

2001

Keryy Pipkin v. Randy Haugen, Kip Cashmore,
Quick Cash, LLC, USA Cash Stores, USA Cash
Services, QC Instant Cash, RKT Holding
Company, and DOES 1-50, inclusive. : Brief of
Appellant

Utah Court of Appeals

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Brief of Appellant, *Pipkin v. Haugen*, No. 20011028 (Utah Court of Appeals, 2001).

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UTAH COURT OF APPEALS

KERRY PIPKIN,) APPELLANT'S ADDENDUM
)
 Plaintiff and Appellant,) Appellate Case No.20011028-CA
)
 vs.)
)
 RANDY HAUGEN, KIP CASHMORE,)
 QUICK CASH, LLC, USA CASH)
 STORES, USA CASH SERVICES, QC)
 INSTANT CASH, RKT HOLDING)
 COMPANY, and DOES 1-50, inclusive.)
)
 Defendants and Appellees.)

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James H. Tily (#8809)
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Attorneys for Plaintiff/ Appellant
KERRY PIPKIN

UTAH COURT OF APPEALS

KERRY PIPKIN,) APPELLANT'S ADDENDUM
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 Plaintiff and Appellant,) Appellate Case No.20011028-CA
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Attorneys for Plaintiff/ Appellant
KERRY PIPKIN

SECOND JUDICIAL DISTRICT COURT OF WEBER COUNTY
STATE OF UTAH

KERRY PIPKIN,
PLAINTIFF

VS

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC USA CASH
STORES, USA CASH , RKT HOLDING
COMPANY AND DOES 1 THROUGH 50
INCLUSIVE,
DEFENDANT

AFFIDAVIT OF MAILING

Case NO: 010901074

State of Utah

ss.

County of Weber

I, FRAN LUND, being first duly sworn on oath deposes and says:

That I am a Deputy Clerk of Court of the above-entitled court in and for the County of Weber, State of Utah; On the 15th day of February, 2002 I deposited in the United States Post Office at Ogden, Utah, RECORD legibly addressed and directed to the following:

UTAH COURT OF APPEALS
1450 S STATE STREET
P O BOX 14023
SLC UT 84114-0230



FRAN LUND
Deputy Court Clerk

**IN THE DISTRICT COURT OF THE SECOND JUDICIAL DISTRICT
WEBER COUNTY, STATE OF UTAH**

**KERRY PIPKIN,
Plaintiff**

vs

**RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC USA CAS STORES,
USA CASH SERVICES, QC INSTANT
CASH, RKT HOLDING COMPANY
AND DOES 1 THROUGH 50
INCLUSIIVE,
Defendant**

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Norman H. Jackson

Presiding Judge

Judith M. Billings

Associate Presiding Judge

Russell W. Bench

Judge

James Z. Davis

Judge

Pamela T. Greenwood

Judge

Gregory K. Orme

Judge

William A. Thorne, Jr.

Judge

Utah Court of Appeals

450 South State Street

P.O. Box 140230

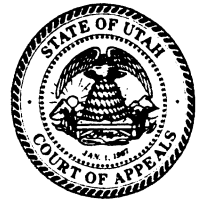
Salt Lake City, Utah 84114-0230

Appellate Clerks' Office (801) 578-3900

Judges' Reception (801) 578-3950

FAX (801) 578-3999

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Marilyn M. Branch

Appellate Court Administrator

Paulette Stagg

Clerk of the Court

2002 MAY -9 P 12: 13
SECOND DISTRICT COURT

May 8, 2002

SECOND DISTRICT, OGDEN DEPT

ATTN: FRAN

2525 GRANT AVE

OGDEN UT 84401

RE: Pipkin v. Haugen

Appellate Case No. 20011028-CA

Trial Court Case No. 010901074

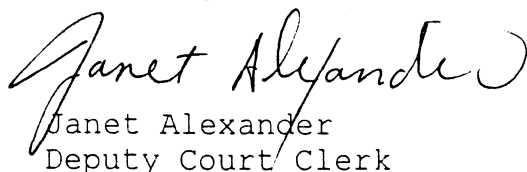
Dear Appeals Clerk:

Our office is in receipt of the enclosed record. The record is being returned to you for the following reason:

The record was borrowed and is now being returned because this is a civil appeal and the record is to stay with the trial court until briefing is completed.

If you have any questions, please feel free to contact me at 578-3905.

Sincerely,


Janet Alexander
Deputy Court Clerk

Enclosure

2ND JUDICIAL DISTRICT COURT
FEB 13 1 34 17 PM '01

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Attorney for Plaintiffs,

FEB 13 2001

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR ~~DAVIS~~ COUNTY, STATE OF UTAH
Weber

KERRY PIPKIN,

Plaintiffs,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY AND DOES 1 THROUGH 50
INCLUSIVE,

Defendants.

COMPLAINT

Case No. 010901074 M1
Judge RSD

Plaintiffs allege:

GENERAL ALLEGATIONS

1. Plaintiff is and at all times herein mentioned a resident of Weber County, State of Utah.

2. Defendant RANDY HAUGEN, is and at all times herein mentioned was, a resident of Weber County, Utah.

3. Defendant KIP CASHMORE, is and at all times herein mentioned was, a resident of Weber County, Utah.

4. Defendant, QUICK CASH, LLC (hereinafter "QUICK CASH") is a limited liability company and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

5. Defendant, USA CASH STORES (hereinafter "USA CASH") is a business organization whose form is currently unknown to plaintiff and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

6. Defendant, USA CASH SERVICES (hereinafter "CASH SERVICES") is a business organization whose form is currently unknown to plaintiff and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

7. Defendant, QC INSTANT CASH (hereinafter "QC") is a business organization whose form is currently unknown to plaintiff and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

8. Defendant, RKT HOLDING (hereinafter "RKT") is a business organization whose form is currently unknown to plaintiff and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

9. Plaintiff is ignorant of the true names and capacities of defendants sued herein as

Does 1 through 50, Inclusive, and therefore sues these defendants by such fictitious names.

Plaintiff will amend this Complaint to allege their true names and capacities when ascertained.

Plaintiff is informed and believes and thereon alleges that each of the fictitiously named defendants is responsible in some manner for the occurrences herein alleged, and plaintiff's injuries.

10. Plaintiff is informed and believes and thereon alleges that at all times herein mentioned each of the defendants was the agent and the employee of their co-defendants, and in doing the things hereinafter alleged were acting within the course and scope of their authority as such agents, servants and employees, and with the permission and consent of their co-defendants.

11. The unlawful conduct complained of herein occurred in Weber County, Utah as did the other acts complained herein.

12. On or about January 1985, plaintiff and defendant Haugen began a business relationship involving an Amway distributorship which has since become very successful. Defendant Haugen and defendant Cashmore were also involved with Amway as well as various other business partnerships and ventures.

13. On or about the fall of 1994, Mark Archer, an individual in plaintiff's Amway organization, approached plaintiff with a business idea, which was to form a credit service company utilizing post dated checks. At the time it was a relatively new concept and Mr. Archer did not have the capital to fund its development. Plaintiff told Mr. Archer it was a great idea and proposed entering an equal three way partnership with plaintiff and defendant Haugen providing the funds and Mr. Archer as the manager. Defendant Haugen agreed to plaintiff's proposal and

the three way partnership entitled Quick Cash was formed. Additionally, plaintiff and Haugen decided to keep their involvement in Quick Cash private so that it would not be detrimental to their Amway business which they both agreed was their first priority.

14. The next few years proved to be very successful for Quick Cash as it expanded to eight (8) stores in Utah, California and Nevada. However, in the fall of 1996, plaintiff and defendant Haugen suspected the third partner of embezzling. When confronted by them he left the partnership leaving plaintiff and Haugen to be equal partners.

15. On or about July of 1997, defendant Haugen told plaintiff that defendant Cashmore knew a company that was interested in purchasing the Quick Cash stores. Plaintiff had no active interest at the time of selling his interest in the stores. Defendants Haugen and Cashmore met with plaintiff to discuss what the value of the stores. Defendant Cashmore received information from another cash store chain that the Quick Cash stores were valued at approximately 1.2 million dollars. Plaintiff informed defendant Haugen that he would not sell the stores for 1.2 million or even 1.5 million and defendant Haugen agreed.

16. On or about September 1997, defendant Haugen told plaintiff that defendant Cashmore had an idea regarding the business and that plaintiff should hear defendant Cashmore out. The three men met wherein defendant Cashmore revealed his plan to develop the business to be large enough to take public with defendants Haugen, Cashmore and plaintiff as partners. Plaintiff and defendant Haugen agreed to keep the existing stores as a separate entity between them and start a new partnership with defendant Cashmore. Defendant Cashmore proposed a figure that would be needed to start up the new stores which plaintiff and Haugen agreed to.

Defendant Cashmore then approached them a second time and a third time, each time raising the amount of the capital needed from \$100,000.00 to close to a half a million dollars. Plaintiff did not want to borrow close to a half a million dollars and suggested that he and Haugen put up their stores as their share of the venture and have defendant Cashmore put up the balance needed.

Defendant Cashmore informed plaintiff he was against this suggestion and that he did not want the existing stores. Plaintiff believes and based on this belief alleges that it was at this time that defendant Haugen and defendant Cashmore became at odds with plaintiff because plaintiff would not agree with them on a satisfactory purchase price.

17. On or about October 1997, defendant Haugen gave defendant Cashmore full access to the stores so defendant Cashmore could obtain any information he needed to assist defendant Cashmore in expanding and taking public his own stores. Defendant Haugen never consulted plaintiff regarding allowing defendant Cashmore full access to the stores. Additionally, it was at this time that defendant Haugen began to pressure plaintiff into selling their stores. Defendant Haugen told plaintiff that he no longer wanted the stores as it was detrimental to his Amway business. Additionally, defendant Haugen also told plaintiff that defendant Cashmore had made an offer of \$250,000.00 on their Sacramento store. A week later, Haugen told plaintiff that Cashmore had offered \$750,000.00 on all the stores including the Sacramento store and that plaintiff had to sell and so that defendant Haugen could get out of the check cashing business. Plaintiff believes and based on his belief alleges that he accepted the offer of \$750,000.00 because had he not defendant Cashmore would have opened additional stores on his own without justly compensating plaintiff. Defendant Haugen specifically told

plaintiff that he wanted out of the business so that he could concentrate on Amway. Plaintiff and Haugen agreed to sell and end their partnership after pressure from defendant Haugen because defendant Haugen wanted out of the check cashing business.

18. At different times throughout 1998, plaintiff asked defendant Haugen if he was in partnership with defendant Cashmore in the business plaintiff and Haugen owned. Each time defendant Haugen denied that he was still a partner in the business and told plaintiff that it was not good for their Amway business to let anyone know about plaintiff's or Cashmore's check cashing business.

