

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
R.J. Hughes Justice Complex
25 Market Street
P. O. Box 117
Trenton, New Jersey 08625-0117
Attorney for Plaintiff

By: Richard E. Wegryn, Jr.
Deputy Attorney General
Attorney ID 048361993
(609)376-2965
Richard.Wegryn@law.njoag.gov

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION - MONMOUTH COUNTY
DOCKET NO. MON-L-002281-19

MARLENE CARIDE,)
COMMISSIONER OF THE NEW)
JERSEY DEPARTMENT OF)
BANKING AND INSURANCE,)
Plaintiff,)
)
v.)
)
BLUE DOLPHIN FREIGHT)
SYSTEMS, INC., MATJAC)
PALLETTS INCORPORATED t/a)
AMERICAN EAGLE PALLET,)
UNITED WASTE MANAGEMENT,)
INC. and WALTER JAKOVVIC,)
)
Defendants.)

Civil Action
STIPULATION OF SETTLEMENT

The claims in this action have been settled and resolved by the following parties, Plaintiff Marlene Caride, Commissioner of the New Jersey Department of Banking and Insurance ("Plaintiff"), and Defendants, Blue Dolphin Freight Systems, Inc. ("Blue Dolphin"), Matjac Palletts Incorporated t/a American

Eagle Pallet ("Matjac"), United Waste Management, Inc. ("United Waste"), (Blue Dolphin, Matjac and United Waster are collectively the "Corporate Defendants") and Walter Jakovcic ("Jakovcic") (collectively "Defendants"), (collectively "Parties");

WHEREAS, for good cause shown, the Parties have reached an agreement resolving the issues in controversy, and consent to the entry of the within Stipulation of Settlement ("Stipulation") pursuant to the terms and conditions below.

1. Corporate Defendants admit that they knowingly conspired to provide false and misleading information to Liberty Mutual Insurance ("Liberty Mutual"), between May 4, 2001 through April 20, 2009, with regard to a workers' compensation policy issued to the Corporate Defendants, and knowingly benefitted from the aforementioned misrepresentations, in violation of the New Jersey Insurance Fraud Prevention Act, N.J.S.A. 17:33A-1 to -30 ("Fraud Act").

2. Corporate Defendants' aforementioned conduct constitutes multiple violations of the Fraud Act, and any future violation of the Fraud Act shall be considered a subsequent violation.

3. Corporate Defendants agree that they shall not engage in any future violations of the Fraud Act.

4. Defendants shall pay a total of \$31,250.00 to the

Plaintiff ("Settlement Amount"). This Settlement Amount consists of \$25,000.00 in civil penalties pursuant to N.J.S.A. 17:33A-5b; \$5,000.00 in attorneys' fees pursuant to N.J.S.A. 17:33A-5b; and \$1,250.00 in statutory surcharge pursuant to N.J.S.A. 17:33A-5.1.

5. Defendants shall pay the Settlement Amount upon the following terms and conditions:

a. No later than November 27, 2019 Defendants shall remit to the attorney for the Plaintiff a payment in the amount of \$31,250.00 by certified check, official bank check, money order, or attorney trust check made payable to the "Commissioner, New Jersey Department of Banking and Insurance" and sent to:

Richard E. Wegryn, Jr., Deputy Attorney General
Banking and Insurance Section
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, New Jersey 08625

b. All communications from any party concerning the subject matter of this Stipulation shall be addressed as follows:

If to the Department:

Richard E. Wegryn, Jr., DAG
Banking and Insurance Section
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, New Jersey 08625

If to Defendants:

Walter Jakovcic
14 Denise Court
Lincroft, New Jersey 07738,

Blue Dolphin Freight Systems, Inc.
c/o Walter Jakovcic
14 Denise Court
Lincroft, New Jersey 07738,

Matjac Pallets Incorporated t/a
American Eagle Pallet
c/o Richard G. Matera
3 Pennval Road
Woodbridge, New Jersey 07095,

United Waste Management, Inc.
c/o Richard G. Matera
3 Pennval Road
Woodbridge, New Jersey 07095,

6. Upon receipt of the Settlement Amount set forth in Paragraph 4 above, this Stipulation shall act as a dismissal of any and all claims in Plaintiff's Complaint with prejudice to the Defendants, provided the Defendants fully perform under the terms of the Stipulation.

7. This Stipulation shall be governed by the laws of the State of New Jersey without regard to any conflict-of-laws principles. The Parties agree that the exclusive jurisdiction and venue for any dispute arising between and among the Parties under the Stipulation will be the Superior Court of the State of New Jersey.

8. The penalties of this Stipulation are imposed

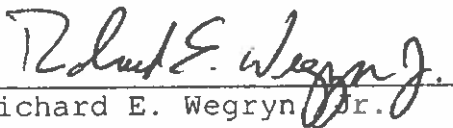
pursuant to the police powers of the State of New Jersey for the enforcement of the law and protection of the public health, safety, and welfare, and are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding.

9. To facilitate execution, this Agreement may be executed in as many counterparts as may be required. All counterparts hereof shall collectively constitute a single agreement.

CONSENTED AS TO FORM, CONTENT, AND ENTRY:

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW
JERSEY
Attorney for Plaintiff


Dated: November 15, 2019

By: 
Richard E. Wegryn Jr.
Deputy Attorney General

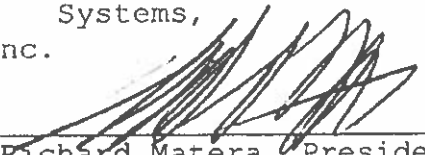
Dated: November __, 2019

By: 
Walter Jakovcic

Dated: November __, 2019

By: 
Walter Jakovcic, President
Blue Dolphin Freight
Systems,
Inc.

Dated: November 22, 2019

By: 
Richard Matera, President
Matjac Pallets, Inc. t/a
American Eagle Pallet

Dated: November 22, 2019

By:


Richard Matera, President
United Waste Management,
Inc.