MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY Division of Law 124 Halsey Street - 5th Floor P.O. Box 45029 Newark, New Jersey 07101 Attorney for Division of Consumer Affairs

By: Zeyad A. Assaf Deputy Attorney General Consumer Fraud Prosecution Section (973) 877-1280

> DEPARTMENT OF LAW AND PUBLIC SAFETY DIVISION OF CONSUMER AFFAIRS

STATE OF NEW JERSEY

In the Matter of

Freedom Specialty Services Incorporated,

Respondent.

Administrative Action

CONSENT ORDER

WHEREAS this matter was opened by the New Jersey Division of Consumer Affairs, Office of Consumer Protection ("Division"), as an investigation to determine whether violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 to -227 ("CFA"), the Private Employment Agency Act, N.J.S.A. 34:8-43 to -79, and the Regulations Governing Personnel Services ("Personnel Services Regulations"), N.J.A.C. 13:45B-1.1 to -16.2, including the Regulations Governing Consulting Firms ("Consulting Firm Regulations"), N.J.A.C. 13:45B-5.1 et seq., and the Regulations Governing Temporary Help Service Firms ("Temporary Help Service Firm Regulations"), N.J.A.C. 13:45B-12.1 to -12.4 (hereinafter referred to as the "Investigation"), have been or are being committed by Freedom Specialty Services Incorporated, as well as by its owners,



Division of Consumer Affairs

officers, directors, managers, employees, representatives and/or agents (collectively "Respondent");

WHEREAS Respondent, with a main business address of 1000 Delsea Drive, Building C, Suite 2, Westville, New Jersey 08093, is engaged in business as a Consulting Firm providing Temporary Help Services in the State of New Jersey, and maintains a Primary Location at the same address for recruiting Applicants;

WHEREAS based on the Investigation, the Division alleges that Respondent operated as a Consulting Firm providing Temporary Help Services without registering with the Division, as required by N.J.S.A 56:8-1.1(a) and N.J.A.C. 13:45B-12.1 to -12.4 (the "Covered Claims");

WHEREAS on May 23, 2023, an Executive Conference was held between the Division and Respondent (collectively, "Parties");

WHEREAS the Parties have reached an amicable agreement hereby resolving the issues in controversy and concluding the Investigation without the need for further action, and Respondent having voluntarily cooperated with the Investigation and consented to the entry of the within order ("Consent Order") and for good cause shown:

IT IS ORDERED AND AGREED as follows:

1. <u>EFFECTIVE DATE</u>

1.1 This Consent Order shall be effective on the date that it is filed with the Division ("Effective Date").

2. <u>DEFINITIONS</u>

Capitalized terms not otherwise defined in this Consent Order shall have the following meanings:

2.1 "Applicant" shall be defined in accordance with N.J.S.A. 34:8-43 and N.J.A.C.13:45B-1.2.

2.2 "Attorney General" shall refer to the Attorney General of the State of New Jersey and the Office of the Attorney General of the State of New Jersey.

2.3 "Consulting Firm" shall be defined in accordance with N.J.S.A. 34:8-43 and N.J.A.C 13:45B 5.1.

2.4 "Person" shall be defined: (1) in accordance with N.J.S.A. 56:8-1(d) for purposes of the CFA; and (2) N.J.S.A. 34:8-43 for purposes of the Private Employment Agency Act.

2.5 "Primary Location" shall be defined in accordance with N.J.S.A. 34:8-43 and N.J.A.C. 13:45B-1.2.

2.6 "Temporary Help Service Firm" shall be defined in accordance with N.J.S.A. 34:8-43 and N.J.A.C. 13:45B-1.2.

2.7 "New Jersey" and "State" shall refer to the State of New Jersey.

3. <u>REQUIRED AND PROHIBITED BUSINESS PRACTICES</u>

3.1 Respondent shall not engage in any unfair or deceptive acts or practices in the conduct of its business in the State and shall comply with such State and/or Federal laws, rules and regulations as now constituted or as may hereafter be amended including, but not limited to, the CFA, the Private Employment Agency Act, the Personnel Services Regulations, the Consulting Firm Regulations, or the Temporary Help Service Firm Regulations.

3.2 Respondent shall maintain annually its registration with the Division as required by N.J.S.A. 34:8-64, N.J.A.C. 13:45B-5.1, N.J.S.A 56:8-1.1, and/or N.J.A.C. 13:45B-12.2.

3.3 Respondent shall have a continuing obligation to inform the Division of any change in or addition to its registration information within 30 days of that change or addition, as required by N.J.A.C. 13:45B-12.2(g).

4. <u>SETTLEMENT AMOUNT</u>

4.1 The Parties have agreed to a settlement of the Investigation in the amount of Two Thousand and 00/100 Dollars (\$2,000.00) ("Settlement Amount").

4.2 The Settlement Amount consists of a civil penalty of Two Thousand and 00/100 Dollars (\$2,000.00), pursuant to N.J.S.A. 34:8-61, N.J.S.A. 56:8-13, and N.J.A.C. 13:45B-12.4.

