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UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF HAWAII

THOMAS E. PEREZ, Secretary of)
Labor, United States Department of)
Labor,) Case No.: 1:14-cv-00154-JMS-RLP
Plaintiff,)
v.) **CONSENT JUDGMENT**
FAT LAW’S FARM, INC, a Hawaii)
corporation;)
FRANK LAW, an individual;)
ALICE LAW, an individual;)
TIM LAW, an individual,)
Defendants.) **HON. J. MICHAEL SEABRIGHT**

Plaintiff, Thomas E. Perez, Secretary of Labor, United States Department of Labor (the “Secretary”) and Defendants FAT LAW’S FARM, INC, a Hawaii corporation; FRANK LAW, an individual, ALICE LAW, an individual; TIM LAW, an individual (collectively, “Defendants”), have agreed to resolve the

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matters in controversy in this civil action and to the entry of this consent judgment (“Consent Judgment”) in accordance herewith:

I. JURISDICTION

The Parties stipulate that the Court has jurisdiction over the parties and subject matter of this civil action and that venue lies in the district court for the District of Hawaii and to the entry of the instant Consent Judgment.

II. FACTUAL BASIS OF THE CONSENT JUDGMENT

A. Concurrently with the instant Consent Judgment, the Secretary filed a Complaint alleging that Defendants violated provisions of Sections 6, 7, 11(c), 15(a)(1), 15(a)(2) and 15(a)(5) of the Fair Labor Standards Act of 1938, as amended (“FLSA”), 29 U.S.C. §§ 207, 211(c), 215(a)(1), 215(a)(2), and 215(a)(5).

B. Defendants acknowledge service of the Secretary’s Complaint, by and through their undersigned counsel, who are authorized to accept such service, and hereby waive their right to answer the Complaint and their defenses to the allegations therein.

C. Defendants, their agents, representatives, and any other individuals or parties acting on their behalf or at their direction, including without limitation any supervisors or managers employed by Defendant FAT LAWS FARM, INC., have notice of and understand, the provisions of this Consent Judgment.

D. The Parties stipulate that during the period from June 10, 2011 through June 13, 2013, (the “Subject Period”) Defendants:

1. Failed to pay the minimum wage to employees by paying employees a wage rate of no more than \$5 (five dollars) per hour when said

employees were engaged in commerce and in the production of goods for commerce or were employed in an enterprise engaged in commerce or in the production of goods for commerce, as required by Section 6 of the FLSA.

2. Failed to pay the overtime premium of not less than one and one-half times the regular rates to employees when said employees who were engaged in commerce and in the production of goods for commerce or were employed in an enterprise engaged in commerce or in the production of goods for commerce for workweeks longer than 40 hours, during workweeks where employees were not exempt from the overtime premium pursuant to Section 13(a)(1) of the FLSA, as required by Section 7 of the FLSA.

3. Failed to maintain, keep, and make available to authorized agents of Plaintiff for inspection, transcription and/or copying, and preserve accurate records of their employees and of the wages, hours, and other conditions and practices of employment as required by Section 11 of the FLSA.

4. Transported, offered for transport, shipped, delivered, sold or offered for sale in commerce goods produced by employees employed in violation of the FLSA.

E. Defendants acknowledge, understand, and expressly agree that demanding or accepting any of the monies due to any current or former employees under this Consent Judgment, threatening any employee for accepting monies due under this Consent Judgment, or threatening any employee for exercising any of his or her rights under or related to the Act is specifically prohibited and may subject Defendants to equitable and legal damages, including punitive damages and civil contempt.

F. Defendants hereby withdraw their exception to the Administrator of the Department of Labor, Wage and Hour Division, of that certain “Notice of Civil Money Penalties”, dated October 28, 2013, for alleged violations of the Migrant Seasonal Protection Act

G. Waive Findings of Fact and Conclusions of Law.

H. The filing, pursuit, and/or resolution of these proceedings in conjunction with the filing of this Consent Judgment shall not act as or be asserted as a bar to any action under Section 16(b) of the Act, 29 U.S.C. § 216(b), as to any employee not named on the Exhibit A attached to the Consent Judgment and incorporated hereto by reference, nor as to any employee named on the Exhibit A for any period not specified herein for the back wage recovery provisions.

I. That each party shall bear their own fees and costs in connection with any states of these proceedings.

III. TERMS OF THE CONSENT JUDGMENT

A. The Court finds that this Consent Judgment is fair, adequate, and reasonable, and is consistent with the public interest. Accordingly, for cause shown, hereby ORDERED, ADJUDGED, AND DECREED:

B. Pursuant to Section 17 of the FLSA, Defendants, their officers, agents, servants, employees, and all persons in active concert or participation with them are hereby permanently enjoined and restrained from violating the provisions of the FLSA, and shall adhere to and act in conformity with the FLSA by virtue of the following:

1. Defendants shall not, contrary to Sections 6 and 15(a)(2) of the FLSA, 29 U.S.C. §§ 206 and 215(a)(2), pay any of their employees who in any

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workweek are engaged in commerce or in the production of goods for commerce or who are employed in an enterprise engaged in commerce or in the production of goods for commerce, within the meaning of the FLSA, wages at a rate less than \$7.25 per hour (or at a rate less than such other applicable minimum rate as may hereinafter be established by amendment to the FLSA).