19. On or about May 1998, plaintiff, through the discovery of various documents, discovered that defendant Haugen never sold his part of the partnership to defendant Cashmore but instead continued the partnership with Cashmore instead of plaintiff. Plaintiff is informed and believes and based on this belief alleges that if not for the representations of defendants Haugen and Cashmore made to him he would not have sold his share of the partnership. Additionally, because of the representations of defendants and each of them, plaintiff was forced to sell at a price lower than the true value of the business and was forced to expend additional capital to restart his own business.

FIRST CAUSE OF ACTION
(Intentional Misrepresentation of Fact)
(Against All Defendants)

20. Plaintiff incorporates herein by reference Paragraphs 1 through 19 of his complaint as though fully set forth herein.

21. The above-stated representations were made to plaintiff to induce him to sell his

share of his partnership so that defendant Haugen and defendant Cashmore could be partners in the same business.

22. Defendant Haugen represented to plaintiff that he no longer wanted the stores as it was detrimental to his Amway business and that defendant Cashmore offered \$750,000.00 to purchase the business. This fact was a primary inducement in plaintiff's decision to sell his share of the partnership and venture out on his own.

23. The representations made by representatives of defendants were in fact false. The true facts were that because of the existing business relationship between defendants Haugen and Cashmore, Haugen wanted Cashmore to replace plaintiff as his partner. This was never revealed to plaintiff. Additionally, plaintiff was never informed of the fact that defendant Haugen never intended to receive any monies from the sale but rather intended to keep the money in the business. In addition to QC Instant Cash and RKT Holding Company, defendants Haugen and Cashmore branched out from Quick Cash, LLC and formed USA Cash Stores and USA Cash Services. Had plaintiff been aware of the true facts, plaintiff would not have agreed to sell his portion of the partnership.

24. When defendants made these representations, they knew them to be false and made these representations with the intention to deceive and defraud plaintiff and to induce plaintiff to act in reliance on these representation in the manner hereafter alleged, or the with expectation that plaintiff would so act.

25. Plaintiff, at the time these representations were made by defendants and at the time plaintiff took the actions herein alleged, was ignorant of the falsity of defendants'

representations and believed them to be true. In reliance on these representations, plaintiff was induced to and did sell his portion of the partnership. Had plaintiff known the actual facts, he would not have taken such action. Plaintiff's reliance on defendant's representations was justified because plaintiff had no reason to believe defendants did not represent the truth of various facts relating to plaintiff's sale of his portion of the partnership.

26. As a proximate result of the fraudulent conduct of defendants as herein alleged, plaintiff was induced to sell his portion of the partnership and has been damaged in an amount according to proof at time of trial.

27. The aforementioned conduct of defendants was an intentional misrepresentation, deceit, or concealment of a material fact known to the defendants with the intention on the part of the defendants of thereby depriving plaintiff of property or legal rights or otherwise causing injury, and was despicable conduct that subjected plaintiff to a cruel and unjust hardship in conscious disregard of plaintiff's rights, so as to justify an award of exemplary and punitive damages.

WHEREFORE, plaintiff prays for judgment as hereinafter set forth.

SECOND CAUSE OF ACTION
(Negligent Misrepresentation of Fact)
(Against All Defendants)

28. Plaintiff incorporates herein by reference Paragraphs 1 through 27 of his complaint as though fully set forth herein.

29. When defendants made these representations, they had no reasonable ground for believing them to be true.

30. Defendants made these representations with the intention of inducing plaintiff to act in reliance on these representations in the manner herein alleged, or with the expectation that plaintiff would so act.

31. As a proximate result of the fraudulent conduct of defendants as herein alleged, plaintiff was induced to sell his portion of the partnership and by reason of which plaintiff has been damaged in an amount according to proof at time of trial.

32. The aforementioned conduct of defendants was a negligent misrepresentation, deceit, or concealment of a material fact known to the defendants with the intention on the part of the defendants of thereby depriving plaintiff of property or legal rights or otherwise causing injury, and was despicable conduct that subjected plaintiff to a cruel and unjust hardship in conscious disregard of plaintiff's rights, so as to justify an award of exemplary and punitive damages.

WHEREFORE, plaintiff prays for judgment as hereinafter set forth.

**THIRD CAUSE OF ACTION
(Relief Based on Rescission)
(Against All Defendants)**

33. Plaintiff incorporates herein by reference Paragraphs 1 through 32 of his complaint as though fully set forth herein.

34. Plaintiff, at the time the aforementioned representations were made by defendants and at the time plaintiff took the actions herein alleged, was ignorant of the falsity of defendants' representations and believed them to be true. In reliance on these representations, plaintiff was

induced to and did enter into the contract with defendant Cashmore to sell his share of the business.

35. Plaintiff has and will suffer substantial harm and injury under the contract if it is not rescinded in that as a result of defendants' conduct, plaintiff has and will be deprived of his share and income derived from the aforementioned partnership.

36. Plaintiff intends service of the summons and complaint in this action to serve as notice of rescission of the contract, and hereby offers to restore all consideration furnished by defendant Cashmore under the contract, on condition that defendants restore to him the consideration furnished by plaintiff in an amount to be proven at time of trial.

37. As a result of entering into the contract with defendant, plaintiff has incurred expenses in addition to those alleged above (and will continue to incur them in an amount unknown to him at this time) in an amount to be proven at time of trial. Plaintiff prays leave of this court to amend this complaint to insert the true amount of those expenses when they are ascertained.

38. In performing the acts herein alleged, defendants intentionally misrepresented to plaintiff material facts known to defendants, as stated above with the intention on the part of defendants of depriving plaintiff of his money and property, thereby justifying an award of punitive damages against the defendants.

WHEREFORE, plaintiff prays for judgment as hereinafter set forth.

FOURTH CAUSE OF ACTION
(Intentional Interference With Business Relations)
(Against All Defendants)

39. Plaintiff incorporates herein by reference Paragraphs 1 through 38 of his complaint as though fully set forth herein.

40. On or about the fall of 1994, plaintiff and defendant Haugen entered into a written partnership agreement at Ogden, Utah for the purpose of carrying on the business of check cashing service, under the name of Quick Cash, LLC, with its principal place of business at Ogden, Utah.

41. Defendant Cashmore knew of the above described relationship existing plaintiff and defendant Haugen. As stated above, defendants and plaintiff all have a business relationship involving Amway. Defendant Haugen falsely represented to plaintiff that it was in the best interests of their Amway relationship for them to sell their Quick Cash business to defendant Cashmore, all with the intent to harm plaintiff financially and to induce plaintiff to sell his share of the Quick Cash business.

42. The aforementioned acts of defendants, and each of them, were willful and fraudulent. Plaintiff is therefore entitled to punitive damages.,

FIFTH CAUSE OF ACTION
(Accounting)
(Against All Defendants)

43. Plaintiff incorporates herein by reference Paragraphs 1 through 42 of his complaint as though fully set forth herein.

44. On or about the fall of 1994, plaintiff and defendant Haugen entered into a written partnership agreement at Ogden, Utah for the purpose of carrying on the business of check cashing service, under the name of Quick Cash, LLC, with its principal place of business at Ogden, Utah.

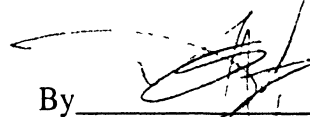
45. Thereafter and until about December, 1997, the partnership conducted the aforementioned business, acquired assets, and incurred liabilities resulting in an overall profit. As stated above, plaintiff was fraudulently induced into entering a purchase/sale agreement with the defendants thereby losing his share of the partnership. The amount of assets and liabilities is unknown to plaintiff and cannot be ascertained without an accounting of the profits and losses that occurred during the period of time defendants Haugen and Cashmore were in possession of Quick Cash.

WHEREFORE, Plaintiff prays for judgment as follows:

1. For general and special damages according to proof at time of trial;
2. For incidental and consequential damages according to proof at time of trial;
3. For punitive damages in an amount sufficient to punish and deter Defendants;
4. For prejudgment interest at the highest possible rate from the earliest possible date;
5. For an accounting of the profits and losses;
6. For a rescission of the contract;
7. For costs of suit and reasonable attorney's fees herein incurred; and
8. For such other and further relief as the Court may deem just and proper.

DATED this 30 day of January, 2000.

NELSON, SNUFFER, DAHLE & POULSEN

By  _____
Denver C. Snuffer, Jr.
Attorney for Plaintiff

COVER SHEET FOR CIVIL ACTIONS

PARTY IDENTIFICATION (ATTACH ADDITIONAL SHEETS AS NECESSARY)

010901074 MI

PLAINTIFF/PETITIONER

Name Kerry Pipkin
 Address 10885 S. State
 Sandy, UT 84070
 Day Time Telephone (801) 576-1400

ATTY FOR PLAINTIFF/PETITIONER

Name Denver C. Snuffer, Jr.
 Address NELSON, SNUFFER, DAHLE &
 POULSEN, P.C.
 10855 South State Street
 Sandy, UT 84070
 Day Time Telephone 576-1400

DEFENDANT/RESPONDENT

Name Randy Haugen, et al.
 Address
 Day Time Telephone

ATTY FOR DEFENDANT/RESPONDENT

Name
 Address
 Day Time Telephone

FEB 16 2001

TOTAL CLAIM FOR DAMAGES

\$

JURY DEMAND

Yes No

SCHEDULE OF FEES: §21-1-5. CHECK ANY THAT APPLY. (SEE CASE TYPES FOR FILING FEES FOR COMPLAINTS OTHER THAN CLAIM FOR DAMAGES)

- COMPLAINT FOR DAMAGES -----
- Civil, Interpleader or Small Claims: \$2000 or less \$37
 - Small Claims: \$2001 - \$5000 \$60
 - Civil or Interpleader: \$2001-\$9999 \$80

- Civil or Interpleader: \$10,000 and over \$120
- Civil Unspecified \$120
- MISCELLANEOUS -----
- Jury Demand \$50
- Vital Statistics §26-2-25 \$2

COVER SHEET FOR CIVIL ACTIONS

CASE TYPE (CHECK ONLY ONE CATEGORY)

Fee	Case Type
----- APPEALS -----	
\$120 <input type="checkbox"/>	Administrative Agency Review
\$70 <input type="checkbox"/>	Small Claims Trial de Novo
----- GENERAL CIVIL -----	
\$120 <input type="checkbox"/>	Attorney Discipline
Sch <input type="checkbox"/>	Civil Rights
\$120 <input type="checkbox"/>	Condemnation
Sch <input type="checkbox"/>	Contract
Sch <input type="checkbox"/>	Debt Collection
\$50 <input type="checkbox"/>	Expungement (Fee is \$0 under circumstances of §77-18-10(2))
Sch <input type="checkbox"/>	Forcible Entry and Detainer
\$120 <input type="checkbox"/>	Forfeiture of Property
Sch <input type="checkbox"/>	Interpleader
Sch <input type="checkbox"/>	Lien/Mortgage Foreclosure
Sch <input type="checkbox"/>	Malpractice
Sch <input checked="" type="checkbox"/>	Miscellaneous Civil
\$120 <input type="checkbox"/>	Extraordinary Relief
Sch <input type="checkbox"/>	Personal Injury
\$120 <input type="checkbox"/>	Post Conviction Relief: Capital
\$120 <input type="checkbox"/>	Post Conviction Relief: Non-capital
Sch <input type="checkbox"/>	Property Damage
Sch <input type="checkbox"/>	Property/Quiet Title
Sch <input type="checkbox"/>	Sexual Harassment
Sch <input type="checkbox"/>	Small Claims
Sch <input type="checkbox"/>	Tax
Sch <input type="checkbox"/>	Water Rights
Sch <input type="checkbox"/>	Wrongful Death
Sch <input type="checkbox"/>	Wrongful Termination
----- DOMESTIC -----	
\$0 <input type="checkbox"/>	Cohabitant Abuse
\$120 <input type="checkbox"/>	Common Law Marriage
\$120 <input type="checkbox"/>	Custody/Visitation/Support
\$80 <input type="checkbox"/>	Divorce/Annulment
<input type="checkbox"/>	Check if child support, custody or visitation will be part of decree
\$120 <input type="checkbox"/>	Paternity
\$80 <input type="checkbox"/>	Separate Maintenance
\$120 <input type="checkbox"/>	Uniform Child Custody Jurisdiction Act (UCCJA)