4.3 Respondent shall pay One Thousand Five Hundred and 00/100 Dollars (\$1,500.00) of the Settlement Amount ("Settlement Payment") contemporaneously with the signing of this Consent Order.

4.4 The Settlement Payment referenced in Section 4.3 shall be made by certified check, cashier's check, money order, credit card or wire transfer made payable to "New Jersey Division of Consumer Affairs" and shall be forwarded to:

Case Initiation and Tracking Unit New Jersey Department of Law and Public Safety Division of Consumer Affairs 124 Halsey Street P.O. Box 45025 Newark, New Jersey 07101 Attention: Van Mallett, Lead Investigator

4.5 Upon making the Settlement Payment, Respondent shall immediately be fully divested of any interest in, or ownership of, the moneys paid. All interest in the moneys, and any subsequent interest or income derived therefrom, shall inure entirely to the benefit of the Division pursuant to the terms herein.

4.6 The balance of the Settlement Payment totaling Five Hundred and 00/100 Dollars (\$500.00) shall be suspended and automatically vacated ("Suspended Penalty") at the expiration of one year from the Effective Date, provided:

- a. Respondent signs and returns this Consent Order no later than June 21, 2023;
- b. Respondent makes the Settlement Payment in accordance with Section 4.3;
- c. Respondent complies in all material respects with the required and prohibited business practices as set forth in Section 3; and
- Respondent does not engage in any acts or practices in violation of the CFA, the Private Employment Agency Act, the Personnel Services Regulations, the Consulting Firm Regulations, and/or the Temporary Help Service Firm Regulations.

4.7 In the event Respondent fails to comply with the requirements of Sections 4.3 and 4.6, the Division shall provide it with notice seeking payment of the Suspended Penalty, as well as any unpaid portion of the Settlement Payment ("Notice of Noncompliance"). Respondent shall be afforded a 15 day period from receipt of the Notice of Noncompliance within which to cure any noncompliance ("Cure Period"). In the event that Respondent cures the noncompliance within the Cure Period, the Suspended Penalty shall return to its suspended status. In the event that Respondent fails to cure the noncompliance within the Cure Period, the Division will file a Certificate of Debt for the Suspended Penalty and any unpaid portion of the Settlement Payment, and, if applicable, may enter a Provisional Order of Suspension or Revocation of Respondent's license or registration issued by the Division.

4.8 In the event Respondent subsequently fails to comply with the requirements of Sections 4.3 and 4.6, in lieu of issuing another Notice of Noncompliance, the Division may file a Certificate of Debt for the Suspended Penalty and any unpaid portion of the Settlement Payment, and, if applicable, enter a Provisional Order of Suspension or Revocation of Respondent's license or registration issued by the Division, and/or commence additional enforcement efforts.

5. <u>GENERAL PROVISIONS</u>

5.1 This Consent Order is entered into by the Parties as their own free and voluntary act and with full knowledge and understanding of the obligations and duties imposed by this Consent Order.

5.2 This Consent Order shall be governed by, and construed and enforced in accordance with, the laws of the State.

5.3 The Parties have negotiated, jointly drafted and fully reviewed the terms of this Consent Order and the rule that uncertainty or ambiguity is to be construed against the drafter shall not apply to the construction or interpretation of this Consent Order.

5.4 This Consent Order contains the entire agreement among the Parties. Except as otherwise provided herein, this Consent Order shall be modified only by a written instrument signed by or on behalf of the Division and Respondent.

5.5 Except as otherwise explicitly provided for in this Consent Order, nothing herein shall be construed to limit the authority of the Attorney General to protect the interests of the State or the people of the State.

5.6 If any portion of this Consent Order is held invalid or unenforceable by operation of law, the remaining terms of this Consent Order shall not be affected.

5.7 This Consent Order shall be binding upon Respondent as well as its managers, agents, employees, successors and assigns, and any Person through which it may now or hereafter act, as well as any Person who has authority to control or who, in fact, controls and directs its business.

5.8 This Consent Order shall be binding upon the Parties and their successors in interest. In no event shall assignment of any right, power or authority under this Consent Order be used to avoid compliance with this Consent Order.

5.9 This Consent Order is agreed to by the Parties and entered into for settlement purposes only. Neither the fact of, nor any provision contained in this Consent Order shall constitute or be construed as: (a) an approval, sanction or authorization by the Division or any other governmental unit of the State of any act or practice of Respondent; or (b) an admission by Respondent that any of the acts or practices described in or prohibited by this Consent Order are unfair, or deceptive or violate the CFA, the Private Employment Agency Act, the Personnel Services Regulations, the Consulting Firm Regulations, or the Temporary Help Service Firm Regulations.

5.10 This Consent Order is not intended, and shall not be deemed, to constitute evidence or precedent of any kind except in: (a) an action or proceeding by one of the Parties to enforce, rescind or otherwise implement or affirm any or all of the terms herein; or (b) an action or proceeding involving a Released Claim (as defined in Section 7) to support a defense of res judicata, collateral estoppel, release or other theory of claim preclusion, issue preclusion or similar defense.

