

39021-3-II

IN THE COURT OF APPEALS OF THE STATE OF WASHINGTON
DIVISION II

GARY R. PROBST, et ux, d/b/a
DIAMOND DRIVING SCHOOL,

Appellants,

vs.

DEPARTMENT OF LABOR AND
INDUSTRIES OF THE STATE OF
WASHINGTON, and the
DIRECTOR OF THE
DEPARTMENT OF LABOR AND
INDUSTRIES OF THE STATE OF
WASHINGTON,

Respondents.

Court of Appeals No. 39021-3-II

Thurston County Superior Court
No. 08-2-01817-0

FILED
COURT OF APPEALS
DIVISION II
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STATE OF WASHINGTON
BY DEPUTY

APPEAL FROM THE SUPERIOR COURT OF
THE STATE OF WASHINGTON
FOR THURSTON COUNTY
THE HONORABLE RICHARD HICKS, JUDGE

BRIEF OF APPELLANTS

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This is an appeal from the Superior Court of the State of Washington for Thurston County, which on February 27, 2009 affirmed the July 23, 2008 Decision and Order of the Board of Industrial Insurance Appeals and dismissed the appeal of Probst to the Court, and affirmed the Notice and Order of the Director of the Department of Labor and Industries of Assessment of Industrial Insurance Taxes in the total sum of \$953,159.26. Thereafter, Probst appealed to this court.

I.

PRELIMINARY STATEMENT

Gary Probst will hereafter be referred to as "Probst". The Director of the Department of Labor and Industries will be referred to as "Director". The Board of Industrial Insurance Appeals will hereafter be referred to as "The Board", the Certified Appeal Board Record will be referred to as "Tr" followed by the appropriate page numbers. The Superior Court of the State of Washington for Thurston County will hereafter be referred to as "Superior Court".

There is attached hereto six (6) appendices as follows:

- a. Appendix 1 is a copy of the Notice and Order of Assessment of Industrial Insurance Taxes by the

Department which was identified as Exhibit 1 in the proceedings before The Board.

- b. Appendix 2 is a copy of Exhibit 2 from the proceedings before The Board. It is a letter from Gary R. Probst to Kenneth Cochran of the Department of Licensing.
- c. Appendix 3 are copies of Exhibits 7 and 124 admitted before The Board and are evidence of reports to the Department of Labor and Industries of workers, the payment of the premiums, and the acceptance of the same by the Department of Labor and Industries. Appendix 3 is 38 pages in length.
- d. Appendix 4 are copies of documents, i.e. the application for licenses of some of the Diamond Driving Schools which were admitted into evidence in the proceedings before The Board.
- e. Appendix 5 is a copy of the Board's Decision and Order.
- f. Appendix 6 is a copy of the Notice of Appeal from the Superior Court to the Court of Appeals.

Attached thereto is a copy of the Judgment, Findings of Fact, Conclusions of Law and Order of the Superior Court.

II.

ASSIGNMENTS OF ERROR

1. Probst assigns error to Finding of Fact 1.4 of the Superior Court which reads as follows:

“1.4 Petitioners failed to either pay all taxes, penalties and interest, or obtain a court determination that the payment was an undue hardship prior to filing his appeal.”

2. Probst assigns error to Finding of Fact 1.5 of the Superior Court which reads as follows:

“1.5 The Board’s Findings of Fact numbers 1-8 are supported by substantial evidence in the record and are hereby incorporated by this reference.”

3. Probst assigns error to Finding of Fact 2 of the Board approved and incorporated by the Court in its Finding of Fact 1.5 which reads as follows:

“1.5 During the third and fourth quarters of 2003, and all of the four quarters of 2004 and 2005, and for the first and second quarters of 2006, Gary R. Probst and et ux, d/b/a Diamond Driving School was providing driving instruction at

numerous locations throughout the State using names such as Diamond Driving Schools, America's Best Driving Schools, and Quality Driving Schools.

4. Probst assigns error to Finding of Fact 3 of the Board and incorporated by the Court in Finding of Fact 1.5 which reads as follows:

"1.5 During the third and fourth quarters of 2003 and all four quarters of 2004 and 2005, and for the first and second quarters of 2006, Gary R. Probst et ux, d/b/a Diamond Driving School was the owner and Lessor of multiple classroom facilities, furnishings and automobiles in the State of Washington that were used by instructors to provide drivers training. That firm controlled the manner of driving instruction services by providing commercial advertising, insurance coverage, payment of leases and handling bookkeeping for numerous driving schools throughout the State of Washington.

5. Probst assigns error to the Board's Finding of Fact 4 which was incorporated by the Court in its Finding of Fact 1.5 which reads as follows:

"1.5 During the third and fourth quarters of 2003, all of the four quarters of 2004 and 2005, and for the first and second quarters of 2006, Gary R. Probst, et ux, d/b/a Diamond Driving School, contracted with various individuals to provide such classroom and driving instruction to

students throughout the State of Washington, and paid those instructors and hourly rate, and those instructors were employees of his firm, and were not independent contractors because the essence of their contract with that firm was for their personal labor.”

6. Probst assigns error to Finding of Fact 5 of the Board and incorporated by the Court in its Finding of Fact 1.5 which reads as follows:

“1.5 During the third and fourth quarters of 2003, all of the four quarters of 2004 and 2005, and for the first and second quarters of 2006, Gary R. Probst, et ux, d/b/a Diamond Driving School intended to avoid the burdens of the Industrial Insurance Act by misrepresenting his payroll and failing to pay industrial insurance premiums for its workers either at all or in a timely fashion as required by law.

7. Probst assigns error to Finding of Fact 6 of the Board, adopted by the Court in Finding of Fact 1.5 which reads as follows:

“1.5 For the third and fourth quarters of 2003, all of the four quarters of 2004 and 2005, and for the first and second quarters of 2006, Gary R. Probst, et ux, d/b/a Diamond Driving School failed to present adequate records when requested by a subpoena issued by the Department of Labor and Industries and otherwise failed to cooperate with the auditor pursuant to a legal audit she was conducting to determine if the firm owed

industrial insurance taxes to the state fund.

8. Probst assigns error to Finding of Fact 7 of the Board adopted by the Court in its Finding of Fact 1.5 which reads as follows:

“1.5 During the third and fourth quarters of 2003, all of the four quarters of 2004 and 2005, and the first and second quarters of 2006, the Department of Labor and Industries estimated the amount of industrial insurance premiums owed by Gary R. Probst, et ux, d/b/a Diamond Driving School for this period, plus penalties and interest in the amount of \$105,538.13, and the Department also assessed penalties including \$53,453.35 because he was unregistered, \$28,500.00 for failure to keep records, \$250.00 for failure to provide records, and \$764,178.00 for employer misrepresentation for a total amount assessed equal to \$948,157.28.”

9. Probst assigns error to the Court’s Conclusion of Law 2.3 and the Conclusions of Law numbered 1-11 of The Board.

10. Probst assigns error to the entry of the Judgment and paragraphs 3.1, 3.2 and 3.3 thereof entered by the Court on February 27, 2009.

III.

ISSUES PERTAINING TO ASSIGNMENTS OF ERROR

The issues pertaining to assignments of error are as follows:

1. Are the Findings of Fact of the Superior Court and those of The Board adopted by the Superior Court valid and supported by substantial evidence?

2. Was the Superior Court correct in ruling that Petitioner's Appeal to the July 23, 2008 Decision and Order of The Board is dismissed, and in the alternative if jurisdiction is found at any appeal, then the July 23, 2008 Decision and Order is correct and affirmed in all respects?

3. Does RCW 51.52.112 bar Probst from appealing the decision of the Board?

Probst contends that the answers to each of these questions is "no".

IV.

PROCEEDINGS BELOW

These proceedings commenced with the assessment of \$953,159.26 by the Department against Probst. Hearings were held resulting in a decision adverse to Probst by The Board. The Board's decision was later affirmed by the Superior Court. This appeal followed.

V.

FACTS

1. Ownership of Schools prior to 2005: Prior to 2005, Probst, as a partner, in a partnership (as described in the Probst I case, 121 Wn.App. 288, 88 P.3d 413 (2004)) providing driver education classes throughout the State of Washington. The Department of Labor and Industries commenced an action against him to collect premiums. The Department contended that the instructors were workers while Probst contended that they were independent contractors. Probst lost the argument and was required to pay assessments of \$68,028.76. R & G Probst v. Labor and Industries, 121 Wn.App. 288, 88 P.3d. 413 (2004).

Probst quit the driving instruction business. On September 21, 2005, he forwarded to the Department of Licensing a request that he be removed from the schools identified therein. Exhibit 2 Appx. 2. In September 2006 he was served with an Assessment of Industrial Insurance Taxes (premiums) which assessment was dated September 5, 2006. By this Assessment, the State of Washington claimed he owed \$953,159.25. Probst appealed the Assessment. The Board of Industrial Insurance Appeals ruled against him. The ruling of The Board was sustained by the Superior Court and this

appeal is from the Superior Court ruling. The Assessment is described in Appx. 1 attached to this Brief.

On September 21, 2005, Probst notified the State of Washington, Department of Licensing, that he had terminated all of his interest in the various schools formerly operated by him. He had transferred these schools to Dan Barker, Mike Cassidy, Sean Probst (his son) and Malia Probst-Orbino (his daughter). After he transferred these schools as indicated, he had no financial interest in the schools. He did rent an automobile to the schools from time to time. He had no decision making authority or check writing authority. He was simply a person whose advice was sought from time to time. (Tr. 11-6-07 pp. 8-11). Exhibit 2.

Dan Barker acquired ownership of the Diamond Driving Schools for Sammamish, Enumclaw, Burien, Auburn, and Maple Valley, Washington. The first school which he acquired was Diamond Driving School of Sammamish, Washington in 1999 or early 2000. He operated this school as a sole proprietor and later transferred it to a corporation owned by him. He used a tax consultant to incorporate and has used his services ever since, which included the reporting of information to the Department of Labor and Industries with respect to workers compensation premiums. The only

owners of the stock of this corporation are Dan Barker and his wife. He acquired an additional four (4) of the old locations of America's Best and Diamond Driving Schools. He purchased them paying \$5,000.00 for each school. The schools were purchased by his corporation and have been operated by his corporation since acquisition. (Tr. 11-8-07 hearing pp. 48, 53).

Mike Cassidy owned Diamond Driving Schools in Silverdale, Poulsbo, Port Orchard and Tacoma, Washington, and America's Best Driving School in Bremerton, Washington. He has been an owner since 2000. Mike Cassidy testified as follows:

“Q. Did Gary Probst have any interest in your schools from 2003 to 2006?

A. No.

Q. Did he have any check signing authority?

A. No.

Q. Or any management of any funds of yours?

A. No.

Q. Did he own any property you were using?

A. No. Let me back up. There was one vehicle that I purchased from him as I acquired the business, and so I guess

technically he owned the vehicle until I bought it from him, until I made the final payment. I guess that's the way it really works.

Q. Well, that's the way it usually works, is that the way it worked with you?

A. Yes.

Q. And is that still the case?

A. I own the vehicle now, yeah.

Q. He has no interest whatsoever in your business?

A. No. Absolutely none.

Q. He never got paid from your business?

A. No.

Q. Other than the car that you bought from him.

A. Right.

Q. And he had no management?

A. No.

Q. He has no say whatsoever in the business?

A. No.

Q. Alright, did he have any access to your books or records?

A. No. Nor did he ask for it.

Q. Now with your companies, who files the reports for the Department of Labor and Industries for premiums?

A. That's my responsibility.

Q. You do that? You write the checks?

A. Yes.

Q. And send it all in to the Department?

A. Yes. (Dep. Cassidy p 6L7 – p 7L1)."

Sean Probst started operating driving schools as sole owner sometime in 2002 or 2003. He closed his schools in 2005. At the time that he closed his schools, he transferred them to his sister, Malia Probst-Orbino. The locations of his schools were downtown Puyallup, South Hill, Spanaway, Federal Way and Burien, Washington. He was the sole owner. His father did not own anything in the schools owned by Sean Probst. He held no position of administration or control. He was not paid any money by Sean Probst. He did give advice from time to time as requested by his son.

At the time Sean Probst ran his schools, the Labor and Industry premiums were paid through his sister Malia Orbino's school,

Diamond Driving School of Pierce County. (Testimony of Sean Probst 11-9-2007 pp. 4-11).

In January 2006, Sean Probst was the managing partner of Traffic Safety Associates. The operation of Traffic Safety Associates was under his direction. (Sean Probst 11-9-07 hearing, p. 8).

Malia Probst-Orbino, the daughter of Gary Probst, owned driving schools from 2003 until about the end of 2006. She owned and operated Diamond Driving School of Pierce County, most Quality Driving Schools, Maple Valley and Vancouver, and other Diamond Driving Schools. She completed and submitted reports to the Department of Labor and Industries for the instructors that were used. When asked whether Gary Probst had any interest in any of the schools that she owned, her answer was none. When asked if she paid him any money, her answer was no. When asked if she rented any cars from Gary Probst, her answer was over the course of that time, maybe one or two. When she rented a car from him it was done on an hourly basis. She was the decision maker as to how the schools were to be operated. When asked if she paid any money to Gary Probst, her answer was no. (Malia Probst Deposition p. 11 – p. 13).

2. Records Produced: In August 2006, Gary Probst was served with a subpoena to produce records for America's Best Driving Schools, Quality Driving Schools, and Diamond Driving Schools. The subpoena was issued by Ms. McNutt. Since Probst had transferred all of his ownership in these schools as stated above, he had no records in his possession.

In response to the subpoena, he called Ms. McNutt who was then with the Department of Labor and Industries. His first inquiry was that he would like to have the place of production, other than Kennewick, Washington. This request was denied. The second request was that he would not be able to produce records because he did not have the same in his possession. Ms. McNutt responded by telling him to bring whatever records he had. He then went to Kennewick, Washington, bringing what few documents he had in his possession.

When served with the subpoena, he inquired of his daughter, Malia Probst-Orbino, and his son, Sean Probst, as to whether or not they would give him the records so that he could take them to the Department of Labor and Industries for examination. Both Malia Probst-Orbino and Sean Probst refused to give the records to their father, but did assure him that if they each got a subpoena for the

records, they would produce them for examination by the state. Probst so informed Sharon McNutt. Probst was served with the Assessment shortly thereafter. (Tr. 11-6-07 Probst pp. 15-18).

Malia Probst-Orbino acknowledged that her father had asked her to release the records to him so that he could take them to the Labor and Industries examiner. Her response was as follows:

“I knew some of the other issues from Labor and Industries from years back, and I didn’t want him touching anything. Because if he has anything to do with that, then I didn’t want Labor and Industries coming after anything from me because I had seen the nightmare that he had had with them before. So, I was a little hesitant to let him see anything, to be honest with you.

Q. Did you tell him that you would produce them if the subpoena was directed to you?

A. Yes, once the State actually came and asked for something specifically, then I would have no problem doing it.” (Dep. 11-6-07 p. 14).

A similar exchange took place between Sean Probst and Gary Probst wherein the records would be produced if the subpoena was directed directly to Sean Probst. Neither Malia Probst-Orbino nor Sean Probst were ever served with a subpoena to produce records.

3. Operation of Schools and Filing of Reports and Payment of Premiums: After the acquisition of the driving schools by Malia Probst-Orbino and Sean Probst, they operated the schools and did submit reports to the Department of Labor and Industries. Malia Probst-Orbino prepared the documents and submitted them to the Department of Labor and Industries. Exhibit 124, Appx. 3. The document comprising these exhibits were prepared by Malia Probst-Orbino, and pertain to the Labor and Industries reports and payments of premiums. They show the checks given in payment of premiums due and a statement from the Department of Labor and Industries that the account was paid in full. (Malia Probst-Orbino Deposition, pp. 15-22, Exhibit 124). These records show that \$27,056.52 of premiums were charged and paid. The exhibit shows the assistance given by the Department of Labor and Industries to Malia Probst-Orbino with respect to the preparation of the documents and their submission. It also contains a document dated 12/20/06 addressed to Malia Katherine Probst, Diamond Driving School of Pierce County, and it states:

“Your account is now paid in full and closed. Thank you for your diligence. Please call me if you have any questions. Thank you. Jill Reha (signed this document).”

In 2007, Shannon McNutt became aware of the records that had been filed by Malia Probst-Orbino. She was aware that these records showed assessments and premiums paid. It shows premiums paid for the periods of 2003 to 2006. This exhibit was part of the Department's business records available to Ms. McNutt for her examination. When asked if she thought she should revisit her assessment and make adjustments to the audit in light of this information, her answer was "no". (McNutt Deposition 11-27-07 p. 36).

Ms. McNutt ignored the fact that records had been submitted to the Department of Labor and Industries by Malia Probst-Orbino in the course of the operation by her and her brother of their businesses. She ignored the fact that payments totaling \$27,056.52 had been received by the Department on the obligation. Her assessment shows no adjustments for this payment. By ignoring this payment and not including it in her assessment, she is asking that this \$27,056.52 be paid twice and that it be included in the penalties as if it had never been paid.

The fact that McNutt did not revisit her assessment when it was clear she missed this payment of \$27,056.52, and further missed

the fact that the revenue officer who was working with Malia Probst-Orbino with respect to the filing of reports and payment of premiums, had issued a statement that the account was paid in full, raises serious questions about the objectivity of McNutt's investigation. Her refusal to issue subpoenas to Malia Probst-Orbino and Sean Probst, the actual owners of the businesses involved and the custodians of the records for said businesses, causes one to conclude that the old adage of "don't confuse me with the facts as my mind is already made up" was applied by McNutt in her evaluation of this matter.

VI.

ARGUMENT

1. Statutes Material to Argument: The statutes material to this action are the statutes defining employer and the imposition of a substantial penalty.

An employer is a person or body of persons, corporate or otherwise, engaged in this state in any work covered by the provisions of this title (RCW 51) by way of trade or business or who contracts with one or more workers, the essence of which is the personal service of such worker or workers. RCW 51.08.070.