Fee	Case Type
\$120 <input type="checkbox"/>	Uniform Interstate Family Support Act (UIFSA)
----- JUDGMENTS -----	
\$25 <input type="checkbox"/>	Abstract of Foreign Judgment or Decree
\$40 <input type="checkbox"/>	Abstract of Judgment or Order of Utah Court or Agency
\$30 <input type="checkbox"/>	Abstract of Judgment or Order of Utah State Tax Commission
\$25 <input type="checkbox"/>	Judgment by Confession
\$0 <input type="checkbox"/>	Renew Judgment
----- PROBATE -----	
\$120 <input type="checkbox"/>	Adoption
\$120 <input type="checkbox"/>	Conservatorship
\$120 <input type="checkbox"/>	Estate Personal Rep - Formal
\$120 <input type="checkbox"/>	Estate Personal Rep - Informal
\$120 <input type="checkbox"/>	Guardianship
\$120 <input type="checkbox"/>	Involuntary Commitment
\$120 <input type="checkbox"/>	Minor's Settlement
\$120 <input type="checkbox"/>	Name Change
\$120 <input type="checkbox"/>	Supervised Administration
\$120 <input type="checkbox"/>	Trusts
\$120 <input type="checkbox"/>	Unspecified Probate
----- SPECIAL MATTERS -----	
\$0 <input type="checkbox"/>	Administrative Search Warrant
\$25 <input type="checkbox"/>	Arbitration Award
\$0 <input type="checkbox"/>	Criminal Investigation Search Warrant
\$0 <input type="checkbox"/>	Deposit of Will
\$0 <input type="checkbox"/>	Determination of Competency in Criminal Case
\$0 <input type="checkbox"/>	Extradition
\$25 <input type="checkbox"/>	Foreign Probate or Child Custody Document
\$0 <input type="checkbox"/>	Hospital Lien
\$25 <input type="checkbox"/>	Judicial Approval of Document not part of a Pending Case
\$25 <input type="checkbox"/>	Notice of deposition in out-of-state case

Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801) 576-1400

5-2-2014

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiffs,	)	MOTION FOR ADMISSION OF ETAN
	)	EMANUEL ROSEN <i>PRO HAC VICE</i>
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING)	
COMPANY AND DOES 1 THROUGH 50	)	Case No. 010901074
INCLUSIVE,)	
	)	Judge Roger S. Dutson
Defendants.)	

Denver C. Snuffer, Jr., a resident attorney, moves this court to admit Etan Emanuel Rosen *pro hac vice* for the limited purpose of this case.

This motion is made for the reasons that:

1. I am a resident practicing attorney in the State of Utah, and an active member of the Utah State Bar Association in good standing.

2. I have examined the Affidavit of Etan Emanuel Rosen filed with this motion. I find Mr. Rosen to be a reputable attorney and recommend his admission to practice before this court during pendency of this matter.

3. I hereby agree to do the following:

A. Serve as local counsel for this case;

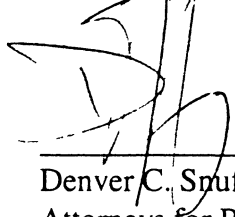
B. Readily communicate with opposing counsel and the court regarding the conduct of this case;

C. Accept papers when served; and

D. Recognize my responsibility and full authority to act for and on behalf of the client in all case-related proceedings, including hearings, pretrial conferences, and trials, should Mr. Rosen fail to respond to any order of this court.

DATED this 21 day of February, 2001.

NELSON, SNUFFER, DAHLE & POULSEN, P.C.



Denver C. Snuffer, Jr.
Attorneys for Plaintiff

Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

MAR 8 2007

Served	<u>Kip Cashmore</u>
Date/Time	<u>3-5-07</u> am, pm
Server	<u>Rb</u>
Title	<u>Process Server</u>

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801) 576-1400

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiffs,	)	SUMMONS
)	
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Case No. 010901074
COMPANY AND DOES 1 THROUGH 50)	
INCLUSIVE,	)	Judge Roger S. Dutson
)	
Defendants.)	
)	

THE STATE OF UTAH TO THE ABOVE-NAMED DEFENDANT: USA Cash Services

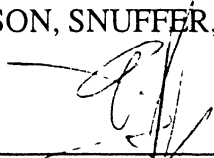
You are hereby summoned and required to file an Answer in writing to the attached
Complaint with the Clerk of the above-entitled Court at Second District Court, Weber County,

2525 Grant Avenue, Ogden, UT 84401, and to serve upon or mail to Plaintiff's attorney, Denver C. Snuffer, Jr., Nelson, Snuffer & Dahle, 10885 South State Street, Sandy, UT 84070 a copy of said Answer within twenty (20) days after service of this Summons upon you.

If you fail so to do, judgment by default will be taken against you for the relief demanded in said Complaint, which has been filed with the Clerk of said Court, a copy of which is hereto annexed and herewith served upon you.

DATED this 20 day of February, 2001.

NELSON, SNUFFER, DAHLE & POULSEN, P.C.



Denver C. Snuffer, Jr.
Attorneys for Plaintiff

Serve Defendant at:

USA Cash Services
c/o Kip Cashmore
Registered Agent
2522 Bonneville Terr. Dr.
Ogden, UT 84403

S:\Pipkin\Summons-USAServices

STATE OF UTAH)
 :SS
County of Salt Lake)

RETURN

I, RICHARD B. ALLRED, being first duly sworn upon oath, depose and say:

I am a citizen of the United States over the age of 21 years at the time of service herein, and not party to or interested in the within titled action.

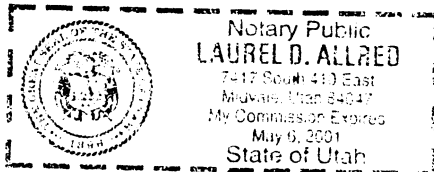
I received the within and hereto annexed Summons and Complaint, on the 23rd day of February, 2001, and served the same upon USA Cash Services the said defendant on the 5th day of March, 2001, by then and there delivering and leaving with Kip Cashmore the Registered Agent of said defendant, being a person of suitable age and discretion there residing and served at the place of abode of said defendant at 2522 Bonneville Terr. Dr., Ogden, in the county of Weber, State of Utah, a true copy of the attached Summons and Complaint.

I do further certify and return that at the time of said service upon said person, I endorsed upon said copy so served, the date, adding thereto my name and official title.

Dated at Midvale, County of Salt Lake, State of Utah, the 5th day of March, 2001.

Richard B. Allred
Process Server

Subscribed and sworn to before me this 5th day of March, 2001.



Laureld D. Allred
Notary Public

Case #: 010901074
Matter#:

		\$ 6.00	Service
Trips @	Miles	\$ _____	Mileage
		_____	Other
		\$ 6.00	
		=====	TOTAL

1. I am a member of the firm BEYER, PONGRATZ & ROSEN, 3230 Ramos Circle, Sacramento, CA 95827 (Telephone: 916-369-9750).

2. I received a J.D. from McGeorge School of Law in 1994

3. I am an active member in good standing of the State Bar Associations of California.

4. I have not been denied admission in the courts of any state or to any federal court.

5. I am familiar with the Utah Rules of Professional Conduct and will abide by and comply with them.

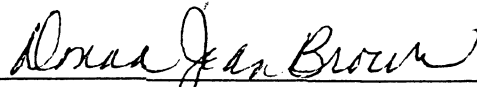
6. The resident attorney with whom I am associated for the purposes of this case is Denver C. Snuffer, Jr. of the law firm of Nelson, Snuffer, Dahle & Poulsen, P.C., 10885 South State Street, Sandy, Utah. 84070.84111.

DATED this 22nd day of February, 2001.



Etan Emanuel Rosen

SUBSCRIBED AND SWORN to before me this 22nd day of February, 2001.



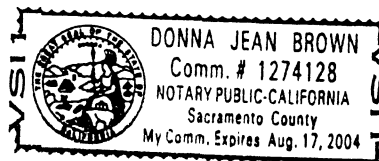
NOTARY PUBLIC

Residing at: 3230 Ramos Circle

My Commission Expires:

8-17-2004

S:\Pipkin\Pro-Hac-Affidavit



Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

Served Kip Cashmore
Date/Time 3-5-01 am, pm
Server [Signature]
Title Process Server

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801) 576-1400

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,

Plaintiffs,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY AND DOES 1 THROUGH 50
INCLUSIVE,

Defendants.

SUMMONS

Case No. 010901074

Judge Roger S. Dutson

THE STATE OF UTAH TO THE ABOVE-NAMED DEFENDANT: USA Cash Stores

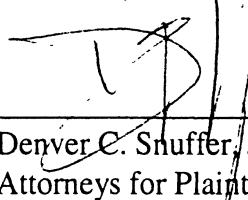
You are hereby summoned and required to file an Answer in writing to the attached
Complaint with the Clerk of the above-entitled Court at Second District Court, Weber County,

2525 Grant Avenue, Ogden, UT 84401, and to serve upon or mail to Plaintiff's attorney, Denver C. Snuffer, Jr., Nelson, Snuffer & Dahle, 10885 South State Street, Sandy, UT 84070 a copy of said Answer within twenty (20) days after service of this Summons upon you.

If you fail so to do, judgment by default will be taken against you for the relief demanded in said Complaint, which has been filed with the Clerk of said Court, a copy of which is hereto annexed and herewith served upon you.

DATED this 21 day of February, 2001.

NELSON, SNUFFER, DAHLE & POULSEN, P.C.



Denver C. Snuffer, Jr.
Attorneys for Plaintiff

Serve Defendant at:

USA Cash Stores
c/o Kip Cashmore
2522 Bonneville Terr. Dr.
Ogden, UT 84403

S:\Pipkin\Summons-USACash

STATE OF UTAH)
 :SS
County of Salt Lake)

RETURN

I, RICHARD B. ALLRED, being first duly sworn upon oath, depose and say:

I am a citizen of the United States over the age of 21 years at the time of service herein, and not party to or interested in the within titled action.

