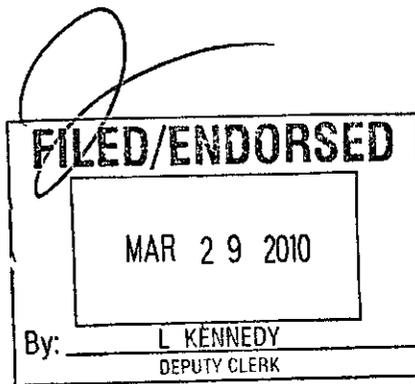


1 PILLSBURY WINTHROP SHAW PITTMAN LLP
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3 2600 Capitol Avenue, Suite 300
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4 Telephone: (916) 329-4700
Facsimile: (916) 441-3583

5 Attorneys for Petitioner
6 US LOAN AUDITORS, LLC



7
8 SUPERIOR COURT OF THE STATE OF CALIFORNIA

9 IN AND FOR THE COUNTY OF SACRAMENTO

10 _____)
US LOAN AUDITORS, LLC, a California)
11 limited liability company,)
12) Petitioner,)
13 vs.)
14 NICHOLAS T'SOUVAS JR., an individual,)
15) Respondent.)
16)
17)
18 _____)

Case No. 34-2010-00074056

DECLARATION OF DAN P. WHALEY
IN SUPPORT OF US LOAN
AUDITORS, LLC'S PETITION FOR
ORDER COMPELLING
ARBITRATION AND FOR AN ORDER
STAYING FURTHER PROCEEDINGS
BEFORE THE LABOR
COMMISSIONER

Date: April 28, 2010
Time: 2:00 p.m.
Dept.: 53

19 I, DAN P. WHALEY, declare as follows:

20 1. I am employed by Petitioner US LOAN AUDITORS, LLC ("US Loan
21 Auditors") and one of my job titles is Assistant Director of Operations. I make this
22 declaration in support of US Loan Auditors' Petition for Order Compelling Arbitration and
23 For An Order Staying Further Proceedings Before the Labor Commissioner in this action
24 ("Petition").

25 2. Unless otherwise specified, the facts set forth in this declaration are known
26 to me personally, and I have first hand knowledge of them. If called as a witness, I could
27 and would testify competently, under oath, to such facts.
28

1 3. In my capacity as the Assistant Director of Operations, I review US Loan
2 Auditors' business records and obtain signed copies of the respective Independent
3 Contractor Service Agreements ("Contract" or "Contracts"). I was responsible for
4 obtaining a signed copy of Respondent NICHOLAS T'SOUVAS JR.'s ("T'Souvas")
5 Contract. Attached as Exhibit A hereto is a true and correct copy of T'Souvas' Contract.
6 This Contract was signed before me by T'Souvas.

7 4. Exhibit A to the Contract entitled "Services" describes the services that
8 T'Souvas agreed to perform on US Loan Auditors' behalf. These services included
9 evaluating loans, loans with both California and non-California lenders, for compliance
10 with Federal law, including but not limited to the Consumer Credit Protection Act, 15
11 U.S.C. 1601, et seq.

12 5. T'Souvas' Contract was recently terminated by US Loan Auditors following
13 conduct by T'Souvas that was prohibited by the Contract.

14 6. In the fall of 2009, T'Souvas presented a claim to US Loan Auditors for
15 allegedly unpaid commissions he contended were due under his Contract. Despite US Loan
16 Auditors' good faith efforts to resolve his claims, on January 12, 2010, T'Souvas filed an
17 administrative wage claim with the California Labor Commissioner challenging US Loan
18 Auditors' alleged failure to pay him certain commissions. He did this notwithstanding that
19 the Contract expressly states that T'Souvas' status with US Loan Auditors was as an
20 independent contractor not as an employee. Attached as Exhibit B is a true and correct copy
21 of T'Souvas' Administrative Wage Claim.

22 7. US Loan Auditors' Demand for Arbitration was served on T'Souvas by mail
23 on January 12, 2010 and the required arbitration fee has been deposited with JAMS, as
24 contemplated by the Contract. Attached as Exhibit C hereto is a true and correct copy of
25 the Demand for Arbitration served on T'Souvas. Attached as Exhibit D is a true and
26 correct copy of the arbitration fee deposit check made payable to JAMS.

27 8. A hearing before the Labor Commissioner on T'Souvas' claims is currently
28 scheduled to commence on April 1, 2010 at 10:00 a.m. Attached as Exhibit E is a true and

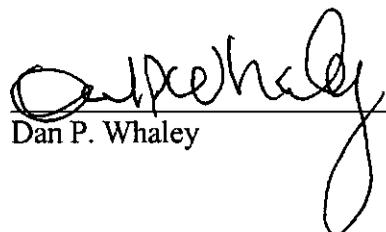
1 correct copy of the March 1, 2010 Notice of Hearing – Defendant for T’Souvas v. US Loan
2 Auditors, LLC, State Case No. 14-29594 TH. I understand from my conversations with
3 individuals at the Labor Commissioner’s office that once US Loan Auditors’ files its
4 Petition, the Labor Commissioner will take this hearing off calendar.

5 9. To date, T’Souvas has refused to submit the contractual dispute between him
6 and US Loan Auditors to arbitration, and T’Souvas’ administrative wage claim remains
7 pending before the Labor Commissioner.

8 10. T’Souvas’ claims against US Loan Auditors are nearly identical to his
9 colleague Corren Chang’s (“Chang”) claims against US Loan Auditors. In response to
10 Chang’s claims, on January 27, 2010, US Loan Auditors filed a petition for an order
11 compelling arbitration and for an order staying further proceedings before the Labor
12 Commissioner, Sacramento County Superior Court Case No. 34-2010-00069273; upon
13 notice of US Loan Auditors’ petition, the Labor Commissioner took off calendar the
14 hearing on Chang’s claims. On February 19, 2010, at approximately 2:00 p.m., the Court
15 posted its tentative ruling granting US Loan Auditors’ petition. Chang did not oppose the
16 tentative ruling and, as a matter of course, it became the ruling of the Court, and on February
17 22, 2010 the Court signed US Loan Auditors proposed order on its petition, ordering Chang to
18 submit the parties’ dispute to arbitration before JAMS and ordering her pending claim before
19 the Labor Commissioner stayed pending a determination by the JAMS arbitrator that he or she
20 does not have jurisdiction to resolve Chang’s claim.

21 I declare under penalty of perjury under the laws of the State of California that the
22 foregoing is true and correct.

23 Executed this 29th day of March, 2010, at Sacramento, California.

24
25
26
27
28


Dan P. Whaley

INDEPENDENT CONTRACTOR SERVICE AGREEMENT

THIS INDEPENDENT CONTRACTOR SERVICE AGREEMENT ("Agreement") is made on FEBRUARY 20, 2009, between US Loan Auditors, a California Limited Liability Company ("Company"); and NICK T. JUVAS, JR. as an independent contractor ("Contractor").