5.11 Unless otherwise prohibited by law, any signatures by the Parties required for filing of this Consent Order may be executed in counterparts, each of which shall be deemed an original, but all of which shall together be one and the same Consent Order.

5.12 This Consent Order is a public document subject to the New Jersey Open Public Records Act, N.J.S.A. 47A-1 to -13.

6. <u>REPRESENTATIONS AND WARRANTIES</u>

6.1 The Parties represent and warrant that an authorized representative of each has signed this Consent Order with full knowledge, understanding and acceptance of its terms and that the representative has done so with authority to legally bind the respective Party.

6.2 Respondent represents and warrants that it has fully read and understands this Consent Order, the legal consequences involved in signing the Consent Order, and that there are no other representations or agreements not stated in writing herein.

7. <u>RELEASE</u>

7.1 In consideration of the payments, undertakings, mutual promises and obligations provided for in this Consent Order and conditioned on Respondent making the Settlement Payment in the manner referenced in Section 4.3, the Division hereby agrees to release Respondent from any and all civil claims or Consumer-related administrative claims, to the extent permitted by State law, which the Division could have brought against Respondent for violations of the CFA, the Private Employment Agency Act, the Personnel Services Regulations, the Consulting Firm Regulations, and the Temporary Help Service Firm Regulations, prior to the Effective Date arising out of or concerning the Covered Claims (the "Released Claims").

7.2 Notwithstanding any term of this Consent Order, the following do not comprise Released Claims: (a) private rights of action; (b) actions to enforce this Consent Order; and (c) any claims against Respondent by any other agency or subdivision of the State.

8. <u>PENALTIES FOR FAILURE TO COMPLY</u>

8.1 The Attorney General (or designated representative) shall have the authority to enforce the provisions of this Consent Order or to seek sanctions for violations hereof or both.

8.2 The Parties agree that any future violations of the provisions of Section 3 of this Consent Order and/or the CFA, the Private Employment Agency Act, the Personnel Services Regulations, the Consulting Firm Regulations, and the Temporary Help Service Firm Regulations shall constitute a second or succeeding violation under N.J.S.A. 34:8-61 and N.J.S.A. 56:8-13 and that the Respondent may be liable for enhanced civil penalties.

9. <u>COMPLIANCE WITH ALL LAWS</u>

9.1 Except as provided in this Consent Order, no provision herein shall be construed

as:

- (a) Relieving Respondent of its obligations to comply with all State and Federal laws, regulations or rules, as now constituted or as may hereafter be amended, or as granting permission to engage in any acts or practices prohibited by any such laws, regulations or rules; or
- (b) Limiting or expanding any right the Division may otherwise have to obtain information, documents or testimony from Respondent pursuant to any State or Federal law, regulation or rule, as now constituted or as may hereafter be amended, or limiting or expanding any right Respondent may otherwise have pursuant to any State or Federal law, regulation or rule, to oppose any process employed by the Division to obtain such information, documents or testimony.

10. NOTICES UNDER THIS CONSENT ORDER

10.1 Except as otherwise provided herein, any notices or other documents required to be sent to the Parties pursuant to this Consent Order shall be sent by the United States Mail, Certified Mail Return Receipt Requested, or other nationally recognized courier service that provides for tracking services and identification of the person signing for the documents. The notices and/or documents shall be sent to the following addresses:

For the Division:

Assistant Deputy of Enforcement, Office of Consumer Protection Division of Consumer Affairs, State of New Jersey Office of the Attorney General Department of Law and Public Safety 124 Halsey Street – 7th Floor P.O. Box 45028 Newark, New Jersey 07101

For the Respondent: Freedom Specialty Services Incorporated 1000 Delsea Drive Building C, Suite 2 Westville, New Jersey 08093

with a copy to:

Lauletta Birnbaum, LLC Attn: Randy W. Ford, Esq. 591 Mantua Boulevard, Suite 200 Sewell, New Jersey 08080

MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY

By:

MSS

CARI FAIS, ACTING DIRECTOR DIVISION OF CONSUMER AFFAIRS

THE PARTIES CONSENT TO THE FORM, CONTENT AND ENTRY OF THIS CONSENT ORDER ON THE DATES ADJACENT TO THEIR RESPECTIVE SIGNATURES.

FOR THE DIVISION:

MATTHEW J. PLATKIN ATTORNEY GENERAL OF NEW JERSEY

By:

Dated: June 23, 2023

Zeyrd A. Assaf Deputy Attorney General Consumer Fraud Prosecution Section

124 Halsey Street - 5th Floor P.O. Box 45029 Newark, New Jersey 07101

FOR RESPONDENT:

LAULETTA BIRNBAUM, LLC

Ву:_Й a

Randy W. Ford, Esq. Lauletta Birnbaum, LLC 591 Mantua Blvd., Suite 200 Sewell, New Jersey 08080

Dated: 6/13/23

FREEDOM SPECIALTY SERVICES INCORPORATED

By:

Dated: 6/12/2023

Christina Mahon President Freedom Specialty Services Incorporated 1000 Delsea Drive Building C, Suite 2 Westville, New Jersey 08093