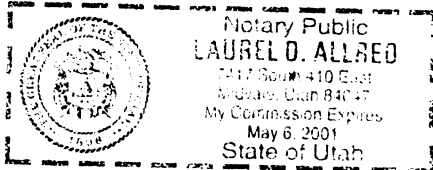
I received the within and hereto annexed Summons and Complaint, on the 23rd day of February, 2001, and served the same upon USA Cash Stores the said defendant on the 5th day of March, 2001, by then and there delivering and leaving with Kip Cashmore the Registered Agent of said defendant, being a person of suitable age and discretion there residing and served at the place of abode of said defendant at 2522 Bonneville Terr. Dr., Ogden, in the county of Weber, State of Utah, a true copy of the attached Summons and Complaint.

I do further certify and return that at the time of said service upon said person, I endorsed upon said copy so served, the date, adding thereto my name and official title.

Dated at Midvale, County of Salt Lake, State of Utah, the 5th day of March, 2001.

Richard B Allred
Process Server

Subscribed and sworn to before me this 5th day of March, 2001.



Laurel D Allred
Notary Public

\$ 6.00 Service

Case #: 010901074

Matter#:

 Trips @ Miles \$ Mileage

 Other

\$ 6.00

----- TOTAL

Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

Served Kip Cashmore
Date/Time 3-5-01 am, pm
Server RW
Title Process Server

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801) 576-1400

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,
Plaintiffs,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY AND DOES 1 THROUGH 50
INCLUSIVE,

Defendants.

SUMMONS

Case No. 010901074

Judge Roger S. Dutson

THE STATE OF UTAH TO THE ABOVE-NAMED DEFENDANT: RKT Holding Company

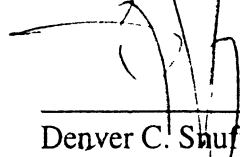
You are hereby summoned and required to file an Answer in writing to the attached
Complaint with the Clerk of the above-entitled Court at Second District Court, Weber County,

2525 Grant Avenue, Ogden, UT 84401, and to serve upon or mail to Plaintiff's attorney, Denver C. Snuffer, Jr., Nelson, Snuffer & Dahle, 10885 South State Street, Sandy, UT 84070 a copy of said Answer within twenty (20) days after service of this Summons upon you.

If you fail so to do, judgment by default will be taken against you for the relief demanded in said Complaint, which has been filed with the Clerk of said Court, a copy of which is hereto annexed and herewith served upon you.

DATED this 21 day of February, 2001.

NELSON, SNUFFER, DAHLE & POULSEN, P.C.



Denver C. Snuffer, Jr.
Attorneys for Plaintiff

Serve Defendant at:

RKT Holding Company
c/o Kip Cashmore
Registered Agent
2522 Bonneville Terr. Dr.
Ogden, UT 84403

S:\Pipkin\Summons-RKT

STATE OF UTAH)
 :SS
County of Salt Lake)

RETURN

I, RICHARD B. ALLRED, being first duly sworn upon oath, depose and say:

I am a citizen of the United States over the age of 21 years at the time of service herein, and not party to or interested in the within titled action.

I received the within and hereto annexed Summons and Complaint, on the 23rd day of February, 2001, and served the same upon RKI Holding Company the said defendant on the 5th day of March, 2001, by then and there delivering and leaving with Kip Cashmore the Registered Agent of said defendant, being a person of suitable age and discretion there residing and served at the place of abode of said defendant at 2522 Bonneville Terr. Dr., Ogden, in the county of Weber, State of Utah, a true copy of the attached Summons and Complaint.

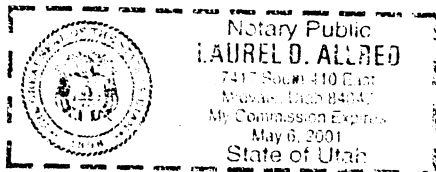
I do further certify and return that at the time of said service upon said person, I endorsed upon said copy so served, the date, adding thereto my name and official title.

Dated at Midvale, County of Salt Lake, State of Utah, the 5th day of March, 2001.

Richard B Allred

Process Server

Subscribed and sworn to before me this 5th day of March, 2001.



Laurel D Allred

Notary Public

\$ 6.00 Service

Case #: 010901074

Matter#:

 Trips @ Miles \$ Mileage

 Other

\$ 6.00
===== TOTAL

Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801) 576-1400

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

Served Shavis F
Date/Time 3-201 am, pm
Server Alba
Title Process Server

KERRY PIPKIN,)	
)	
Plaintiffs,	)	SUMMONS
)	
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Case No. 010901074
COMPANY AND DOES 1 THROUGH 50)	
INCLUSIVE,	)	Judge Roger S. Dutson
)	
Defendants.)	
)	

THE STATE OF UTAH TO THE ABOVE-NAMED DEFENDANT: Quick Cash, LLC

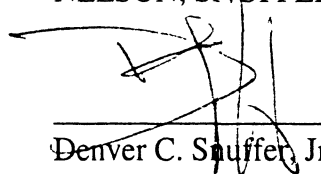
You are hereby summoned and required to file an Answer in writing to the attached
Complaint with the Clerk of the above-entitled Court at Second District Court, Weber County,

2525 Grant Avenue, Ogden, UT 84401, and to serve upon or mail to Plaintiff's attorney, Denver C. Snuffer, Jr., Nelson, Snuffer & Dahle, 10885 South State Street, Sandy, UT 84070 a copy of said Answer within twenty (20) days after service of this Summons upon you.

If you fail so to do, judgment by default will be taken against you for the relief demanded in said Complaint, which has been filed with the Clerk of said Court, a copy of which is hereto annexed and herewith served upon you.

DATED this 21 day of February, 2001.

NELSON, SNUFFER, DAHLE & POULSEN, P.C.



Denver C. Snuffer, Jr.
Attorneys for Plaintiff

Serve Defendant at:

Quick Cash LLC
c/o Travis L. Bowen, P.C.
Registered Agent
175 South West Temple, Suite 710
Salt Lake City, UT 84147-0637

S:\Pipkin\Summons-QuickCash

STATE OF UTAH)
 :SS
County of Salt Lake)

RETURN

I, RICHARD B. ALLRED, being first duly sworn upon oath, depose and say:

I am a citizen of the United States over the age of 21 years at the time of service herein, and not party to or interested in the within titled action.

I received the within and hereto annexed Summons and Complaint, on the 23rd day of February, 2001, and served the same upon Quick Cash, LLC the said defendant on the 2nd day of March, 2001, by then and there delivering and leaving with Travis L. Bowen the Registered Agent of said defendant, being a person of suitable age and discretion there residing and served at the place of business of said defendant at 175 So. West Temple, #710, Salt Lake City, in the county of Salt Lake, State of Utah, a true copy of the attached Summons and Complaint.

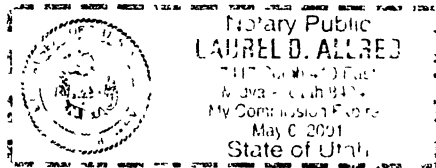
I do further certify and return that at the time of said service upon said person, I endorsed upon said copy so served, the date, adding thereto my name and official title.

Dated at Midvale, County of Salt Lake, State of Utah, the 4th day of March, 2001.

Richard B. Allred

Process Server

Subscribed and sworn to before me this 4th day of March, 2001.



Laurel D. Allred

Notary Public

\$ 6.00 Service

Case #: 010901070

Matter#:

___ Trips @ ___ Miles \$ _____ Mileage

_____ Other

\$ 6.00

===== TOTAL

Etan E. Rosen (SBN 173728) ~~MAE~~ 3/2/01
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

Served	<u>11 Above Haugen</u>
Date/Time	<u>3-2-01</u> am, pm
Server	<u>[Signature]</u>
Title	<u>Process Server</u>

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801) 576-1400

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,

Plaintiffs,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY AND DOES 1 THROUGH 50
INCLUSIVE,

Defendants.

SUMMONS

Case No. 010901074

Judge Roger S. Dutson

THE STATE OF UTAH TO THE ABOVE-NAMED DEFENDANT: Randy Haugen

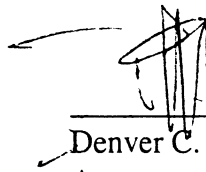
You are hereby summoned and required to file an Answer in writing to the attached
Complaint with the Clerk of the above-entitled Court at Second District Court, Weber County,

2525 Grant Avenue, Ogden, UT 84401, and to serve upon or mail to Plaintiff's attorney, Denver C. Snuffer, Jr., Nelson, Snuffer & Dahle, 10885 South State Street, Sandy, UT 84070 a copy of said Answer within twenty (20) days after service of this Summons upon you.

If you fail so to do, judgment by default will be taken against you for the relief demanded in said Complaint, which has been filed with the Clerk of said Court, a copy of which is hereto annexed and herewith served upon you.

DATED this 21 day of February, 2001.

NELSON, SNUFFER, DAHLE & POULSEN, P.C.



Denver C. Snuffer, Jr.
Attorneys for Plaintiff

Serve Defendant at:

Randy Haugen

S:\Pipkin\Summons-Haugen

STATE OF UTAH)
 :SS
County of Salt Lake)

RETURN

I, RICHARD B. ALLRED, being first duly sworn upon oath, depose and say:

I am a citizen of the United States over the age of 21 years at the time of service herein, and not party to or interested in the within titled action.

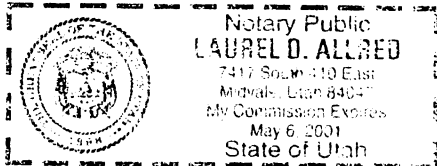
I received the within and hereto annexed Summons and Complaint, on the 23rd day of February, 2001, and served the same upon Randy Haugen the said defendant on the 2nd day of March, 2001, by then and there delivering and leaving with Valorie Haugen the spouse of said defendant, being a person of suitable age and discretion there residing and served at the place of abode of said defendant at 2488 Bonneville Terrace Dr., Ogden, in the county of Weber, State of Utah, a true copy of the attached Summons and Complaint.

I do further certify and return that at the time of said service upon said person, I endorsed upon said copy so served, the date, adding thereto my name and official title.

Dated at Midvale, County of Salt Lake, State of Utah, the 4th day of March, 2001.

Richard B. Allred
Process Server

Subscribed and sworn to before me this 4th day of March, 2001.