RCW 51.48.020 is the statute imposing penalties upon employers who falsely report or fail to secure payment of compensation and provides as follows:

“Any employer who knowingly misrepresents to the Department the amount of his or her payroll or employee hours upon which this title is based shall be liable to the State for up to ten times the amount of the difference in premiums paid and the amount the employer should have paid for the reasonable expenses of auditing his or her books.”

2. Construction of a Statute is a Question of Law: The State Supreme Court is the ultimate authority as to what a statute means. However, the Court is under an obligation to give effect to the intent of the legislature and where the language of the statute is clear, legislative intent is derived from the language of the statute. State v. Wentz, 149 Wn.2d. 342, 346, 68 P.3d. 282 (2003) at pp. 345, 346. State v. J.P., 149 Wn.2d. 444, 69 P.3d. 318 (2003) at p. 450.

The Court cannot add words or clauses to an unambiguous statute when the legislature has chosen not to include that language. The court may not delete language from an unambiguous statute. Statutes must be interpreted and construed so that all of the language used is given effect with no portion rendered meaningless or superfluous. The plain meaning of a statute may be discerned

from all that the legislature has said in the statute and related statutes which disclose legislative intent about the provision in question. State v. J.P., supra at p. 450.

RCW 51.08.070 defines an employer as one who hires workers. While the employer in this case were various Diamond Driving Schools, the employer at the times material to this case **was not** Gary Probst. After September 21, 2005, it is obvious that Gary Probst had no interest in any of the driving schools. The owners of the various schools that formerly were under the name Diamond Driving Schools were Dan Barker, Mike Cassidy, Sean Probst and Malia Probst-Orbino. These individuals were the owners of the schools and the only ones who had the authority to make decisions with respect to these schools. They were the only ones who were authorized to hire workers.

The owners of the schools, and thus the schools themselves, submitted either individually or through Malia Probst-Orbino reports to the Department of Labor and Industries and paid the premiums that were due. After September 21, 2005, no assessments should have been made against Gary Probst as he was not an employer.

RCW 51.48.020 pertains to an employer who knowingly misrepresents to the Department the account of his or her payroll,

etc. After September 21, 2005, Gary Probst was not an employer. Gary Probst made no representations to the Department of Labor and Industries concerning anything about workers.

The records that were submitted to the Department of Labor and Industries after September 21, 2005 did not misrepresent to the Department the amount of the payroll or the worker hours.

The Assessment of the penalties should be stricken because (a) Gary Probst was not an employer, (b) there was no knowing misrepresentation by anyone to the Department with respect to the payroll of the schools, and (c) there is no evidence that the representations set forth in the report of payments made to the Department were misrepresentation.

The prejudice of Ms. McNutt is clearly shown when she refused to conduct any investigation into the records that were actually within the possession of the Department of Labor and Industries pertaining to premiums due and monies paid. She refused to subpoena the people who actually had the possession and control of the records and who would have surrendered the records for inspection if they had been subpoenaed.

An example of her prejudice during her testimony is that if two instructors had nine (9) students, she treated them as if they had

received individual classroom teaching, notwithstanding that it was common for all of the students to be in the classroom at the same hour. This assumption allowed her to charge 9 hours of classroom teaching for each individual student, notwithstanding all 9 of them were in the classroom for the same one hour session. She treated each student as being the only student in the automobile when there usually were three (3) students for the driving instruction.

While the State has broad powers, it should not plunder its citizens by the use of false assumptions and ignoring evidence actually within the State's possession.

The Department claimed that \$70,258.19 in premiums remained unpaid. This ignores the \$27,036.52 which was in fact paid to the State and kept by the State. This sum should be applied to the State's claim of unpaid premiums and reduces the same to \$43,221.67. While it is Probt's position that no assessment should be imposed.

3. RCW 51.52.112 Deposit: RCW 51.52.112 provides in part that all taxes, penalties and interest shall be paid before any action may be instituted in any court to contest all or any part of taxes, penalties or interest, unless the court determines there would

be an undue hardship to the employer. This statute was enacted during the 1986 session and is found at c 9 § 19 of the session laws.

RCW 51.52.110 Court Appeal – Taking the Appeal was last amended in 1988, C 202 § 49 of the session laws. This statute provides in part that within thirty (30) days after a decision of the board to deny the Petition for Review has been communicated to the **employer** ... or within thirty (30) days after the final decision and order of the board upon appeal has been communicated to such ... employer ... such employer ... aggrieved by the decision and order of the Board may appeal to the Superior Court. If such Employer ... fails to file with the Superior Court its appeal as provided in this section within thirty (30) days, the decision of the Board to deny the Petition or Petitions for review, or the final decision and order of the Board, shall become final.

The statute further states: No bond shall be required on appeals to the superior court or on review by the supreme court or the court of appeals, except that an appeal by the employer from a decision of the board under RCW 51.48.070 shall be ineffectual unless within five (5) days following the service of notice thereof, a bond with surety satisfactory to the court, shall be filed, conditioned to perform the judgment of the court”.

The court reviser under the historical and statutory notes states, "Reviser's Note: RCW 51.48.070 was repealed by 1996 c 60 § 2."

To enforce RCW 51.52.112 and require Probst to pay \$953,159.26 before he even can file a Notice of Appeal, which unless filed within thirty (30) days of the final decision of the board, is jurisdictionally final, is to deny Probst a reasonable access to the courts to redress an injustice.

In addition thereto, RCW 51.52.112 is repealed by the enactment of RCW 51.52.110.

It is true that the Supreme Court does not favor repeal by implication, and where potentially conflicting acts can be harmonized, they construe each to maintain the integrity of the other. Anderson v. Department of Corrections 159 Wn.2d 849, 154 P.3d 220 (2007) 858-859.

However, the conflict between these two statutes is fundamental. RCW 51.52.112 should be considered repealed by implication. To enforce RCW 51.52.112 is to prevent an employer a court appeal, particularly in the case of the assessment of large sums of money. Before the employer can even initiate an appeal under RCW 51.52.110, he must pay the obligation. He only has thirty (30)

days in which to do this. In addition thereto, RCW 51.52.110 says:
No bond shall be required except under a statute cited therein which
has been repealed.

Accordingly, the court should relieve Probst from doing the
impossible. Probst should not be denied his day in court, a
meaningful day which all issues are concluded.

VII.

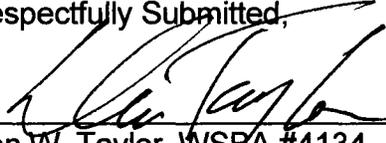
CONCLUSION

Probst respectfully requests this Honorable Court to reverse
the decision of the Superior Court and of the Board of Industrial
Insurance Appeals and remand this matter to the Superior Court with
direction that the decision and order of the court be reversed.

Probst further requests that this Court direct the Superior
Court to enter a judgment relieving him of the purported
assessments, penalties and taxes levied against him or in the
alternative reducing the same by the amount of money that the State
of Washington has actually received from Diamond Driving Schools
and has failed to account for the same.

DATED: May 16, 2009.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Don W. Taylor", written over a horizontal line.

Don W. Taylor, WSBA #4134
Of Owens Davies Fristoe
Taylor & Schultz, P.S.
Attorneys for Appellant Probst

NOTICE AND ORDER OF ASSESSMENT

Department of Labor and Industries
 COLLECTIONS
 Olympia, Washington 98504-4170

) Notice and Order of
) Assessment of Industrial
) Insurance Taxes

IN THE MATTER OF THE ASSESSMENT OF
 INDUSTRIAL INSURANCE TAXES AGAINST:

) FIELD AUDIT

) No. 0422202

GARY R PROBST AND
 ROSELANI Y PROBST HIS SPOUSE,
 AND THE MARITAL COMMUNITY COMPOSED THEREOF,
 A SOLE PROPRIETORSHIP,
 DBA DIAMOND DRIVING SCHOOL
 9109 VETERANS DR SW
 LAKEWOOD WA 98498

An Employer, Account ID 846,031-02
 Unified Business Identifier (UBI) 601269365)

THE DIRECTOR OF THE DEPARTMENT OF LABOR AND INDUSTRIES OF THE STATE
 OF WASHINGTON:
 TO:

GARY R PROBST AND SPOUSE,
 9109 VETERANS DR SW
 LAKEWOOD WA 98498

IT IS ORDERED by the Director, pursuant to RCW 51.48.120, that taxes due and owing by you to the STATE FUND are hereby determined to be the sum of Nine Hundred Fifty Three Thousand, One Hundred Fifty Nine and 26/100 Dollars, (\$953,159.26), and that said taxes are hereby assessed per Field Audit.

Period (Qtr)	Premium Due Per Employer Report	Penalties & Interest Due Per Employer Report	Premium Due Per Audit	Penalties & Interest Due to Date	Payments	Balance Due
UNREGSTR			\$ 0.00	\$ 53,453.33 PEN 0.00 INT	0.00	\$ 53,453.33
NOT KEPT			0.00	28,500.00 PEN 0.00 INT	0.00	28,500.00
UNAVAIL			0.00	250.00 PEN 0.00 INT	0.00	250.00
MISREP			0.00	765,417.80 PEN 0.00 INT	0.00	765,417.80
062	0.00	0.00 PEN 0.00 INT	6,283.59	628.36 PEN 125.68 INT	0.00	7,037.63

46,031-02 0746299

Board of Industrial Insurance Appeals
 In re: Gary Probst
 Docket No.: 0620246
 Exhibit No.: _____
 ADM. 11/6/07 Date REJ.

NOTICE AND ORDER OF ASSESSMENT
Department of Labor and Industries

No. 0422202

An Employer, Account ID 846,031-02
UBI: 601269365

Request for reconsideration of this order must be made in writing to the Department of Labor and Industries in KENNEWICK within thirty (30) days. A further appealable order will follow such a request.

You are further notified that any appeal of this NOTICE AND ORDER OF ASSESSMENT must be made within thirty days of the date of service by filing an appeal with the Board of Industrial Insurance Appeals, PO Box 42401, Olympia WA 98504-2401, and sending a copy of said appeal to the Director of the Department of Labor and Industries, by mail or personal delivery, pursuant to RCW 51.48.131.

If said APPEAL is not made this NOTICE AND ORDER OF ASSESSMENT shall be deemed FINAL and the Director without further notice may file a WARRANT with the Superior Court Clerk for the unpaid balance of the above assessed amount, plus costs, which will become a LIEN upon the title to and interest in all real and personal property of the employer, the same as a JUDGMENT.

Dated this 5th day of September 2006
For the Director of the
DEPARTMENT OF LABOR AND INDUSTRIES



By: KENT OLSEN
Revenue Officer
Phone: (509) 735-0135
DEPT OF LABOR AND INDUSTRIES
4310 W 24TH AVE
KENNEWICK WA 99338-2683

STATUTORY REFERENCES ATTACHED
846,031-02 0746299

Page: 3

NOTICE AND ORDER OF ASSESSMENT
 Department of Labor and Industries

No. 0422202

An Employer, Account ID 846,031-02
 UBI: 601269365

Period (Qtr)	Premium Due Per Employer Report	Penalties & Interest Due Per Employer Report	Premium Due Per Audit	Penalties & Interest Due to Date	Payments	Balance Due
061			\$ 6,283.59	\$ 1,256.72 PEN 314.20 INT	0.00	\$ 7,854.51
054			3,179.97	636.00 PEN 254.40 INT	0.00	4,070.37
053			10,184.02	2,036.80 PEN 1,120.24 INT	0.00	13,341.06
052			9,594.41	1,918.88 PEN 1,343.16 INT	0.00	12,856.45
051			3,768.29	753.65 PEN 640.56 INT	0.00	5,162.50
044			3,656.24	731.24 PEN 731.20 INT	0.00	5,118.68
043			5,880.58	1,176.12 PEN 1,352.63 INT	0.00	8,409.33
042			7,143.35	1,428.68 PEN 1,857.18 INT	0.00	10,429.21
041			7,978.04	1,595.60 PEN 2,313.62 INT	0.00	11,887.26
034			4,755.21	951.04 PEN 1,521.60 INT	0.00	7,227.85
033			7,834.49	1,566.89 PEN 2,741.90 INT	0.00	12,143.28
						\$ 953,159.26

Additional penalties may be owing. In addition, delinquent taxes shall bear interest at the rate of one percent of the delinquent amount per month or fraction thereof from and after the due date until payment, increases, and penalties are received by the department (RCW 51.48.210).

You are hereby notified that this NOTICE AND ORDER OF ASSESSMENT is a demand for payment and the Director may issue a Notice and Order to Withhold and Deliver to satisfy this NOTICE AND ORDER OF ASSESSMENT; provided that, in any proceeding under Title 11 of the United States Code, the Department will observe the terms of 11 USC Sec. 362.

Gary R. Probst

12714 34th Ave E.
Tacoma, WA 98446
(253) 581-7030
FAX (253) 581-9768

OCT 20 2005

September 21, 2005

Tanna Cochran
Department of Licensing
Commercial Driving School Department
PO Box 9030
Olympia, WA 98507

Please remove me as a partner from the following schools.

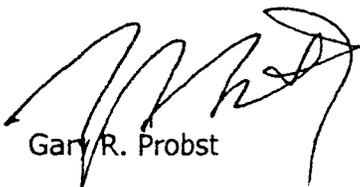
Diamond Driving School of Bellingham
Diamond Driving School of Burien
Diamond Driving School of Everett
Diamond Driving School of Federal Way
Diamond Driving School of Kent
Diamond Driving School of Kirkland
Diamond Driving School of Lynden
Diamond Driving School of Marysville
Diamond Driving School of Mount Vernon
Diamond Driving School of Mountlake Terrace
Diamond Driving School of Port Angeles
Diamond Driving School of Port Townsend
Diamond Driving School of Puyallup
Diamond Driving School of Puyallup-South Hill
Diamond Driving School of Seattle, Beacon
Diamond Driving School of Seattle, University
Diamond Driving School of Seattle-Ballard
Diamond Driving School of Seattle-West
Diamond Driving School of Sequim
Diamond Driving School of Spanaway

Americas Best Driving School of Graham
Americas Best Driving School of Auburn
Americas Best Driving School of Bonney Lake
Americas Best Driving School of Enumclaw
Americas Best Driving School of Gig Harbor
Americas Best Driving School of Lakewood
Americas Best Driving School of University Place
Americas Best Driving School of Tacoma-NE
Americas Best Driving School of Tacoma-East

Quality Driving School of Bellevue
Quality Driving School of Maple Valley
Quality Driving School of Renton
Quality Driving School of Spokane

All assets have been left with my former partner.

Sincerely,



Gary R. Probst

Board of Industrial Insurance Appeals

In re: Gary Probst

Docket No. 06 202 46

Exhibit No. 2

ADM. 11/6/07 REJ. Date

WASHINGTON INDUSTRIAL INSURANCE STATE FUND
STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES

DATE: 11/14/06

PROBST MALIA KATHRYN
DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

RE: UBI 602 008 595
ACCT-ID 055,830-00

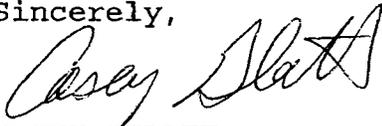
Dear Business Person,

WE HAVE RECEIVED YOUR "QUARTERLY REPORT FOR INDUSTRIAL INSURANCE (WORKERS' COMPENSATION)" AND PAYMENT. HOWEVER, YOU STILL OWE PENALTY AND INTEREST CHARGES FOR LATE REPORTING. SEE THE ENCLOSED ITEMIZED STATEMENT.

-
SEND US THIS AMOUNT IN THE ENCLOSED, SELF-ADDRESSED ENVELOPE. BE SURE TO PUT YOUR EMPLOYER ACCOUNT ID ON YOUR PAYMENT.

-
PLEASE CALL ME IF YOU HAVE ANY QUESTIONS.
THANK YOU.

Sincerely,



CASEY GELATT
REVENUE OFFICER
DEPT OF LABOR AND INDUSTRIES
PO BOX 44171
OLYMPIA, WA. 985044171
(800)301-1826

STATE OF WASHINGTON

STATEMENT OF ACCOUNT

DATE: 11/14/06

DEPARTMENT OF LABOR AND INDUSTRIES

PAGE: 1

UBI: 602 008 595

BUSINESS NAME: DIAMOND DRIVING SCHOOL OF PIER

ACCT ID: 055,830-00

BALANCE AS OF: 11/14/06

R 29I1

DATE	PREM ASMT	PEN ASMT	INT ASMT	AMT PAID	BALANCE
PR 06/3	0.00	0.00	0.00	0.00	0.00
PR 06/2	598.99	119.77	19.23	610.43	127.56
PR 06/1	985.23	197.04	59.10	1,241.37	0.00
PR 05/4	961.81	192.36	86.58	1,240.75	0.00
PR 05/3	2,722.83	544.56	326.76	3,594.15	0.00
PR 05/2	1,824.36	0.00	0.00	1,824.36	0.00
PR 05/1	855.73	0.00	0.00	855.73	0.00
PR 04/4	728.13	0.00	0.00	728.13	0.00
PR 04/3	1,582.19	0.00	0.00	1,582.19	0.00
PR 04/2	1,241.59	124.16	24.84	1,390.59	0.00
PR 04/1	728.91	0.00	0.00	728.91	0.00
PR 03/4	562.35	0.00	0.00	562.35	0.00
BALANCE FOR ACCOUNT :					127.56

PREMIUM REPORT; VE=VERIFIED ESTIMATE; FP=FEES/PENALTY; WS=WAR SURCHARGE; CP=CLM COST PNLTY; FA=FLD AUDT; EP=ESTIMAT PAYROL; UA=UNAPLID; PD=DRCTR COMPRMIS

WASHINGTON INDUSTRIAL INSURANCE STATE FUND
STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES

DATE: 12/18/06

PROBST MALIA KATHRYN
DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

RE: UBI 602 008 595
ACCT-ID 055,830-00

Dear Business Person,

ENCLOSED IS A COPY OF AN ITEMIZED STATEMENT.