Recitals

WHEREAS, Contractor desires to assist or to continue to assist Company in the performance of certain sales or other tasks as may be assigned by Company more fully described below; and

WHEREAS, Company desires to engage or to continue to engage Contractor to perform such services upon the terms and conditions set forth herein;

NOW, THEREFORE, the parties hereto agree as follows:

1. Term. This Agreement shall become effective on FEBRUARY 20, 2009, for a term of one (1) year (the "Initial Term"). This term may be extended upon mutual agreement between the parties. The agreement will include the new term of the agreement.
2. Project Services. Contractor agrees to perform sale services ("Services") as described in Exhibit A attached hereto and incorporated herein by reference.
3. Termination. Company may terminate this Agreement as follows: (a) Company may terminate this Agreement immediately if Contractor or any of its employees or agents breach the Confidentiality and Proprietary Matters Policy attached hereto as Exhibit B and incorporated herein by reference, and (b) After one month from the execution of this Agreement, Company may terminate this Agreement at any time, with or without cause, at its convenience. If Company terminates for convenience, it will pay Contractor for all accrued commissions as specified in Exhibit C prior to the time Company gives notice to Contractor
4. Payment for Services. As full consideration for the Services to be performed by Contractor, Company agrees to pay Contractor in accordance with the Compensation Schedule set forth in Exhibit C, attached hereto and incorporated herein by reference. Company shall not be obligated to reimburse Contractor for services or fees not set forth in Exhibit C, respectively.
5. Contractor's Representations. Contractor represents and warrants that it is under no obligation or restriction, nor will it assume any such obligation or restriction, that would in any way interfere or be inconsistent with the Services to be furnished by Contractor under this Agreement.
6. Additional Responsibilities of Contractor. Contractor agrees, covenants, and represents that

Initials: N/T

because contractor is an independent contractor and not an employee of Company; (i) Contractor shall be responsible for paying any federal, state, or local payroll, social security, disability, workers compensation, self-employment insurance, income and other taxes or assessments on its own behalf Contractor shall, at Contractor's expense, pay and be fully liable and responsible for, and indemnify and hold harmless Company for any assessments, fines or penalties relating to Company's failure to pay or withhold, any and all taxes relating to any compensation paid pursuant to this Agreement; (ii) Contractor shall not be eligible to participate in Company's workers' compensation, unemployment, disability, life or any other insurance programs, or any other benefit or program that is sponsored, financed or provided by Company for its employees; and (iii) Contractor shall be responsible for obtaining all applicable licenses necessary for Contractor to provide services hereunder and to maintain such licenses in good standing.

7. Confidential and Proprietary Information and Materials. Contractor agrees to provide the Services and to abide by the terms and provisions of the Company's Proprietary Information and Conflict of Interest Agreement attached hereto as Exhibit B and incorporated herein by reference.

8. Performance of Duties. While performing services for Company, Contractor will not: (a) render services of a business, professional or commercial nature to any other person or firm, whether for compensation or otherwise, which are competitive with or adverse to Company's business or anticipated business or Company's welfare, (b) engage in any activity competitive or adverse to the Company's business or welfare, whether alone, as a partner, or as an officer, director, executive or shareholder of any other corporation; or (c) undertake planning for the organization of any business activity competitive with Company or combine or conspire with other employees or representatives of Company for the purposes of organizing any such competitive business

9. Non-disclosure of Company Information: Contractor acknowledges that disclosure of any trade secret, proprietary or other similar information about Company, as described in Exhibit B hereto, by Contractor, its agents and employees would be damaging to Company and the growth of its business. As such, Contractor agrees and warrants that it will not at any time or in any manner directly or indirectly divulge, disclose or communicate in any fashion, to any person or entity, including without limitation the media or by way of the World Wide Web, any trade secret, proprietary or other similar information about Company or its products or services which have been learned or discovered by Contractor while performing or preparing to perform its duties for Company, unless compelled to do so by applicable laws.

10. Liability For Disclosure Of Trade Secrets or Proprietary Information: Contractor acknowledges that each of the restrictions contained in this Agreement and in Exhibit B hereto relating to the nondisclosure of trade secrets, proprietary information and other Company information is reasonable and necessary in order to protect the legitimate interests of Company and that any violation thereof would cause irreparable injury to Company. Contractor acknowledges and agrees that in the event of any violation thereof, Company shall be authorized and entitled to obtain, from any court of competent jurisdiction, preliminary and permanent injunctive relief as well as an equitable accounting of all profits or benefits arising out of such violation and any damages for breach of this Agreement which may be applicable. The aforesaid rights and remedies shall be independent, severable and cumulative and shall be in addition to any other rights or remedies to which Company

may be entitled.

11. Non Solicitation. During the term of this Agreement, or any extension thereof, and for a period of one (1) year after the date of termination of this Agreement, Contractor shall not directly or indirectly either for itself or for any other person, firm or corporation, do any of the following: (a) solicit, divert or take away or attempt to solicit, divert or take away any of Company's customers or potential customers, or (b) induce or influence any person who is engaged as an employee or otherwise by Company to terminate his employment or other engagement with the Company.

12. Indemnity. Contractor unconditionally agrees to indemnify the Company and the Company's officers, directors, shareholders, agents, employees, parent companies, subsidiaries, affiliates, attorneys and representatives (collectively, the "Indemnified Parties") and hold the Indemnified Parties harmless from and against any and all liabilities, expenses, fees, claims, losses or damages of any character whatsoever (whether actual, incidental, consequential, or otherwise), including, without limitation, attorneys' fees and costs incurred, whether in connection with Contractor's rights or the rights of third parties, arising, directly or indirectly, from (i) Contractor's performance or failure to perform hereunder, and (ii) from any breach of the representations, warranties (expressed or implied) by, or obligations of, Contractor under this Agreement.

13. Governing Law; Arbitration; Filing of Suit. This Agreement is made under and shall be construed according to the laws of the State of California. Except as set forth in Section 10 of this Agreement, any dispute arising out of this Agreement which cannot be resolved to the mutual satisfaction of the parties shall be submitted for arbitration, to be held in Sacramento, California, before a retired Superior Court judge and shall be conducted in accordance with the provisions of the California Arbitration Act, the California Code of Civil Procedure, JAMS Rules. In the event either party institutes arbitration under this Agreement, the costs and expenses of such arbitration (including counsel fees) shall be borne by losing party as determined by the arbitrator. The award rendered pursuant to such arbitration shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. Notwithstanding the foregoing, claims by Contractor must be presented to Company within 60 days after the claim arises and no claim may be maintained against Company unless Contractor demands arbitration in writing to Company at the address herein within six months of the date the claim arises.