2. Defendants shall not, contrary to Sections 7 and 15(a)(2) of the FLSA, 29 U.S.C. §§ 207 and 215(a)(2), employ any of their employees who in any workweek are engaged in commerce or the production of goods for commerce, or who are employed in an enterprise engaged in commerce or in the production of goods for commerce, within the meaning of the FLSA, for workweeks longer than forty (40) hours, unless such employee receives compensation for his or her employment in excess of forty (40) hours at a rate not less than one and one-half times the regular rates (at least \$10.87 if the regular wage rate is the current federal minimum wage) at which he or she is employed during workweeks where such employee is not exempt from the overtime premium pursuant to Section 13(a)(1) of the FLSA.

3. Defendants shall not, contrary to Section 15 (a)(1) of the FLSA, 29 U.S.C. § 215(a)(1), transport, offer for transportation, ship, deliver, or sell in commerce (or ship, deliver, or sell with knowledge or reason to believe that shipment, delivery, or sale in commerce is intended) goods in the production of which any employee has been employed in violation Section 6 and 7 of the FLSA.

4. Defendants shall not fail to make, keep, and preserve accurate records of the wages, hours, and other work conditions and practices of each and every individual who performs any work for Defendants at their current or future facilities as required by FLSA Section 11, 29 U.S.C. § 211. Within ten (10)

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calendar days of the date that Defendants sign this Consent Judgment, Defendants shall not fail to implement a recordkeeping, retention, and inspection program as detailed below:

Records

- a. Defendants shall record all hours worked by each employee during each payroll period;
- b. Defendants shall maintain all timecards and payroll records for each employee for a period of not less than three years;
- c. Defendants shall reflect all amounts paid to each employee, regardless of the manner of payment, on payroll records;
- d. Defendants shall pay employees for all compensable time at the appropriate hourly wage rate or overtime wage rate, as applicable, as required by the FLSA.
- e. Defendants shall ensure that employees' timecards are accurate and in no event shall direct supervisors or payroll preparers to alter timecards in any manner, including reducing the number of hours worked by employees.
- f. Defendants shall not request, require or otherwise cause employees to sign inaccurate timecards.
- g. Defendants shall not allow or require employees to work "off the clock" either before, during or after their shifts.
- h. Defendants shall record all work performed by a single employee during a pay period on one time card and not split up the hours worked

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on multiple time cards regardless of the number of duties or tasks performed by that employee.

i. All individuals performing work for Defendants at any of their farms (and any other farms or locations where individuals perform work for Defendants) shall record their work time in an accurate and timely manner, through the use of a time clock. Each time clock shall be monitored by a video camera recording device. The device shall record all use of the time clock used to record work time for the work week. The media used to record the use of the time clock by employees as described shall be maintained and available for inspection by the U.S. Department of Labor. Work time shall include without limitation all time spent harvesting and packing goods on the farm, moving from cultivation to packaging areas and vice versa, and performing administrative tasks. All individuals performing work for Defendants at any of their future farms shall implement the same recordkeeping system within either the first day said farm begins operations or the first day said employee begins his or her employment with Defendants.

j. For each work week, Defendants shall calculate each individual's Time Records to identify the time worked each day and each workweek per individual. Each pay period, Defendants shall prepare a statement of hours worked by each individual employee for each day, week and pay period ("Work Hours Summary"). Defendants shall ensure that the Work Hours Summary is accurate. The last Work Hours Summary issued for each month shall have an advisory statement directing the employee's attention to the following Standard Employee Rights Statement and Inspection Notice (the, "Standard Notice"), which shall be conspicuously posted in prominent locations throughout the Defendant's workplace in English. In the event the native language of any of Defendants'

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employees is Chinese, Spanish, Tagalog, or Laotian, Defendants shall ensure that the Notice of Rights is properly translated into that language:

***STANDARD EMPLOYEE RIGHTS STATEMENT AND INSPECTION
NOTICE***

Your Employer must pay you for all hours worked, which includes all time that you are required to be on the Employer's premises and are not free from duties.

You have the right to have all hours worked at all your employer's farms in one workweek to be counted on one time record.

You have the right to be paid at least the federal minimum wage (currently \$7.25 per hour) for all hours worked.

You have the right to be paid for overtime, which means that you have the right to be paid at one and one-half times your regular rate (at least \$10.87 if your wage rate is the current federal minimum wage) for all hours you work more than 40 hours in one workweek

You may be exempt from the requirement to be paid overtime during some workweeks as set forth in Section 13 of the Fair Labor Standards Act of 1938, a copy of which is available from your employer upon request.

You have the right to inspect your time records and Work Hours Summary at any time without prior request.

You have the right to request that your employer provide you with housing. Should your employer provide you with the requested housing, such housing must comply with all federal law, which requires your housing to have adequate space and

adequate sanitation. Your employer may not make any deductions or charge you for any housing unless:

1) You have freely agreed to enter into a written agreement with your employer to rent such housing, which includes the employer's agreement to provide food and meals which comply with federal law;;

2) The rent is set no higher than the actual cost the employer pays to provide this housing to you; and

3) The housing provided complies with all requirements of federal law.

You have the right to request that your employer provide you with food and meals. Should your employer provide you with the requested food and meals, such food and meals must comply with federal law.

You have the right to be provided with breaks and meal periods that comply with federal law.

You have the right to speak with the U.S. Department of Labor if you think your Employer has not paid you for all hours worked, paid overtime, or provided you with proper housing, food, meals and break periods.

The U.S. Department of Labor has the right to inspect your Employer and its farms at any time, and you have the right to talk to any representative of the U. S Department of Labor privately and not in the presence of your employer. Your employer may not encourage or order you to leave your work areas or residences to prevent or discourage you from speaking with the U.S. Department of Labor.

You can call the U.S. Department of Labor to make a confidential complaint at 1-866-4US-WAGE at any time you wish.