Sincerely,



JILL REHA
REVENUE OFFICER 2
DEPT OF LABOR AND INDUSTRIES
950 BROADWAY, SUITE 200
TACOMA, WA. 984024453
(253) 596-3849

STATE OF WASHINGTON
 DEPARTMENT OF LABOR AND INDUSTRIES
 UBI: 602 008 595
 ACCT ID: 055,830-00
 R# 2911

STATEMENT OF ACCOUNT

DATE: 12/04/06
 PAGE: 1
 BALANCE AS OF: 12/04/06

DATE	PREM ASMT	PEN ASMT	INT ASMT	AMT PAID	BALANCE
EP 06/3	3,187.58	637.52	63.76	0.00	3,888.86
PR 06/2	598.99	119.77	19.23	737.99	0.00
PR 06/1	985.23	197.04	59.10	1,241.37	0.00
PR 05/4	961.81	192.36	86.58	1,240.75	0.00
PR 05/3	2,722.83	544.56	326.76	3,594.15	0.00
PR 05/2	1,824.36	0.00	0.00	1,824.36	0.00
PR 05/1	855.73	0.00	0.00	855.73	0.00
PR 04/4	728.13	0.00	0.00	728.13	0.00
PR 04/3	1,582.19	0.00	0.00	1,582.19	0.00
PR 04/2	1,241.59	124.16	24.84	1,390.59	0.00
PR 04/1	728.91	0.00	0.00	728.91	0.00
PR 03/4	562.35	0.00	0.00	562.35	0.00
BALANCE FOR ACCOUNT :					3,888.86

* Should be 03/3 & 03/2

* Page 127⁰⁰ in The past - but was out of BUSINESS when paid.

~~closed~~ Closed business @ of 1 Jan 2006

Traffic Safety Associates LLC

602-515-116

PREMIUM REPORT; VE=VERIFIED ESTIMATE; FP=FEES/PENALTY; WS=WAR SURCHARGE;
 CLM COST PNLTY; FA=FLD AUDT; EP=ESTIMAT PAYROL; UA=UNAPLID; PD=DRCTR COMPRMIS

WASHINGTON INDUSTRIAL INSURANCE STATE FUND
STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES

DATE: 12/04/06

PROBST MALIA KATHRYN
DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

RE: UBI 602 008 595
ACCT-ID 055,830-00

Dear Business Person,

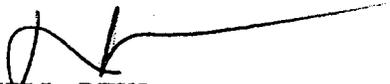
YOUR INDUSTRIAL INSURANCE (WORKERS' COMPENSATION)
ACCOUNT IS DELINQUENT FOR THE 3RD QUARTER 2006.

-
YOUR ACCOUNT HAS BEEN ASSIGNED TO ME FOR
COLLECTION.

-
PLEASE SUBMIT YOUR DELINQUENT REPORT AND PAYMENT
BY DECEMBER 15, 2006 IN THE ENCLOSED ENVELOPE TO
AVOID
FURTHER LEGAL ACTION.

-
YOU MAY FAX A COPY OF YOUR REPORT TO 253-596-3876

Sincerely,


JILL REHA
REVENUE OFFICER 2
DEPT OF LABOR AND INDUSTRIES
950 BROADWAY, SUITE 200
TACOMA, WA. 984024453
(253) 596-3849

STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES
UBI: 602 008 595
ACCT ID: 055,830-00
RP1529I1

STATEMENT OF ACCOUNT

DATE: 12/18/06
PAGE: 1

BUSINESS NAME: DIAMOND DRIVING SCHOOL OF PIER

BALANCE AS OF: 12/18/06

A TYPE	DATE	PREM ASMT	PEN ASMT	INT ASMT	AMT PAID	BALANCE
PR	06/3	0.00	0.00	0.00	0.00	0.00
PR	06/2	598.99	119.77	19.23	737.99	0.00
PR	06/1	985.23	197.04	59.10	1,241.37	0.00
PR	05/4	961.81	192.36	86.58	1,240.75	0.00
PR	05/3	2,722.83	544.56	326.76	3,594.15	0.00
PR	05/2	1,824.36	0.00	0.00	1,824.36	0.00
PR	05/1	855.73	0.00	0.00	855.73	0.00
PR	04/4	728.13	0.00	0.00	728.13	0.00
PR	04/3	1,582.19	0.00	0.00	1,582.19	0.00
PR	04/2	1,241.59	124.16	24.84	1,390.59	0.00
PR	04/1	728.91	0.00	0.00	728.91	0.00
PR	03/4	562.35	0.00	0.00	562.35	0.00
BALANCE FOR ACCOUNT :						0.00

PR=PREMIUM REPORT; VE=VERIFIED ESTIMATE; FP=FEES/PENALTY; WS=WAR SURCHARGE;
CP=CLM COST PNLTY; FA=FLD AUDT; EP=ESTIMAT PAYROL; UA=UNAPLID; PD=DRCTR COMPRMIS

UBI : 602 008 595 BUS NAME: DIAMOND DRIVING SCHOOL OF PIER
 ACCT: 055,830-00

TYPE	DATE	RSKCLS	UNITS	RATE	TRANS AMT
PREM ASSMT	9 /30/6	6103 11	0	0.2138	0.00
PREM ASSMT	9 /30/6	6301 6	0	0.2897	0.00
EST PREM	9 /30/6	6103 11	0	0.2138	0.00
EST PREM	9 /30/6	6301 6	0	0.2897	0.00
INT ADJ	11/1 /6	0 0	0	0.0000	0.00
INT ASSMT	12/1 /6	0 0	0	0.0000	0.00
PEN ADJ	11/1 /6	0 0	0	0.0000	0.00
NO PYRL PEN	11/1 /6	0 0	0	0.0000	0.00
PAYMENT	10/30/6	0 0	0	0.0000	0.00

QUARTER: 063 BALANCE FOR QUARTER: 0.00

PREM ASSMT	6 /30/6	6103 11	635	0.2138	135.76
PREM ASSMT	6 /30/6	6301 6	1599	0.2897	463.23
EST PREM	6 /30/6	6103 11	0	0.2138	0.00
EST PREM	6 /30/6	6301 6	0	0.2897	0.00
INT ADJ	8 /1 /6	0 0	0	0.0000	5.99
INT ASSMT	9 /1 /6	0 0	0	0.0000	5.99
INT ADJ	10/1 /6	0 0	0	0.0000	5.99
INT ASSMT	11/1 /6	0 0	0	0.0000	1.26
PEN ASSMT	8 /1 /6	0 0	0	0.0000	29.94
PEN ADJ	9 /1 /6	0 0	0	0.0000	29.94
PEN ASSMT	10/1 /6	0 0	0	0.0000	59.89
PAYMENT	9 /1 /4	0 0	0	0.0000	-0.12
PAYMENT	10/30/6	0 0	0	0.0000	-610.31
PAYMENT	11/27/6	0 0	0	0.0000	-127.56

QUARTER: 062 BALANCE FOR QUARTER: 0.00

PREM ASSMT	3 /31/6	6103 11	1325	0.2138	283.29
PREM ASSMT	3 /31/6	6301 6	2423	0.2897	701.94
EST PREM	3 /31/6	6103 11	0	0.2138	0.00
EST PREM	3 /31/6	6301 6	0	0.2897	0.00
INT ASSMT	5 /1 /6	0 0	0	0.0000	9.85
INT ASSMT	6 /1 /6	0 0	0	0.0000	9.85
INT ADJ	7 /1 /6	0 0	0	0.0000	9.85
INT ASSMT	8 /1 /6	0 0	0	0.0000	9.85
INT ADJ	9 /1 /6	0 0	0	0.0000	9.85
INT ASSMT	10/1 /6	0 0	0	0.0000	9.85
INT ADJ	11/1 /6	0 0	0	0.0000	0.00
PEN ADJ	5 /1 /6	0 0	0	0.0000	49.26
PEN ASSMT	6 /1 /6	0 0	0	0.0000	49.26
PEN ASSMT	7 /1 /6	0 0	0	0.0000	98.52
PAYMENT	10/30/6	0 0	0	0.0000	-1,241.37

PR=PREMIUM REPORT; VE=VERIFIED ESTIMATE; FP=FEES/PENALTY; WS=WAR SURCHARGE;
 CP=CLM COST PNLTY; FA=FLD AUDT; EP=ESTIMAT PAYROL;
 UA=UNAPLID; PD=DRCTR COMPRMIS

UBI : 602 008 595 BUS NAME: DIAMOND DRIVING SCHOOL OF PIER
 ACCT: 055,830-00

TYPE	DATE	RSKCLS	UNITS	RATE	TRANS AMT
----	----	-----	-----	----	-----
QUARTER:	061		BALANCE FOR QUARTER:		0.00
PREM ASSMT	12/31/5	6103 11	2533	0.2270	574.99
PREM ASSMT	12/31/5	6301 6	1322	0.2926	386.82
EST PREM	12/31/5	6103 11	0	0.2270	0.00
EST PREM	12/31/5	6301 6	0	0.2926	0.00
INT ASSMT	2 /1 /6	0 0	0	0.0000	9.62
INT ADJ	3 /1 /6	0 0	0	0.0000	9.62
INT ASSMT	4 /1 /6	0 0	0	0.0000	9.62
INT ADJ	5 /1 /6	0 0	0	0.0000	9.62
INT ASSMT	6 /1 /6	0 0	0	0.0000	9.62
INT ADJ	7 /1 /6	0 0	0	0.0000	9.62
INT ASSMT	8 /1 /6	0 0	0	0.0000	9.62
INT ADJ	9 /1 /6	0 0	0	0.0000	9.62
INT ADJ	10/1 /6	0 0	0	0.0000	9.62
INT ASSMT	11/1 /6	0 0	0	0.0000	0.00
PEN ASSMT	2 /1 /6	0 0	0	0.0000	48.09
PEN ASSMT	3 /1 /6	0 0	0	0.0000	48.09
PEN ASSMT	4 /1 /6	0 0	0	0.0000	96.18
PAYMENT	10/30/6	0 0	0	0.0000	-1,240.75
QUARTER:	054		BALANCE FOR QUARTER:		0.00
PREM ASSMT	9 /30/5	6103 11	3610	0.2270	819.47
PREM ASSMT	9 /30/5	6301 6	6505	0.2926	1,903.36
EST PREM	9 /30/5	6103 11	0	0.2270	0.00
EST PREM	9 /30/5	6301 6	0	0.2926	0.00
INT ASSMT	11/1 /5	0 0	0	0.0000	27.23
INT ADJ	12/1 /5	0 0	0	0.0000	27.23
INT ASSMT	1 /1 /6	0 0	0	0.0000	27.23
INT ADJ	2 /1 /6	0 0	0	0.0000	27.23
INT ASSMT	3 /1 /6	0 0	0	0.0000	27.23
INT ADJ	4 /1 /6	0 0	0	0.0000	27.23
INT ASSMT	5 /1 /6	0 0	0	0.0000	27.23
INT ADJ	6 /1 /6	0 0	0	0.0000	27.23
INT ASSMT	7 /1 /6	0 0	0	0.0000	27.23
INT ADJ	8 /1 /6	0 0	0	0.0000	27.23
INT ASSMT	9 /1 /6	0 0	0	0.0000	27.23
INT ADJ	10/1 /6	0 0	0	0.0000	27.23
INT ADJ	11/1 /6	0 0	0	0.0000	0.00
PEN ADJ	11/1 /5	0 0	0	0.0000	136.14
PEN ASSMT	12/1 /5	0 0	0	0.0000	136.14
PEN ASSMT	1 /1 /6	0 0	0	0.0000	272.28

PR=PREMIUM REPORT; VE=VERIFIED ESTIMATE; FP=FEES/PENALTY; WS=WAR SURCHARGE;
 CP=CLM COST PNLTY; FA=FLD AUDT; EP=ESTIMAT PAYROL;
 UA=UNAPLID; PD=DRCTR COMPRMIS

UBI : 602 008 595 BUS NAME: DIAMOND DRIVING SCHOOL OF PIER
 ACCT: 055,830-00

TYPE	DATE	RSKCLS	UNITS	RATE	TRANS AMT
----	----	-----	-----	----	-----
PAYMENT	10/30/6	0 0	0	0.0000	-3,594.15
QUARTER:	053		BALANCE FOR QUARTER:		0.00
PREM ASSMT	6 /30/5	6103 11	3523	0.2270	799.72
PREM ASSMT	6 /30/5	6301 6	3502	0.2926	1,024.69
WO PR TOL	8 /11/5	0 0	0	0.0000	-0.05
PAYMENT	4 /26/5	0 0	0	0.0000	-243.64
PAYMENT	7 /27/5	0 0	0	0.0000	-1,580.72
QUARTER:	052		BALANCE FOR QUARTER:		0.00
PREM ASSMT	3 /31/5	6103 11	1389	0.2270	315.30
PREM ASSMT	3 /31/5	6301 6	1847	0.2926	540.43
PAYMENT	4 /26/5	0 0	0	0.0000	-855.73
QUARTER:	051		BALANCE FOR QUARTER:		0.00
PREM ASSMT	12/31/4	6103 11	1239	0.2191	271.46
PREM ASSMT	12/31/4	6301 6	1572	0.2905	456.67
PAYMENT	1 /19/5	0 0	0	0.0000	-728.14
SM BAL WO	2 /1 /5	0 0	0	0.0000	0.01
QUARTER:	044		BALANCE FOR QUARTER:		0.00
PREM ASSMT	9 /30/4	6103 11	2362	0.2191	517.51
PREM ASSMT	9 /30/4	6301 6	3665	0.2905	1,064.68
PAYMENT	9 /1 /4	0 0	0	0.0000	-111.62
PAYMENT	10/22/4	0 0	0	0.0000	-1,470.57
QUARTER:	043		BALANCE FOR QUARTER:		0.00
PREM ASSMT	6 /30/4	6103 11	1717	0.2191	376.19
PREM ASSMT	6 /30/4	6301 6	2979	0.2905	865.40
EST PREM	6 /30/4	6103 11	0	0.2191	0.00
EST PREM	6 /30/4	6301 6	0	0.2905	0.00
INT ASSMT	8 /1 /4	0 0	0	0.0000	12.42
INT ASSMT	9 /1 /4	0 0	0	0.0000	12.42
PEN ADJ	8 /1 /4	0 0	0	0.0000	62.08
PEN ASSMT	9 /1 /4	0 0	0	0.0000	62.08
PAYMENT	9 /1 /4	0 0	0	0.0000	-1,390.59
QUARTER:	042		BALANCE FOR QUARTER:		0.00

PR=PREMIUM REPORT; VE=VERIFIED ESTIMATE; FP=FEES/PENALTY; WS=WAR SURCHARGE;
 CP=CLM COST PNLTY; FA=FLD AUDT; EP=ESTIMAT PAYROL;
 UA=UNAPLID; PD=DRCTR COMPRMIS

UBI : 602 008 595 BUS NAME: DIAMOND DRIVING SCHOOL OF PIER
ACCT: 055,830-00

TYPE	DATE	RSKCLS	UNITS	RATE	TRANS AMT
----	----	-----	-----	----	-----
PREM ASSMT	3 /31/4	6103 11	1285	0.2191	281.54
PREM ASSMT	3 /31/4	6301 6	1540	0.2905	447.37
PAYMENT	4 /22/4	0 0	0	0.0000	-728.92
SM BAL WO	5 /1 /4	0 0	0	0.0000	0.01
QUARTER:	041		BALANCE FOR QUARTER:		0.00
PREM ASSMT	12/31/3	6103 11	1001	0.2041	204.30
PREM ASSMT	12/31/3	6301 6	1248	0.2869	358.05
PAYMENT	1 /14/4	0 0	0	0.0000	-563.95
SM BAL WO	2 /2 /4	0 0	0	0.0000	1.60
QUARTER:	034		BALANCE FOR QUARTER:		0.00
			REPORT BALANCE :		0.00

PR=PREMIUM REPORT; VE=VERIFIED ESTIMATE; FP=FEES/PENALTY; WS=WAR SURCHARGE;
CP=CLM COST PNLTY; FA=FLD AUDT; EP=ESTIMAT PAYROL;
UA=UNAPLID; PD=DRCTR COMPRMIS

Diamond Driving School of Pierce County

700 Sleater-Kinney Rd. SE #B-114

Lacey, WA 98501

425-232-0145

18 December 2006

Department of Labor and Industries

Jill Reha

Collection Officer

950 Broadway, Suite 200

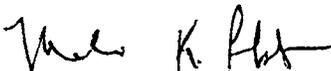
Tacoma, WA 98402-4453

Subject: No Employees for any Quarter of 2006

Thank you for taking the time to talk to me today. Here is what you requested from me.

- My business, **Diamond Driving School of Pierce County** (UBI: 602-008-595, L&I account #055-830-00) has been out of business since December 31, 2005.
- I turned all of my business over to Traffic Safety Associates, LLC. (UBI number 602-515-116, L&I account number 846,031-03). **Both the above UBI and L&I account numbers are Traffic Safety Associates, LLC, so they are new, exclusively to them.** Traffic Safety Associates, LLC took over my business **Diamond Driving School of Pierce County** on January 1, 2006, and began paying all Labor and Industries premiums from January 1, 2006 until present. **Diamond Driving School of Pierce County** has had no employees since January 1, 2006. **Diamond Driving School of Pierce County** had no employee's in the First, Second, Third or Fourth Quarter of 2006.
- Please show my business, **Diamond Driving School of Pierce County** (UBI: 602-008-595, L&I account #055-830-00) as closed as of January 1, 2006.

Sincerely,



Malia K. Probst

CC: Copy faxed

WASHINGTON INDUSTRIAL INSURANCE STATE FUND
STATE OF WASHINGTON
DEPARTMENT OF LABOR AND INDUSTRIES

DATE: 12/20/06

PROBST MALIA KATHRYN
DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

RE: UBI 602 008 595
ACCT-ID 055,830-00

Dear Business Person,

YOUR ACCOUNT IS NOW PAID IN FULL AND CLOSED.
THANK YOU FOR YOUR DILIGENCE.
PLEASE CALL ME IF YOU HAVE ANY QUESTIONS.
THANK YOU.