Laurel D. Allred
Notary Public

Case #: 010901074
Matter#:

1 Trips @ 40 Miles \$ 40.00 Mileage

Other
\$ 46.00
===== TOTAL

\$ 6.00 Service

Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

MAY 5 2001

Served	<u>Kip Cashmore</u>
Date/Time	<u>3-5-01</u> am, pm
Server	<u>[Signature]</u>
Title	<u>Process Server</u>

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801) 576-1400

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiffs,	)	SUMMONS
)	
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Case No. 010901074
COMPANY AND DOES 1 THROUGH 50)	
INCLUSIVE,	)	Judge Roger S. Dutson
)	
Defendants.)	
)	

THE STATE OF UTAH TO THE ABOVE-NAMED DEFENDANT: Kip Cashmore

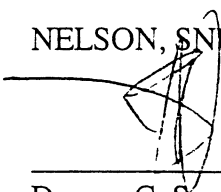
You are hereby summoned and required to file an Answer in writing to the attached Complaint with the Clerk of the above-entitled Court at Second District Court, Weber County,

2525 Grant Avenue, Ogden, UT 84401, and to serve upon or mail to Plaintiff's attorney, Denver C. Snuffer, Jr., Nelson, Snuffer & Dahle, 10885 South State Street, Sandy, UT 84070 a copy of said Answer within twenty (20) days after service of this Summons upon you.

If you fail so to do, judgment by default will be taken against you for the relief demanded in said Complaint, which has been filed with the Clerk of said Court, a copy of which is hereto annexed and herewith served upon you.

DATED this 21 day of February, 2001.

NELSON, SNUFFER, DAHLE & POULSEN, P.C.



Denver C. Snuffer, Jr.
Attorneys for Plaintiff

Serve Defendant at:

Kip Cashmore
2522 Bonneville Terr. Dr.
Ogden, UT 84403

S:\Pipkin\Summons-Kip

STATE OF UTAH)
):SS
County of Salt Lake)

RETURN

I, RICHARD B. ALLRED, being first duly sworn upon oath, depose and say:

I am a citizen of the United States over the age of 21 years at the time of service herein, and not party to or interested in the within titled action.

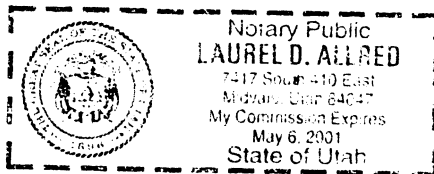
I received the within and hereto annexed Summons and Complaint, on the 23rd day of February, 2001, and served the same upon Kip Cashmore the said defendant on the 5th day of March, 2001, by then and there delivering and leaving with Kip Cashmore the person of said defendant, being a person of suitable age and discretion there residing and served at the place of abode of said defendant at 2522 Bonneville Terr. Dr., Ogden, in the county of Weber, State of Utah, a true copy of the attached Summons and Complaint.

I do further certify and return that at the time of said service upon said person, I endorsed upon said copy so served, the date, adding thereto my name and official title.

Dated at Midvale, County of Salt Lake, State of Utah, the 5th day of March, 2001.

Richard B. Allred
Process Server

Subscribed and sworn to before me this 5th day of March, 2001.



Laurel D. Allred
Notary Public

Case #: 010901074
Matter#:

	<u>\$ 6.00</u>	Service
<u>3</u> Trips @ <u>40</u> Miles	<u>\$120.00</u>	Mileage
	<u> </u>	Other
	<u>\$126.00</u>	
	<u>=====</u>	TOTAL

Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

MAR 8 2001

Served Travis L Bowen
Date/Time 3-2-01 am, pm
Server [Signature]
Title Process Server

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801) 576-1400

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,
Plaintiffs,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY AND DOES 1 THROUGH 50
INCLUSIVE,

Defendants.

SUMMONS

Case No. 010901074

Judge Roger S. Dutson

THE STATE OF UTAH TO THE ABOVE-NAMED DEFENDANT: QC Instant Cash

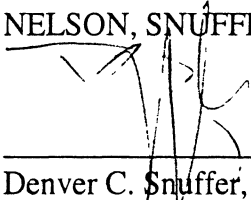
You are hereby summoned and required to file an Answer in writing to the attached
Complaint with the Clerk of the above-entitled Court at Second District Court, Weber County,

2525 Grant Avenue, Ogden, UT 84401, and to serve upon or mail to Plaintiff's attorney, Denver C. Snuffer, Jr., Nelson, Snuffer & Dahle, 10885 South State Street, Sandy, UT 84070 a copy of said Answer within twenty (20) days after service of this Summons upon you.

If you fail so to do, judgment by default will be taken against you for the relief demanded in said Complaint, which has been filed with the Clerk of said Court, a copy of which is hereto annexed and herewith served upon you.

DATED this 21 day of February, 2001.

NELSON, SNUFFER, DAHLE & POULSEN, P.C.



Denver C. Snuffer, Jr.
Attorneys for Plaintiff

Serve Defendant at:

QC Instant Cash, LLC
c/o Travis L. Bowen, P.C.
Registered Agent
175 South West Temple, Suite 710
Salt Lake City, UT 84147-0637

S:\Pipkin\Summons-QC

STATE OF UTAH)
 :SS
County of Salt Lake)

RETURN

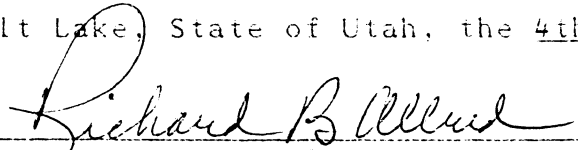
I, RICHARD B. ALLRED, being first duly sworn upon oath, depose and say:

I am a citizen of the United States over the age of 21 years at the time of service herein, and not party to or interested in the within titled action.

I received the within and hereto annexed Summons and Complaint, on the 23rd day of February, 2001, and served the same upon QC Instant Cash the said defendant on the 2nd day of March, 2001, by then and there delivering and leaving with Travis L. Bowen the Registered Agent of said defendant, being a person of suitable age and discretion there residing and served at the place of business of said defendant at 175 So. West Temple, #710, Salt Lake City, in the county of Salt Lake, State of Utah, a true copy of the attached Summons and Complaint.

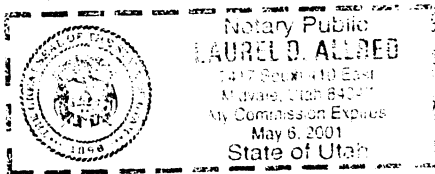
I do further certify and return that at the time of said service upon said person, I endorsed upon said copy so served, the date, adding thereto my name and official title.

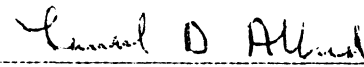
Dated at Midvale, County of Salt Lake, State of Utah, the 4th day of March, 2001.



Process Server

Subscribed and sworn to before me this 4th day of March, 2001.





Notary Public

Case #: 010901074
Matter#:

_____ \$ 6.00 _____ Service

3 Trips @ 2 Miles _____ \$ 6.00 _____ Mileage

_____ Other

\$ 12.00

===== TOTAL

DISTRICT COURT
WEBER COUNTY

MAR 30 2 56 PM '01

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
)	
Plaintiff,	)	DEFENDANTS' ANSWER
	)	(Jury Demand)
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,	)	Civil No. 010901074
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC	)	Judge Roger S. Dutson
INSTANT CASH, RKT HOLDING)	
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	
)	

APR 02 2001

Defendants Randy Haugen, Kip Cashmore, Quick Cash, LLC, USA Cash Stores, USA Cash Services, QC Instant Cash and RKT Holding Company ("Defendants") hereby answer Plaintiff's complaint and demand trial by jury.

1. Defendants are without sufficient knowledge or information to form a belief as to the truth of each and every averment contained in paragraph 1 of Plaintiff's Complaint and, therefore, deny paragraph 1 of Plaintiff's Complaint.

2. Defendants admit the averments contained in paragraph 2 of Plaintiff's Complaint.

3. Defendants admit the averments contained in paragraph 3 of Plaintiff's Complaint.

4. Defendants admit the averments contained in paragraph 4 of Plaintiff's Complaint.

5. Defendants admit the averments contained in paragraph 5 of Plaintiff's Complaint.

6. Defendants admit the averments contained in paragraph 6 of Plaintiff's Complaint.

7. Defendants deny the averments contained in paragraph 7 of Plaintiff's Complaint.

8. Defendants admit the averments contained in paragraph 8 of Plaintiff's Complaint.

9. Defendants deny the averments contained in paragraph 9 of Plaintiff's Complaint.

10. Defendants deny the averments contained in paragraph 10 of Plaintiff's Complaint.

11. Defendants deny the averments contained in paragraph 11 of Plaintiff's Complaint.

12. Defendants admit the averments contained in paragraph 12 of Plaintiff's Complaint.

13. Defendants are without sufficient knowledge or information to form a belief as to the truth of each and every averment contained in paragraph 13 of Plaintiff's Complaint and, therefore, deny each and every averment contained therein, except Defendants admit that Mr. Haugen was involved in the establishment of Quick Cash.

14. Defendants admit the averments contained in paragraph 14 of Plaintiff's Complaint.

15. Defendants deny the averments contained in paragraph 15 of Plaintiff's Complaint, but admit that Mr. Haugen and Mr. Cashmore met with Plaintiff to discuss the stores in 1997.

16. Defendants deny the averments contained in paragraph 16 of Plaintiff's Complaint.

17. Defendants deny in part the averments contained in paragraph 17 of Plaintiff's Complaint, but admit that when Mr. Cashmore offered \$750,000 to purchase seven of the stores, Plaintiff and Mr. Haugen agreed to sell their interests in their partnership.

18. Defendants deny each and every averment contained in paragraph 18 of Plaintiff's Complaint, except admit that Mr. Haugen did tell the Plaintiff truthfully that he was not a partner with Mr. Cashmore in the check cashing business.

19. Defendants deny each and every averment contained in paragraph 19 of Plaintiff's Complaint.

20. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 19 above.

21. Defendants deny each and every averment contained in paragraph 21 of Plaintiff's Complaint.

22. Defendants admit that Mr. Cashmore offered \$750,000 to purchase the business and that Mr. Haugen told Plaintiff he wanted to sell the business. Defendants deny each and every other averment contained in paragraph 22 of Plaintiff's Complaint.

23. Defendants deny each and every averment contained in paragraph 23 of Plaintiff's Complaint.

24. Defendants deny each and every averment contained in paragraph 24 of Plaintiff's Complaint.

25. Defendants deny each and every averment contained in paragraph 25 of Plaintiff's Complaint.

26. Defendants deny each and every averment contained in paragraph 26 of Plaintiff's Complaint.

27. Defendants deny each and every averment contained in paragraph 27 of Plaintiff's Complaint.

28. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 27 above.

29. Defendants deny each and every averment contained in paragraph 29 of Plaintiff's Complaint.

30. Defendants deny each and every averment contained in paragraph 30 of Plaintiff's Complaint.

31. Defendants deny each and every averment contained in paragraph 31 of Plaintiff's Complaint.

32. Defendants deny each and every averment contained in paragraph 32 of Plaintiff's Complaint.

33. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 32 above.

34. Defendants deny each and every averment contained in paragraph 34 of Plaintiff's Complaint.

35. Defendants deny each and every averment contained in paragraph 35 of Plaintiff's Complaint.

36. Defendants deny each and every averment contained in paragraph 36 of Plaintiff's Complaint.

37. Defendants deny each and every averment contained in paragraph 37 of Plaintiff's Complaint.

38. Defendants deny each and every averment contained in paragraph 38 of Plaintiff's Complaint.

39. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 38 above.

