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UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

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In re:	)	P & S Docket No. 13-0188
M&L Farms, LLC, Jamil Jallaq,	)	
aka Sam Jallaq, and Majdi Jallaq,	)	
aka Mike Jallaq	)	
	)	
Respondents	)	Complaint and Notice of Hearing

There is reason to believe that the Respondents named herein have 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) M&L Farms, LLC (Respondent M&L) is a limited liability company organized and existing under the laws of the State of Ohio, with a mailing address of 5463 Harrisburg Pike, Grove City, OH 43123.

(b) Respondent M&L is, and at all times material herein was:

(1) Engaged in the business of buying livestock in commerce for the purpose of slaughter; and

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

(c) Jamil Jallaq, aka Sam Jallaq (Respondent Sam Jallaq) is an individual with a mailing address of 5463 Harrisburg Pike, Grove City, OH 43123.

(d) Respondent Sam Jallaq is, and at all times material herein was:

(1) An employee or agent of Respondent M&L;

(2) Engaged in the business of buying livestock in commerce for the purpose

of slaughter; and

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

(e) Majdi Jallaq, aka Mike Jallaq (Respondent Mike Jallaq) is an individual with a current mailing address of 5463 Harrisburg Pike, Grove City, OH 43123.

(f) Respondent Mike Jallaq is, and at all times material herein was:

(1) An employee or agent of Respondent M&L;

(2) Engaged in the business of buying livestock in commerce for the purpose of slaughter; and

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

## II.

On February 9, 2012, a Default Decision and Order was issued against Respondent Mike Jallaq in In re: Jallaq Livestock, Inc., and Majdi Jallaq, aka Mike Jallaq, P&S Docket No. D-11-0381. The Default Decision and Order became final and effective on March 17, 2012. The Default Decision and Order ordered Respondent Mike Jallaq and Jallaq Livestock, Inc., their agents and employees, directly or through any corporate or other device, to cease and desist from, inter alia, failing to pay, when due, the full purchase price of livestock.

## III.

(a) Respondent M&L, and Respondents Sam Jallaq and Mike Jallaq (collectively, Respondents), in connection with their 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 failed to pay, when due, the purchase price for such livestock.

(b) In a sworn affidavit signed by Respondent Sam Jallaq on July 26, 2012, Respondent Sam Jallaq admitted that his business is buying livestock for slaughter at his family's

slaughterhouse. Respondent Sam Jallaq further admitted that he is known as "Sam" at some sale barns in Ohio and that his sons, including Respondent Mike Jallaq, are involved in the business of the family slaughterhouse. Respondent Sam Jallaq also admitted that they primarily purchase livestock from Mt. Hope Auction and Terry Smith, but that in 2012 they also purchased livestock from Ron Morrow, Aaron Smith, and Ken Wheelock. Respondent Sam Jallaq further admitted that he attends the sales at Mt. Hope Auction to purchase livestock and that Respondent Mike Jallaq works at the slaughterhouse "doing whatever is needed." A copy of the affidavit is attached hereto as Appendix B and incorporated herein by reference.

#### IV.

By reason of the facts alleged in paragraphs II and III, Respondents have 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 Respondents have, in fact, willfully violated the Act, this Complaint and Notice of Hearing shall be served upon Respondents. Respondents 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, DC 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). Respondents are 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, Respondents 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 Respondents cease and desist from violating the Act with respect to matters alleged herein and assessing such civil penalties, jointly and severally, as are authorized by the Act and warranted under the circumstances.