Sincerely,



JILL REHA
REVENUE OFFICER 2
DEPT OF LABOR AND INDUSTRIES
950 BROADWAY, SUITE 200
TACOMA, WA. 984024453
(253) 596-3849

DATE	PREM ASMT	PEN ASMT	INT ASMT	AMT PAID	BALANCE
PR 06/4	0.00	0.00	0.00	0.00	0.00
PR 06/3	0.00	0.00	0.00	0.00	0.00
PR 06/2	598.99	119.77	19.23	737.99	0.00
PR 06/1	985.23	197.04	59.10	1,241.37	0.00
PR 05/4	961.81	192.36	86.58	1,240.75	0.00
PR 05/3	2,722.83	544.56	326.76	3,594.15	0.00
PR 05/2	1,824.36	0.00	0.00	1,824.36	0.00
PR 05/1	855.73	0.00	0.00	855.73	0.00
PR 04/4	728.13	0.00	0.00	728.13	0.00
PR 04/3	1,582.19	0.00	0.00	1,582.19	0.00
PR 04/2	1,241.59	124.16	24.84	1,390.59	0.00
PR 04/1	728.91	0.00	0.00	728.91	0.00
PR 03/4	562.35	0.00	0.00	562.35	0.00
BALANCE FOR ACCOUNT :					0.00

Board of Industrial Insurance Appeals

In re: GARY PROBST

Docket No. 10620246

Exhibit No. 1

ADM. 11/6/07 REJ.

Date

PREMIUM REPORT; VE=VERIFIED ESTIMATE; FP=FEES/PENALTY; WS=WAR SURCHARGE;
 CLM COST PNLT; FA=FLD AUDT; EP=ESTIMAT PAYROL; UA=UNAPLID; PD=DRCTR COMPRMIS

TSFR WITH GLOBALS LINIIS (c) Copyright L&I, WA 1990 (A2 Reg) 08/16/07
ITEM ITEMPLS2 ITEMIZED STATEMENT SUMMARY TOTALS 13:17:47.3

602 515 116 TRAFFIC SAFETY ASSOCIATES LLC SI: STAT: 0 TYPE: L T1:PM14
846,031-03 TRAFFIC SAFETY ASSOCIATES LLC STAT: A/ / / RPT FREQ: Q

S A TC	DATE	PREM ASMT	PEN ASMT	INT ASMT	AMT PAID	BALANCE
BAL AS OF: 081607		TOT APPEAL AMT:		0.00	TOT ACCT BAL:	0.00
PR	072				0.00	0.00
PR	071				0.00	0.00
PR	064	257.42			257.42	0.00
PR	063	2,116.94	3 rd Quarter 06		2,116.94	0.00
PR	062	1,582.54	2 nd QTR 06		1,582.54	0.00
RF	06/04				0.00	0.00
UA	06/04				0.00	0.00
PR	061	334.19	1 st QUARTER 06		334.19	0.00

***** ARCHIVED FROM: 0/0/00 TO: 0/0/00 AND OPEN ITEMS: UA *****
OPTION: (ENTER '?' TO DISPLAY WINDOW FOR OPTIONS) PAGE 1 OF 1

MENUS ==> PF1=HELP

PF10=RESTART

PF7=PREV
PF12=EXIT

124

MONEY ORDER RECEIPT - NON NEGOTIABLE

LOAD THIS DIRECTION, THIS SIDE UP

LOAD THIS DIRECTION, THIS SIDE UP

Date: Amount
AGT 753435 LOC 000103 DT 042506 \$300.00 **3HUNDREDDOLLARS AND NO CENTS

RETAIN THIS RECEIPT - READ BELOW:

L95 1st QTR 2006 Premium

Payable to:
RETAIN THIS MONEY ORDER RECEIPT. IT MUST BE INCLUDED WITH ALL REFUND REQUESTS. BE SURE TO READ IMPORTANT INFORMATION BELOW AND ON BACK.
PURCHASE AGREEMENT: You the purchaser agree that Integrated Payment Systems Inc. (IPS) need not stop payment on, or replace, or refund a lost or stolen IPS Money Order unless (1) you fill in the face of the Money Order at the time of purchase, and (2) you report the loss or theft to Integrated Payment Systems Inc. in writing immediately, and (3) You provide IPS with this original Money Order receipt issued by Integrated Payment Systems Inc., Englewood, Colorado. For customer service, call 1-800-999-9660.

* 08499724945 *



MONEY ORDER RECEIPT - NON NEGOTIABLE

LOAD THIS DIRECTION, THIS SIDE UP

LOAD THIS DIRECTION, THIS SIDE UP

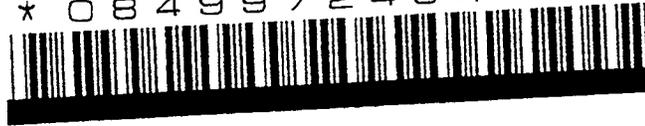
Date: Amount
AGT 753435 LOC 000103 DT 042506 \$300.00 **3HUNDREDDOLLARS AND NO CENTS

RETAIN THIS RECEIPT - READ BELOW:

L95 1st QTR 2006 Premium

Payable to:
RETAIN THIS MONEY ORDER RECEIPT. IT MUST BE INCLUDED WITH ALL REFUND REQUESTS. BE SURE TO READ IMPORTANT INFORMATION BELOW AND ON BACK.
PURCHASE AGREEMENT: You the purchaser agree that Integrated Payment Systems Inc. (IPS) need not stop payment on, or replace, or refund a lost or stolen IPS Money Order unless (1) you fill in the face of the Money Order at the time of purchase, and (2) you report the loss or theft to Integrated Payment Systems Inc. in writing immediately, and (3) You provide IPS with this original Money Order receipt issued by Integrated Payment Systems Inc., Englewood, Colorado. For customer service, call 1-800-999-9660.

* 08499724944 *



MONEY ORDER RECEIPT - NON NEGOTIABLE

LOAD THIS DIRECTION, THIS SIDE UP

LOAD THIS DIRECTION, THIS SIDE UP

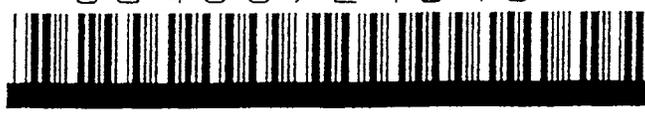
Date: Amount
AGT 753435 LOC 000103 DT 042506 \$89.00 **89DOLLARS AND NO CENTS

RETAIN THIS RECEIPT - READ BELOW:

L95 1st QTR Premium

Payable to:
RETAIN THIS MONEY ORDER RECEIPT. IT MUST BE INCLUDED WITH ALL REFUND REQUESTS. BE SURE TO READ IMPORTANT INFORMATION BELOW AND ON BACK.
PURCHASE AGREEMENT: You the purchaser agree that Integrated Payment Systems Inc. (IPS) need not stop payment on, or replace, or refund a lost or stolen IPS Money Order unless (1) you fill in the face of the Money Order at the time of purchase, and (2) you report the loss or theft to Integrated Payment Systems Inc. in writing immediately, and (3) You provide IPS with this original Money Order receipt issued by Integrated Payment Systems Inc., Englewood, Colorado. For customer service, call 1-800-999-9660.

* 08499724946 *



U.S. Bank Confidential Communication



Requested by: Krystal Taylor

This check image contains confidential information. If you print this image, please store it in a secure place to avoid unauthorized usage of this information. Increased security awareness when discarding or destroying this document is recommended.

Item #1	Account No.: 153592754920	Check No.: 3302	Sequence No.: 003636406954
Amount: \$1645.21	Routing No.: 12500010	Date: 07/26/2006	
Front:	<p>TRAFFIC SAFETY ASSOCIATES 1108 VETERANS DR. SW LAKEWOOD, WA 98498-2570</p> <p>U.S. BANK 18-107250</p> <p>3302</p> <p>77242006</p> <p>PAY TO THE ORDER OF Department of Labor & Industries \$ 1,645.21</p> <p>One Thousand Six Hundred Forty-Five and 21/100 DOLLARS</p> <p>MEMO 24 QTR 2006</p> <p><i>Krystal Taylor</i> AUTHORIZED SIGNATURE</p> <p>⑆003636406954⑆ ⑆12500010⑆ ⑆153592754920⑆ ⑆000000000000⑆</p>		
Back:	<p>12500010 67262006 1364 5/1 435 10 18 2006 ACCT 00153592754920</p> <p>1853 625 67262006 US BANK NA PORTLAND OR 12500010</p> <p>153592754920 625 67262006 LABOR ST 5428</p> <p>PRINTED - SERIAL - STAMP - FLOW BANKING FOR INFORMATION IN CONNECTION WITH THIS CHECK</p>		

QUALITY DRIVING SCHOOL
9109 VETERANS DRIVE SW
LAKEWOOD, WA 98498

BANK OF AMERICA
PARKLAND 021 402
WASHINGTON
19-2/1250

1590

10/31/2006

PAY TO THE ORDER OF Department of Labor & Industries

\$ **877.08

Eight Hundred Seventy-Seven and 08/100***** DOLLARS

Department of Labor & Industries

FOR

2nd Qtr 2003 Premiums

Wade K. Platt

⑈001590⑈ ⑈125000024⑈ 74654 013⑈

THIS DOCUMENT CONTAINS A COLORED AND REFLECTIVE INK SECURITY FEATURE. MICROPRINT IS LOCATED BELOW THIS WARNING STATEMENT.

QUALITY DRIVING SCHOOL
9109 VETERANS DRIVE SW
LAKEWOOD, WA 98498

BANK OF AMERICA
PARKLAND 021 402
WASHINGTON
19-2/1250

1589

10/30/2006

PAY TO THE ORDER OF Department of Labor & Industries

\$ 1,409.98

One Thousand Four Hundred Nine and 98/100

DOLLAR

Department of Labor & Industries

FOR

3rd Qtr 2003 Premiums

Melanie K. Rhot

⑈001589⑈ ⑆125000024⑆ 74654 013⑈

QUALITY DRIVING SCHOOL
9109 VETERANS DRIVE SW
LAKEWOOD, WA 98498

BANK OF AMERICA
PARKLAND 021 402
WASHINGTON
19-2/1250

1/8/2004

PAY TO THE Department of Labor & Industries
ORDER OF

**563.95
\$

Five Hundred Sixty-Three and 95/100*****

DOLLARS

Department of Labor & Industries

03/4

4th QTR / 2003

FOR

UBI 602-008-595

Melo K. Pitt

MP

⑈001012⑈ ⑆125000024⑆ 74654 013⑈

⑈0000056395⑈

THIS DOCUMENT CONTAINS A COLORED BACKGROUND ON WHITE PAPER. MICROPRINT IS LOCATED BELOW THIS WARNING BAND.

REASONS FOR DELIVERY
CALL NUMBER TO LINE
THE NUMBER TO 02000021

01142004 34226 U.S. BANK WA
3027 0058 CO. #929
US DT 153500059792 SEATTLE WA
P07 E C 644 WA 21230002204

CREDIT TO:
L&I-TEAM 3
153500059792
LW 34226

0550092597

1057

QUALITY DRIVING SCHOOL
9109 VETERANS DRIVE SW
LAKEWOOD, WA 98498

BANK OF AMERICA
PARKLAND 021 402
WASHINGTON
19-2/1250

4/12/2004

PAY TO THE ORDER OF Department of Labor & Industries

\$ **728.92

Seven Hundred Twenty-Eight and 92/100.....

DOLLARS

Department of Labor & Industries

04/1

FOR UBI 602-008-595

Mallory K. Kelly

⑈001057⑈ ⑈125000024⑈ 74654 013⑈

⑈0000072892⑈

THIS DOCUMENT CONTAINS A COLORED BACKGROUND ON WHITE PAPER. MICROPRINT IS LOCATED BELOW THIS WARNING BAND.

⑈001057⑈ ⑈125000024⑈ 74654 013⑈
⑈0000072892⑈

04222004 34226 U.S. BANK NA
3046 0052 CO. #029
153500059792 SEATTLE WA
VS DATE 04/22/04 ⑈123000220⑈
R07 E C 044 WA
0950101333

CREDIT TO:
LAT-TEAM 3
153500059792
LBY 34226

1204

QUALITY DRIVING SCHOOL
9109 VETERANS DRIVE SW
LAKEWOOD, WA 98498

BANK OF AMERICA
PARKLAND 021 402
WASHINGTON
19-2/1250

10/13/2004

PAY TO THE ORDER OF Department of Labor & Industries

\$ **1,470.57

One Thousand Four Hundred Seventy and 57/100*****

DOLLARS

Department of Labor & Industries

04/2

FOR Labor&Industries

W. R. Probst

⑈001204⑈ ⑆125000024⑆ 74654 013⑈

⑈0000147057⑈

THIS DOCUMENT CONTAINS A COLORED BACKGROUND ON WHITE PAPER, MICROPRINT IS LOCATED BELOW THIS WARNING BAND.

123000220 10222094 2210
S/T 039 ID 90 PKT 10
ACCT 00153500059792

4235902279

10222094 34226 U.S. BANK NA
3051 0021 CO. #929
153500059792 SEATTLE WA
VS DATE 10/20/04
P97 E C 044 HA
0550915324

CREDIT TO:
CALIFORNIA
153500059792
001 34226

QUALITY DRIVING SCHOOL
9109 VETERANS DRIVE SW
LAKEWOOD, WA 98498

055, 830-00

BANK OF AMERICA
PARKLAND 021 402
WASHINGTON
19-2/1250

1165

8/31/2004

3-22

BY TO THE Department of Labor & Industries
ORDER OF

\$ **1,502.33

One Thousand Five Hundred Two and 33/100

DOLLARS

Department of Labor & Industries

04/3

Manna for all

OR UBI 602-008-595

⑈001165⑈ ⑈125000024⑈ 74654 013⑈ ⑈0000150233⑈

THIS DOCUMENT CONTAINS A COLORED BACKGROUND ON WHITE PAPER. MICROPRINT IS LOCATED BELOW THIS WARNING BAND.

01 01 01
- PAY BK OF AMERICA -
125000024
- WA ST TREAS -
⑈125000024⑈
- WA ST
⑈0000150233⑈

VS DATE 09/02/04
P07 E C 044 WA

BANK OF AMERICA, NA SEA
⑈125000024⑈ E1365 01 P01
00000062049010 09/02/04
1050623426

QUALITY DRIVING SCHOOL
9109 VETERANS DRIVE SW
LAKEWOOD, WA 98498

BANK OF AMERICA
PARKLAND 021 402
WASHINGTON
19-2/1250

1236

1/17/2005

AY TO THE Department of Labor & Industries
ORDER OF

\$**728.14

Seven Hundred Twenty-Eight and 14/100*****

DOLLARS

Department of Labor & Industries

04/A

OR 4th Quarter L&I

Melie K. [Signature]

⑈001236⑈ ⑆125000024⑆ 74654 013⑈

⑈0000072814⑈

THIS DOCUMENT CONTAINS A COLORED BACKGROUND ON WHITE PAPER. MICROPRINT IS LOCATED BELOW THIS WARNING BAND.

123000220 01192005 1984
S/T 033 10 90 PKT 10
ACCT 00153500059792

4136002805

4649

010 01192005 US BANK NA
PORTLAND OR
VS DATE 1/17/05
P07 E C 044 WA

153500059792

WASH ST
LABOR
34826

0550234154

123000220 04262005 0513
S/T 034 ID 90 PKT 10
ACCT 00153500059792
3233115226

4264
029 04262005 US BANK NA
PORTLAND OR
3123000220
VS DATE 04/27/05
PAGE 01 OF 02
0000010702

153500059792
WASH ST
LABOR
34826

QUALITY DRIVING SCHOOL
9109 VETERANS DRIVE SW
LAKEWOOD, WA 98498

BANK OF AMERICA
PARKLAND 021 402
WASHINGTON
19-2/1250

1263

4/25/2005

PAY TO THE ORDER OF Department of Labor & Industries

\$ 1,099.37

One Thousand Ninety-Nine and 37/100*****

DOLLARS

Department of Labor & Industries

FOR

131
100 2005 Quarter L&I

Mel K. Rhet

001263 25000024 74651 017

Balance Sheet

Transfer

Interest

Free Bill Payer

Customer Service

Transaction Detail

[Account Detail](#) [Printable View](#) [View Front](#)

Description: CHECK 1587
Posting Date: 11/07/2006
Amount: -\$1,249.95

<p>QUALITY DRIVING SCHOOL 9103 VETERANS DRIVE SW LAKEWOOD, WA 98498</p>	<p>BANK OF AMERICA FARLEAND 021 492 WASHINGTON 15-2/1250</p>	<p>1587</p>
		10/30/2006
<p>PAY TO THE ORDER OF Department of Labor & Industries</p>		\$ 1,249.95
<p>One Thousand Two Hundred Forty-Nine and 95/100</p>		DOLLAR
<p>Department of Labor & Industries</p>		
<p>FOR 4th Qtr 2005 Premiums</p>	<p><i>Melanie K. Pitt</i></p>	
<p>⑆001587⑆ ⑆125000024⑆ 74654 013⑆</p>		⑆0000124995⑆

12300222 176296 1546
5/1 425 10 91 PCT 19
ACCT 44 1550463192
3730059990

8224
057 11662806 US BANK NA
PORTLAND OR
⑆123090320⑆
⑆350616771

15852259792
WASH ST
LARGE
34022

To print this page for reference purposes, please use the print button on your browser or click "File" > "Print". If you are unable to view this item, please call 1.800.442.6680 (In Seattle 206.461.0800) for further assistance.