40. Defendants admit that Plaintiff and Mr. Haugen entered into a business arrangement in 1994 concerning check cashing services, but deny each and every other averment contained in paragraph 40 of Plaintiff's Complaint.

41. Defendants admit that Mr. Cashmore knew that there was an existing business relationship between Plaintiff and Mr. Haugen and that Mr. Cashmore, Mr. Haugen and Plaintiff did have a business relationship involving Amway, but deny each and every other averment contained in paragraph 41 of Plaintiff's Complaint.

42. Defendants deny each and every averment contained in paragraph 42 of Plaintiff's Complaint.

43. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 42 above.

44. Defendants admit that Mr. Haugen and Plaintiff entered into a business relationship in 1994 for the purpose of carrying on a check cashing business, but deny each and every other averment contained in paragraph 44 of Plaintiff's Complaint.

45. Defendants admit that the check cashing business was carried on until about December 1997, but deny each and every other averment contained in paragraph 45 of Plaintiff's Complaint.

FIRST AFFIRMATIVE DEFENSE

46. Plaintiff's Complaint and each claim for relief contained therein fails to state a claim upon which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

47. Plaintiff's Complaint and each claim for relief contained therein is barred by the applicable statute of limitations.

THIRD AFFIRMATIVE DEFENSE

48. Plaintiff's Complaint and each claim for relief contained therein is barred by the doctrine of waiver.

FOURTH AFFIRMATIVE DEFENSE

49. Plaintiff is estopped by reasons of his own actions in selling the business with the advice and assistance of counsel and Plaintiff, therefore, is barred from pursuing the claims contained in the Complaint.

FIFTH AFFIRMATIVE DEFENSE

50. Any damages caused to Plaintiff as a result of any of the claims contained in Plaintiff's Complaint, which damages Defendants specifically deny occurred, were incurred as a result of Plaintiff's own fault which is greater than or equal to the fault of the Defendants, which fault these Defendants specifically deny exists, and, therefore, Plaintiff is barred from recovering any damages from the Defendants.

SIXTH AFFIRMATIVE DEFENSE

51. Plaintiff's Complaint and each and every claim from relief contained therein is barred by the doctrine of laches.

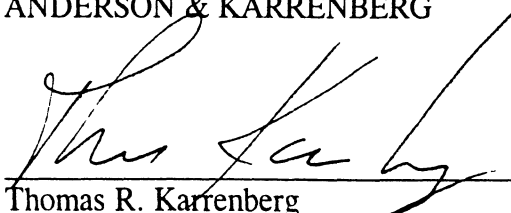
PRAYER FOR RELIEF

WHEREFORE, Defendants pray for relief as follows:

- .1. That Plaintiff take nothing by his action;
2. That Defendants be awarded all costs of suit incurred herein, including reasonable attorneys fees;
3. For such further and other relief as the Court deems proper.

DATED: March 29, 2001.

ANDERSON & KARRENBERG



Thomas R. Karrenberg

James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 29th day of March, 2001, I caused a true and correct copy of **Defendants' Answer** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

Michelle R. Somers

LAW OFFICES
ANDERSON & KARRENBERG
A PROFESSIONAL CORPORATION

THOMAS R. KARRENBERG
JOHN T. ANDERSON
FRANCIS J. CARNEY
STEVEN W. DOUGHERTY
SCOTT A. CALL
JOHN P. MULLEN
JON V. HARPER
NATHAN B. WILCOX
STEPHEN P. HORVAT
SHAYNE R. KOHLER
JAMES H. TILY

MAR 30 2 56 PM '01

700 BANK ONE TOWER
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101-2006

TELEPHONE (801) 534-1700
TELECOPIER (801) 364-7697

March 29, 2001

Via U.S. Mail

Clerk of the Court
Second District Court, Weber County
2525 Grant Avenue
Ogden, Utah 84401

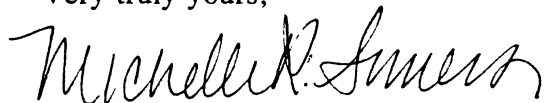
Re: **Kerry Pipkin v. Randy Haugen, et al.**
Civil No. 010901074

Dear Clerk:

Enclosed please find the original and one copy of *Defendants' Answer (Jury Demand)*, along with a check in the amount of \$50 to cover the fee for filing a jury demand. Please file the original in the above-referenced action and date-stamp and return the copy to the undersigned in the enclosed self-addressed, stamped envelope.

Thank you for your help in this matter.

Very truly yours,



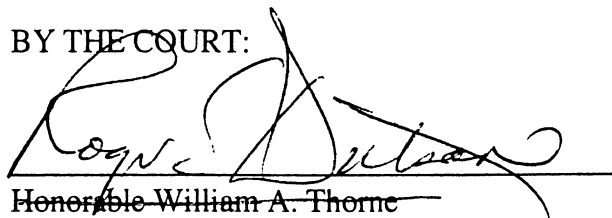
Michelle R. Somers
Secretary

Enclosure

IT IS HEREBY ORDERED that Etan Emanuel Rosen is admitted to practice before this Court in this matter during the pendency of this matter.

DATED this ___ day of MAY 23, 2001.

BY THE COURT:

A handwritten signature in black ink, appearing to read "Wm. A. Thorne", written over a horizontal line.

Honorable William A. Thorne
District Court Judge

S:\Pipkin\Pro-Hac-Order



in C Baldwin
cutive Director

Utah State Bar

645 South 200 East • Suite 310
Salt Lake City Utah 84111-3834
Telephone 801-531-9077 • 1-800-698-9077
FAX 801-531-0660
www.utahbar.org

WEBER COUNTY

APR 30 12 54 PM '01

April 25, 2001

RECEIPT OF PRO HAC VICE FILING FEE

Re: Pro Hac Vice Filing Fee Receipt 2001
Case No.: 010901074
Case Name: Kerry Pipkin v. Randy Haugen, Kip Cashmore,
Quick Cash, LLC, USA Cash Stores, USA Cash
Services, QC Instant Cash, RKT Holding Company
And Does 1 through 50 inclusive

Clerk of the Court:

This letter serves as receipt that the \$75.00 pro hac vice filing fee for Etan Emanuel Rosen, in the above referenced case, has been paid to the Utah State Bar. If you have any questions, please call the Bar at (801) 531-9077.

Very truly yours,

Phyllis A. Yardley
Assistant to General Counsel

Fov/pro_hac/recpt110

Board of Commissioners

- David O. Nuffer
President
- Scott Daniels
President Elect
- John A. Adams
- Francis Snow Bockelle
- Theresa M. Cook
- George Daines
- Baron A. Donovan
- Janise A. Dragoo
- Alvin Gould
- Andy S. Kester
- Bert K. Merrell, CPA
- Bra J. Moore
- Dane Nolan

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

2001 JUL 13 P 3:16

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)

Plaintiff,)

vs.)

RANDY HAUGEN, KIP CASHMORE,)
QUICK CASH, LLC, USA CASH)
STORES, USA CASH SERVICES, QC)
INSTANT CASH, RKT HOLDING)
COMPANY and DOES 1-50, inclusive,)

Defendants.)

CERTIFICATE OF SERVICE

Civil No. 010901074

Judge Roger S. Dutson

300 16 2001

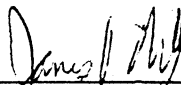
I hereby certify that on the 12 day of July, 2001, I caused a true and correct copy of **Defendants' Rule 26(a) Disclosures** to be served via first class mail, postage prepaid, to the following:

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

DATED: July 12, 2001.

ANDERSON & KARRENBERG



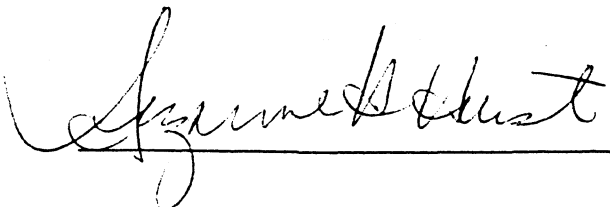
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 12th day of July, 2001, I caused a true and correct copy of the foregoing **Certificate of Service** was served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



LAW OFFICES
ANDERSON & KARRENBURG
A PROFESSIONAL CORPORATION

THOMAS R. KARRENBURG
JOHN T. ANDERSON
FRANCIS J. CARNEY
STEVEN W. DOUGHERTY
SCOTT A. CALL
JOHN P. MULLEN
JON V. HARPER
NATHAN B. WILCOX
STEPHEN P. HORVAT
SHAYNE R. KOHLER
JAMES H. TILY

700 BANK ONE TOWER
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101-2006

2001 JUL 13 P 3 11
TELEPHONE (801) 534-1700
TELECOPIER (801) 364-7697

July 12, 2001

Clerk of the Court
Second District Court, Weber County
2525 Grant Avenue
Ogden, Utah 84401

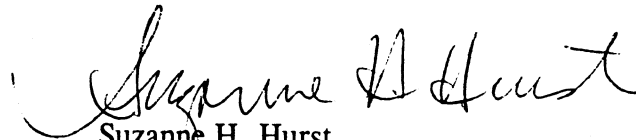
Re: Kerry Pipkin v. Randy Haugen, et al.
Civil No. 010901074

Dear Clerk:

Enclosed please find the original and one copy of a Certificate of Service in the above-referenced action. Please file the original and date-stamp and return the copy to the undersigned in the enclosed self-addressed, stamped envelope.

Thank you for your assistance.

Very truly yours,


Suzanne H. Hurst
Secretary to James H. Tily

Enclosures

2001.00.15 - 2 24

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT

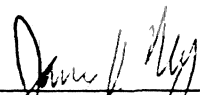
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
)	
Plaintiff,	)	MOTION FOR SUMMARY
	)	JUDGMENT
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,	)	Civil No. 010901074
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC	)	Judge Roger S. Dutson
INSTANT CASH, RKT HOLDING)	
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	
)	

Defendants Randy Haugen, Kip Cashmore, Quick Cash, LLC, USA Cash Stores, USA Cash Services, QC Instant Cash and RKT Holding Company (“Defendants”) hereby move the court for an order of summary judgment, pursuant to Rule 56, Utah Rules of Civil Procedure. The grounds for Defendants’ motion are set forth in the accompanying memorandum of points and authorities.

DATED: July 13, 2001.