14. Amendment. This Agreement shall not be modified, amended, rescinded, canceled, or waived, in whole or in part, except by written amendment signed by an executive officer of Company and an authorized representative of Contractor.

15. Relationship of Parties. Contractor, in furnishing services to Company hereunder, is acting only as an independent contractor, and not as an agent of Company. Nothing in this Agreement shall be construed to create the relationship of employer and employee, master and servant, or principal and agent, between Company and Contractor. This Agreement shall not be construed to be a partnership or joint venture. No employees or agents of either party shall be deemed to be employees or agents of the other party for any reason whatsoever.

16. Integration Clause. This Agreement, including exhibits, represents the complete and integrated

Initials: AT

agreement of the parties with respect to the matters recited herein, and supersedes any prior or contemporaneous written or oral agreements or understandings with respect hereto.

17. General Provisions. The rights and obligations specified in Paragraphs 7, 8, 9, 10, 11 and 12 shall survive and continue after termination of this Agreement and shall bind the parties and their legal representatives, successors, heirs, and assigns. Contractor agrees to comply, and do all things necessary for Contractor to comply, with all applicable federal, state, and local laws, regulations, and ordinances. In the event of any conflict, inconsistency, or ambiguity between provisions of this Agreement and the exhibits attached hereto, the provisions of this Agreement shall control. If any provision of this Agreement (including the exhibits attached hereto) is deemed by the American Arbitration Association to be invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect and shall in no way be impaired or invalidated.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

COMPANY By:

CONTRACTOR:

Nick T. Souvas, Jr.
Signature

Nick Souvas, Jr.
Print Name

Federal Tax I D. No: _____

Date: 2-20-2008

Initials: NT

EXHIBIT A

SERVICES

Independent Contractor is to identify residential real estate borrowers who have received loans within the past 3 years where the circumstances of the lending process may give rise to claims under the various predatory lending laws ("Clients").

Independent Contractor will initiate contact with identified clients, educate them on the subject of predatory lending, educate them on the various remedies to the predatory lending violations, and sell them the services of US Loan Auditors and US Legal Advisors.

Independent Contractor will then secure an agreement from the client to an audit of the client's loan documents and an agreement to move forward with litigation if the audit reveals actionable violations.

Independent Contractor will collect the client's loan documents, payment for the services and transmit them to the auditing team. Independent Contractor will insure that all US Loan Auditors and US Legal Advisors procedures are followed, including but not limited to, the scanning of all documents and the data entry of all of the borrower's information.

Independent Contractor will not be assigned to specific geographic areas by US Loan Auditors and may or may not be provided leads. Independent Contractor shall generate his or her own leads in either case.

Independent Contractor shall not give advice to any client or potential client regarding the outcome of the client's case or make any promises or commitments on behalf of either US Loan Auditors or US Legal Advisors.

Initials: *AT*

EXHIBIT B

PROPRIETARY INFORMATION AND CONFLICT OF INTEREST AGREEMENT

This Proprietary Information and Conflict of Interest Agreement (the "Agreement") is entered into by and between the Company and Independent Contractor as of the date set forth below with reference to the following

WHEREAS, the Company has invested considerable time and money in developing and marketing its products and services and in connection therewith has developed certain data and information which has commercial value and which is not generally and publicly known, and

WHEREAS, the Company has and will be required to disclose certain information, including without limitation, Trade Secret and Proprietary Information, to Independent Contractor in order for Independent Contractor to perform or to continue to perform his or her job duties;

NOW, THEREFORE, in consideration of Independent Contractor's association or continued association with the Company Independent Contractor agrees as follows:

1. Trade Secret and Proprietary Information.

(a) Definitions. The term "Trade Secret" shall be given its broadest possible interpretation and shall mean any information concerning the Company's methods, policies and procedures including, without limitation, the Company's confidential lists, records, information, materials and other documents belonging to either the Company or its clients such as: (1) loan presentations; (2) customer lists; (3) mailing lists; (4) mailing pieces, either proposed or final, and other ad copy; (5) sales plans, procedures, formats and strategies; (6) research reports, analysis, recommendations and options; (7) pricing practices, letters, quotations and costs analyses; (8) correspondence, files, cards, magnetic tape information; (9) computer programs, systems, system outlines, licensed software systems and other computer related materials in either machinery readable or hard copy form; and (10) any other confidential and Proprietary Information or process, which (i) derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use, and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

The term "Proprietary Information" shall also be given its broadest possible interpretation and shall mean any and all information disclosed or made available by the Company to Independent Contractor including without limitation any information which is not publicly known or available upon which the Company's business or success depends.

The Parties to this Agreement expressly acknowledge that information which is generally known or readily ascertainable by third parties from independent and non-confidential sources shall not be included within the definitions of Trade Secret and Proprietary Information set forth

Initials: AT

in this Agreement.

(b) Non-Disclosure of Trade Secret and Proprietary Information Independent Contractor acknowledges that from time to time he or she may be provided with the Company's Trade Secret and Proprietary Information. Independent Contractor further acknowledges his or her fiduciary obligations with respect thereto. Without limiting the scope of such fiduciary obligations, Independent Contractor agrees that he or she shall not, at any time or in any manner, directly or indirectly, use for his or her own benefit or the benefit of any other person or entity, or otherwise divulge, disclose or communicate to any person or entity any information concerning any Trade Secret or Proprietary Information of the Company without the prior express written consent of the Company.

(c) Trade Secret and Proprietary Information of Others. It is also the Company's policy to honor the confidentiality of our customers' and vendors' Trade Secret and Proprietary Information. Accordingly, Independent Contractor understands, agrees and acknowledges that he or she will not disclose, without authorization, any Trade Secret or Proprietary Information of the Company's clients or vendors which was learned or obtained through Independent Contractor's employment with the Company. Independent Contractor further acknowledges and agrees to comply with any and all confidentiality and/or non-disclosure obligations agreed to by Independent Contractor pursuant to any other written or oral agreement with the Company or with a client or vendor on behalf of the Company.

(d) Return of Trade Secret and Proprietary Information. All Trade Secret and Proprietary Information, including copies thereof, whether prepared by Independent Contractor or otherwise coming into Independent Contractor's possession, shall remain the exclusive property of the Company and shall not be removed from the Company's premises without the prior express written consent of the Company. Independent Contractor will return all Trade Secret and Proprietary Information as defined above in his or her possession within one (1) day after termination of Independent Contractor's employment with the Company and shall not retain any copies.