YOUR EMPLOYER IS SUBJECT TO PENALTIES IF YOU ARE TREATED UNFAIRLY BECAUSE YOU TELL THE U.S. DEPARTMENT OF LABOR YOU THINK YOUR EMPLOYER HAS NOT FULFILLED THE REQUIREMENTS OF THIS NOTICE.

Immediately upon issuance and for two (2) years thereafter, Defendants shall maintain copies of all Work Hours Summaries for inspection by the U.S. Department of Labor at any time and by any of Defendants' employees at any time. Defendants shall provide the above Standard notice: with employees' paychecks or pay; through posting in prominent locations at all Defendants' current farms (for example, near the facility's front door, at the time clock, in all packing facilities, where employees commonly take meal breaks, at the door to the packing facilities, inside employee restrooms); through posting prominently in any vehicle that transports employees; by, providing copies of the Standard Notice to the Laotian Famers Association, the Pacific Alliance to Stop Slavery, and any other relevant community centers for posting and/or distribution; and by posting a copy of this Consent Judgment on Defendants' commercial Facebook and all commercial website home pages. Defendants shall do the same at any future farm within the first day said farm begins operations.

k. Defendants shall not claim that lodging at Defendants' farm(s) is part of an employee's pay ("Lodging Credit") unless Defendants fully comply with 29 C.F.R. Part 516. including but not limited to 29 C.F.R. § 516.27 Should Defendants opt to seek a Lodging Credit, Defendants shall maintain all records described at 29 C.F.R. § 516.27, including itemized accounts showing the nature and amount of any expenditures entering into the computation of the reasonable cost of lodging for which a Lodging Credit is claimed. Immediately upon issuance and for two (2) years thereafter, Defendants shall maintain copies of

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all receipts, expenditures and any other documentary support for any Lodging Credit claimed. Defendants shall make said Lodging Credit documentation available for inspection by the U.S. Department of Labor at any time and by any employee at any time without prior request. Should Defendants opt to seek a Lodging Credit pursuant to 29 C.F.R. Part 516, every quarter (on January 1, March 1, June 1 and October 1 of each year), Defendants shall provide the above Standard notice: with employees' paychecks or pay; through posting in prominent locations at all Defendants' current farms (for example, near the facility's front door, at the time clock, in all packing facilities, where employees commonly take meal breaks, at the door to the packing facilities, inside employee restrooms); through posting prominently in any vehicle that transports employees; by, providing copies of the Standard Notice to the Laotian Famers Association, the Pacific Alliance to Stop Slavery, and any other relevant community centers for posting and/or distribution; and by posting the notice on Defendants' commercial Facebook and all commercial website home pages, detailing how Defendants calculated the amount of any Lodging Credit claimed during the previous calendar quarter ("Lodging Credit Notice"). Defendants shall continue to display any Lodging Credit Notice for two (2) years after claiming any Lodging Credit.

1. Defendants shall not claim, nor be given credit against wages of an employee, for any Lodging Credit for lodging that is not in compliance with any federal law. Defendants shall comply with all requirements for living spaces required under 29 C.F.R. Part 1910, including but not limited to requirements for sanitation and minimum space for temporary living facilities as set forth at 29 C.F.R. § § 1910.141 and 1910.142. Defendants shall not object to nor deny entry to any representatives of the Occupational Safety and Health

Administration (“OSHA”) of U.S. Department of Labor who are charged with enforcement of the aforementioned regulations.

m. Defendants shall not claim that food eaten by their employees at any of Defendants’ current and future farms is a part of said employees’ pay (“Meal Credit”) absent full compliance with 29 C.F.R. Part 531. Should Defendants opt to seek a Meal Credit, Defendants shall retain receipts for any food purchased for which they claim said credit. Immediately upon issuance and for two (2) years thereafter, Defendants shall maintain copies of receipts for food purchased as to which Defendants assert a Meal Credit. Defendants shall make these receipts available for inspection by the U.S. Department of Labor at any time and by any employee at any time without prior request. Should Defendants opt to seek a Meal Credit pursuant to 29 C.F.R. Part 531, every quarter (on January 1, March 1, June 1 and October 1 of each year), Defendants shall provide the above Standard notice: with employees’ paychecks or pay; through posting in prominent locations at all Defendants’ current farms (for example, near the facility’s front door, at the time clock, in all packing facilities, where employees commonly take meal breaks, at the door to the packing facilities, inside employee restrooms); through posting prominently in any vehicle that transports employees; by, providing copies of the Standard Notice to the Laotian Famers Association, the Pacific Alliance to Stop Slavery, and any other relevant community centers for posting and/or distribution; and by posting the notice on Defendants’ commercial Facebook and all commercial website home pages, detailing how Defendants calculated the amount of any Meal Credit claimed during the previous calendar quarter (“Meal Credit Notice”). Defendants shall continue to display any Meal Credit Notice for two (2) years after claiming any Meal Credit.

5. Defendants shall not discriminate and/or retaliate in any way against any employees who file a complaint or cause any proceeding to be instituted under or related to the FLSA and Defendants specifically agree to cooperate with officials of the Department of Labor by permitting immediate entry into any worksite, employer-provided housing and/or production area, and encouraging and assisting all Defendant's workers to be present and cooperative during such investigations.

6. Defendants and their agents shall not instruct, deter, discourage or bar any employee from leaving Defendants' farms at any time for any reason.