Secure Area

[Balance Sheet](#) • [Transfer](#) • [Interest](#) • [Free Bill Payer](#) • [Customer Service](#)
[Top of Page](#) • [Help](#) • [Mail](#) • [Sign Off](#)



STATE OF WASHINGTON

DEPARTMENT OF LABOR AND INDUSTRIES

09/07/04

DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

PERIOD ENDING:	06/30/04
PREMIUM ASSESSED:	1,241.59
PENALTY ASSESSED:	124.16
INTEREST ASSESSED:	24.84
PAYMENT:	1,390.59
PREVIOUS BALANCE:	-\$111.74
ACCOUNT BALANCE:	-\$111.74

RE: UBI 602 008 595
Account ID 055,830-00

Dear Employer:

Your account has a credit balance of \$111.74 . Please call me if you need an explanation.

You may subtract this amount from your next quarterly premium

When you fill out your quarterly report, you may enter this amount on the line provided for credits owed to your business. It is located at the bottom of the form.

If you prefer a refund check

Read below, sign, and send the original copy of this form to:

Department of Labor & Industries
PO BOX 44163
OLYMPIA WA 985044163

I certify that I am authorized to receive a refund for the above amount, which is now held by the State of Washington for my business.

Authorized Signature

Title

Phone

Printed Name

Sincerely,

ADRIANNE PITTS
ACCOUNT MANAGER
(360) 902-4801

EACR

**** ORIGINAL ****

You may process your report and payment online at:
www.LNI.wa.gov/expressfiling



**EMPLOYER'S QUARTERLY REPORT
FOR INDUSTRIAL INSURANCE
(WORKERS' COMPENSATION)**

Check here if changes are made on reverse of white copy

Please note - you MUST submit a Quarterly Report even if you had no workers.

QUESTIONS? PLEASE CALL YOUR
POLICY MANAGER AT (360)902-4805

Team # T3

DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

UBI Number : 602 008 595

Account ID : 055,830-00

This Report is for
Quarter Ending : June 30, 2003

PM35

20034

TO AVOID PENALTY-This Report MUST be
POSTMARKED and mailed with payment
NO LATER THAN:

CLASS	SUB	DESCRIPTION	GROSS WAGES (NEAREST DOLLAR)	WORKER HOURS/UNITS	COMPOSITE RATE PER HOUR/UNIT	PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS NOC PROF/ADMIN/CL		635	0.2041	129.60
6301	06	INSTRUCTORS - DRIVING SCHOOL		1599	0.2869	458.75

I certify that this report is true and correct to the best of my knowledge

Sign here *Malia K. Probst*

Print name here
Malia K. Probst

Official position
Owner

Check type of organization Corp LLC
 Individual Partnership Other

Employer's telephone number
253-581-7030

Preparer's telephone number

Date *10-22-06*

Report prepared by
Malia K. Probst

IC CODE: *80584760*

DEPARTMENT OF LABOR & INDUSTRIES
PO BOX 34226
SEATTLE, WA 98124-1226

KEEP
THIS
FOR
YOUR
RECORDS

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$	<i>588</i>	<i>35</i>
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$	<i>58</i>	<i>84</i>
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$	<i>229</i>	<i>89</i>
4.	AMOUNT DUE FOR THIS QUARTER	\$	<i>877</i>	<i>08</i>
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$	<i>-</i>	<i>-</i>
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$	<i>877</i>	<i>08</i>

MAKE CHECK PAYABLE TO LABOR & INDUSTRIES

For Dept. use only

Remit # PD

You may process your report and payment online at:
www.LNI.wa.gov/expressfiling



**EMPLOYER'S QUARTERLY REPORT
FOR INDUSTRIAL INSURANCE
(WORKERS' COMPENSATION)**

Check here if changes are made on reverse of white copy.

Please note - you MUST submit a Quarterly Report even if you had no workers.

QUESTIONS? PLEASE CALL YOUR POLICY MANAGER AT (360)902-4805

Team # T3

DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

PM35

20034

UBI Number: 602 008 595

Account ID: 055,830-00

This Report is for Quarter Ending: **Sept 30, 2003**

TO AVOID PENALTY-This Report MUST be POSTMARKED and mailed with payment NO LATER THAN:

CLASS	SUB	NATURE OF WORK	WAGES PAID (GREATEST DOLLAR)	WORKERS' COMPENSATION RATES	COMPOSITE RATE PER HOUR	PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS NOC PROF/ADMIN/CL	14,875.00	13.25	0.2041	270.43
6301	06	INSTRUCTORS - DRIVING SCHOOL	36,352.50	2423.50	0.2869	695.31

I certify that this report is true and correct to the best of my knowledge.

Sign here Malia K. Probst

Print name here Malia K. Probst

Official position Owner

Check type of organization Corp LLC Individual Partnership Other

Employer's telephone number 253-581-7030

Preparer's telephone number 253-581-7030

Date 10-22-06

Report prepared by Malia K. Probst

IC CODE 80584760

DEPARTMENT OF LABOR & INDUSTRIES
PO BOX 34226
SEATTLE, WA 98124-1226

KEEP THIS FOR YOUR RECORDS

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$ 965 74
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$ 96 57
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$ 347 67
4.	AMOUNT DUE FOR THIS QUARTER	\$ 1409 98
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$ _____
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$ 1409 98

MAKE CHECK PAYABLE TO LABOR & INDUSTRIES

For Dept. use only

Remit # _____ PD _____

You may process your report and payment online at:
www.LNI.wa.gov/expressfiling



EMPLOYER'S QUARTERLY REPORT FOR INDUSTRIAL INSURANCE (WORKERS' COMPENSATION)

Check here if changes are made on reverse of white copy.

Please note - you MUST submit a Quarterly Report even if you had no workers.

QUESTIONS? PLEASE CALL YOUR
POLICY MANAGER AT (360)902-4800

Team # T3

DIAMOND DRIVING SCHOOL OF PIER
9107 VETERANS DR SW
LAKSWOOD WA 98498

PM35

20034

UBI Number : 602 008 595

Account ID : 055 830 00

This Report is for
Quarter Ending : DEC 31 2003

TO AVOID PENALTY-This Report MUST be
POSTMARKED and mailed with payment
NO LATER THAN:

JAN 31 2004

1. CLASS	2. SUB	3. NATURE OF WORK	4. GROSS PAYROLL (NEAREST DOLLAR)	5. WORKER HOURS/UNITS	6. COMPOSITE RATE PER HOUR/UNIT	7. PREMIUM
CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS NOC PROF/ADMIN/CL	15 015	1001	0.2041	203.0795
6301	06	INSTRUCTORS - DRIVING SCHOOL	18 720	1248	0.2869	358.0912

I certify that this report is true and correct to the best of my knowledge

Sign here **X** *Maria K. Robit*

Print name here
Maria K. Robit

Check type of organization Corp LLC
 Individual Partnership Other

Official position
Owner

Employer's telephone number
293-381-703

Preparer's telephone number
- 541

Date *7-13-04*

Report prepared by
- 541

AC CODE: 80584760

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$	<i>563.95</i>
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$	
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$	
4.	AMOUNT DUE FOR THIS QUARTER	\$	<i>563.95</i>
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$	
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$	<i>563.95</i>

KEEP THIS FOR YOUR RECORDS

MAKE CHECK PAYABLE TO LABOR & INDUSTRIES

For Dept. use only

Remit # PD

DEPARTMENT OF LABOR & INDUSTRIES
PO BOX 34228
SEATTLE, WA 98124-1228

F212-055-000 QR 10/02

DEPARTMENT OF LABOR & INDUSTRIES
 INSURANCE SERVICES.
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 www.LNI.wa.gov/expressfiling



**EMPLOYER'S QUARTERLY REPORT
 FOR INDUSTRIAL INSURANCE
 (WORKERS' COMPENSATION)**

Check here if changes are made on reverse of white copy.
**Please note - you MUST submit a Quarterly
 Report even if you had no workers.**

QUESTIONS? PLEASE CALL YOUR
 POLICY MANAGER AT (360)902-4805

DIAMOND DRIVING SCHOOL OF PIER
 7109 VETERANS DR SW
 LAKEWOOD WA 98445

Team # 13

UBI Number : 602 008 595
 Account ID : 055,630-00
 This Report is for
 Quarter Ending : MAR 31, 2004
 APR 30, 2004

TO AVOID PENALTY-This Report MUST be
 POSTMARKED and mailed with payment
 NO LATER THAN:

1. CLASS	2. SUB	3. NATURE OF WORK	4. GROSS PAYROLL (NEAREST DOLLAR)	5. WORKER HOURS/UNITS	6. COMPOSITE RATE PER HOUR/UNIT	7. PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS. DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS HOD PROF/ADMIN/CL	19,275	1285	0.2191	281 55
6301	06	INSTRUCTORS - DRIVING SCHOOL	23,100	1540	0.2905	447 37

SIGNATURE - INFORMATION 10/02 F212-055-007

I certify that this report is true and correct to the best of my knowledge

Sign here *M. K. Robt*

Print name here *M. K. Robt*

Official position *Owner*

Preparer's telephone number *253-581-7030* Date *4-10-04* Report prepared by *M. Robt*

Check type of organization Corp LLC Individual Partnership Other

Employer's telephone number *253-581-7030*

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$	728 92
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$	---
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$	---
4.	AMOUNT DUE FOR THIS QUARTER	\$	728 92
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$	---
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$	728 92

AS CODE: 60584760

DEPARTMENT OF LABOR & INDUSTRIES
 PO BOX 34826
 SEATTLE, WA 98124-1226

KEEP THIS FOR YOUR RECORDS

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DEPARTMENT OF LABOR & INDUSTRIES
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**EMPLOYER'S QUARTERLY REPORT
 FOR INDUSTRIAL INSURANCE
 (WORKERS' COMPENSATION)**

Check here if changes are made on reverse of white copy.

Please note - you MUST submit a Quarterly Report even if you had no workers.

QUESTIONS? PLEASE CALL YOUR ACCOUNT MANAGER AT (360)902-4801

Team # T3

DIAMOND DRIVING SCHOOL OF PIER
 9109 VETERANS DR SW
 LAKEWOOD WA 98478

PM36

20042

UBI Number : 602 008 595

Account ID : 055,830-00

This Report is for Quarter Ending : JUN 30, 2004

TO AVOID PENALTY-This Report MUST be POSTMARKED and mailed with payment NO LATER THAN:

JUL 31 2004

1. CLASS	2. SUB	3. NATURE OF WORK	4. GROSS PAYROLL (NEAREST DOLLAR)	5. WORKER HOURS/UNITS	6. COMPOSITE RATE PER HOUR/UNIT	7. PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS NDC PROF/ADMIN/CL	23,876	1717	0.2191	376.20
6301	06	INSTRUCTORS - DRIVING SCHOOL	44,221	2979	0.2905	865.39

I certify that this report is true and correct to the best of my knowledge.

Sign here **X** *Malia K. Probst*

Print name here
MALIA K. PROBST

Check type of organization Corp LLC
 Individual Partnership Other

Official position
OWNER

Employer's telephone number
253-584-5819

Preparer's telephone number
253-581-7030

Date
7-10-04

Report prepared by
G. PROBST

AD CODE: 80584760

DEPARTMENT OF LABOR & INDUSTRIES
 PO BOX 34226
 SEATTLE, WA 98124-1226

KEEP THIS FOR YOUR RECORDS

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$ 1241.59
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$ —
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$ —
4.	AMOUNT DUE FOR THIS QUARTER	\$ 1241.59
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$ —
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$ 1241.59

MAKE CHECK PAYABLE TO LABOR & INDUSTRIES

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Remit # PD.....

F212-055-000 - 10/02

DEPARTMENT OF LABOR & INDUSTRIES
INSURANCE SERVICES.

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**EMPLOYER'S QUARTERLY REPORT
FOR INDUSTRIAL INSURANCE
(WORKERS' COMPENSATION)**

Check here if changes are made on reverse of white copy.
**Please note - you MUST submit a Quarterly
Report even if you had no workers.**

QUESTIONS? PLEASE CALL YOUR
ACCOUNT MANAGER AT (360)902-4801

Team #T3

DIAMOND DRIVING SCHOOL OF PIER
9107 VETERANS DR SW
LAKEWOOD WA 98498

PN36

20043

UBI Number : 602 008 595

Account ID : 055,830-00

This Report is for
Quarter Ending : SEP 30, 2004

TO AVOID PENALTY-This Report MUST be
POSTMARKED and mailed with payment
NO LATER THAN:

OCT 31, 2004

1. CLASS	2. SUB	3. NATURE OF WORK	4. GROSS PAYROLL (NEAREST DOLLAR)	5. WORKER HOURS/UNITS	6. COMPOSITE RATE PER HOUR/UNIT	7. PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS NDC PROF/ADMIN/CL	35,430	2362	0.2191	517.67
6301	06	INSTRUCTORS - DRIVING SCHOOL	54,975	3665	0.2905	1064.64

I certify that this report is true and correct to the best of my knowledge

Sign here MALIA PROBST
 Print name here _____
 Check type of organization Corp LLC
 Individual Partnership Other
 Official position OWNER
 Employer's telephone number (253) 677-4873
 Preparer's telephone number _____ Date 10/17/04 Report prepared by MALIA PROBST

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$	1582.31
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$	_____
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$	_____
4.	AMOUNT DUE FOR THIS QUARTER	\$	1582.31
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$	11.74
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$	1470.57

AC CODE: 80584760

DEPARTMENT OF LABOR & INDUSTRIES
PO BOX 34226
SEATTLE, WA 98124-1226

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**EMPLOYER'S QUARTERLY REPORT
FOR INDUSTRIAL INSURANCE
(WORKER'S COMPENSATION)**

PG 1

Check here if changes are made on reverse of white copy.

Please note - you MUST submit a Quarterly Report even if you had no workers.

QUESTIONS? PLEASE CALL YOUR ACCOUNT MANAGER A (360)902-4813.

Team # T4

DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

PM43

20044

UBI Number : 602 008 595

Account ID : 055,830-00

This Report is for Quarter Ending DEC 31, 2004

TO AVOID PENALTY - This Report MUST be POSTMARKED and mailed with payment NO LATER THAN:

JAN 31, 2005

1. CLASS	2. SUB	3. NATURE OF WORK	4. GROSS PAYROLL (NEAREST DOLLAR)	5. WORKER HOURS/UNITS	6. COMPOSITE RATE PER HOUR/UNIT	7. PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS NDC PROF/ADMIN/CL	18,585	1239	0.2191	271 47
6301	06	INSTRUCTORS - DRIVING SCHOOL	23,580	1572	0.2905	456 67

I certify that this report is true and correct to the best of my knowledge

Sign here X *Malia K Robst*

Print name here

Malia K. Robst

Check type of organization Corp LLC

Individual Partnership Other

Official position

Owner

Employer's telephone number

253-581-9110

Preparer's telephone number

253-581-9110

Date

1-12-05

Report prepared by

Malia K. Robst

AC CODE:

80584760

DEPARTMENT OF LABOR & INDUSTRIES
PO BOX 34026
SEATTLE, WA 98124-1026

KEEP THIS FOR YOUR RECORDS

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$	728 14
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$	- -
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$	- -
4.	AMOUNT DUE FOR THIS QUARTER	\$	728 14
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$	- -
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$	728 14

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**EMPLOYER'S QUARTERLY REPORT
FOR INDUSTRIAL INSURANCE
(WORKER'S COMPENSATION)**

PG 1

Check here if changes are made on reverse of white copy.

Please note - you MUST submit a Quarterly Report even if you had no workers.

QUESTIONS? PLEASE CALL YOUR
ACCOUNT MANAGER AT (360)902-4813

Team # T4

DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

PM43

20051

UBI Number : 602 008 595

Account ID : 056,830-00

This Report is for
Quarter Ending : MAR 31, 2005

TO AVOID PENALTY - This Report MUST be
POSTMARKED and mailed with payment
NO LATER THAN:

APR 30, 2005

1. CLASS	2. SUB	3. NATURE OF WORK	4. GROSS PAYROLL (NEAREST DOLLAR)	5. WORKER HOURS/UNITS	6. COMPOSITE RATE PER HOUR/UNIT	7. PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS NOC PROF/ADMIN/CL	20835	1289	0.2270	435 16
6301	06	INSTRUCTORS - DRIVING SCHOOL	27709	1847	0.2926	664 21

I certify that this report is true and correct to the best of my knowledge

Sign here X

Print name here

Official position

Preparer's telephone number

Date

Report prepared by

Check type of organization Corp LLC

Individual Partnership Other

Employer's telephone number

AC CODE: 80584760

DEPARTMENT OF LABOR & INDUSTRIES
PO BOX 34026
SEATTLE, WA 98124-1026

KEEP
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FOR
YOUR
RECORDS

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$ 1099	37
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$ —	—
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$ —	—
4.	AMOUNT DUE FOR THIS QUARTER	\$ 1099	37
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$ —	—
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$ 1099	37

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**EMPLOYER'S QUARTERLY REPORT
FOR INDUSTRIAL INSURANCE
(WORKER'S COMPENSATION)**

PG 1

Check here if changes are made on reverse of white copy.

Please note - you MUST submit a Quarterly Report even if you had no workers.

QUESTIONS? PLEASE CALL YOUR
ACCOUNT MANAGER AT (360)907-5673

Team # T1

DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKEWOOD WA 98498

PM1C

20053

UBI Number : 602 008 595

Account ID : 055,830-00

This Report is for :
Quarter Ending : SEP 30, 2005

TO AVOID PENALTY - This Report MUST be
POSTMARKED and mailed with payment
NO LATER THAN:

OCT 31, 2005

1. CLASS	2. SUB	3. NATURE OF WORK	4. GROSS PAYROLL (NEAREST DOLLAR)	5. WORKER HOURS/UNITS X	6. COMPOSITE RATE PER HOUR/UNIT =	7. PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	SCHOOLS NOC PROF/ADMIN/CL	36,100.00	3610 3610	0.2270	762 30
6301	06	INSTRUCTORS - DRIVING SCHOOL	65058.00	6505	0.2926	1884 50

Report prepared by (print name) *Melita K. Probst* Preparer's telephone number

Official position *Owner* Check type of organization Corp. LLC
 Individual Partnership Other

I declare under the penalty of perjury of the laws of the state of Washington (RCW 9A.72.020) that the information contained in this report and in any attachment is true and correct.