(e) Liability for Disclosure of Trade Secret or Proprietary Information. Independent Contractor acknowledges that each of the restrictions contained in this Agreement relating to the non-disclosure of Trade Secret and Proprietary Information is reasonable and necessary in order to protect the legitimate and reasonable competitive business interests of the Company and that any violation of these restrictions would cause irreparable injury to the Company. Independent Contractor acknowledges and agrees that in the event of a violation of these restrictions, the Company shall be authorized and entitled to obtain from any court of competent jurisdiction preliminary and permanent injunctive relief, as well as an equitable accounting of all profits and benefits arising out of such violation and any damages resulting from the breach which may be applicable. These rights and remedies shall be independent, severable and cumulative and shall be in addition to any other rights and remedies to which the Company may be entitled. Independent Contractor acknowledges that the covenants contained in this Section and his or her liability for breach of such covenants and restrictions shall survive the expiration and the termination of Independent Contractor association with the Company.

Initials: NT

2. Non-Solicitation. During his or her association with the Company as an independent contractor and for a period of one (1) year after the date of termination of the independent contractor relationship with the Company, Independent Contractor shall not directly or indirectly either for himself, herself or for any other person, firm or corporation, do any of the following: (i) solicit, divert, induce or attempt to solicit, divert or induce any distributor, vendor, representative or customer of the Company to discontinue that person's or entity's relationship with or through the Company; or (ii) solicit, divert, induce or influence or attempt to solicit, divert, induce or influence, any person who is currently engaged as an employee, independent contractor, or otherwise by the Company to terminate his or her relationship or other engagement with or through the Company.

3. Non-Disparagement. Unless otherwise compelled by applicable law, Independent Contractor will not say or do anything disparaging about the Company or any of its current, former or future officers or employees to any representative of the media, literary agent, author, any current or future representative, agent, manager, vendor, customer, employee, contractor, officer, director or client of the Company. Independent Contractor expressly acknowledges that this Non-Disparagement covenant shall survive the termination of Independent Contractor's association with the Company.

4. Cooperation. Independent Contractor agrees that he or she will cooperate fully and assist the Company in the conduct and defense of any litigation, administrative proceeding or arbitration proceeding, currently pending or which is filed in the future both during and after Independent Contractor's association with the Company. Independent Contractor acknowledges that such cooperation may include the provision of assistance to the Company, the Company's attorneys or representatives in the form of promptly responding to information requests, assisting with and responding to the preparation of pleadings and discovery, providing deposition testimony or otherwise participating in the deposition process, as well as providing testimony or otherwise participating in a matter that proceeds to trial, hearing or arbitration.

5. Breach. Independent Contractor expressly acknowledges that Sections 2, 3 and 4 are a material part of this Agreement and that a breach of these provisions may cause the Company irreparable harm for which monetary damages are inadequate compensation. Accordingly, Independent Contractor agrees that the Company will be entitled to injunctive relief to enforce this Agreement and the covenants contained herein, in addition to any other damages or remedies available.

6. Arbitration. Any controversy or claim arising out of or relating to this Agreement, its enforcement or interpretation, or because of an alleged breach, default, or misrepresentation in connection with any of its provisions, shall be submitted to arbitration, to be held in San Diego, California, before a retired Superior Court judge and shall be conducted in accordance with the provisions of the California Arbitration Act, the California Code of Civil Procedure, JAMS Rules. In the event either party institutes arbitration under this Agreement, the costs and expenses of such arbitration (including counsel fees) shall be borne by losing party as determined by the arbitrator.

7. Miscellaneous.

(a) Attorneys' Fees. If there is a lawsuit regarding this Agreement or any of the covenants contained herein, the prevailing party will be paid all reasonable costs and attorneys' fees by the other party to the lawsuit.

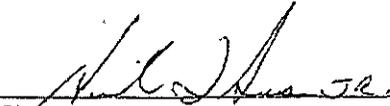
(b) Governing Law. This Agreement shall be governed by the laws of the State of California without regard to its conflict of law principles.

(c) Entire Agreement. The Company and Independent Contractor agree that this Agreement supersedes any and all previous agreements related to the subject matter of this Agreement unless expressly referenced. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the validity and enforceability of the remaining terms, provisions, covenants and conditions of this Agreement shall not in any way be affected, impaired or invalidated. This Agreement and the Independent Contractor agreement constitute the entire Agreement between the Company and Independent Contractor and may not be altered, modified, amended or changed, in whole or in part, except in a writing signed and agreed to by both the Company and Independent Contractor.

(d) Acknowledgments. Independent Contractor acknowledges that Independent Contractor has received a copy of the Agreement that Independent Contractor has read it and understands that compliance with this Agreement is one of the terms and conditions of Independent Contractor's association or continued association with the Company. Further that nothing contained in this agreement shall constitute or create an inference of employment or partnership between the parties or alter in any way the status of the parties relationship as set forth in the Independent Contractor Agreement between the parties.

I ACCEPT AND AGREE TO THE TERMS AND CONDITIONS OF DESCRIBED ABOVE INCLUDING, WITHOUT LIMITATION, MY STATUS AS AN INDEPENDENT CONTRACTOR.

Date: 2-20-2009


Signature

Nick T. Sullivan Jr.
Print Name

Initials: NT

EXHIBIT C

COMPENSATION

Independent Contractor is to be compensated on a commission basis only. If the Independent Contractor's efforts result in the client ordering a loan audit through US Loan Auditors and legal processing through US Legal Advisors, the commission shall be 50% of the up front fee charged to the borrower for the loan audit less administrative expenses (currently \$695), to be paid within 30 days of the payment from the Client and clearing US Loan Auditor's account.

By way of example, if the audit fee was \$2695, the resulting commission would equal \$1000

CHARGEBACKS

US Loan Auditors reserves the right to "chargeback" commissions in any event where US Loan Auditors was unable to collect fees from a client, or a refund had to be issued, and commissions were already paid to the Independent Contractor. US Loan Auditors will deduct the chargeback from future commissions earned.

Initials: *AT*

LABOR COMMISSIONER, STATE OF CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS DIVISION OF LABOR STANDARDS ENFORCEMENT	DATE FILED 8/15/2009
	DISTRICT OFFICE 08
	TAKEN BY
PLAINTIFF: NICHOLAS TSOUVAS JR.	
DEFENDANT: US Loan Auditors LLC, a California limited liability company	
DOES I THROUGH V, Defendant(s)	
CASE NO. #14-29594 TH	COMPLAINT

PLAINTIFF ALLEGES:

1. He was employed by the defendant named above to perform personal services as an Account Executive / Field Auditor
2. for the period February 23, 2009 to June 26, 2009
3. in the County of San Joaquin, California, under the terms of written agreement, at the promised rate of compensation of Commissions of 50% of the upfront fees charged to borrowers less \$695.00.
4. that there is due, owing and payable from the defendant to the plaintiff an amount as and for wages, penalties and/or other demands for compensation:
 - a. as shown in attached Exhibit A, incorporated herein;
 - b. as set out below:

Commissions earned February 24, 2009 to July 3, 2009 at 50% of the upfront fees charged to borrowers less \$695.00, claiming \$10,663.75 less \$2,270.00 paid. Balance claimed due: \$8,393.75. See the attached Exhibit A.