7. Defendants shall not hold any passport of any employee, unless the employee is provided a notice ("Passport Security Notice") that describes that the employee is voluntarily asking the employer to hold the employee's passport only to keep safe, that the passport is being held in a secure area that is accessible to the employee 24 hours per day, 7 days per week, without notice to the employer, and without the need for the presence of the employer for the employee to obtain his or her passport. The Passport Security Notice will also state that the passport of an employee is only available to that specific employee, no employee may procure another employee's passport, and no employer may procure any employee's passport for any reason at any time without first securing the employee's permission in writing. A copy of the Passport Security Notice shall be acknowledged, signed, and provided to any employee who seeks to secure his passport with the Defendants or their agents. In the event the native language of any of Defendants' employees is Chinese, Spanish, Tagalog, or Laotian, Defendants shall ensure that the Passport Security Notice is properly translated into that language. Defendants shall maintain copies of the Passport Security Notice signed by all employees in perpetuity. Defendants shall make these copies

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available for inspection by the U.S. Department of Labor at any time and by any employee at any time without prior request. Defendants shall provide the above notice: with employees' paychecks or pay; through posting in prominent locations at all Defendants' current farms (for example, near the facility's front door, at the time clock, in all packing facilities, where employees commonly take meal breaks, at the door to the packing facilities, inside employee restrooms); through posting prominently in any vehicle that transports employees; by, providing copies of the Standard Notice to the Laotian Famers Association, the Pacific Alliance to Stop Slavery, and any other relevant community centers for posting and/or distribution;; and by posting the notice on Defendants' commercial Facebook and all commercial website home pages.

8. Defendants shall not require any employee to pay any fee to travel to Defendants' farms from another country or to pay any fee to obtain employment with Defendants. Further, Defendants shall not facilitate, encourage, contract with or participate in the activities of any other person or entity that procures employees for Defendants by charging a fee to travel to Defendants' farms from another country, or by charging a fee to obtain employment with Defendants.

C. Defendant FAT LAW'S FARM, INC. shall not withhold payment in the manner and time frame set forth herein below, issue payment to the Secretary in the amount of One Hundred Thirty-Nine Thousand Four Hundred dollars (\$139,400) (the "Balance Due"). Said Balance Due: (a) represents the outstanding balance of the total amount of Two Hundred Fourteen Thousand Four Hundred dollars (\$214,400) hereby found due, for unpaid minimum wages and overtime payments during the Subject Period to those current and former employees of Defendants named in Exhibit A, attached hereto and made a part hereof, in the

amounts set forth therein (the “Total Amount”), and (b) accounts for Defendants’ past payment to the Secretary of Seventy-Five Thousand dollars (\$75,000.00) on the Total Amount due.

D. Plaintiff shall have and recover from Defendant FAT LAW’S FARM, INC. the amount of One-Hundred-Thirty-Nine-Thousand-Four-Hundred dollars (\$139,400), which represents the balance of liquidated damages of Two-Hundred-Fourteen-Thousand-Four-Hundred dollars (\$214,400) hereby found to be due for the Subject Period to those current and former employees of Defendant FAT LAW’S FARM, INC. named in Exhibit A, attached hereto and made a part hereof, in the amounts set forth therein, pursuant to authority expressly provided in Section 16 of the FLSA, 29 U.S.C. § 216. The balance remaining from the total amount of liquidated damages due represents that a payment of Seventy-Five-Thousand Dollars (\$75,000) in liquidated damages were previously paid to Plaintiff .

E. Defendants, and any individual or entity acting on their behalf or at their direction, shall not: (a) request, solicit, suggest, or coerce, directly, or indirectly, any employee to return or to offer to return to Defendants or to someone else for Defendants, any monies in the form of cash, check, or any other form, for wages previously due or which become due in the future to said employee under the provisions of this Consent Judgment or the FLSA; (b) accept, or receive from any employee, either directly or indirectly, any monies in the form of cash, check, or any other form, for wages heretofore or hereafter paid to said employee under the provisions of this Consent Judgment or the FLSA; or (c) discharge or in any other manner discriminate, solicit or encourage anyone else to discriminate, against any such employee because such employee has received or retained monies due to him or her from Defendants under the provisions of this Consent Judgment or the FLSA.

F. Defendant FAT LAW FARMS shall not continue to withhold the payment of Thirty-One-Thousand-Two-Hundred dollars (\$31,200) in unpaid civil money penalties assessed and finally determined pursuant to authority granted in FLSA § 16(e), for alleged violations of the minimum wage and overtime provisions of the FLSA during the Subject Period.

G. JUDGMENT IS HEREBY ENTERED, pursuant to Section 16(c) of the FLSA, in favor of the Secretary as a judgment owed to the United States of America and against Defendant FAT LAW'S FARM, INC. in the total amount of Four-Hundred-Sixty-Thousand dollars (\$460,000.00), which is comprised of the Total Amount due in unpaid minimum wage and overtime compensation set forth in Section III(C) herein above, plus the Liquidated Damages set forth in Section III (D) herein above, plus the civil money penalties set forth in Section III(F) herein above (the "Monetary Judgment").

H. Payment of the monetary Judgment provisions of this Consent Judgment shall be accomplished as follows:

1. Within five days of execution of this Consent Judgment, Defendants shall deliver to the Wage and Hour Division, United States Department of Labor, Attn: District Director Terence Trotter, 300 Ala Moana Blvd, Suite 7-225, Honolulu, HI96850, a schedule containing: (1) the employer's names, tax identification number(s), addresses and telephone numbers, and (2) for each employee name listed in the attached Exhibit A, the employee's last known home address, Social Security number, home telephone number, mobile telephone number and gross amount of back wages as listed in the attached Exhibit A.

2. Defendants shall initiate payment of the Balance Due and Liquidated Damages pursuant to the installment schedule attached hereto and

incorporated herein as Exhibit B, with the first payment of \$47,000 due no later than sixty (60) days of the date of this Consent Judgment, but in no event later than April 30, 2014, and all payments thereafter as set forth in Exhibit B.