ANDERSON & KARRENBERG



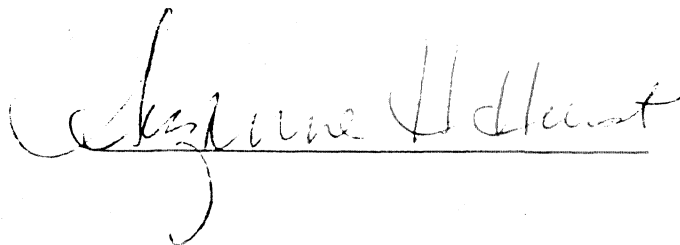
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 13th day of July, 2001, I caused a true and correct copy of **Defendants' Motion for Summary Judgment** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



LAW OFFICES
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A PROFESSIONAL CORPORATION

THOMAS R. KARRENBERG
JOHN T. ANDERSON
FRANCIS J. CARNEY
STEVEN W. DOUGHERTY
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JOHN P. MULLEN
JON V. HARPER
NATHAN B. WILCOX
STEPHEN P. HORVAT
SHAYNE R. KOHLER
JAMES H. TILY

2001 JUL 15 2:24

700 BANK ONE TOWER
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101-2006

TELEPHONE (801) 534-1700
TELECOPIER (801) 364-7697

July 13, 2001

Clerk of the Court
Second District Court, Weber County
2525 Grant Avenue
Ogden, Utah 84401

Re: Kerry Pipkin v. Randy Haugen, et al.
Civil No. 010901074

Dear Clerk:

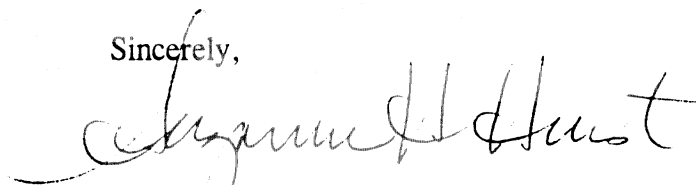
Enclosed please find the original and one copy of the following papers to be filed in the above-referenced action:

1. Motion for Summary Judgment;
2. Memorandum in Support of Motion for Summary Judgment;
3. Affidavit of Kip Cashmore; and
4. Affidavit of Randy Haugen.

Please file the originals and date-stamp and return the copies to the undersigned in the enclosed self-addressed, stamped envelope.

Thank you for your assistance.

Sincerely,



Suzanne H. Hurst
Secretary to James H. Tily

Enclosures

defrauded or intentionally interfered with by Pipkin and Cashmore into selling his interest in Quick Cash and should somehow still be entitled to profits from or included in the continuing businesses of Cashmore.

Pipkin alleges fraud and negligent misrepresentation against the Defendants but cannot identity a single untrue or negligent statement or omission made by any of the Defendants. Pipkin alleges intentional interference with economic relations against Defendants but this claim is predicated on the failed fraud claims and Pipkin cannot identify a single other wrongful act by Defendants to support such a claim. Pipkin claims the equitable remedies of accounting and rescission but lacks any basis for equitable relief. Pipkin asserts claims against other Defendants besides Cashmore and Haugen yet fails to identity a single act committed by these Defendants or why these Defendants should be liable for any of Plaintiff's claims. Pipkin's claim is for seller's remorse for which there is no legal remedy. For the reasons outlined below, Pipkin's claims against all Defendants fail as a matter of law and should be dismissed pursuant to Utah R. Civ. P. 56.

II. STATEMENT OF UNDISPUTED MATERIAL FACTS

1. In October 1997, Haugen and Pipkin each owned a 50% membership interest in Quick Cash. (See Complaint at ¶ 14, attached hereto as Exhibit A; Affidavit of Randy Haugen ("Haugen Aff.") at ¶ 1, attached hereto as Exhibit B.)

2. In or around October 1997, Haugen told Pipkin that Haugen wanted to sell his membership interest in Quick Cash, because he wanted longer wanted to be involved in owning

Quick Cash or any other check-cashing businesses. (See Exhibit A, Complaint at ¶ 22; See Exhibit B, Haugen Aff. at ¶ 5.)

3. Cashmore offered \$750,000 to buy Quick Cash from Pipkin and Haugen. (See Exhibit A, Complaint at ¶ 17; Exhibit B, Haugen Aff. at ¶ 6; Affidavit of Kip Cashmore (“Cashmore Aff.”) at ¶ 2, attached hereto as Exhibit C.)

4. Cashmore paid \$750,000 for Quick Cash. Cashmore paid \$375,000 to Pipkin for Pipkin’s 50% ownership interest in Quick Cash. Cashmore paid \$375,000 to Haugen for Haugen’s 50% ownership interest in Quick Cash. (See Membership Purchase Agreement between Pipkin and Cashmore (“Pipkin Agreement”) at ¶ 2(a), attached hereto as Exhibit D; Membership Purchase Agreement between Haugen and Cashmore (“Haugen Agreement”) at ¶ 2(a), attached hereto as Exhibit E; Cashmore Aff. at ¶¶ 2-4; Haugen Aff. at ¶ 7.)

5. Pipkin, Haugen and Cashmore were represented by the North Carolina law firm of Elliott, Culp and Carpenter in drafting the Pipkin and Haugen Agreements. (See Exhibit C, Cashmore Aff. at ¶ 5; Exhibit B, Haugen Aff. at ¶ 7.)

6. Cashmore paid Pipkin \$375,000 pursuant to the Pipkin Agreement. (See Exhibit C, Cashmore Aff. at ¶ 3.)

7. Pipkin, Haugen and Cashmore have each fully performed under the Pipkin and Haugen Agreements. (See Exhibit B, Haugen Aff. at ¶ 7; Exhibit C, Cashmore Aff. at ¶ 3-4.)

8. Pipkin received and has retained \$375,000 in consideration for the Pipkin Agreement in 1997. Pipkin has not tendered any payments back to Cashmore nor has he ever

offered to tender back the consideration he received under the Pipkin Agreement. (See Exhibit C, Cashmore Aff. at ¶ 3.)

9. Haugen and Cashmore have fully performed the Haugen Agreement. (See Exhibit B, Haugen Aff. at ¶ 7; Exhibit C, Cashmore Aff. at ¶ 4.)

10. Cashmore never promised or agreed to include Pipkin in any of his future business ventures as a condition of his agreement with Pipkin to purchase Pipkin's interest in Quick Cash. (See Exhibit C, Cashmore Aff. at ¶ 6.)

11. The Pipkin Agreement provides for the sale of all of Pipkin's entire interest in Quick Cash. There is no provision that entitles Pipkin to future royalties or future profits from Quick Cash or from other business ventures of Cashmore. (See Exhibit D, Pipkin Agreement at ¶ 11(d) (“... Agreement contains the sole and entire agreement between the parties”).)

12. Haugen did not sell his interest in Quick Cash to Cashmore in order to replace Pipkin as his partner in Quick Cash. (See Exhibit B, Haugen Aff. at ¶ 9.)

13. After Haugen sold his interest in Quick Cash to Cashmore, Haugen has had no interest in Quick Cash or any other check-cashing businesses with Cashmore. (See Exhibit B, Haugen Aff. at ¶ 8; Exhibit C, Cashmore Aff. at ¶ 7.)

14. Defendant RKT Holding Company is a Utah company that holds real property to sell later for development. Cashmore and Haugen are co-owners of RKT Holding Company. RKT Holding Company does not operate any check-cashing or similar businesses and is entirely separate from any of Cashmore's check-cashing businesses. (See Exhibit C, Cashmore Aff. at ¶ 8; Exhibit B, Haugen Aff. at ¶ 10.)

15. Defendant USA Cash Stores was a DBA for Quick Cash but that name is no longer used by Cashmore in any of his check-cashing businesses or any other entity in which Cashmore has an interest. (See Exhibit C, Cashmore Aff. at ¶ 9.)

16. Defendant QC Instant Cash is a California limited liability company operating a check-cashing business in California and was an asset owned by Quick Cash when Quick Cash was sold to Cashmore.. Cashmore is the only member of QC Instant Cash. (See Exhibit C, Cashmore Aff. at ¶ 10.)

17. Defendant USA Cash Services is a DBA for Quick Cash. (See Exhibit C, Cashmore Aff. at ¶ 1.)

III. ARGUMENT

DEFENDANTS SHOULD BE AWARDED SUMMARY JUDGMENT ON ALL OF PIPKIN'S CAUSES OF ACTION AGAINST DEFENDANTS, BECAUSE HE CANNOT PRESENT ANY SET OF FACTS TO HIS SUPPORT CLAIMS AGAINST ANY OF THE DEFENDANTS.

STANDARD FOR SUMMARY JUDGMENT

Under well-settled principles of Utah law, this Court may properly grant Defendants' summary judgment, dismissing Pipkin's claims if "there is no genuine issue as to any material fact and the [Defendant] is entitled to judgment as a matter of law." Utah R. Civ. P. 56(c). See also Malone v. Parker, 826 P.2d 132, 133 (Utah 1992); Warren v. Provo City Corp., 838 P.2d 1125, 1127 (Utah 1992); Hill v. Seattle First Nat'l Bank, 827 P.2d 241, 242 (Utah 1992).

Under the undisputed material facts of this case, Pipkin cannot provide any set of facts that would support his Causes of Action for Fraud, Negligent Misrepresentation, Intentional

Interference with Economic Relations, Rescission or Accounting against any of the Defendants. Pipkin's claims therefore fail as a matter of law, and should be dismissed pursuant to Utah R. Civ. P. 56.

A. **Pipkin's Claims for Fraud and Negligent Misrepresentation Fail as a Matter of Law Because Pipkin's Alleged Misrepresentations Are All True.**

To maintain a fraud claim, a plaintiff must be able to present facts to satisfy all the essential elements of a fraud claim. These include: (1) a representation; (2) concerning a presently existing material fact; (3) which was false; (4) which the representor either knew to be false or made recklessly knowing that he had insufficient knowledge upon which the base of such representation; (5) for the purpose of inducing the other party to act upon it; (6) that the other party, acting reasonably and in ignorance of its falsity, did in fact rely upon it; (7) and was thereby induced to act; (8) to the plaintiff's injury and damage. See Dugan v. Jones, 615 P.2d 1239 (Utah 1980).

Pipkin cannot identify a single untrue or negligent representation made by Haugen or Cashmore, a fundamental prerequisite for maintaining his fraud or negligent misrepresentation claims. See Dugan v. Jones, 615 P.2d 1239 (Utah 1980); Jardine v. Brunswick Corp., 423 P.2d 659 (Utah 1967) (false statement is an essential element of a negligent misrepresentation claim). Pipkin cannot present facts to support his fraud or negligent misrepresentation claims for the simple reason that he fails to identify a *single* untrue statement or negligent misrepresentation made by Haugen or Cashmore. Pipkin's alleged misrepresentations are nothing more than true statements made by Cashmore or Haugen to which Cashmore and Haugen readily admit in their

affidavits. The alleged misrepresentations or material omissions upon which Pipkin bases his fraud and negligent misrepresentation claims are identified below and the insufficiency of each allegation as a basis for a misrepresentation claim is discussed.

Pipkin's Alleged Misstatements and Omissions:

Pipkin claims that Haugen told Pipkin that Cashmore offered \$750,000 to purchase Quick Cash. *See* Exhibit A, Complaint at ¶ 17. This would have been a true statement and could not give rise to a fraud or negligent misrepresentation claim. Cashmore offered and paid \$750,000 for Quick Cash. *See* Exhibit D, Pipkin Agreement; Exhibit E, Haugen Agreement.