- c. And also alleging additional wages accrued pursuant to Labor Code Section 203 as a penalty of \$121.18 per day for an indeterminate number of days not to exceed thirty days.
- d. And also alleging additional wages accrued pursuant to Labor Code Section 203.1, as a penalty of per day for issuance of an insufficient payroll check for an indeterminate number of days not to exceed thirty days.

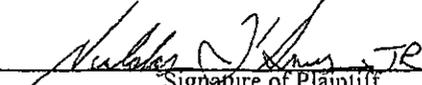
Interest pursuant to Labor Code Section 98.1. and/or 2802.

PLAINTIFF CERTIFIES THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF.

Executed at Sacramento, County of Sacramento, California

Dated: January 12, 2010

DATE OF SIGNATURE


Signature of Plaintiff

LABOR COMMISSIONER, STATE OF CALIFORNIA
Department of Industrial Relations
Division of Labor Standards Enforcement
31 East Channel Street, Room 317
Stockton CA 95202
Tel: (209) 948-7771 Fax: (209) 948-3623



PLAINTIFF: **Nicholas T'Souvas Jr.**

DEFENDANT: **US Loan Auditors LLC
a California Limited Liability Company**

STATE CASE NUMBER:
14 - 29594 TH

ANSWER

Thursday, April 1, 2010..... Armando Barajas

Defendant answers the complaint on file as follows:

AGREES:

DENIES

(Set forth any particulars in which the complaint is inaccurate or incomplete and the facts upon which you intend to reply. Use additional sheets if necessary)

Defendant certifies that the foregoing, including attachments, is true and correct to the best of his/her knowledge and belief.

Executed at _____ California, on _____, 20_____.

(Signature of person answering, with title, if answer is made on behalf of another person or entity)

(Type or print your name and name of person or entity, if any, on whose behalf this form is signed)

Department of Industrial Relations
DIVISION OF LABOR STANDARDS ENFORCEMENT
31 East Channel Street, Room 317
Stockton CA 95202
Tel: (209) 948-7771 Fax: (209) 948-3623



The following is important information regarding Labor Code section 98(a). You are urged to read and understand this material. If you have any questions, please contact the Deputy Labor Commissioner assigned to the case.

NOTICE TO DEFENDANT

Within 10 days after service upon you of the Notice of Hearing you may file an answer with the Labor Commissioner at the office listed on the Notice. The hearing scheduled in this matter will be conducted regardless of whether you submit an answer.

You may elect to be represented by an attorney. If you wish to seek the advice of an attorney in this matter, you should do so promptly so your written answer, if any, may be filed on time. You have the right to have a representative present at the hearing. It is not necessary that the representative be an attorney.

You will be given an opportunity at the hearing to testify on your own behalf; to present any relevant evidence; to present witnesses and to cross examine opposing parties and witnesses testifying. The hearing in this matter will be held regardless of whether you appear. An Order, Decision or Award will be issued in accordance with the evidence presented at the hearing.

Wages or expense reimbursements awarded pursuant to this hearing will accrue interest from the date they were due until paid in accordance with Labor Code sections 98.1 and 2802.

THIS MATTER CAN BE DISPOSED OF WITHOUT A HEARING IF YOU REMIT IN FULL THE AMOUNT SPECIFIED IN THE COMPLAINT, INCLUDING THE ADDITIONAL PENALTIES PURSUANT TO LABOR CODE SECTION 203 IF SPECIFIED IN THE COMPLAINT). IF YOU CHOOSE TO REMIT THE FULL AMOUNT DUE, YOU DO NOT NEED TO FILE AN ANSWER BUT MUST PROVIDE EVIDENCE THAT THE AMOUNT HAS BEEN PAID IN FULL.

NOTICE TO PLAINTIFF

Failure to attend the scheduled hearing will result in the dismissal of your complaint unless you have some unavoidable excuse for not appearing.

You may, but are not required, to be represented by an attorney. If you wish to seek the advice of an attorney in this matter, you should do so promptly. You have the right to bring a representative with you to the hearing. It is not necessary that such representative be an attorney.

You will be given an opportunity at the hearing to testify on your own behalf, to present any relevant evidence; to present witnesses and to cross examine opposing parties and witnesses testifying. If you have any reason to believe that the person or corporation named as a defendant in

the Notice of Hearing is not correct, you must notify the Deputy Labor Commissioner assigned to the case in writing immediately.

You should bring to the hearing all documents that support your position. An employer who intends to introduce business records into evidence should also bring to the hearing people who can explain how such records were prepared. If available, you should bring originals of all documents to the hearing. (California Evidence Code). In addition the original, you should bring three copies of all documents you intend to introduce; one for the Hearing Office, one for the opposing party and one for yourself.

If you wish to have witnesses testify, you may arrange for the witnesses to attend voluntarily, or you may request the Deputy assigned to the case to issue a personal subpoena to compel their attendance.

The Labor Commissioner, at the request of a party, may issue subpoenas for documents, records or witnesses. Application to the Labor Commissioner for issuance of subpoenas should be made at least fifteen (15) business days prior to the date of the hearing. Submit a written request on "Information for Subpoena" form (DLSE-564) stating the documents, records and/or witnesses you wish to subpoena and the reasons you feel they are relevant and necessary. If the party requesting the subpoena has not furnished satisfactory evidence that the witness(es) to be subpoenaed will be able to give necessary and competent testimony at the hearing to corroborate or establish a material fact in issue, at the exercise of his or her sound discretion, the Deputy Labor Commissioner may limit the number of witnesses subpoenaed. (8 CCR section 13506).

A subpoena may also be directed to a third party (i.e., banks, etc). When "personal records of a consumer" are subpoenaed, the party requesting the subpoena must follow all the technical requirements found in Code of Civil Procedure section 1985.3. When a subpoena requesting "business records" is served upon the custodian of records or other qualified witness to a business that is not a party to the hearing, the party requesting the subpoena must follow all the technical requirements found in Code of Civil Procedure section 1560.

Subpoenas may be served in person, by certified mail with return receipt requested, or by "messenger" if the witness served identifies himself/herself by reference to the date of birth, driver's license number, DMV identification number or other identifying information about the witness. You may request from the Deputy Labor Commissioner a copy of "Instructions for Service of Subpoena" form (DLSE-548). The party requesting the subpoena is responsible for all costs incurred in the service of the subpoena(s), witness fees and mileage. Witness fees currently are \$35 per witness and \$.25 per mile. (Government Code section 11450.40).