3. Each payment issued in accordance with Exhibit B shall be made by certified, or cashier's check or money order, payable to Wage & Hour Div., Labor, and delivered to the Honolulu Wage and Hour office on or before the date due. Each remittance shall show the Firm name of "Fat Law Farms, Inc." and shall indicate whether the payment is made for the Balance Due, Liquidated Damages, or civil money penalties, in the manner directed by Exhibit B.

4. Defendants' failure to make timely payment on any of the amounts due, shall constitute default and shall render the full gross amount then outstanding under this Consent Judgment, plus post-judgment interest at the rate of 10% per year from the date of the entry of this Consent Judgment until the full amount of this Consent Judgment is paid in full, immediately due and payable directly to the U.S. Department of Labor by certified check to the Wage and Hour Division ("Wage and Hour"). For the purposes of this paragraph, a "default" is deemed to occur if payment is not delivered within five (5) calendar days of the due date set forth in Exhibit B.

5. The Secretary shall distribute the payments to the persons named in the attached Exhibit A, or to their estates if that be necessary, in his sole discretion, and any monies not so paid within a period of three (3) years from the date of its receipt, because of an inability to locate the proper persons or because of their refusal to accept it, shall be then deposited in the Treasury of the United States, as miscellaneous receipts, pursuant to 29 U.S.C. § 216(c). The Secretary shall make required legal deductions for the employee's portion of Social Security

and federal income tax withholding, and remit these amounts to the appropriate agencies, but Defendants remain responsible for the employer portion of these taxes.

6. Within thirty (30) calendar days of the date of entry of this Consent Judgment, Defendants shall provide each of their employees with a copies of: (a) the Standard Employee Rights Statement and Inspection Notice set forth hereinabove (the “Standard Notice”), (b) Passport Security Notice, for any employees for whom Defendants’ agree to hold Passports, and (c) The Employee Notice of Rights (the “Notice of Rights”), attached hereto and incorporated herein as Exhibit C, which summarizes the terms of this Consent Judgment and provides direct guidance from the U.S. Department of Labor regarding employees’ rights under the Act. In the event the native language of any of Defendants’ employees is a language other than English, Chinese, Tagalog, or Laotian, Defendants shall ensure that the Notice of Rights is properly translated into that language.

7. Within thirty (30) calendar days of the date of entry of this Consent Judgment, Defendants shall take the following steps to help ensure that all of Defendants’ employees are aware of their rights under the Act:

8. Defendants shall provide a copy of Exhibit C with employees’ paychecks or pay; post Exhibit C in prominent locations at all Defendants’ current farms (for example, near the facility’s front door, at the time clock, in all packing facilities, where employees commonly take meal breaks, at the door to the packing facilities, inside employee restrooms); through posting prominently in any vehicle that transports employees; by, distributing the notice to the Laotian Famers Association, the Pacific Alliance to Stop Slavery, and any other relevant community centers; and by posting the Consent Judgment on Defendants’

commercial Facebook and all commercial website home pages. Defendants shall do the same for any future farms within ten (10) calendar days of it beginning operations;

9. Defendants shall provide a copy of Exhibit C with the first two paychecks for the first two pay periods following entry of this Consent Judgment to all of Defendants' employees.

10. Defendants shall provide a copy of Exhibit C to all newly hired employees before or by the date said employee begins performing work for Defendants at one of Defendants' farms.

11. Within ten (10) calendar days of the date that Defendants sign this Consent Judgment, Defendants shall post U.S. Department of Labor-approved posters regarding the minimum wage and overtime provisions of the FLSA, in a prominent location at all of Defendants' farms (for example, where employees commonly take meal breaks, inside employee restrooms), prominently in all packing facilities, and at the time clock, Defendants shall do the same at any future farms within ten (10) calendar days of it beginning operations. Copies of said posters are available for download and printing at:

<http://www.dol.gov/whd/regs/compliance/posters/flsa.htm>.

12. Within ten (10) calendar days of the date that Defendants sign this Consent Judgment, Defendants shall schedule three employee meetings on three different work days to ensure that all employees attend at least one such meeting. At each of these meetings, Defendants, or a designee of the Secretary, shall read aloud to all the following statement to all employees of Defendants. In the event the native language of any of Defendants' employees is Chinese,

Spanish, Tagalog, or Laotian, Defendants shall ensure that the Notice of Rights is properly translated into that language:

You are protected by the Fair Labor Standards Act and have the right to participate freely in this and any future investigation and lawsuit of your employer by the U.S. Department of Labor alleging that your employer, including Tim Law, Alice Law and Frank Law, failed to pay you wages as required by law and that you were prohibited from telling the U.S. Department of Labor you were being treated unfairly. You may be aware that Tim Law, Alice Law, Frank Law, and Fat Law's Farms were recently the subject of such an investigation and Defendants in a lawsuit by the U.S. Department of Labor alleging violations of the Fair Labor Standards Act. If Tim Law, Alice Law, Frank Law, or any other representative of Fat Law's Farms approaches you regarding this or any other future investigation and lawsuit by the U.S. Department of Labor alleging violations of the Fair Labor Standards Act, you have a right to be free of any coercion from any source. The same applies to any such investigations or lawsuits of any of your other employers.

The Court reminds you that you that under the Fair Labor Standards Act, you have a right to speak with investigators or other officials from the Department of Labor, to testify truthfully and free from coercion, and should not be concerned, intimidated, or restrained by any statement Defendants, including Tim Law, Alice Law and Frank Law or anyone acting on their behalf made to you under coercive circumstances.

