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UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:) P & S Docket No. D-11-0381
Jallaq Livestock, Inc., and)
Majdi Jallaq)
)
Respondent) Complaint and Notice of Hearing

There is reason to believe that the Respondent named herein has willfully violated the Packers and Stockyards Act, 1921, as amended and supplemented (7 U.S.C. § 181 et seq.) (Act), and, therefore, this complaint and notice of hearing is issued alleging the following:

I.

(a) Jallaq Livestock, Inc. (Corporate Respondent), was a corporation organized and existing under the laws of the State of Ohio. Corporate Respondent's corporate status was canceled on April 6, 2011, due to its failure to file corporate franchise tax reports and pay corporate taxes. Corporate Respondent's mailing address is 5463 Harrisburg Park, Grove City, Ohio 43123.

(b) At all times material herein, Corporate Respondent was:

(1) Engaged in the business of buying livestock in commerce for the purpose of slaughter, and of manufacturing or preparing meats or meat products for sale or shipment in commerce; and

(2) A packer within the meaning of, and subject to the provisions of, the Act.

(c) Majdi Jallaq (Individual Respondent) is an individual whose current mailing address is 5463 Harrisburg Park, Grove City, Ohio 43123.

(d) At all times material herein, Individual Respondent was:

ECM#65157

- (1) One hundred percent owner of Corporate Respondent;
- (2) Registered agent of Corporate Respondent; and
- (3) Responsible for the direction, management, and control of Corporate Respondent.

II.

(a) Corporate Respondent, under the direction, management, and control of Individual Respondent, in connection with its operations subject to the Act, on or about the dates and in the transactions set forth in Appendix A and incorporated herein by reference, purchased livestock and in purported payment of the net proceeds thereof, issued checks to consignors or shippers of such livestock which were returned unpaid by the bank upon which they were drawn because Corporate Respondent did not have and maintain sufficient funds on deposit and available in the account upon which such checks were drawn to pay such checks when presented.

(b) Corporate Respondent, under the direction, management, and control of Individual Respondent, in connection with its operations subject to the Act, commencing on or about August 2, 2010, and continuing through December 2, 2010, in approximately 24 transactions, purchased livestock in the total amount of approximately \$86,000.00, and failed to pay, when due, the full purchase price of such livestock. Corporate Respondent's payments were made between approximately 6 and 36 days late. Corporate Respondent purchased most of the livestock from United Producers, Inc., located in Hillsboro, Ohio, and Mount Vernon, Ohio.

III.

By reason of the facts alleged in paragraph I, Individual Respondent is the alter ego of Corporate Respondent.

By reason of the facts alleged in paragraph II, Respondent has willfully violated sections

202(a) and 409 of the Act (7 U.S.C. §§ 192(a), 228b).

WHEREFORE, it is hereby ordered that for the purpose of determining whether Respondent has, in fact, willfully violated the Act, this complaint and notice of hearing shall be served upon Respondent. Respondent shall have twenty (20) days after receipt of this Complaint and Notice of Hearing in which to file an answer with the Hearing Clerk, Room 1031-South Building, United States Department of Agriculture, 1400 Independence Avenue, SW., Washington, D.C. 20250-9200, in accordance with the Rules of Practice Governing Formal Adjudicatory Proceedings Instituted by the Secretary Under Various Statutes (7 C.F.R. § 1.130 et seq.) (Rules of Practice). Allegations not answered shall be deemed admitted for the purpose of this proceeding. Failure to file an answer shall constitute an admission of all the material allegations of this complaint and notice of hearing unless the parties have agreed to a consent decision pursuant to section 1.138 of the Rules of Practice (7 C.F.R. § 1.138). Respondent is hereby notified that unless hearing is waived, either expressly or by failure to answer and request a hearing, a hearing will be held in accordance with the Rules of Practice, at a time and place to be designated later. At the hearing, Respondent will have the right to appear and show cause why an appropriate order should not be issued in accordance with the provisions of the Act requiring that Respondent cease and desist from violating the Act with respect to matters alleged

herein and assessing such civil penalties as are authorized by the Act and warranted under the circumstances.

Done at Washington, D.C.

this 6 day of September, 2011



Alan R. Christian
Deputy Administrator
Packers and Stockyards Program

Leah C. Battaglioli
Attorney for Complainant
Office of the General Counsel
United States Department of Agriculture
Room 2309, Stop 1413
1400 Independence Avenue, SW.
Washington, D.C. 20250-1413
(202) 720-5191



APPENDIX A

US Department of Agriculture
 Grain Inspection, Packers and Stockyards Administration
 Packers and Stockyards Program (P&SP)
 Schedule of Checks Returned Unpaid for Livestock (V12-08-09)
 Entity Information

Investigation Date	Entity								OSA					Mailing Address	Control Number
12/21/2010	Jelling Livestock														
Purchase / Harvest Date	Seller's Name	Purchase Type	Number of Head	Livestock Amount	Net Invoice Adjustments	Net Invoice	Credit Agreement	Credit Days	Due Date	Check Date	Payment Instrument	Payment Instrument Number	Payment Amount	Date Instrument Returned	Remarks
02/29/2010	LPI - Hillsboro, OH	Live	120	\$13,593.03	00.00	\$13,593.03	No	0	0/21/2010	0/27/2010	Check	3562	\$13,359.51	10/5/2010	LPI's Bank cashed check 3562 and the check was returned NSF on 10/3/10. Bank policy is to attempt cashing the check a second time after being returned NSF. The check was cashed a second time and the check cleared on 10/5/10.
11/1/2010	LPI - Hillsboro, OH	Live	50	\$6,117.53	00.00	\$6,117.53	No	0	11/2/2010	11/9/2010	Check	3567	\$6,117.55	11/18/2010	LPI's Bank cashed check 3567 and the check was returned NSF on 11/15/10. Bank policy is to attempt cashing the check a second time after being returned NSF. The check was cashed a second time and the check cleared on 11/16/10.
11/22/2010	LPI - Hillsboro, OH	Live	62	\$6,789.75	00.00	\$6,789.75	No	0	11/23/2010	11/29/2010	Check	Counter Check	\$6,789.75	12/9/2010	Jelling issued a counter check in the amount of \$6,789.75 on 11/23/10. The check came back NSF. Jelling replaced the check with check 96 dated December 12, 2010, in the amount of \$13,687.10 to pay multiple invoices.