DEPARTMENT OF INDUSTRIAL RELATIONS

Division of Labor Standards Enforcement



NOTICE TO PARTIES: Disability accommodation is available upon request. Any person with a disability requiring an accommodation, auxiliary aid or service, or a modification of policies or procedures to ensure effective communication and access to the programs of the Division of Labor Standards Enforcement, should contact the Disability Accommodation Coordinator at the local District Office or the statewide Disability Accommodation Coordinator at 1-866-760-0144 (toll free). The statewide Coordinator can also be reached through the California Relay Service by dialing 711 or 1-800-735-2929 (TTY) or 1-800-855-3000 (TTY-Spanish). Accommodations can include modifications of policies or procedures or provision of auxiliary aids or services. Accommodations include, but are not limited to, an Assistive Listening System (ALS), a Computer-Aided Transcription System or Communication Access Realtime Translation (CART), a sign language interpreter, documents in Braille, large print or on computer disk, and audio cassette recording. Accommodation requests should be made as soon as possible. Requests for an ALS or CART should be made no later than five (5) days before the hearing.

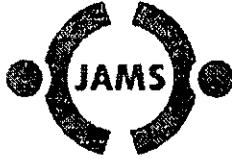
"AVISO A LOS PARTICIPANTES" Una Adaptación de Incapacidad está a la disposición cuando se solicite. Cualquier persona con una incapacidad, que requiera una adaptación razonable, a fin de tener acceso a los servicios de la División de Cumplimiento de las Normas de Trabajo (DLSE), debe comunicarse lo antes posible con el/la Coordinador(a) de adaptaciones para incapacidades en la Oficina de Distrito de la DLSE, o con el/la Coordinador(a) de incapacidades a nivel estatal al 1-866-760-0144 (numero gratuito). También puede comunicarse a través del Servicio Auxiliar (Relay Service) de California marcando el 711 ó el 1-800-735-2929 (TTY/inglés) ó 1-800-855-3000 (TTY/Español). Adaptaciones pueden incluir modificaciones de políticas o procedimientos o provisiones de asistencia auxiliar. Adaptaciones incluyen, pero no son limitados a, un sistema auxiliar de audición (ALS), un sistema de transcripción auxiliada por computadora o un(a) intérprete de Lengüaje por Señas, documentos en Braille, letras grandes, disco de computadoras y cinta de audio. Solicitaciones de adaptaciones deben ser hechas lo mas pronto posible. Solicitaciones para un ALS o CART deben de hacerse no menos de (5) días antes de la audiencia.

各方注意：殘障便利設施根據要求提供。要求便利設施、輔助或服務、或者修改政策或程序，藉以確保有效溝通和利用「勞工標準執行署」(Division of Labor Standards Enforcement) 方案的殘障人士應當與當地的區域辦事處殘障便利設施協調員或者與加州殘障便利設施協調員聯絡。電話號碼是 1-866-760-0144 (免費電話)。加州協調員也可以通過撥加州接轉服務的號碼 711、或 1-800-735-2929 (TTY)、或 1-800-855-3000 (TTY-西班牙語) 聯絡。便利設施可以包括對輔助或服務的政策或程序或供應進行修改。便利設施包括，但不限於「助聽系統」(ALS)、「電腦協助抄寫系統」或「通訊使用實時翻譯」(CART)、手語翻譯、盲文文件、大號姿態印刷或者電腦磁盤、以及錄音磁帶錄音。便利設施的要求應當盡早提出。對於 ALS 或 CART 的要求應當在聽證日期至少提前五 (5) 天提出。

소송 당사자에게 보내는 공고: 심신 장애를 위한 적응 조치는 의뢰에 의해 가능합니다. 효율적인 의사 소통 및 근로 기준 시행과의 프로그램은 이용하는 데 지장이 없도록 하기 위해서 심신 장애로 인해 보조 장치, 보조 서비스, 또는 정책 및 절차의 변경이 필요한 사람은 누구든지 반드시 지역사무실에 있는 장애 조정 책임자 또는 주 장애 조정 책임자에게 1-800-866-760-0144(요금 무료)번호로 연락해야 합니다. 주 장애 조정 서비스는 711 번 및 1-800-735-2929(TTY) 또는 1-800-855-3000(TTY-Spanish) 번호들을 통해 연락이 가능합니다. 조정에는 정책 및 절차의 변경, 보조 기구 및 서비스의 제공이 포함됩니다. 조정에는 청력 보조 시스템(ALS), 컴퓨터 복사 시스템 또는 커뮤니케이션 액세스 리얼타임 트랜슬레이션(CART), 수화 통역가, 점자 기록 또는 큰 활자로 되거나 컴퓨터 디스크 상으로 기록된 서류 그리고 오디오 카세트 기록 자료 등이 포함되며 그 외에도 여러 가지가 제공됩니다. 조정의 의뢰는 가능한 한 빨리 해야 합니다. ALS 나 CART 에 대한 의뢰는 심문이 열리는 날짜보다 적어도 5일 이전에 해야 합니다.

PAUNAWA SA MGA PARTIDO. Mayroong mga tulong para sa mga taong may kapansanan kapag hiniling ito. Dapat kontak in ng sinumang may kapansanan na kailangan ng tulong, gamit o serbisyo na pantulong, o ang bahagyang pag-iiba ng mga patakaran o pamamaraan para matiyak ang mabisang komunikasyon at ang pagtamo ng mga programa ng Division of Labor Standards Enforcement [Sangay para sa Paggapatupad ng mga Pamantayan sa Paggawa], ang Disability Accommodation Coordinator sa lokal na Tanggaping Pangdistrito o ang Disability Accommodation Coordinator para sa buong bansa sa 1-866-760-0144 (libreng tawag). Makokontakt rin ang Coordinator para sa buong bansa sa pamamagitan ng California Relay Service sa pag-dial ng 711 o 1-800-735-2929 (TTY) o 1-800-855-3000 (TTY-Espanyol). Puwedeng kabilang sa mga tulong ang mga bahagyang pag-iiba ng mga patakaran o pamamaraan o ang pagkaloob ng mga gamit o serbisyo na pantulong. Kabilang sa mga tulong, pero hindi limitado sa, ang Assistive Listening System (ALS) ang isang Transcription System na gumagamit ng Computer o ang Communication Access Realtime Translation (CART), isang sign language interpreter, mga documentong nakalimbag sa Braille, sa malalaking titik o nasa computer disk, at ang nararinig na cassette recording. Kailangang hingilin ang mga tulong sa lalong madaling panahon. Kailangang hingilin ang ALS o CART nang hindi kukulangin sa limang (5) araw bago ang pagding.