The U.S. District Court for the District of Hawaii has specifically ordered Tim Law, Alice Law and Frank Law, or anyone acting on their behalf or on behalf of Fat Law's Farms, to refrain from coercing, intimidating, retaliating against, threatening, or attempting to coerce, retaliate against, intimidate, or influence, or

in any way threaten their employees or former employees in any way for attempting to leave Defendants' farms at any time, or for attempting to retrieve their passports from their Tim Law, Alice Law, Frank Law, or Fat Law's Farms at any time without prior notice.

At the same employee meetings, Defendants shall provide a hard copy of the statement with employees' paychecks or pay, post in a prominent location at all Defendants' current farms (for example, near the facility's front door, where employees commonly take meal breaks, inside employee restrooms), prominently in any vehicle that transports employees, in all packing facilities, at the time clock, distribute the notice to the Laotian Famers Association, the Pacific Alliance to Stop Slavery, and any other relevant community centers, and post the Consent Judgment on Defendants commercial Facebook and all commercial website home pages, for a period of six (6) months following the date Defendants sign the Consent Judgment.

13. Within six (6) months of the date that Defendants sign this Consent Judgment, or as soon as thereafter practicable given Wage and Hour representatives' availability, Defendants shall permit representatives from Wage and Hour to conduct a training session for all individuals performing work at Defendants' farms. Defendants shall also be present at said training, which shall cover the compensable time for which employees shall receive pay. Topics to be covered by Wage and Hour during said training shall include, but are not limited to: minimum wage, overtime, recordkeeping provisions of the FLSA and specific considerations relating to agriculture employees. Upon a determination by Wage and Hour representatives, said training may be followed by a confidential question and answer session between Wage and Hour representatives and Defendants' employees, during which time Defendants are not present ("Q&A Session"). The

Q&A Session shall also be compensable time for which employees shall receive pay.

14. Defendants shall promote awareness of the importance of compliance with the requirements of the FLSA by writing and submitting for publication to industry publications, an article that addresses the obligations of commercial agriculture employers to pay the minimum wage and overtime rates, to promote the freedom of movement and employment rights of farmworkers, and necessity of a level playing field for all commercial agriculture employers by promoting a code of conduct that promotes adherence to federal labor and employment laws, and human rights . The article will be tailored to employers similarly situated to Defendants. Within 60 days of entry of this Consent Judgment, Defendants will provide the Wage and Hour Division with a draft of the article prior to its submission, for their review for accuracy. The Wage and Hour Division shall have 60 days to review the article. Defendants shall incorporate any changes suggested by the Wage and Hour Division prior to submitting the article to a trade publication. Defendants shall provide a final copy of the article to the Wage and Hour Division upon the article's publication. Defendants agree to make diligent efforts to have the article published.

15. Defendants shall create a model Employee Rights Handbook, containing information on the obligations of commercial agriculture employers to pay the minimum wage and overtime rates, to promote the freedom of movement and employment rights of farmworkers, and necessity of a level playing field for all commercial agriculture employers by promoting a code of conduct that promotes adherence to federal labor and employment laws, and human rights. Within 60 days of entry of this Consent Judgment, Defendants will provide the Wage and Hour Division with a draft of the handbook, for their review for

accuracy. The Wage and Hour Division shall have 60 days to review the handbook. Defendants shall incorporate any changes suggested by the Wage and Hour Division prior to submitting the handbook to a trade publication. Defendants shall provide a final copy of the handbook to the Wage and Hour Division upon the book's submission to the aforementioned trade publication. Defendants agree to make diligent efforts to have the book published, and will provide a copy of the book to each of its current employees along with each employee's paycheck in the pay period following publication of the book.

16. No later than May 31, 2014, Defendants' Compliance Officer in charge of compliance with the FLSA will conduct an audit of Defendants' compliance with the FLSA and regulations issued thereunder. The Officer or will prepare a written report which summarizes the steps taken to complete the audit, and the findings of the audit as to Defendant's compliance with the FLSA (the "Audit Report"), and will submit the Audit Report to the Wage and Hour Division, United States Department of Labor, 300 Ala Moana Blvd, Suite 7-225, Honolulu, HI 96850. Thereafter, a representative of Wage and Hour and the Defendants' compliance Officer will conduct a walk-through of the facility to verify all conditions.

a. Before the compliance audit begins, Defendants shall provide the identity and curriculum vitae of the Compliance Officer to the District Director of the Wage and Hour Division's Honolulu office, for his concurrence. The District Director shall have the right to reject the selected compliance officer and direct Defendants to select and propose a different compliance officer.

b. The Compliance Officer shall have the ability to communicate with Defendant's workers in their native language(s), or, shall be provided with an interpreter as necessary at Defendant's expense.

c. Defendants shall cooperate in full with the Compliance Officer and provide them access to the worksite(s) of Defendant's workers and to payroll and time records.

d. If the Compliance Officer finds violations of the FLSA, or corresponding regulations, and such violations result in back wages due, Defendants shall pay the all amounts of back wages due on the next regularly scheduled payday.

e. If the Compliance Officer directs changes in Defendant's policies and/or procedures, or directs that Defendants take action to comply with the FLSA or regulations issued under the FLSA, Defendants shall do so.

f. The Compliance Officer shall have the duty to conduct off-site interviews with Defendants' workers; at the option of each worker, such interviews and other communications between workers and the Compliance Officer or designee, may be kept confidential, except as to authorized representatives of the U.S. Department of Labor; and copies of all notes of interviews conducted and other communications may be turned over to the District Director, Honolulu District Office, U.S. Department of Labor, along with the annual audit report, if requested by the District Director, Honolulu District Office, U.S. Department of Labor.

g. Discrimination or retaliation by Defendants against workers for cooperating or communicating with the Compliance Officer or person

designated in charge of compliance is prohibited to the fullest extent of 29 U.S.C. § 215(a)(3).

h. The workers shall have the right to have a representative of their choosing accompany the Compliance Officer or person designated in charge of compliance on his/her inspections of the worksite.

i. Defendants shall conduct an additional audit on August 31, 2014, November 30, 2014, and February 28, 2015, in accordance with every requirement identified in this paragraph.

