

AGREEMENT
BETWEEN
THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE ATTORNEY GENERAL
AND
GREG DECIOUS
AND
COLISEUM COMPANIES, INC. d/b/a BAY STATE LINEN

I. PARTIES

- A. The Commonwealth of Massachusetts, through the Office of the Attorney General, is charged with enforcement of various Wage and Hours Laws, including but not limited to, the Wage Act (G.L. c. 149, § 148), Minimum Wage Law (G.L. c. 151, § 1), and Overtime Law (G.L. c. 151, §§ 1A-1B), and other related statutes and regulations.
- B. Coliseum Companies, Inc. d/b/a Bay State Linen (“Bay State Linen”) is a closely held Massachusetts corporation organized in 2004, which provides commercial laundry services, and maintains a principal place of business at 9-11 Ansel Road, Dorchester, MA.
- C. At all relevant times Greg Decious (“Decious”) has operated as Bay State Linen’s President and Treasurer, and is a statutory employer of Bay State Linen’s employees, pursuant to G.L. c. 149 and c. 151.

II. THE ATTORNEY GENERAL’S INVESTIGATION AND ALLEGATIONS

- A. On or about February 10, 2015, the Attorney General began receiving complaints from a group of workers at the Bay State Linen facility (hereinafter referred to as “the Workers”) who were employed and paid through a third party, Country Temp or Country Temp Corporation (hereinafter referred to as “Country Temp”), which was operated by Roberto Carrion and Fabiola Ramirez. In these complaints, the Workers alleged various Wage and Hour Law violations, including a failure to pay the minimum wage and overtime. The Attorney General investigated and brought these complaints to the attention of Country Temp and Bay State Linen.
- B. With regard to the Attorney General’s investigation, Bay State Linen asserts as follows: Bay State Linen did not receive any complaints from any Workers. Bay State Linen did not, and does not, employ the Workers directly. Bay State Linen was never responsible for paying the Workers directly. Rather, the pattern and practice was for Country Temp to submit an invoice to Bay State Linen with a grand total of hours worked by Country Temp employees for the week. Country Temp did not provide Bay State Linen with any back-up or detailed information

for the invoice. Bay State Linen paid Country Temp a flat hourly rate for the hours submitted. Bay State Linen did not receive records from Country Temp for any individual employee or hours worked by an employee per week. Bay State Linen did not keep independent records of the hours worked by Country Temp Workers. Bay State Linen did not knowingly fail to pay minimum wage or overtime.

- C. As a result of an investigation conducted by the Attorney General, the Attorney General has concluded and alleged that Bay State Linen and Decious jointly employed the Workers with Country Temp as defined under the Joint Employer Doctrine, and therefore failed to pay the applicable minimum wage, and failed to pay one-and-one-half times the regular rate of compensation for hours worked over 40 in a given work week to approximately 120 of the Workers, from March 17, 2012 through June 12, 2015, in violation of G.L. c. 151, § 1, and G.L. c. 151, §§ 1A-1B.
- D. Effective March 10, 2015, Bay State Linen and Decious entered into an agreement with the Attorney General, tolling any statute of limitations, doctrine of laches or other time-related defenses as to any enforcement action arising out of or relating to Bay State Linen's and Decious' possible conduct in violation of G.L. c. 151, §§ 1-22 and/or G.L. c. 149 (hereinafter referred to as "Tolling Agreement").
- E. The Attorney General received wage assignments from six of the Workers, authorizing the Attorney General to recover treble damages and attorneys' fees and costs on their behalf and on behalf of other similarly situated individuals through a civil action.
- F. Bay State Linen and Decious deny the Attorney General's allegations fully and completely. Nothing herein shall be construed as an admission by Bay State Linen or Decious of any wrongful or unlawful act with respect to employment practices or payment of wages. Bay State Linen and Decious submit that they are willing to accept responsibility for Country Temp's potentially unlawful acts for purposes of making the Workers' whole only and for no other purpose. However, to address and resolve the matter, Bay State Linen and Decious are willing to enter into this agreement and to compensate the Workers according to the Terms of Agreement set forth below.