HÔNG BẢO GỬI CÁC BÊN LIÊN QUAN: Có dịch vụ trợ giúp người tàn tật khi có yêu cầu. Bất kỳ người tàn tật nào cần các tiện nghi đặc biệt, dịch vụ hoặc dụng cụ trợ giúp, hoặc yêu cầu điều chỉnh các qui định hoặc thủ tục để bảo đảm giúp họ liên lạc và tiếp cận hiệu quả các chương trình của Ban Thi Hành Các Tiêu Chuẩn Lao Động (Disability Accommodation Coordinator), xin liên lạc với Điều Phối Viên Dịch Vụ Trợ Giúp Người Tàn Tật (Disability Accommodation Coordinator) tại Văn Phòng Lưu Vực ở địa phương hoặc Điều Phối Viên Dịch Vụ Trợ Giúp Người Tàn Tật trên toàn tiểu bang tại số 1-866-760-0144 (số điện thoại miễn phí). Quý vị cũng có thể liên lạc với Điều Phối Viên trên toàn tiểu bang qua Dịch Vụ Chuyển Tiếp California (California Relay Service) bằng cách quyn số 711 hoặc gọi số 1-800-735-2929 (TTY) hoặc số 1-800-855-3000 (TTY-Tiếng Tây ban nha). Dịch vụ trợ giúp có thể bao gồm điều chỉnh các qui định và thủ tục hoặc cung cấp các dịch vụ hoặc dụng cụ trợ giúp như: dịch vụ trợ giúp bao gồm, nhưng không giới hạn trong các dịch vụ sau đây. Hệ Thống Trợ Giúp Nghe (Assistive Listening System-ALS), Hệ Thống Ghi Chép Trên Máy Tính Toàn (Computer-Aided Transcription System) hoặc Máy Truyền Thông Chuyển Ngữ Trực Tiếp (Communication Access Realtime Translation - CART), thông dịch từ ngôn ngữ ra dấu, tài liệu bằng chữ nổi Braille, bản in khổ lớn hoặc trên đĩa điện toán, và băng đầu âm. Quý vị cần thông báo nhu cầu cần dịch vụ trợ giúp càng sớm càng tốt. Nếu cần dịch vụ ALS hoặc CART, quý vị phải thông báo ít nhất năm (5) ngày trước buổi điều trần.



THE RESOLUTION EXPERTS[®]

Demand for Arbitration Before JAMS

TO RESPONDENT: Nick T'Souvas Jr.

Name of the Party on whom Demand for Arbitration is made)

(Address) 4441 Driftwood Court

(City) Discovery Bay

(State) CA

(Zip) 94505

(Telephone) _____

(Fax) _____

(E-Mail) _____

Representative/Attorney (if known): _____

(Name of the Representative/Attorney of the Party on whom Demand for Arbitration is made)

(Address) _____

(City) _____

(State) _____

(Zip) _____

(Telephone) _____

(Fax) _____

(E-Mail) _____

FROM CLAIMANT (Name) US Loan Auditors, LLC

(Address) 2882 Prospect Park Drive, Suite 350

(City) Rancho Cordova

(State) CA

(Zip) 95670

(Telephone) _____

(Fax) _____

(E-Mail) _____

Representative/Attorney of Claimant (if known): Pillsbury, Thomas Makris, Esq.

(Name of the Representative/Attorney for the Party Demanding Arbitration)

(Address) 400 Capital Mall, Suite 1700

(City) Sacramento

(State) CA

(Zip) 95814

(Telephone) (916)329-4708

(Fax) (916) 441-3583

(E-Mail) Thomas.makris@pillsbury.com

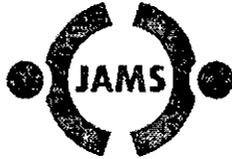
NATURE OF DISPUTE

Claimant hereby demands that you submit the following dispute to final and binding arbitration (a more detailed statement of the claim(s) may be attached) **SEE ATTACHED A**

ARBITRATION AGREEMENT

This demand is made pursuant to the arbitration agreement which the parties made as follows (cite location of arbitration provision & attach two (2) copies of entire agreement). **SEE ATTACHED A**

page 3 item 13



THE RESOLUTION EXPERTS[®]

Demand for Arbitration Before JAMS

CLAIM & RELIEF SOUGHT BY CLAIMANT

Claimant asserts the following claim and seeks the following relief (include amount in controversy, if applicable). SEE ATTACHED A

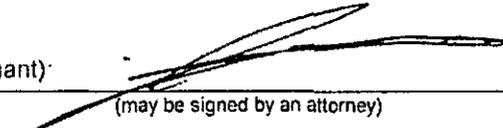
RESPONSE

Respondent may file a response and counter-claim to the above-stated claim according to the applicable arbitration rules. Send the original response and counter-claim to the claimant at the address stated above with two (2) copies to JAMS.

REQUEST FOR HEARING

JAMS is requested to set this matter for hearing at Sacramento
(Preferred Hearing Location)

Signed (Claimant):


(may be signed by an attorney)

Date

1-12-10

Print Name: James P Sandison

Please include a check payable to JAMS for the required initial, non-refundable \$400 per party deposit to be applied toward your Case Management Fee and submit to your local JAMS Resolution Center.

Claimant: US Loan Auditors, LLC
Respondent: Nick T'Souvas, Jr.

ATTACHMENT A

1. Claimant was an independent contractor working out of his personal residence.
2. Claimant has a written independent contractor agreement and that agreement requires Arbitration of any commission dispute.
3. Claimant seeks commission for clients he did not procure and for amounts not due.
4. Claimant used confidential and/or propriety information obtained from Respondent for Claimants benefit and in contravention of the written I.C.A. and so as to damage claimant.



THE RESOLUTION EXPERTS®

Demand for Arbitration Before JAMS

COMPLETION OF THIS SECTION IS REQUIRED FOR CLAIMS INITIATED IN CALIFORNIA

- A. Please check here if this IS or IS NOT a CONSUMER ARBITRATION as defined by California Rules of Court Ethics Standards for Neutral Arbitrators, Standard 2(d) and (e):

"Consumer arbitration" means an arbitration conducted under a pre-dispute arbitration provision contained in a contract that meets the criteria listed in paragraphs (1) through (3) below. "Consumer arbitration" excludes arbitration proceedings conducted under or arising out of public or private sector labor-relations laws, regulations, charter provisions, ordinances, statutes, or agreements.

- 1) The contract is with a consumer party, as defined in these standards,
- 2) The contract was drafted by or on behalf of the non-consumer party; and
- 3) The consumer party was required to accept the arbitration provision in the contract.

"Consumer party" is a party to an arbitration agreement who, in the context of that arbitration agreement, is any of the following:

- 1) An individual who seeks or acquires, including by lease, any goods or services primarily for personal, family, or household purposes including, but not limited to, financial services, insurance, and other goods and services as defined in section 1761 of the Civil Code,
- 2) An individual who is an enrollee, a subscriber, or insured in a health-care service plan within the meaning of section 1345 of the Health and Safety Code or health-care insurance plan within the meaning of section 106 of the Insurance Code;
- 3) An individual with a medical malpractice claim that is subject to the arbitration agreement, or
- 4) An employee or an applicant for employment in a dispute arising out of or relating to the employee's employment or the applicant's prospective employment that is subject to the arbitration agreement.

