR APPROVAL

BHCC shall submit the Consent Order to the Bankruptcy Court for approval within ten (10) days of the Parties executing the Consent Order. If the Bankruptcy Court grants approval, the Secretary shall submit the Consent Order to the District Court for approval.

XII. ELECTRONIC SIGNATURES AND COUNTERPARTS

This Consent Order may be executed by exchange of facsimile or electronically transmitted (.pdf) executed signature pages, and any signature transmitted by facsimile or .pdf for the purpose of executing this Consent Order shall be deemed an original signature for purposes of this Consent Order. This Consent Order may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same instrument. The date of execution of this Consent Order is the date on which it is signed by the Court.

XIII. PARTIES BOUND

By entering into this Consent Order, the Parties represent that counsel have informed them of the effect and purpose of this Consent Order and agree they are bound by its terms. Any attorney signing expressly represents that he or she is authorized to execute this Consent Order on behalf of the Party represented and that the attorney has fully disclosed any conflicts of interest relating to his or her representation for purposes of executing this Consent Order.

IT IS ORDERED.

July 13, 2020

Dated

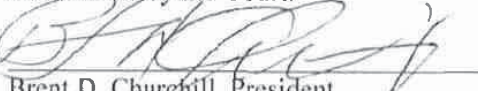
/s/ Kari A. Dooley

United States District Court Judge

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FOR EMPLOYEE BENEFITS DESIGN, INC.:

Employee Benefits Design, Inc. agrees to be appointed as Claims Administrator of the Bridgeport Health Care Center, Inc. Benefit Plan to carry out the responsibilities set forth above and ordered by the Court.



Brent D. Churchill, President
Employee Benefits Design, Inc.
424 Strickland Road
Fort Fairfield, ME 04742

Dated: May 11, 2020

CONSENTED TO BY:

FOR PLAINTIFF SECRETARY OF LABOR, UNITED STATES DEPARTMENT OF LABOR:

Kate S. O'Scannlain
Solicitor of Labor

Maia S. Fisher
Regional Solicitor

Celeste C. Moran
Senior Trial Attorney

Dated: _____

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FOR EMPLOYEE BENEFITS DESIGN, INC.:

Employee Benefits Design, Inc. agrees to be appointed as Claims Administrator of the Bridgeport Health Care Center, Inc. Benefit Plan to carry out the responsibilities set forth above and ordered by the Court.

Brent D. Churchill, President
Employee Benefits Design, Inc.
424 Strickland Road
Fort Fairfield, ME 04742

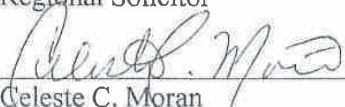
Dated: _____

CONSENTED TO BY:

FOR PLAINTIFF SECRETARY OF LABOR, UNITED STATES DEPARTMENT OF LABOR:

Kate S. O'Scannlain
Solicitor of Labor

Maia S. Fisher
Regional Solicitor



Celeste C. Moran
Senior Trial Attorney

Dated: 05/21/2020

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FOR PLAINTIFF LOCAL 1522 OF COUNCIL 4, AMERICAN FEDERATION OF STATE COUNTY AND MUNICIPAL EMPLOYEES:



Name:

Title: *President, AFSCME Local 1522*

Dated: *5/11/20*

and,



J. William Gagne, Jr.

Attorney for Local 1522 of Council 4, American Federation of State County and Municipal Employees

Dated: *5/11/20*

FOR PLAINTIFF THE ESTATE OF CARMEN ESPEJO:

Name: _____

Title: _____

Dated: _____

and,

J. William Gagne, Jr.

Attorney for the Estate of Carmen Espejo

Dated: _____

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FOR PLAINTIFF LOCAL 1522 OF COUNCIL 4, AMERICAN FEDERATION OF STATE COUNTY AND MUNICIPAL EMPLOYEES:

Name:

Title:

Dated: _____

and,

J. William Gagne, Jr.

Attorney for Local 1522 of Council 4, American Federation of State County and Municipal Employees

Dated: _____

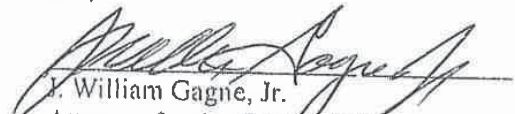
FOR PLAINTIFF THE ESTATE OF CARMEN ESPEJO:

✓ 
Name: OSCAR ESPEJO

Title: ADMINISTRATOR

Dated: ✓ 5/15/20

and,


J. William Gagne, Jr.
Attorney for the Estate of Carmen Espejo

Dated: 5/21/20

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FOR PLAINTIFF NATIVIDADE GONCALVES:

Natividade Goncalves

Name:

Title:

Dated: 5/11/20

and,

J. William Gagne, Jr.
J. William Gagne, Jr.
Attorney for Natividade Goncalves

Dated: 5/11/20

FOR PLAINTIFF MARION V. PEREZ:

+ Marion V. Perez
Name:
Title:

Dated: 5/11/20

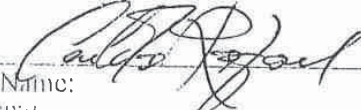
and,

J. William Gagne, Jr.
J. William Gagne, Jr.
Attorney for Marion V. Perez

Dated: 5/11/20

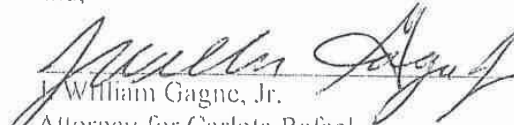
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FOR PLAINTIFF CARLOTA RAFAEL:


Name: _____
Title: _____

Dated: 5/11/20

and,


William Gagne, Jr.
Attorney for Carlota Rafael

Dated: 5/11/20

FOR DEFENDANT BRIDGEPORT HEALTH CARE CENTER, INC.:

Jon P. Newton
Chapter 11 Trustee

Dated: _____

and,

Melicent Thompson
Attorney for Defendant Bridgeport Health Care Center, Inc.

Dated: _____

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FOR PLAINTIFF CARLOTA RAFAEL:

Name:

Title:

Dated: _____

and,

J. William Gagne, Jr.
Attorney for Carlota Rafael

Dated: _____

FOR DEFENDANT BRIDGEPORT HEALTH CARE CENTER, INC.:



Jon P. Newton
Chapter 11 Trustee

Dated: 5/13/20

and,



Melicent Thompson
Attorney for Defendant Bridgeport Health Care Center, Inc.

Dated: 5/13/20

05/06/2020 16:05

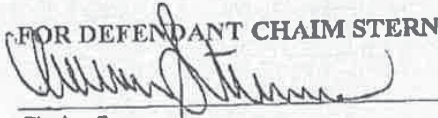
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CHAIM STERN

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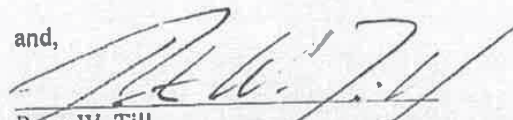
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FOR DEFENDANT CHAIM STERN:


Chaim Stern

Dated: 5/6/20

and,


Peter W. Till
Attorney for Chaim Stern

Dated: May 6, 2020