III. TERMS OF AGREEMENT
WHEREAS,

- A. This Agreement (hereinafter referred to as "Agreement") is entered into between the Commonwealth of Massachusetts, acting through its Attorney General, on the one hand, and Bay State Linen and Decious (hereinafter collectively referred to as "Bay State") on the other hand.
- B. The effective date of this Agreement is December 29, 2016.

- C. The Attorney General wishes to assure compliance by Bay State with the Commonwealth's Wage and Hour Laws.
- D. Bay State wishes to resolve fully and finally any and all claims or causes of action that may be brought by the Attorney General, now or in the future, under the Commonwealth of Massachusetts' Wage and Hour Laws, pertaining to the alleged conduct described in Paragraph II.A above and through the date of this Agreement.

NOW, THEREFORE, the parties set forth the following Terms of Agreement:

- E. Bay State agrees to make a payment of restitution to the Attorney General in trust for the Workers, including the assignors and similarly situated individuals, in the total amount of **\$900,000.00** (nine-hundred thousand dollars and zero cents).

All payments shall be mailed to:

Office of the Attorney General
Fair Labor Division
P.O. Box 6303
Boston, MA 02114.

- F. As of the date of this Agreement, Bay State agrees to abide by all applicable wage and hour laws, both state and federal, as well as other employment-related provisions, including but not limited to those set forth by chapters 149 and 151 of the Massachusetts General Laws and the Code of Massachusetts Regulations pertaining to Overtime and Minimum Wage.
- G. Bay State agrees to eliminate any and all business relationships with Roberto Carrion, Fabiola Ramirez, Country Temp Corporation, their affiliates, as well as any successor company, corporation, or other business entity owned, operated, managed, or controlled by Roberto Carrion or Fabiola Ramirez, within 120 days of execution of this Agreement.
- H. Bay State agrees that any contractual agreement covering workers at any of its present or future facilities ("contractual agreement") will require that any temporary employment agency or third-party employer paying wages to workers at Bay State's current and future facilities pay their workers overtime and minimum wage as required by Massachusetts law.
- I. Bay State agrees that any contractual agreement will require that any temporary employment agency or third-party employer paying wages to workers at Bay State's current and future facilities record and maintain payroll and timekeeping records for all work performed.
- J. Bay State agrees that any contractual agreement will require that any temporary employment agency or third-party employer paying wages to workers at Bay

State's current and future facilities issue all wage payments via payroll check accompanied by a suitable paystub as required by G.L. c. 149, § 148.

- K. Bay State agrees to record and maintain independent timekeeping records of hours worked by all workers at Bay State's current and future facilities, including those hired or provided by a temporary employment agency or third-party employer, in order to verify information provided by any temporary employment agency or third-party employer.
- L. Bay State agrees to conduct a bi-weekly audit of payroll and timekeeping records kept by any temporary employment agency or third-party employer paying wages to workers at Bay State's current and future facilities, as well as to direct such temporary employment agency or third party employer to rectify any failures to pay wages in accordance with Massachusetts law.
- M. Bay State agrees that its failure to comply with the provisions of Paragraphs III.I-III.N] shall render it *per se* jointly liable for any wage and hour laws violations by any temporary employment agency or third-party employer paying wages to workers at Bay State's current and future facilities.
- N. Bay State agrees that failure by Bay State to make payments in accordance with the provisions of Paragraph III.E – Paragraph III.G shall constitute a material breach of this Agreement. Upon such a material breach, the Attorney General may pursue enforcement actions against Bay State (including Coliseum Companies, Inc. d/b/a Bay State Linen and Decious), and their affiliates, as well as any successor company, corporation, or other business entity, including, but not limited to, any criminal, civil, or administrative proceedings that were available to the Attorney General prior to the entry of this Agreement and in accordance with the Tolling Agreement, effective March 10, 2015. In any such proceeding, Bay State will stipulate to the following facts:
- Between March 10, 2012 and June 1, 2015, Bay State was the joint employer of the 120 individuals listed in Attachment A (See Attachment A). These employees performed laundry duties for Bay State at their facility located in Dorchester, MA and were paid through a third party.
 - Between March 10, 2012 and June 1, 2015, Bay State regularly failed to pay minimum wage, through a third party agency, to the employees listed in Attachment A.
 - Between March 10, 2012 and March 10, 2015, Bay State regularly failed to pay one and one half times the regularly hourly rate for hours worked over 40 in a week, through a third party agency, to the employees listed in Attachment A.