If Respondent disagrees with the assertion of Claimant regarding whether this IS or IS NOT a CONSUMER ARBITRATION, Respondent should communicate this objection in writing to the JAMS Case Manager and Claimant within seven (7) calendar days of service of the Demand for Arbitration.

- B. If this is an EMPLOYMENT matter, Claimant must complete the following information:

Effective January 1, 2003, private arbitration companies are required to collect and publish certain information at least quarterly, and make it available to the public in a computer-searchable format. In employment cases, this includes the amount of the employee's annual wage. The employee's name will not appear in the database, but the employer's name will be published. Please check the applicable box below.

Annual Salary:

- | | |
|---|--|
| <input type="checkbox"/> Less than \$100,000 | <input type="checkbox"/> More than \$250,000 |
| <input type="checkbox"/> \$100,000 to \$250,000 | <input type="checkbox"/> Decline to State |

- C. Consumers (as defined above) with a gross monthly income of less than 300% of the federal poverty guidelines are entitled to a waiver of the arbitration fees. In those cases, the respondent must pay 100% of the fees. Consumers must submit a declaration under oath stating the consumer's monthly income and the number of persons living in his or her household. Please contact JAMS at 1-800-352-5267 for further information.

ORIGINAL CHECK HAS A COLORED BACKGROUND PRINTED ON WHITE PAPER AND MICRO PRINT SIGNATURE LINES

US LOAN AUDITORS
2882 Prospect Park Drive, Suite 350
Rancho Cordova, CA 95670
(916) 273-3772

Bank of America North Natomas
Sacramento, CA
11-035/1210

004310

1/12/2010

PAY TO THE
ORDER OF JAMS

\$**400 00

Four Hundred and 00/100***** DOLLARS

JAMS

MEMO

T'Souvas Arbitration


AUTHORIZED SIGNATURE

⑈004310⑈ ⑆121000358⑆2480??2892⑈

US LOAN AUDITORS

JAMS

1/12/2010

004310

400.00

Direct any correspondence to:
LABOR COMMISSIONER, STATE OF CALIFORNIA
 Department of Industrial Relations
 Division of Labor Standards Enforcement
 31 East Channel Street, Room 317
 Stockton CA 95202
 Tel: (209) 948-7771 Fax: (209) 948-3623



PLAINTIFF: Nicholas T'Souvas Jr.

DEFENDANT: US Loan Auditors LLC
 a California Limited Liability Company
 2882 Prospect Park Dr. #350
 Rancho Cordova, CA 95670-6059

State Case Number
14-29594 TH

NOTICE OF HEARING-DEFENDANT

NOTICE! A hearing will be held before the Labor Commissioner of the State of California as follows:

PLACE: 31 East Channel, Room 317 Stockton, CA 95202

DATE: Thursday, April 1, 2010

TIME: 10:00 AM

as soon thereafter as the matter can be heard upon the complaint filed herein, a copy of which is attached and hereby served upon you. This hearing will be held pursuant to Labor Code Section 98(a) et. seq.

TO THE DEFENDANT:

1. Within 10 days after the service upon you of this Notice you may file an Answer with the Labor Commissioner at the office shown above. The hearing scheduled in this matter will be conducted regardless of whether you file or submit an Answer.
2. You may be but need not be represented by counsel. If you wish to seek the advice of counsel in this matter you should do so promptly so that your written answer, if any, may be filed on time. You have the right to have a representative present at the hearing. It is not necessary that such representation be an attorney.
3. You will be given the opportunity at the scheduled hearing to present any relevant evidence; present witnesses, and cross-examine witnesses testifying against you. Application for the issuance of subpoenas to compel the attendance of necessary witnesses and the production of books and documents can be made to the Office of the Labor Commissioner. The scheduled hearing in this matter will be held regardless of whether you appear. An Order, Decision or Award will be issued in accordance with the evidence offered at the hearing. A copy of the rules of practice and procedure governing these hearings is available at any district office of the Labor Commissioner.
4. Any wages awarded pursuant to this hearing will accrue interest from the date they were due until they are paid, in accordance with Labor Code Section 98.1 (c).
5. This matter can be disposed of without hearing by remitting in full the amount specified in the Complaint, including the additional wages pursuant to Labor Code Section 203 (if stated in the Complaint), in which event you need not file or submit an Answer.

Armando Barajas
 Armando Barajas Hearing Officer

Dated: March 01, 2010

NOTICE TO: c/o Jeff Pulvino, Owner / Agent, Daniel Whaley

You are served

<input type="checkbox"/> as an individual defendant	<input type="checkbox"/> AS THE PERSON OPERATING UNDER THE FICTITIOUS NAME OF
ON BEHALF OF <input checked="" type="checkbox"/> US Loan Auditors LLC	<input type="checkbox"/> CORPORATION <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> LLC <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> ASSOCIATION <input type="checkbox"/> LLP

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF LABOR STANDARDS ENFORCEMENT

CERTIFICATION OF SERVICE BY MAIL
(C.C.P. 1013A) OR CERTIFIED MAIL

I,Mary Serpa....., do hereby certify that I am a resident of or employed in the County ofSan Joaquin....., over 18 years of age, not a party to the within action, and that I am employed at and my business address is:

LABOR COMMISSIONER, STATE OF CALIFORNIA
31 East Channel Street, Room 317
Stockton CA 95202
Tel: (209) 948-7771 Fax: (209) 948-3623

I am readily familiar with the business practice of my place of business for collection and processing of correspondence for mailing with the United States Postal Service. Correspondence so collected and processed is deposited with the United States Postal Service that same day in the ordinary course of business.

OnMarch 01, 2010..... at my place of business, a copy of the following document(s):

.....**Notice of Hearing, Complaint and Answer**.....

was(were) placed for deposit in the United States Postal Service in a sealed envelope, by first class mail....., with postage fully prepaid, addressed to.

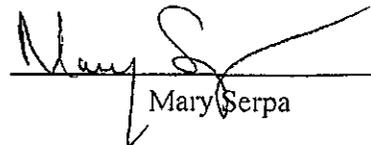
NOTICE TO PILLSBURY WINTHROP SHAW PITTMAN LLP
GREG L JOHNSON, TOM N. MAKRIS, AMY L PIERCE
400 CAPITOL MALL SUITE 1700
SACRAMENTO CA 95814-4419

and that envelope was placed for collection and mailing on that date following ordinary business practices.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on:March 01, 2010.... atStockton....., California

STATE CASE NUMBER: 14- 29594 TH



Mary Serpa