Done at Washington, D.C.

this 15<sup>th</sup> day of March, 2013

Susan B. Keith  
Susan B. Keith  
Acting Deputy Administrator  
Packers and Stockyards Program

Leah C. Battaglioli  
Attorney for Complainant  
Marketing, Regulatory, and Food Safety Programs Division  
Office of the General Counsel  
United States Department of Agriculture  
South Building, Room 2319  
1400 Independence Ave., SW.  
Washington, DC 20250  
Phone: (202) 720-5191  
Fax: (202) 690-4322  
Email: [leah.battaglioli@ogc.usda.gov](mailto:leah.battaglioli@ogc.usda.gov)

APPENDIX A

Seller's Name	Purchaser Named on Invoice	Purchase/Harvest Date	Number of Head	Livestock Amount	Net Invoice Adjustments	Net Invoice	Due Date	Payment Date	Payment Instrument	Payment Instrument Number	Payment Amount	Days Late	Remarks
Mt Hope Auction Mt Hope, Ohio	M&L Farms, LLC	04/04/12	25	\$3,821.25	-\$106.82	\$3,928.07	04/05/12	04/04/12	Credit Card		\$3,800.00	7	
								04/12/12	Cash		\$128.07		
		04/18/12	21	\$3,499.50	-\$7.64	\$3,491.86	04/19/12	04/20/12	Check	1703	\$1,291.86	1	
								04/20/12	Cash		\$2,200.00		
		05/23/12	19	\$2,062.64	-\$8.67	\$2,053.97	05/24/12	05/31/12	Cash		\$2,053.97	7	
		05/30/12	39	\$5,659.88	-\$6.53	\$5,653.35	05/31/12	05/30/12	Cash		\$5,200.00	2	
								06/02/12	Cash		\$453.35		
		06/06/12	67	\$8,497.51	\$201.03	\$8,698.54	06/07/12	06/06/12	Check	1743	\$1,200.00	2	
								06/06/12	Cash		\$3,800.00		
								06/09/12	Cash		\$3,698.54		
		06/13/12	34	\$3,901.01	\$239.19	\$4,140.20	06/14/12	06/13/12	Check	1753	\$1,589.00	6	
								06/13/12	Cash		\$2,050.00		
								06/13/12	Cash		\$26.20		
								06/20/12	Cash		\$475.00		
07/18/12	22	\$2,739.00	\$0.00	\$2,739.00	07/19/12	07/18/12	Cash		\$1,900.00	7			
						07/26/12	Cash		\$839.00				
07/25/12	37	\$3,779.64	-\$15.03	\$3,764.61	07/26/12	07/25/12	Cash		\$2,800.00	4	Per conversation with Chester Mullet of Mt Hope Auction on 8/14/12, balance was hand-delivered in cash on 7/30/12.		
						07/30/12	Cash		\$964.61				
Ron Morrow Paris Ohio	Sam	05/21/12	23	\$3,171.60	\$215.00	\$3,386.60	05/22/12	07/11/12	Cashier's Check	150270	\$800.00	97	Respondent Mike Jallaq was listed as the remitter on cashier check #150270. The cashier's check was hand-delivered by Respondent Sam Jallaq's wife. \$370.30 of the check was applied to this purchase with the remainder applied to a prior purchase. Respondent M&L was listed as the remitter on the remaining cashier's checks. Respondent Sam Jallaq hand-delivered cashier's check #9378503857. Underpaid by 30¢.
						08/11/12	Cashier's Check	9378503857	\$800.00				
						08/18/12	Cashier's Check	9378503881	\$600.00				
						08/27/12	Cashier's Check	9294501341	\$1,616.00				
Ken Wheelock West Milton, Ohio	Jallaq Livestock	07/05/12	38	\$4,440.00	\$170.00	\$4,610.00	07/06/12	07/12/12	Cash		\$4,610.00	6	
							07/16/12	Counter Deposit		\$1,500.00		10	Originally was given a check from Jallaq Livestock, Inc. for the full amount, but it was replaced by the 3 counter deposits. Overpaid by \$22.00.
	07/12/12	26	\$3,718.00	\$0.00	\$3,718.00	07/13/12	07/19/12	Counter Deposit		\$1,160.00			
							07/23/12	Counter Deposit		\$1,080.00			