Employer's Phone # *253 581-7030* Date *10-23-06* Signature *Melita K. Probst*
AC CODE: *80584760*

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$ 2646 80
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$ 264 18
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$ 238 21
4.	AMOUNT DUE FOR THIS QUARTER	\$ 3149 69
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$ — —
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$ 3149 69

DEPARTMENT OF LABOR & INDUSTRIES
PO BOX 34022
SEATTLE, WA 98124-1022

KEEP THIS FOR YOUR RECORDS

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F212-055-000 CR 9/05

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**EMPLOYER'S QUARTERLY REPORT
FOR INDUSTRIAL INSURANCE
(WORKER'S COMPENSATION)**

Check here if changes are made on reverse of white copy.
Please note - you MUST submit a Quarterly Report even if you had no workers.

QUESTIONS? PLEASE CALL YOUR
ACCOUNT MANAGER AT 1-800-902-8673

Team # T1

DIAMOND DRIVING SCHOOL OF PIER
9109 VETERANS DR SW
LAKE WAUWATIP WA 98148

PMIC

20054

UBI Number : 602 008 895

Account ID : 055,830-00

This Report is for Quarter Ending : DEC 31, 2005

TO AVOID PENALTY - This Report MUST be
POSTMARKED and mailed with payment
NO LATER THAN:

JAN 31, 2006

1. CLASS	2. SUB	3. NATURE OF WORK	4. GROSS PAYROLL (NEAREST DOLLAR)	5. WORKER HOURS/UNITS X	6. COMPOSITE RATE PER HOUR/UNIT =	7. PREMIUM
EXEMPT CORPORATE OFFICERS, EXEMPT LIMITED LIABILITY MEMBERS, OWNERS OR PARTNERS DO NOT HAVE COVERAGE. HOURS/UNITS FOR THESE INDIVIDUALS MUST NOT BE REPORTED.						
6103	11	TECHNICAL NOC PROF/ADMIN CL		2533	0.2276	581.10
6301	06	INSTRUCTORS - DRIVING SCHOOL		1322	0.2926	418.85

Report prepared by (print name) Preparer's telephone number

Malia K. Probst

Official position: *Owner*
Check type of organization: Individual Corp LLC Partnership Other

I declare under the penalty of perjury of the laws of the state of Washington (RCW 9A.72.020) that the information contained in this report and in any attachment is true and correct.

Employer's Phone # *253* Date *10-23-05* Signature *x Malia K. Probst*

CODE: *80554700*

DEPARTMENT OF LABOR & INDUSTRIES
PO BOX 34022
SEATTLE WA 98124-1022

KEEP THIS FOR YOUR RECORDS

1.	TOTAL OF PREMIUMS (COLUMN 7)	\$ 999.95
2.	PENALTY FOR LATE REPORTING (SEE BACK OF CANARY COPY)	\$ -
3.	INTEREST - 1% FOR EACH MONTH LATE REPORTING	\$ 50.00
4.	AMOUNT DUE FOR THIS QUARTER	\$ 1249.95
5.	PREVIOUS BALANCE (DUE OR CREDIT)	\$ -
6.	GRAND TOTAL TO BE SUBMITTED WITH THIS REPORT	\$ 1249.95

MAKE CHECK PAYABLE TO LABOR & INDUSTRIES
For Dept. use only

Remit # PD

COPY

APPLICATION
**LICENSE TO OPERATE A
DRIVER TRAINING SCHOOL**

FOR VALIDATION ONLY

007 70 2335

A \$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to:
Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.

NAME OF SCHOOL Diamond Driving School of Seattle-Ballard			UBI NUMBER 602-008-595	
STREET ADDRESS 8006 15th NW			NAME OF ON-SITE MANAGER Tami Brown	
CITY Seattle	COUNTY King	STATE WA	ZIP 98117	(AREA CODE) TELEPHONE NUMBER 206-205-0019
MAILING ADDRESS (If different)				
CITY			STATE	ZIP
TYPE OF BUSINESS <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Partnership <input type="checkbox"/> Association <input type="checkbox"/> Corporation			E-MAIL ADDRESS diamonddrivingschool@wans.net	
NAME, RESIDENCE ADDRESS, AND TELEPHONE NUMBER OF ALL OWNERS, PARTNERS, ASSOCIATES, OR CORPORATE OFFICERS Failure to disclose owner/partnership information will be cause for denial and/or suspension of license. Malia K. Orbino, 9027 Veterans Dr. SW, Lakewood, WA 98498 253-228-8890				
SCHOOL HISTORY <input type="checkbox"/> New school <input checked="" type="checkbox"/> Renewal application <input checked="" type="checkbox"/> Branch of <u>Diamond Driving School of Puyallup</u> located at <u>316 E. Pioneer Ave. #B, Puyallup, WA</u> <small>SCHOOL NAME STREET ADDRESS AND CITY</small> <input type="checkbox"/> Location change <input type="checkbox"/> Purchased existing school on _____ DATE. (Attach a copy of the sales agreement.) Provide name of previous owner(s) and previous school name and address.				

LOCATION

Is the school or branch located at least 1,000 feet or more away from any Department of Licensing office where examinations for driver licenses are conducted? Yes No

Is the school or branch located in a district zoned for business or commercial purposes and in a building space that is used exclusively for giving driver education? (Attach a copy of the lease agreement) Yes No

Is the branch located in a high school? (Attach a copy of the agreement between branch and school district) Yes No

INSTRUCTOR INFORMATION

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a felony? Yes No

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude? . Yes No

Provide names of all instructors: Tami Brown



510409
OK to inspect
fee attached
JL

A \$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to: Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.

NAME OF SCHOOL QUALITY DRIVING SCHOOL OF RICHLAND	NAME OF ON-SITE MANAGER JASON LAW
---	---

STREET ADDRESS
1370 D JADWIN AVE

CITY RICHLAND	COUNTY BENTON	STATE WA	ZIP 98352	(AREA CODE) TELEPHONE NUMBER 509-547-8553
-------------------------	-------------------------	--------------------	---------------------	---

MAILING ADDRESS (if different)

CITY	STATE WA	ZIP
------	--------------------	-----

TYPE OF BUSINESS <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Partnership <input type="checkbox"/> Association <input type="checkbox"/> Corporation	E-MAIL ADDRESS QUALITYDRIVINGSCHOOL@WANS.NET
--	--

NAME, RESIDENCE ADDRESS, AND TELEPHONE NUMBER OF ALL OWNERS, PARTNERS, ASSOCIATES, OR CORPORATE OFFICERS
Failure to disclose owner/partnership information will be cause for denial and/or suspension of license.

JASON LAW - 25837 88th AVE. S. - KENT, WA 98030 253-854-3263

SCHOOL HISTORY

New school

Branch of _____ located at _____
SCHOOL NAME STREET ADDRESS AND CITY

Location change

Purchased existing school on _____ DATE (Attach a copy of the sales agreement.)

Removing a Partner

Partner Release Paperwork is enclosed

LOCATION

Is the school or branch located at least 1,000 feet or more away from any _____

Yes No

MANDY M. LAW
JASON M. LAW
25837 - 88TH AVE. S, APT. 422 253-854-3263
KENT, WA 98030-6173

19-7076 / 3250
3833226950

3060

Date 3/18/04

Pay to the order of DOL \$ 500.00
five hundred even dollars

Washington Mutual
Washington Mutual Bank
North Auburn Financial Center
801 Auburn Way N., Ste. D
Auburn, WA 98002
1-800-788-7000
24 hour Customer Service

MEMO

⑆ 3 250 70 760 ⑆ 3833226950 ⑆ 3060

Yes No

Yes No

Yes No

Yes No

school oral turpitude?

[Handwritten Signature]

How many driver training cars are being used by your school? (enter number then list cars below) 1

YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS?	PROPERLY SIGNED?
1998	Mitsubishi	Galant	490TNQ	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:

- \$100,000 bodily injury or death to one person;
- \$300,000 because of bodily injury to two persons in one accident;
- \$50,000 property damage to others in the accident; and
- Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY	POLICY NUMBER	COMPANY (AREA CODE) TELEPHONE NUMBER
Western States Insurance Agency (Courtney Woods)	70 APN 313127	509-946-6161

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

ATTESTATION

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

Malia K. Orbino
PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

9/21/05
DATE AND PLACE SIGNED

Malia K. Orbino
SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED

X
SIGNATURE

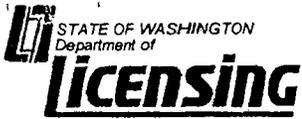
PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED

X
SIGNATURE

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.



**APPLICATION FOR
LICENSE TO OPERATE A
COMMERCIAL DRIVER TRAINING SCHOOL**

RECEIVED
MAR 04 2004
DRIVER EXAMINING

FOR VALIDATION ONLY

\$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to:
Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.

--

NAME OF SCHOOL QUALITY DRIVING SCHOOL OF YAKIMA		NAME OF ON-SITE MANAGER JASON LAW		
STREET ADDRESS 4704 "B" TIETON DR.				
CITY YAKIMA	COUNTY YAKIMA	STATE WA	ZIP 98902	(AREA CODE) TELEPHONE NUMBER 509-248-4822
MAILING ADDRESS (if different)				

CITY	STATE WA	ZIP
------	--------------------	-----

TYPE OF BUSINESS <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Partnership <input type="checkbox"/> Association <input type="checkbox"/> Corporation	E-MAIL ADDRESS QUALITYDRIVINGSCHOOL@WANS.NET
--	--

NAME, RESIDENCE ADDRESS, AND TELEPHONE NUMBER OF ALL OWNERS, PARTNERS, ASSOCIATES, OR CORPORATE OFFICERS
Failure to disclose owner/partnership information will be cause for denial and/or suspension of license.

JASON LAW - 25837 88th AVE. S. - KENT, WA 98030 253-854-3263

SCHOOL HISTORY

New school

Branch of _____ located at _____
SCHOOL NAME STREET ADDRESS AND CITY

Location change

Purchased existing school on _____ (Attach a copy of the sales agreement.)
DATE

Removing a Partner

Partner Release Paperwork is enclosed

LOCATION

Is the school or branch located at least 1,000 feet or more away from any Department of Licensing office where examinations for driver licenses are conducted? Yes No

Is the school or branch located in a district zoned for business or commercial purposes and in a building space that is used exclusively for giving driver education? Yes No

INSTRUCTOR INFORMATION

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a felony? Yes No

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude? Yes No

Provide names of all instructors:

JASON LAW

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below) 1

YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS?	PROPERLY SIGNED?
03	KIA	RIO	366 RUA	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$1 00,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY PHILADELPHIA INSURANCE CO.	POLICY NUMBER PHPK058947	COMPANY (AREA CODE) TELEPHONE NUMBER (770) 476-1770
---	-----------------------------	--

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

TESTATION

I hereby certify that the above statements are true.

Jason M Law
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

[Signature] 7-25-04
 SIGNED DATE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

X
 SIGNED DATE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

X
 SIGNED DATE

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.

The Department of Licensing has a policy of providing equal access to its services.

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below) <u>1</u>					
YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS?	PROPERLY SIGNED?
09	Pontiac	Grand Am	388MQW	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$100,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

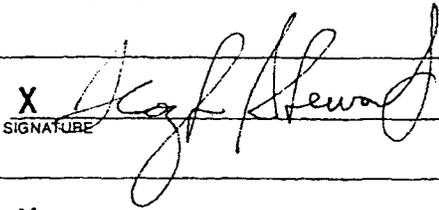
NAME OF INSURANCE COMPANY	POLICY NUMBER	COMPANY (AREA CODE) TELEPHONE NUMBER
National Indemnity Company-Western State Insurance	70APN313129	(509) 946-6161

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

TESTATION

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

Troy Stewart PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER	
9/21/05 Lakewood DATE AND PLACE SIGNED	
PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER	
DATE AND PLACE SIGNED	
PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER	
DATE AND PLACE SIGNED	

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below) 1

YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	PROPERLY SIGNED? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
1	Ford	Escape		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$100,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY	POLICY NUMBER	COMPANY (AREA CODE) TELEPHONE NUMBER
National Indemnity Company-Western State Insurance	70APN313130	(509) 946-6161

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

TESTATION

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

Malia K. Orbino
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

9/2/105 Lakewood DATE AND PLACE SIGNED X Malia K Orbino SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED X SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED X SIGNATURE

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.

The Department of Licensing has a policy of providing equal access to its services.



LICENSE TO OPERATE A DRIVER TRAINING SCHOOL

FOR VALIDATION ONLY

A \$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to:
Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.

NAME OF SCHOOL Quality Driving School of Renton			UBI NUMBER 602-008-595	
STREET ADDRESS 2806 NE Sunset Blvd. Suite G			NAME OF ON-SITE MANAGER Ferdinand Orbino	
CITY Renton	COUNTY King	STATE WA	ZIP 98056	(AREA CODE) TELEPHONE NUMBER 425-793-0681
MAILING ADDRESS (if different)				
CITY			STATE	ZIP
TYPE OF BUSINESS <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Partnership <input type="checkbox"/> Association <input type="checkbox"/> Corporation			E-MAIL ADDRESS diamonddrivingschool@wans.net	
NAME, RESIDENCE ADDRESS, AND TELEPHONE NUMBER OF ALL OWNERS, PARTNERS, ASSOCIATES, OR CORPORATE OFFICERS Failure to disclose owner/partnership information will be cause for denial and/or suspension of license. Malia K. Orbino, 9027 Veterans Dr. SW, Lakewood, WA 98498 253-228-8890				
SCHOOL HISTORY <input type="checkbox"/> New school <input checked="" type="checkbox"/> Renewal application <input type="checkbox"/> Branch of _____ located at _____ <small style="margin-left: 40px;">SCHOOL NAME</small> <small style="margin-left: 150px;">STREET ADDRESS AND CITY</small> <input type="checkbox"/> Location change <input type="checkbox"/> Purchased existing school on _____ (Attach a copy of the sales agreement.) <small style="margin-left: 100px;">DATE</small> Provide name of previous owner(s) and previous school name and address.				

LOCATION

Is the school or branch located at least 1,000 feet or more away from any Department of Licensing office where examinations for driver licenses are conducted? Yes No

Is the school or branch located in a district zoned for business or commercial purposes and in a building space that is used exclusively for giving driver education? (Attach a copy of the lease agreement) Yes No

Is the branch located in a high school? (Attach a copy of the agreement between branch and school district) Yes No

INSTRUCTOR INFORMATION

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a felony? Yes No

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude? . Yes No

Provide names of all instructors: Ferdinand Orbino

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below) <u>1</u>					
YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS?	PROPERLY SIGNED?
03	Kia	Rio	988SKK	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$100,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY	POLICY NUMBER	COMPANY (AREA CODE) TELEPHONE NUMBER
National Indemnity Company-Western State Insurance	70APN313130	(509) 946-6161

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

TESTATION

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

Malia K. Orbino
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

9/21/05 Lakewood DATE AND PLACE SIGNED

Malia K Orbino SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED

X SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED

X SIGNATURE

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.



APPLICATION FOR
**LICENSE TO OPERATE A
 DRIVER TRAINING SCHOOL**

FOR VALIDATION ONLY

\$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to:
Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.



NAME OF SCHOOL Quality Driving School of Renton			UBI NUMBER 602-008-595		
STREET ADDRESS 2806 NE Sunset Blvd. Suite G			NAME OF ON-SITE MANAGER Ferdinand Orbino		
CITY Renton	COUNTY King	STATE WA	ZIP 98056	(AREA CODE) TELEPHONE NUMBER 425-793-0681	

COPY

MAILING ADDRESS (if different)

CITY _____ STATE _____ ZIP _____

TYPE OF BUSINESS: Owner Partnership Association Corporation

E-MAIL ADDRESS: diamonddrivingschool@wans.net

NAME, RESIDENCE ADDRESS, AND TELEPHONE NUMBER OF ALL OWNERS, PARTNERS, ASSOCIATES, OR CORPORATE OFFICERS

Failure to disclose owner/partnership information will be cause for denial and/or suspension of license.

Malia K. Orbino, 9027 Veterans Dr. SW, Lakewood, WA 98498 253-228-8890

SCHOOL HISTORY

New school

Renewal application

Branch of _____ located at _____
SCHOOL NAME STREET ADDRESS AND CITY

Location change

Purchased existing school on _____ DATE. (Attach a copy of the sales agreement.)

Provide name of previous owner(s) and previous school name and address.

LOCATION

Is the school or branch located at least 1,000 feet or more away from any Department of Licensing office where examinations for driver licenses are conducted? Yes No

Is the school or branch located in a district zoned for business or commercial purposes and in a building space that is used exclusively for giving driver education? (Attach a copy of the lease agreement) Yes No

Is the branch located in a high school? (Attach a copy of the agreement between branch and school district) Yes No

INSTRUCTOR INFORMATION

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a felony? Yes No

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude? Yes No

Provide names of all instructors: Ferdinand Orbino

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below) 1

YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS?	PROPERLY SIGNED?
1998	Cadillac	Cadera	090JSR	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

COPY

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$100,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY	POLICY NUMBER	COMPANY (AREA CODE) TELEPHONE NUMBER
National Indemnity Company-Western State Insurance	70APN313127	(509) 946-6161

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

ATTESTATION

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

Malia K. Orbino
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

9/21/05 DATE AND PLACE SIGNED X Malia K. Orbino SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED X SIGNATURE

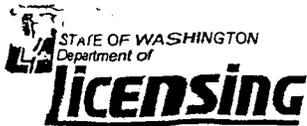
PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED X SIGNATURE

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.

The Department of Licensing has a policy of providing equal access to its services.



APPLICATION FOR LICENSE TO OPERATE A COMMERCIAL DRIVER TRAINING SCHOOL

FOR VALIDATION ONLY

\$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to:
Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.