17. On at least an annual basis, Defendants shall hire an independent third party to conduct training at each location as to the requirements of the FLSA. The training shall be for one session of not less than one hour with an opportunity for questions and answers and shall address the FLSA's minimum wage, overtime, record keeping, and anti-retaliation requirements. All supervisors as well as the individuals who determine the employees pay or schedules or who prepare payroll shall attend this training. Defendants shall maintain documentation of these trainings for a period of four years and provide it to representatives of the Secretary of Labor upon their request. This provision shall be in effect for a period of four years from the date entry of this Judgment by the Court.

D. In order to resolve this matter through the instant Consent Judgment, the Plaintiff, Secretary of Labor, and the Defendants FAT LAW'S FARM, INC., FRANK LAW, TIM LAW AND ALICE LAW also agree as follows:

1. The Parties request that the Court dismiss the instant Complaint as to individual Defendants FRANK LAW, TIM LAW AND ALICE LAW without prejudice.

2. Should Defendant FAT LAW'S FARM, INC. comply with all terms of the Consent Judgment, the Secretary agrees that he will not re-file the Complaints against individual Defendants FRANK LAW, TIM LAW AND ALICE LAW. Should Defendant FAT LAW'S FARM, INC. fail to comply with all terms of the Consent Judgment, Defendants FRANK LAW, TIM LAW AND ALICE LAW specifically agree (a) to waive any and all defenses that may exist to the allegations in the Secretary's Complaints, including but not limited to the statute of limitations or any other defense as to timeliness; and (b) not to oppose the entry of Default and Default Judgment against them for all amounts due and owing as a debt owed to the United States of America for violations of the Act as set forth in this Consent Judgment, as of the date of non-compliance.

3. The filing, pursuit, and/or resolution of this proceeding with the filing of this Consent Judgment shall not act as or be asserted as a bar to any action under Section 16(b) of the FLSA, 29 U.S.C. § 216(b), as to any employee not named on the Exhibit A attached to the Consent Judgment and incorporated hereto by reference, nor as to any employee named on the Exhibit A for any period not specified herein for the back wage recovery provisions.

4. Each party shall bear all fees and other expenses (including court costs) incurred by such party in connection with any stage of this proceeding to date. 5. This Consent Judgment may be executed in counter parts.

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IT IS HEREBY FURTHER ORDERED that:

A. This Court shall retain jurisdiction of this action for purposes of enforcing compliance with the terms of this Consent Judgment; and

B. In light of the covenants and understandings set forth herein, the Complaint filed by the Secretary of Labor concurrently with this Consent Judgment as to individual Defendants FRANK LAW, TIM LAW AND ALICE LAW is DISMISSED WITHOUT PREJUDICE.


IT IS SO ORDERED.


DATED: Honolulu, Hawaii, April 14, 2014.



/s/ J. Michael Seabright
J. Michael Seabright
United States District Judge

For the Defendants:


LAHELA H.F. HITE, ESQ. 3/26/14
Date
O'Connor, Playdon & Guben, LLP
Pacific Guardian Center, Makai Tower
733 Bishop St.
24th Floor
Honolulu, HI 96813


FRANK LAW 3/26/14
Date
Defendant


TIM LAW 3/26/14
Date
Defendant


ALICE LAW 3/26/14
Date
Defendant


For 3/26/14
Date
FAT LAW'S FARM, INC.
Defendant

For the Plaintiff:

M. PATRICIA SMITH
Solicitor of Labor

JANET M. HEROLD
Regional Solicitor



LEON PASKER 3/26/14
Date
Senior Trial Attorney
U.S. Department of Labor

EXHIBIT A

Last Name	First Name	Dates of Employment	Gross Backwages Due	Liquidated Damages Due
Alfeche	Eufrocinas	06/10/2011-06/13/2013	\$ 656.12	\$ 656.12
Alfeche	Tomas	06/10/2011-06/13/2013	749.96	749.96
Baruela	Milagros	06/10/2011-06/13/2013	2,506.43	2,506.43
Belisario	Andrea	06/10/2011-06/13/2013	3,948.82	3,948.82
Blue	Erlinda	06/10/2011-06/13/2013	3,335.66	3,335.66
Bounphakdy	Khamphien	06/10/2011-06/13/2013	10,361.43	10,361.43
Dela Salud	Virgilio	06/10/2011-06/13/2013	296.80	296.80
Detvongsa	Chanthong	06/10/2011-06/13/2013	9,049.13	9,049.13
Ounyahack	Bounleuth	06/10/2011-06/13/2013	10,419.72	10,419.72
Fasavang	Oanh	06/10/2011-06/13/2013	10,134.24	10,134.24
Fnu	Khamphanh	06/10/2011-06/13/2013	11,312.33	11,312.33
Idica	Bernardo	06/10/2011-06/13/2013	796.72	796.72
Inthavongsa	Mone	06/10/2011-06/13/2013	11,646.80	11,646.80
Leanglithideth	Khamsay	06/10/2011-06/13/2013	8,334.29	8,334.29
Ling	Zhiqiang	06/10/2011-06/13/2013	4,167.27	4,167.27
Luab	Eduvejes	06/10/2011-06/13/2013	54.69	54.69