- Bay State failed to pay \$1,025,634.00 in earned wages, through a third party agency, to the employees listed in Attachment A in violation of Massachusetts minimum wage and overtime laws for work performed between March 10, 2012 and June 1, 2015.
- O. Failure by Bay State to comply with the provisions of Paragraph III.H – Paragraph III.N, and Paragraph III.R shall constitute a material breach of this Agreement. The Attorney General shall, in her discretion, determine whether Bay State is in material breach of these provisions. The Attorney General shall provide written notice to Bay State upon identifying such a material breach. In the event of such a material breach, Bay State shall incur a \$100,000.00 penalty to be paid in the form of a bank check or money order to the Commonwealth through the Office of the Attorney General. Bay State shall submit the penalty payment via mail to the address listed in Paragraph III.F within 10 business days of Bay State’s receipt of notice from the Attorney General.
- P. The Attorney General shall, in her discretion, be solely responsible for distributing the restitution to the Workers. The Attorney General shall provide notice to Bay State of distributions made to the Workers, including individuals’ names and amounts distributed.
- Q. Bay State shall not retaliate against any of the Workers who complained to the Attorney General or who receive a payment through this Agreement, and shall not direct any other party to do so.
- R. In consideration of the foregoing obligations set forth in this Agreement, and conditioned upon full compliance with all terms of this Agreement, the Attorney General hereby fully releases Bay State Linen and Decious and their respective past and present affiliates, subsidiaries, parent companies, heirs, next of kin, executors, administrators, predecessors, successors, assigns, partners, members, managers, owners, shareholders, trustees, officers, directors, employees, attorneys, fiduciaries, insurers, and representatives both individually and in their business capacities from any criminal, civil, or administrative enforcement claims, known or unknown, and related penalties derived from the alleged conduct described in Paragraph II.A, from January 1, 2012 through the date of the Agreement.
- S. Notwithstanding the preceding paragraph, the Attorney General, by way of this Settlement Agreement, does not release Country Temp, Country Temp Corporation, Inc., Roberto Carrion and Fabiola Ramirez, and their respective past and present affiliates, subsidiaries, parent companies, heirs, next of kin, executors, administrators, predecessors, successors, assigns, partners, members, managers, owners, shareholders, trustees, officers, directors, employees, attorneys, fiduciaries, insurers, representatives, and agents individually or in their business capacities from any criminal, civil, or administrative enforcement claims, known

or unknown, and related penalties derived from the alleged conduct described in this Agreement or any related conduct.

- T. Decious warrants and represents that he is the controlling officer and director of Coliseum Companies, Inc. d/b/a Bay State Linen, and that he has the authority to bind the corporation to the terms of the Agreement.
- U. This Settlement Agreement shall be governed by the laws of the Commonwealth of Massachusetts for all purposes including enforcement, and may be amended or modified only in writing executed by the parties.
- V. The terms of this final settlement between the parties shall not be subject to appeal in any forum. This Agreement constitutes the entire agreement between Bay State and the Attorney General with respect to the matters discussed herein only, and it shall not bind any other private or governmental entity.
- W. Bay State understands that the Attorney General cannot waive any statutory rights provided to individuals to pursue additional remedies, but nothing in this Agreement is intended to or shall prohibit Bay State from asserting in a private action involving third parties other than the Commonwealth that Bay State shall be entitled to a set-off for amounts accepted as a result of this Agreement.
- X. This Agreement shall be deemed to have been mutually drafted by the parties and shall not be construed against any party as the author thereof.

COMMONWEALTH OF MASSACHUSETTS
MAURA HEALEY
ATTORNEY GENERAL

COLISEUM COMPANIES, INC. d/b/a
BAY STATE LINEN,

By: Andrew H. Cahill
Assistant Attorney General
Fair Labor Division
One Ashburton Place, Room 1813
Boston, MA 02108
Dated: _____

By: Greg Decious

Dated: _____

GREG DECIOUS, Individually

By: Greg Decious

Dated: _____