NAME OF SCHOOL QUALITY DRIVING SCHOOL OF BATTLEGROUND		NAME OF ON-SITE MANAGER Joseph Nerton		
STREET ADDRESS 7114 NE 1st, Unit 106, Battle Ground, WA 98604				
CITY BATTLE GROUND	COUNTY CLARK	STATE WA	ZIP 98604	(AREA CODE) TELEPHONE NUMBER 360-695-9140
MAILING ADDRESS (if different)				

CITY	STATE	ZIP
------	-------	-----

TYPE OF BUSINESS <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Partnership <input type="checkbox"/> Association <input type="checkbox"/> Corporation	E-MAIL ADDRESS QUALITYDRIVINGSCHOOL@WANS.NET
--	--

NAME, RESIDENCE ADDRESS, AND TELEPHONE NUMBER OF ALL OWNERS, PARTNERS, ASSOCIATES, OR CORPORATE OFFICERS
Failure to disclose owner/partnership information will be cause for denial and/or suspension of license.

Joseph Nerton, 14313 NE 249th St., Battle Ground, WA 98604, 360-687-1314

First application

SCHOOL HISTORY

New school

Branch of _____ loca *APRIL 1ST OF 2004*

SCHOOL NAME

Location change

Purchased existing school on _____ (Atta

DATE

Provide name of previous owner(s) and previous school na

LOCATION

Is the school or branch located at least 1,000 feet or more away from the Department of Licensing office where examinations for driver license are given? Yes No

Is the school or branch located in a district zoned for business or commercial purposes and in a building space that is used exclusively for giving driver education? Yes No

INSTRUCTOR INFORMATION

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a felony? Yes No

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude? Yes No

Provide names of all instructors:

Joseph Nerton _____

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below) _____ <u>1</u>					
YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS?	PROPERLY SIGNED?
1990	Plymouth	Sundowner	976 RQZ	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$1 00,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY	POLICY NUMBER	COMPANY (AREA CODE) TELEPHONE NUMBER
PHILADELPHIA INSURANCE CO.	PHPK058947	(770) 476-1770

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? _____ Yes No

TESTATION

I, hereby certify that the above statements are true.

Joseph Nerton
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

X Joseph Nerton _____ DATE 4/1/04
 SIGNED _____

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER _____

X _____ DATE _____
 SIGNED _____

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER _____

X _____ DATE _____
 SIGNED _____

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.

The Department of Licensing has a policy of providing equal access to its services. If you need special accommodation, please call (360) 902-3900 or TTY (360) 664-0116.

FOR VALIDATION ONLY

A \$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to:
Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.

--

NAME OF SCHOOL Quality Driving School of Bellevue			UBI NUMBER 602-008-595	
STREET ADDRESS 10020 Main St. #204			NAME OF ON-SITE MANAGER Malia Orbino	
CITY Bellevue	COUNTY King	STATE WA	ZIP 98004	(AREA CODE) TELEPHONE NUMBER 425-453-5489

COPY

MAILING ADDRESS (if different)

CITY STATE ZIP

TYPE OF BUSINESS: Owner Partnership Association Corporation E-MAIL ADDRESS: qualitydriving@wans.net

NAME, RESIDENCE ADDRESS, AND TELEPHONE NUMBER OF ALL OWNERS, PARTNERS, ASSOCIATES, OR CORPORATE OFFICERS
Failure to disclose owner/partnership information will be cause for denial and/or suspension of license.
Malia K. Orbino, 9027 Veterans Dr. SW, Lakewood, WA 98498 253-228-8890

SCHOOL HISTORY
 New school
 Renewal application
 Branch of Quality Driving School of Renton located at 2806 NE Sunset Blvd. Suite G, Renton, WA
SCHOOL NAME STREET ADDRESS AND CITY
 Location change Formerly: At 10335 Main St. #7, Bellevue, WA Location change to take place on 15 September 2005
 Purchased existing school on _____ DATE. (Attach a copy of the sales agreement.)
 Provide name of previous owner(s) and previous school name and address.
 Formerly: At 10335 Main St. #7, Bellevue, WA Location change to take place on 15 September 2005

LOCATION

Is the school or branch located at least 1,000 feet or more away from any Department of Licensing office where examinations for driver licenses are conducted? Yes No
 Is the school or branch located in a district zoned for business or commercial purposes and in a building space that is used exclusively for giving driver education? (Attach a copy of the lease agreement) Yes No
 Is the branch located in a high school? (Attach a copy of the agreement between branch and school district) Yes No

INSTRUCTOR INFORMATION

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a felony? Yes No
 Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude? . Yes No
 Provide names of all instructors: Malia Orbino

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below) <u>1</u>					
YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS?	PROPERLY SIGNED?
2004	Mitsubishi	Lancer	865TLN	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$100,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY	POLICY NUMBER	COMPANY (AREA CODE) TELEPHONE NUMBER
National Indemnity Company-Western State Insurance	70APN313127	(509) 946-6161

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

TESTATION

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

Malia K. Orbino
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

9/21/05
 DATE AND PLACE SIGNED

Malia K Orbino
 SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED

X
 SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED

X
 SIGNATURE

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.

The Department of Licensing has a policy of providing equal access to its services.

Case# 21-27-010

#C105



APPLICATION FOR LICENSE TO OPERATE A COMMERCIAL DRIVER TRAINING SCHOOL

FOR VALIDATION ONLY

ORIGINAL

\$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to: Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.

Form with fields for School Name (Quality Driving School #C105), Street Address (1418 South Pioneer Way), City (Moses Lake), County (Grant), State (Wash), ZIP (98837), Telephone (509-765-0466), Mailing Address (P.O. Box 2138), Type of Business (Partnership), and Owner/Partner Information (Allen Field, 300 303 N. Grape, Moses Lake, Wash 98837).

RECEIVED AUG 04 2003

DRIVER SERVICES

LOCATION

Location questions: Is the school or branch located at least 1,000 feet or more away from any Department of Licensing office...? Is the school or branch located in a district zoned for business or commercial purposes...?

INSTRUCTOR INFORMATION

Instructor information questions: Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a felony? Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude?

Instructor list: Provide names of all instructors: Allen Field 5, Jonathan Jones 459, Dean Hoff 894, Wayne Monson 6, Lee Speer 177, Jeff Jones 506, David Bauer 345, Doug Hollibaugh 395, Reid Foulds 136

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below)

YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS? <input type="checkbox"/> Yes <input type="checkbox"/> No	PROPERLY SIGNED? <input type="checkbox"/> Yes <input type="checkbox"/> No
95	Mitsubishi	Allent	092GNB	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2001	Pontiac	Grand Am	442NUZ	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
98	Toyota	Camry	833KRU	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$100,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY <i>Granite State Insurance Co</i>	POLICY NUMBER <i>AC 150270</i>	COMPANY (AREA CODE) TELEPHONE NUMBER <i>770-476-1770</i>
--	-----------------------------------	---

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

ATTESTATION

I hereby certify that the above statements are true.

Allen N. Reed
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

Allen N. Reed
 SIGNED DATE *7/21/03*

Reid Horvath
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

Reid Horvath
 SIGNED DATE *7/21/03*

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

X
 SIGNED DATE

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.

The Department of Licensing has a policy of providing equal access to its services. If you need special accommodation, please call (360) 902-3900 or TTY (360) 664-0116.



APPLICATION FOR
**LICENSE TO OPERATE A
 DRIVER TRAINING SCHOOL**
FOR VALIDATION ONLY

A \$500 fee (non-refundable application fee \$300, license fee \$200) must accompany this application. Do not send cash. Make check or money order payable to Department of Licensing and mail to:
Department of Licensing, PO Box 9048, Olympia, WA 98507-9048.

OCT 20 2005

NAME OF SCHOOL Diamond Driving School of Bellingham			UBI NUMBER 602-008-595	
STREET ADDRESS 1609 Broadway, Suite 2G			NAME OF ON-SITE MANAGER Janet Kingsley	
CITY Bellingham	COUNTY Whatcom	STATE WA	ZIP 983225	(AREA CODE) TELEPHONE NUMBER 360-527-0123
MAILING ADDRESS (if different)				
CITY			STATE	ZIP
TYPE OF BUSINESS <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Partnership <input type="checkbox"/> Association <input type="checkbox"/> Corporation			E-MAIL ADDRESS diamonddrivingschool@wans.net	
NAME, RESIDENCE ADDRESS, AND TELEPHONE NUMBER OF ALL OWNERS, PARTNERS, ASSOCIATES, OR CORPORATE OFFICERS Failure to disclose owner/partnership information will be cause for denial and/or suspension of license. Malia K. Orbino, 9027 Veterans Dr. SW, Lakewood, WA 98498 253-228-8890				
SCHOOL HISTORY <input type="checkbox"/> New school <input checked="" type="checkbox"/> Renewal application <input type="checkbox"/> Branch of _____ located at _____ <small>SCHOOL NAME STREET ADDRESS AND CITY</small> <input type="checkbox"/> Location change <input type="checkbox"/> Purchased existing school on _____ DATE. (Attach a copy of the sales agreement.) Provide name of previous owner(s) and previous school name and address.				

LOCATION

Is the school or branch located at least 1,000 feet or more away from any Department of Licensing office where examinations for driver licenses are conducted? Yes No

Is the school or branch located in a district zoned for business or commercial purposes and in a building space that is used exclusively for giving driver education? (Attach a copy of the lease agreement) Yes No

Is the branch located in a high school? (Attach a copy of the agreement between branch and school district) Yes No

INSTRUCTOR INFORMATION

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a felony? Yes No

Has any officer, director, stockholder, partner, or any person directly or indirectly interested in your school ever been convicted of a crime involving violence, dishonesty, deceit, indecency, degeneracy, or moral turpitude? . Yes No

Provide names of all instructors: Janet Kingsley, Luther Cassidy

VEHICLES

How many driver training cars are being used by your school? (enter number then list cars below) 1

YEAR	MAKE	MODEL	LICENSE NUMBER	DUAL CONTROLS? <input type="checkbox"/> Yes <input type="checkbox"/> No	PROPERLY SIGNED? <input type="checkbox"/> Yes <input type="checkbox"/> No
2003	Kia	Rio	988SKK	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

INSURANCE

Proof of liability insurance coverage from a company authorized to do business in Washington State is required in amounts not less than:
 \$100,000 bodily injury or death to one person;
 \$300,000 because of bodily injury to two persons in one accident;
 \$50,000 property damage to others in the accident; and
 Uninsured motorists coverage.

Attach a copy of the policy or binder showing the required coverage.

NAME OF INSURANCE COMPANY	POLICY NUMBER	COMPANY (AREA CODE) TELEPHONE NUMBER
National Indemnity Company-Western State Insurance	70APN313130	(509) 946-6161

LEGAL

Are there any civil actions now pending against this business or any member, directly or indirectly interested in this school? Yes No

TESTATION

certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Malia K. Orbino
 PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

9/21/05 (at school)
 DATE AND PLACE SIGNED

Malia K Orbino
 SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED

X
 SIGNATURE

PRINT NAME OF OWNER, PARTNER, ASSOCIATE, OR CORPORATE OFFICER

DATE AND PLACE SIGNED

X
 SIGNATURE

Note: A false statement on this application is basis for refusal or revocation of a license.

Allow 30 days for application review and receipt of a letter of instruction on scheduling a school inspection.

The Department of Licensing has a policy of providing equal access to its services.



BEFORE THE BOARD OF INDUSTRIAL INSURANCE APPEALS
STATE OF WASHINGTON

1 IN RE: GARY R PROBST ET UX DBA) DOCKET NO. 06 20246
2 DIAMOND DRIVING SCHOOL)
3)
4 FIRM NO. 846,031-02) DECISION AND ORDER

5
6 APPEARANCES:

7
8 Firm, Gary R. Probst et ux dba Diamond Driving School, by
9 Fristoe, Taylor, Schultz, Ltd., P.S., per
10 Don W. Taylor

11
12 Department of Labor and Industries, by
13 The Office of the Attorney General, per
14 Penny L. Allen, Assistant
15

16 This is an appeal filed by the firm, Gary R. Probst et ux dba Diamond Driving School, on
17 October 11, 2006, from Notice and Assessment No. 0422202 issued by the Department of Labor
18 and Industries on September 5, 2006. In the Notice and Order of Assessment, the Department
19 assessed taxes, penalties, and interest due and owing to the State Fund for the last two quarters of
20 2003, all four quarters of 2004 and 2005, and the first two quarters of 2006 for a total amount of
21 \$953,159.26. The Notice and Order of Assessment is **AFFIRMED**.

22
23
24
25 **DECISION**

26 Pursuant to RCW 51.52.104 and RCW 51.52.106, this matter is before the Board for review
27 and decision on a timely Petition for Review filed by the firm to a Proposed Decision and Order
28 issued on March 21, 2008, in which the industrial appeals judge affirmed the September 5, 2006
29 Notice and Order of Assessment.

30 The Board has reviewed the evidentiary rulings in the record of proceedings and finds that
31 no prejudicial error was committed. The rulings are affirmed.
32

33 The issue presented by this appeal and the evidence presented by the parties are
34 adequately set forth in the Proposed Decision and Order.
35

36 After consideration of the Proposed Decision and Order and the Petition for Review filed
37 thereto, and a careful review of the entire record before us, we are persuaded that the Proposed
38 Decision and Order is supported by the preponderance of the evidence and is correct as a matter of
39 law. We have granted review to clarify and correct the Findings of Fact and Conclusions of Law.
40
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7/23/08

FINDINGS OF FACT

1. On September 5, 2006, the Department of Labor and Industries issued Notice and Order of Assessment No. 0422202 to Gary R. Probst et ux, dba Diamond Driving School, for taxes, penalties for being unregistered, records not kept or unavailable and misrepresentation, and interest owing to the State Fund in the sum of \$953,159.26 for the third and fourth quarters of 2003, all of the four quarters of 2004, 2005, and for the first and second quarters of 2006. On October 11, 2006, the employer, Diamond Driving School, filed a Notice of Appeal with the Board of Industrial Insurance Appeals. On October 26, 2006, the Board granted the appeal, assigned it Docket No. 06 20246, and directed that further proceedings be held to resolve the issues on appeal.
2. During the third and fourth quarters of 2003, all of the four quarters of 2004, 2005, and for the first and second quarters of 2006, Gary R. Probst and et ux, dba Diamond Driving School, was providing driving instruction at numerous locations throughout the state using the names such as Diamond Driving Schools, America's Best Driving Schools, and Quality Driving Schools.
3. During the third and fourth quarters of 2003, all of the four quarters of 2004, 2005, and for the first and second quarters of 2006, Gary R. Probst et ux, dba Diamond Driving School, was the owner or lessor of multiple classroom facilities, furnishings, and automobiles in the state of Washington that were used by instructors to provide drivers' training. That firm controlled the manner of driving instruction services by providing commercial advertising, insurance coverage, payment of leases, and handling bookkeeping for numerous driving schools throughout the state of Washington.
4. During the third and fourth quarters of 2003, all of the four quarters of 2004, 2005, and for the first and second quarters of 2006, Gary R. Probst et ux dba Diamond Driving School, contracted with various individuals to provide both classroom and driving instruction to students throughout the state of Washington, and paid those instructors an hourly rate, and those instructors were employees of his firm, and were not independent contractors because the essence of their contract with that firm was for their personal labor.
5. During the third and fourth quarters of 2003, all of the four quarters of 2004, 2005, and for the first and second quarters of 2006, Gary R. Probst et ux, dba Diamond Driving School, intended to avoid the burdens of the Industrial Insurance Act by misrepresenting his payroll and failing to pay industrial insurance premiums for its workers either at all or in a timely fashion as required by law.
6. For the third and fourth quarters of 2003, all of the four quarters of 2004, 2005, and for the first and second quarters of 2006, Gary R. Probst et ux, dba Diamond Driving School, failed to present adequate records when requested by a subpoena issued by the Department of Labor and Industries, and otherwise failed to cooperate with the auditor pursuant to

1 a legal audit she was conducting to determine if the firm owed industrial insurance taxes to the State Fund.

- 2
3
4 7. During the third and fourth quarters of 2003, all of the four quarters of
5 2004, 2005, and for the first and second quarters of 2006, the
6 Department of Labor and Industries estimated the amount of industrial
7 insurance premiums owed by Gary R. Probst et ux, dba Diamond
8 Driving School for this period plus penalties and interest in the amount
9 \$105,538.13, and the Department also assessed penalties including
10 \$53,453.33 because he was unregistered, \$28,500 for failure to keep
11 records, \$250 for failure to provide records; and \$764,178 for employer
12 misrepresentation, for a total amount assessed equal to \$948,157.26.
13
14 8. During the third and fourth quarters of 2003, all of the four quarters of
15 2004, 2005, and for the first and second quarters of 2006, Gary R.
16 Probst and Roselani Probst were legally married.