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Last Name	First Name	Dates of Employment	Gross Backwages Due	Liquidated Damages Due
Luang Litdeth	Manivhan	06/10/2011-06/13/2013	\$10,307.44	\$10,307.44
Phetsaksith	Naly	06/10/2011-06/13/2013	7,024.54	7,024.54
Pimdee	Thongkoon 'Koon'	06/10/2011-06/13/2013	2,769.20	2,769.20
Siharath	Khampha 'Pha'	06/10/2011-06/13/2013	6,562.28	6,562.28
Siphaphanh	Chone	06/10/2011-06/13/2013	9,158.69	9,158.69
Sormanyseng	Vannaphone (Vientiane)	06/10/2011-06/13/2013	1,124.26	1,124.26
Souphophanh	Somphith	06/10/2011-06/13/2013	9,385.47	9,385.47
Thongchanh	Khampiou	06/10/2011-06/13/2013	6,681.16	6,681.16
Unknown	Khamphone #5	06/10/2011-06/13/2013	6,534.23	6,534.23
Unknown	Souphy	06/10/2011-06/13/2013	11,572.58	11,572.58
Unknown	Sao	06/10/2011-06/13/2013	13,461.47	13,461.47
Unknown	Feliza	06/10/2011-06/13/2013	2,881.59	2,881.59
Chong	Kar Sin	06/10/2011-06/13/2013	1,289.11	1,289.11
Unknown	Vone #30	06/10/2011-06/13/2013	2,166.63	2,166.63
Unknown	Vong #31	06/10/2011-06/13/2013	340.77	340.77
Valera	Carmelita	06/10/2011-06/13/2013	2,073.97	2,073.97
Vieng	Thao	06/10/2011-06/13/2013	1,166.47	1,166.47

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Last Name	First Name	Dates of Employment	Gross Backwages Due	Liquidated Damages Due
Vongphachanh	La	06/10/2011-06/13/2013	12,559.72	12,559.72
Vongsa	Khanh	06/10/2011-06/13/2013	6,883.02	6,883.02
Vongvilay	Inpanh	06/10/2011-06/13/2013	6,011.37	6,011.37
Zhan	Yueyou	06/10/2011-06/13/2013	6,675.62	6,675.62

Exhibit B

Installment Plan

Date Due	Principal	Interest	Total Amount Due	Payment Allocation
04/30/2014	\$47,000	0	\$47,000	LDs***
05/31/2014	\$10,000	0	\$10,000.00	LDs
06/30/2014	\$11,000	0	\$11,000.00	LDs
07/31/2014	\$12,000	\$24.20	\$12,024.20	LDs
08/31/2014	\$23,000	\$45.99	\$23,045.99	LDs
09/30/2014	\$23,000	\$62.10	\$23,062.10	LDs
10/31/2014	\$23,000	\$73.59	\$23,073.59	LDs
11/30/2014	\$23,000	\$80.50	\$23,080.50	\$21,600-LDs \$ 1,400-BWs
12/31/2014	\$23,000	\$82.80	\$23,082.80	BWs
1/31/2015	\$23,000	\$80.50	\$23,080.50	BWs
2/28/2015	\$23,000	\$73.60	\$23,073.60	BWs
03/31/2015	\$23,000	\$55.20	\$23,055.20	BWs
04/30/15	\$23,000	\$46.00	\$23,046.00	\$14,800-BWs \$8,200-CMPs
05/31/15	\$23,000	\$25.30	\$23,025.30	CMPs

LDs – refers to Liquidated Damages. All payments allocated to Liquidated Damages should indicate the term “LDs” on the face of the check.

BWs – refers to Back Wages. All payments allocated to Back Wages should indicate the term “BWs” on the face of the check.

CMPs – refers to civil money penalties. All payments allocated to civil money penalties should indicate the term “CMPs” on the face of the check.

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Exhibit C

Notice of Employee Rights

You are protected by the Fair Labor Standards Act and have the right to participate freely in this and any future investigation and lawsuit of your employer by the U.S. Department of Labor alleging that your employer, including Tim Law, Alice Law and Frank Law, failed to pay you wages as required by law and that you were prohibited from telling the U.S. Department of Labor you were being treated unfairly. If Tim Law, Alice Law and Frank Law or anyone acting on their behalf approaches you regarding this or any future investigation of your employer by the U.S. Department of Labor alleging violations of the Fair Labor Standards Act, you have a right to be free of any coercion from them, or anyone acting on their behalf. The Court reminds you that you have a right to speak with investigators or other officials from the Department of Labor and to testify truthfully and free from coercion and that you should not be concerned, intimidated, or restrained by any statement Tim Law, Alice Law and Frank Law or anyone acting on their behalf made to you under coercive circumstances.

The U.S. District Court for the District of Hawaii has ordered Defendants, including Tim Law, Alice Law and Frank Law or anyone acting on their behalf, to not to attempt to coerce, retaliate against, threaten to retaliate against, intimidate, or attempt to influence or in any way threaten their employees or former employees in any way attempting to leave Defendants' farms at any time, or attempting to obtain their passports from their employers at any time without notice to the Defendants, including Tim Law, Alice Law and Frank Law or anyone acting on their behalf.

You must be paid at least \$7.25 per hour for all hours you work. If you work in the packing shed packing goods for any farm other than Fat Law Farms, you are entitled to overtime at time and a half for all hours you work over 40 hours per week during workweeks where you are not exempt from the overtime premium pursuant to Section 13(a)(1) of the FLSA. If you are not paid properly, you may file a complaint with the U.S. Department of Labor.