17 CONCLUSIONS OF LAW

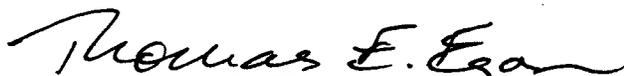
- 18 1. The Board of Industrial Insurance Appeals has jurisdiction over the
19 parties to and the subject matter of this appeal.
20
21 2. For the third and fourth quarters of 2003, all of the four quarters of 2004,
22 2005, and for the first and second quarters of 2006, Gary R. Probst et
23 ux, dba Diamond Driving School, was an employer for purposes of
24 industrial insurance in accordance with the provisions of
25 RCW 51.16.060 and the definitions contained in RCW 51.08.070 and
26 RCW 51.08.180 and was not exempt under RCW 51.08.195.
27
28 3. During the third and fourth quarters of 2003, all of the four quarters of
29 2004, 2005, and for the first and second quarters of 2006, driving
30 instructors employed by Gary R. Probst et ux, dba Diamond Driving
31 School, were covered workers under the Industrial Insurance Act within
32 the meaning of RCW 51.08.180 and *White v. Department of Labor &*
33 *Indus.*, 48 Wn.2d 470 (1956).
34
35 4. Gary R. Probst et ux, dba Diamond Driving School is barred under RCW
36 51.48.030 and RCW 51.48.040 from questioning before this Board the
37 correctness of the Department's assessment of industrial insurance
38 premiums for the third and fourth quarters of 2003, all of the four
39 quarters of 2004, 2005, and for the first and second quarters of 2006.
40
41 5. The Department of Labor and Industries was authorized to estimate the
42 premiums due from Gary R. Probst et ux, dba Diamond Driving School
43 for the third and fourth quarters of 2003, all of the four quarters of 2004,
44 2005 and for the first and second quarters of 2006, within the meaning
45 of RCW 51.16.155, to be \$76,541.78 and with penalties and interest in
46 accordance with RCW 51.48.010, and the industrial insurance laws of
47 this state, those premiums due equaled a total of \$105,538.13.
48
49 6. The Department of Labor and Industries was authorized to assess
50 penalties against Gary R. Probst et ux, dba Diamond Driving School
51 within the meaning of RCW 51.48.030 and WAC 296-17-35201(4), and
52 the industrial insurance laws of this state, in the amount of \$28,500, for
53 failing to maintain records.

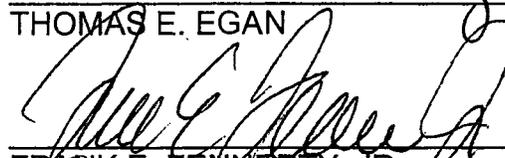
- 1 7. The Department of Labor and Industries was authorized to assess a
2 penalty against Gary R. Probst et ux, dba Diamond Driving School
3 within the meaning of RCW 51.48.040, and the industrial insurance laws
4 of this state, in the amount of \$250 for failure to allow inspection of the
5 firm's records.
- 6 8. The Department of Labor and Industries was authorized to assess
7 penalties against Gary R. Probst et ux, dba Diamond Driving School
8 within the meaning of RCW 51.48.010, and the industrial insurance laws
9 of this state, in the amount of \$53,453.33 for failure to register with the
10 Department.
- 11 9. The Department of Labor and Industries was authorized to assess
12 penalties against Gary R. Probst et ux, dba Diamond Driving School
13 within the meaning of RCW 51.48.020, and the industrial insurance laws
14 of this state, in the amount of \$764,178 for misrepresentation of the
15 amount of the payroll.
- 16 10. Because Gary R. Probst and Roselani Probst were legally married
17 during the third and fourth quarters of 2003, all of the four quarters of
18 2004, 2005, and for the first and second quarters of 2006, in accordance
19 with the laws of the state of Washington, the assessment of industrial
20 insurance taxes during that time pursuant to the industrial insurance
21 laws of this state is lawful against both of them and therefore Roselani
22 Probst cannot be removed from Notice and Order of Assessment
23 No.0422202.
- 24 11. The Department Notice and Order of Assessment No. 0422202, issued
25 on September 5, 2006, which assessed Gary R. Probst and et ux, dba
26 Diamond Driving School, taxes, penalties, and interest due and owing to
27 the State Fund for the third and fourth quarters of 2003, all of the four
28 quarters of 2004, 2005, and for the first and second quarters of 2006, in
29 the total amount of \$948,517.26, is correct and is affirmed.

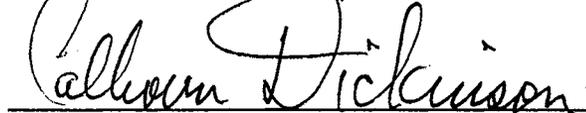
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31 It is **ORDERED**.

32
33 Dated: July 23, 2008.

34
35
36 BOARD OF INDUSTRIAL INSURANCE APPEALS

37
38 
39 _____
40 THOMAS E. EGAN Chairperson

41
42 
43 _____
44 FRANK E. FENNERTY, JR. Member

45
46 
47 _____
CALHOUN DICKINSON Member

CERTIFICATE OF SERVICE BY MAIL

I certify that on this day I served the attached Order to the parties of this proceeding and their attorneys or authorized representatives, as listed below. A true copy thereof was delivered to Consolidated Mail Services for placement in the United States Postal Service, postage prepaid.

EM1

DIAMOND DRIVING SCHOOL
9109 VETERANS DR SW
LAKEWOOD, WA 98498

EA1

DON W TAYLOR, ATTY
FRISTOE TAYLOR SCHULTZ LTD PS
206 11TH AVE SE #1
OLYMPIA, WA 98501

AG1

PENNY L ALLEN, AAG
OFFICE OF THE ATTORNEY GENERAL
LABOR & INDUSTRIES
PO BOX 40121
OLYMPIA, WA 98504-0121

Dated at Olympia, Washington 7/23/2008
BOARD OF INDUSTRIAL INSURANCE APPEALS

By:



DAVID E. THREEDY

Executive Secretary

In re: GARY R PROBST & ET UX DBA DIAMOND DRIVING SCHOOL
Docket No. 06 20246

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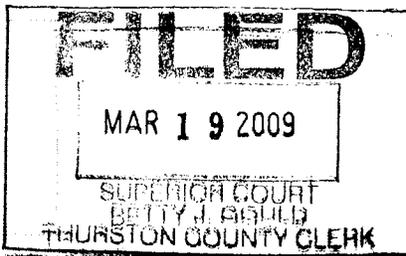
EXPEDITE

Hearing is set:

Date: _____

Time: _____

Judge/Calendar: _____



**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THURSTON COUNTY**

**GARY R. PROBST AND
ROSALINE PROBST, D/B/A
DIAMOND DRIVING,**

Petitioners/Appellants,

vs.

**DEPARTMENT OF LABOR AND
INDUSTRIES OF THE STATE OF
WASHINGTON, THE DIRECTOR OF
THE DEPARTMENT OF LABOR AND
INDUSTRIES OF THE STATE OF
WASHINGTON, AND THE BOARD OF
INDUSTRIAL INSURANCE APPEALS
OF THE STATE OF WASHINGTON,**

Defendants/Respondents,

SUPERIOR COURT NO.: 08-2-01817-0

COURT OF APPEALS NO.:

**NOTICE OF APPEAL TO
COURT OF APPEALS DIVISION II**

TO: THE COURT OF APPEALS DIVISION II

AND TO: THE SUPERIOR COURT FOR THURSTON COUNTY

AND TO: THE DEPARTMENT OF LABOR & INDUSTRIES AND ITS DIRECTOR,
DEFENDANTS/RESPONDENTS

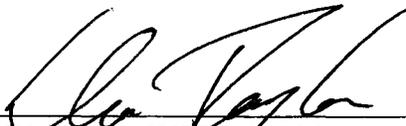
NOTICE OF APPEAL TO
COURT OF APPEALS DIVISION II- 1

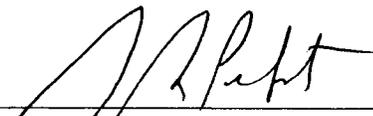
OWENS DAVIES FRISTOE
TAYLOR & SCHULTZ, P.S.
1115 West Bay Drive, Suite 302
Olympia, Washington 98502
Phone: (360) 943-8320
Facsimile: (360) 943-6150

1 AND TO: ROB MCKENNA, ATTORNEY GENERAL AND PENNY L. ALLEN, SENIOR
2 ASSISTANT ATTORNEY GENERAL, ATTORNEY FOR DEFENDANTS/RESPONDENTS

3 COMES NOW, Gary Probst, the Plaintiff/Appellant and Judgment Debtor in the above-
4 entitled proceedings and appeals to and seeks review by the Court of Appeals of the State of
5 Washington, Division II, of the Judgment, Findings of Fact, Conclusions of Law and Order dated
6 February 27, 2009 and entered in the above-entitled action on February 27, 2009, a certified copy
7 of which Judgment, Findings of Fact, Conclusions of Law and Order is attached hereto and
8 incorporated herein.

9 DATED: March 17, 2009.

10
11 
12 _____
13 Don W. Taylor, WSBA #4134
14 of Owens Davies Fristoe Taylor & Schultz, P.S.
15 Attorneys for Plaintiff/Appellant Gary Probst

16 
17 _____
18 Gary E. Probst, Plaintiff/Appellant

19 Don W. Taylor, WSBA #4134
20 of Owens Davies Fristoe Taylor & Schultz, P.S.
21 1115 West Bay Drive NW
22 Suite 302
23 Olympia, WA 98502-4668
24 Telephone: (360) 943-8320
25 Facsimile: (360) 943-6150

26 Rob McKenna, WSBA #18327
27 Penny Allen, WSBA #18821
28 Senior Counsel, Office of the Attorney General
P.O. Box 40121
Olympia, WA 98504-0121
Telephone: (360) 586-7737
Facsimile: (360) 438-7485

NOTICE OF APPEAL TO
COURT OF APPEALS DIVISION II- 2

OWENS DAVIES FRISTOE
TAYLOR & SCHULTZ, P.S.
1115 West Bay Drive, Suite 302
Olympia, Washington 98502
Phone: (360) 943-8320
Facsimile: (360) 943-6150

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FILED
SUPERIOR COURT
THURSTON

'09 FEB 27 P2:43

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EXPEDITE
 No Hearing Set
 Hearing is Set:
Date: 2/27/2009
Time: 1:30 PM
Judge Hicks

BY _____
DEPT

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF THURSTON

GARY PROBST and
ROSELANE PROBST DBA
DIAMOND DRIVING,
Petitioners,
vs.
DEPARTMENT OF LABOR
AND INDUSTRIES,
Defendant.

NO. 08-2-01817-0
~~PROPOSED~~ JUDGMENT,
FINDINGS OF FACT,
CONCLUSIONS OF LAW AND
ORDER

JUDGMENT SUMMARY (RCW 4.64.030)

- | | |
|---|---|
| 1. Judgment Creditor: | Department of Labor and Industries of the State of Washington |
| 2. Judgment Debtor: | Gary Probst |
| 3. Principal Amounts of Judgment: | \$953,159.26 |
| 4. Interest to Date of Judgment: | \$-0.00- |
| 5. Attorney Fees: | \$200.00 |
| 6. Costs: | \$-0.00- |
| 7. Other Recovery Amounts: | \$-0.00- |
| 8. Principal Judgment Amount shall bear interest at 1% per month pursuant to RCW 51.48.210. | |

~~PROPOSED~~ JUDGMENT AND ORDER

1

ATTORNEY GENERAL OF WASHINGTON
Labor & Industries Division
PO Box 40121
Olympia, WA 98504-0121
(360) 459-6563
FAX: (360) 438-7485

09-9-00224-2

1 9. Attorney Fees, Costs and Other Recovery Amounts shall bear Interest at 12% per annum.

2 10. Attorneys for Judgment Creditor: Rob McKenna
3 Attorney General
4 Penny L. Allen
5 Senior Counsel
6 Office of the Attorney General
7 P.O. Box 40121
8 Olympia, WA 98504-0121
9 (360) 586-7737

10 11. Attorney for Judgment Debtor: Don Taylor
11 Owens, Davies, Fristoe & Taylor
12 PO Box 187
13 Lacey, WA 98507 --
14 (360) 681-2529

15 THIS MATTER came on regularly for argument on February 27, 2009, and the Court
16 having considered the arguments presented by the parties and the records and files herein,
17 including:

- 18 1. Certified Appeal Board Record provided by the Washington State Board of
19 Industrial Insurance Appeals;
- 20 2. ~~Gary Probst's~~ **PETITIONER'S** Trial Briefs
- 21 3. Department of Labor & Industries' Trial Brief;

22 and the pleadings on file in this case, and otherwise being fully advised on the matter, the
23 Court now makes the following:

24 I. FINDINGS OF FACT

25 1.1 On September 5, 2006, the Department of Labor and Industries issued a
26 Notice and Order of Assessment No. 0422202, assessing taxes due and owing
to the State Fund in the sum of \$953,159.26 for the third and fourth quarters
of 2003, all of the four quarters of 2004, 2005 and for the first and second
quarter of 2006. The firm appealed this Notice and Order of Assessment to
the Board of Industrial Insurance Appeals (Board) on October 11, 2006.

1.2 Hearings were held and on March 21, 2008, a proposed decision and order
was issued that affirmed the Department's assessment. The employer timely
filed a petition for review. On July 23, 2008, the Board issued its decision and
order which affirmed the Department's assessment no. 0422202.

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1.3 The firm filed a timely appeal to this Court from the Board's order dated July 23, 2008, affirming the Department's Order & Notice number 0422202.

1.4 ~~Gary Probst~~ **PETITIONERS** failed to either pay all taxes, penalties, and interest or obtain a court determination that payment was an undue hardship prior to filing his appeal.

1.5 The Board's Findings of Fact Nos. 1 through 8 are supported by substantial evidence in the record and are hereby incorporated by this reference.

Based on the foregoing findings of fact, the Court hereby makes the following

II. CONCLUSIONS OF LAW

2.1 This Court has jurisdiction and venue is in Thurston County.

2.2 The Board's Findings of Fact Nos. 1 through 8 are supported by substantial evidence in the record and should be affirmed.

2.3 The Board's Conclusions of Law Nos. 1 through 11 flow from the Board's Findings of Fact and the Board committed no error of law in making those conclusions, and are hereby incorporated by this reference

Based on the foregoing Findings of Fact and Conclusions of Law, the Court enters judgment as follows:

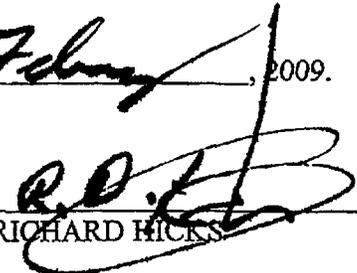
III. JUDGMENT

3.1 Petitioner's Appeal to the July 23, 2008 Decision and Order of the Board is dismissed, **AND AT ANY APPEAL THEN** in the alternative if jurisdiction is found, **PETITIONERS ARE** The July 23, 2008 Decision and Order of the Board is correct and is hereby affirmed in all respects.

3.2 The Department is awarded, and ~~Gary Probst~~ is ordered to pay, a statutory attorney fee of \$200.00 pursuant to RCW 4.84.010(6) and RCW 4.84.080.

3.3 The Department is awarded interest from the date of entry of this judgment as provided by RCW 4.56.110 and RCW 51.48.210.

DATED THIS 27th DAY OF February, 2009.



JUDGE RICHARD HICKS

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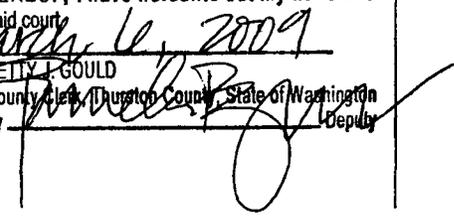
Presented by:
DEPARTMENT OF LABOR & INDUSTRIES
ROB MCKENNA,
Attorney General


PENNY L. ALLEN
Senior Counsel
WSBA #18821

Order received and Notice of
Presentation Waived:


DON TAYLOR
Attorney for Employer *Comy Perls F*
WSBA # 4134

STATE OF WASHINGTON
County of Thurston
I, Betty J. Gould, County Clerk and Ex-officio Clerk of the
Superior Court of the State of Washington, for Thurston County
holding session at Olympia, do hereby certify that the foregoing
is a true and correct copy of the original as the same appears on
file and of record in my office containing Four pages,
IN WITNESS WHEREOF, I have hereunto set my hand and
affixed the seal of said court.

DATED: March 6, 2009
BETTY J. GOULD
County Clerk, Thurston County, State of Washington
by  Deputy

CERTIFICATE OF SERVICE

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On this 18th day of March, 2009, I caused to be delivered, via the method indicated, a true and accurate copy of the within Notice of Appeal to Court of Appeals Division II, to the following:

Rob McKenna, Esq.
Attorney General
Office of the Attorney General
P.O. Box 40121
Olympia, WA 98504-0121

Penny Allen, Esq.
Office of the Attorney General
P.O. Box 40121
Olympia, WA 98504-0121

- U.S. Postal Service
- Overnight Delivery
- ABC Legal Messengers, Inc.
- Hand-Delivery
- Facsimile
- U.S. Postal Service
- Overnight Delivery
- ABC Legal Messengers, Inc.
- Hand-Delivery
- Facsimile

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

DATED this 18th day of March, 2009, at Olympia, Washington.


Dori Whitten, Paralegal

1 2. On May 18, 2009, I enclosed in an envelope a copy of this Affidavit and a copy of
2 the Brief of Appellants in the above-entitled case, which envelope was specifically addressed as
3 follows:

4 Penny L. Allen
5 Assistant Attorney General
6 Labor and Industries Division
7 P.O. Box 40121
8 Olympia, WA 98504-0121

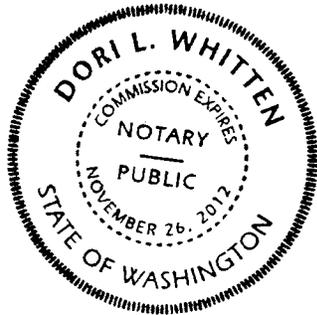
9 3. On said date, I caused said envelope, with a copy of this Affidavit and a copy of
10 the Brief of Appellants enclosed therein to be deposited into the United States mail at the
11 Olympia Post Office, Olympia, Washington, first-class postage prepaid.

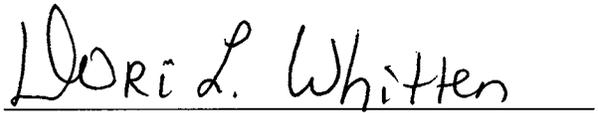
12 4. I am informed, believe and therefore state there is regular mail service between
13 the Olympia Post Office and the address above-stated.

14
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16 Don W. Taylor, WSB# #4134

17 SUBSCRIBED AND SWORN TO before me on May 18, 2009, by Don W. Taylor.



29 
30 NOTARY PUBLIC in and for the State of
31 Washington residing at Olympia Lacey
32 My commission expires 11-26-2012.