Pipkin asserts that Haugen told Pipkin that Haugen no longer wanted to own Haugen's interest in Quick Cash. *See* Exhibit A, Complaint at ¶ 17. Haugen readily admits he told Pipkin that he no longer wanted to own his interest in Quick Cash and no longer wanted to be involved in any check-cashing businesses. *See* Exhibit B, Haugen Aff. at ¶ 5. Pipkin cannot support his fraud claim with true statements made by Haugen that Haugen no longer wanted to be in business with Pipkin or that Haugen wanted to sell his interest to concentrate on his other businesses.

Pipkin claims it was a fraudulent omission that Haugen secretly wanted Cashmore to be his partner in Quick Cash instead of Pipkin. *See* Exhibit A, Complaint at ¶ 23. This claim is absurd on its face. Haugen sold his interest to Cashmore in 1997 and has had no involvement in any check-cashing businesses with Cashmore since that time. *See* Exhibit B, Haugen Aff. at ¶ 8; Exhibit C, Cashmore Aff. at ¶ 7. Pipkin claims that Cashmore and Haugen have continued to be involved in check-cashing businesses together but Pipkin cannot identify a single fact to support this conclusory claim. *See* Exhibit A, Complaint at ¶¶ 19, 21, 23. In fact, the allegation is

completely false. *See* Exhibit B, Haugen Aff. at ¶ 8; Cashmore Aff. at ¶ 7. The affidavits of Haugen and Cashmore establish that Haugen has had absolutely no involvement or interest in Cashmore's check-cashing businesses after the sale of his interest in Quick Cash in December 1997. Id.

Pipkin further makes the irrelevant allegation that he only agreed to sell his interest in Quick Cash because he believed that if he did not, Cashmore would open his own stores without "justly compensating" Pipkin. *See* Exhibit A, Complaint at ¶ 17. This fact, even if true, would nevertheless be insufficient to support a fraud claim. Pipkin fails to identify a single statement made by Haugen or Cashmore that would lead Pipkin to believe Cashmore was going to open his own stores without "justly compensating" Pipkin or why Pipkin would be entitled to compensation from check-cashing stores that Cashmore opened without Pipkin.

Because each alleged misrepresentation is true and there were no material omissions, Pipkin cannot support a fraud or negligent misrepresentation claim against Pipkin or Haugen as a matter of law and these claims fail as a matter of law.

B. Pipkin's Third Cause of Action for Intentional Interference with Economic Relations Against the Defendants Fail as a Matter of Law Because Pipkin Has Not and Cannot Present Facts to Satisfy the Elements of That Claim.

Pipkin cannot support his claim for interference with economic relations against any of the Defendants. For an action based on intentional interference with economic relations, a plaintiff must prove: (1) that the defendant intentionally interfered with the plaintiff's existing or potential economic relations (2) for an improper purpose or by improper means, (3) causing

injury to the plaintiff. See Leigh Furniture and Carpet Co. v. Isom, 657 P.2d 293, 304 (Utah 1982). Pipkin cannot meet these elements.

Indeed, Pipkin's claim for intentional interference against Haugen, his former partner, is nonsensical. Pipkin asserts that Haugen interfered with his economic relations with Pipkin by expressing to Pipkin that he thought it was in their best business interests to sell Quick Cash to Cashmore. *See* Exhibit A, Complaint at ¶ 41. Haugen could not have interfered with his own economic relations with Pipkin and there were no future economic relations with which Haugen could have interfered.

Furthermore, courts have uniformly recognized that a claim for intentional interference is predicated on an improper motive or improper means used by the defendant. See Leigh Furniture, 657 P.2d at 304. Pipkin cannot present any facts to show that Cashmore or Haugen acted for an improper purpose or used improper means in any way. Pipkin alleges only that "Cashmore knew of the ... relationship existing between plaintiff [Pipkin] and defendant Haugen." *See* Exhibit A, Complaint at ¶ 41. The fact of whether Cashmore knew about Haugen and Pipkin's business relationship when he purchased Quick Cash is entirely insufficient to support a claim for intentional interference with economic relations.

Equally fatal to Pipkin's claim, Pipkin cannot show any injury as a result of the alleged interference. Pipkin alleges that Haugen told Pipkin that Haugen wanted to sell his interest with "the intent to harm plaintiff financially...." *See* Exhibit A, Complaint at ¶ 41. Yet Pipkin does not identify how he was injured, because he cannot. He executed an arms length agreement with Cashmore to sell his interest in Quick Cash in 1997 and has retained the \$375,000

consideration he received under the Pipkin Agreement. Because Pipkin has not and cannot present facts to satisfy the requisite elements of his claim for intentional interference with economic relations against Pipkin and Cashmore, this claim fails as a matter of law.

C. Pipkin's Fourth and Fifth Causes Of Action For Accounting and Rescission Fail As A Matter Of Law.

As outlined above, Pipkin has no claims of relief against Cashmore or Haugen. Presumably, Pipkin's equitable claims are predicated on his legal claims that fail as a matter of law as demonstrated above. Thus, Pipkin cannot support his equitable claims for accounting and rescission, because equitable remedies will grant relief only legal remedies are insufficient and "when fairness and good conscience so demand." Jacobson v. Jacobson, 557 P.2d 156, 158 (Utah 1977). Pipkin cannot show that legal remedies would be insufficient. Furthermore, equitable remedies are an extraordinary relief and are not available to parties who slumber on their rights. Jacobson, 557 P.2d at 158-59. Pipkin alleges he became aware of the actions that gave rise to this complaint in May 1998. Yet despite Pipkin's allegation of discovering his injury in May 1998, Pipkin chose to retain the \$375,000 he received under the Pipkin Agreement and did not assert any claims until January 31, 2001. Pipkin was not vigilant in pursuing his rights and he is therefore not entitled to any equitable remedies. Id. Pipkin's equitable claims for accounting and rescission therefore fail as a matter of law.

D. Pipkin's Claims Against the Other Named Defendants Fail as a Matter of Law.

Pipkin named RKT Holding Company, QC Instant Cash, and John Does 1 through 10 in the Complaint. Pipkin does not and cannot identify any actions by these other defendants that

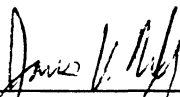
would give rise to any causes of action against them. RKT Holding Company is and has always been an entirely separate business entity from the matters in this Complaint and separate from Quick Cash; RKT Holding Company is a company that holds real property to sell later for development. *See* Exhibit C, Cashmore Aff. at ¶ 8; Exhibit b, Haugen Aff. at ¶ 10. QC Instant Cash is a California limited liability company operating a check-cashing business in California and was an asset owned by Quick Cash when Quick Cash was sold to Cashmore. *See* Exhibit C, Cashmore Aff. at ¶ 10. Thus, Pipkin has not and cannot present any facts to show that the entities of RKT Holding Company, QC Instant Cash, or any other entity are in any way liable to Pipkin for anything. Accordingly, summary judgment is warranted on Pipkin's claims against RKT Holding Company, QC Instant Cash, and any other unrelated defendants.

IV. CONCLUSION

For the reasons outlined above, Defendants should be awarded summary judgment on all of Pipkin's Causes of Action against the Defendants pursuant to Utah R. Civ. P. 56.

DATED: July 13, 2001.

ANDERSON & KARRENBERG



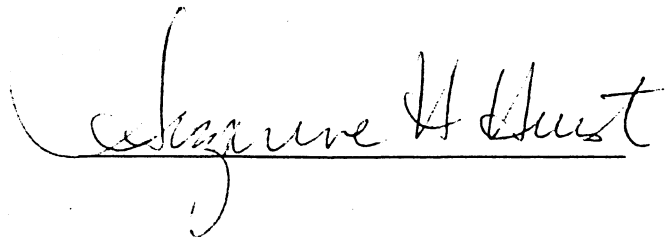
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 13th day of July, 2001, I caused a true and correct copy of **Memorandum in Support of Defendants' Motion for Summary Judgment** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

A handwritten signature in cursive script, appearing to read "Etan E. Rosen", is written over a horizontal line. The signature is fluid and somewhat stylized.

Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

Denver C. Snuffer, Jr. (3032)
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10885 South State Street
Sandy, UT 84070
(801) 576-1400

Attorney for Plaintiffs,

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
	)	COMPLAINT
Plaintiffs,)	
)	
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Case No. 010901074
COMPANY AND DOES 1 THROUGH 50)	
INCLUSIVE.	)	Judge Roger S. Dutson
)	
Defendants.)	
)	

Plaintiffs allege:

GENERAL ALLEGATIONS

1. Plaintiff is and at all times herein mentioned a resident of Weber County, State of Utah.

2. Defendant RANDY HAUGEN, is and at all times herein mentioned was, a resident of Weber County, Utah.

3. Defendant KIP CASHMORE, is and at all times herein mentioned was, a resident of Weber County, Utah.

4. Defendant, QUICK CASH, LLC (hereinafter "QUICK CASH") is a limited liability company and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

5. Defendant, USA CASH STORES (hereinafter "USA CASH") is a business organization whose form is currently unknown to plaintiff and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

6. Defendant, USA CASH SERVICES (hereinafter "CASH SERVICES") is a business organization whose form is currently unknown to plaintiff and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

7. Defendant, QC INSTANT CASH (hereinafter "QC") is a business organization whose form is currently unknown to plaintiff and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

8. Defendant, RKT HOLDING (hereinafter "RKT") is a business organization whose form is currently unknown to plaintiff and who, at all times herein mentioned, and was doing business in the State of Utah, County of Weber.

9. Plaintiff is ignorant of the true names and capacities of defendants sued herein as

the three way partnership entitled Quick Cash was formed. Additionally, plaintiff and Haugen decided to keep their involvement in Quick Cash private so that it would not be detrimental to their Amway business which they both agreed was their first priority.

14. The next few years proved to be very successful for Quick Cash as it expanded to eight (8) stores in Utah, California and Nevada. However, in the fall of 1996, plaintiff and defendant Haugen suspected the third partner of embezzling. When confronted by them he left the partnership leaving plaintiff and Haugen to be equal partners.

15. On or about July of 1997, defendant Haugen told plaintiff that defendant Cashmore knew a company that was interested in purchasing the Quick Cash stores. Plaintiff had no active interest at the time of selling his interest in the stores. Defendants Haugen and Cashmore met with plaintiff to discuss what the value of the stores. Defendant Cashmore received information from another cash store chain that the Quick Cash stores were valued at approximately 1.2 million dollars. Plaintiff informed defendant Haugen that he would not sell the stores for 1.2 million or even 1.5 million and defendant Haugen agreed.

16. On or about September 1997, defendant Haugen told plaintiff that defendant Cashmore had an idea regarding the business and that plaintiff should hear defendant Cashmore out. The three men met wherein defendant Cashmore revealed his plan to develop the business to be large enough to take public with defendants Haugen, Cashmore and plaintiff as partners. Plaintiff and defendant Haugen agreed to keep the existing stores as a separate entity between them and start a new partnership with defendant Cashmore. Defendant Cashmore proposed a figure that would be needed to start up the new stores which plaintiff and Haugen agreed to.

plaintiff that he wanted out of the business so that he could concentrate on Amway. Plaintiff and Haugen agreed to sell and end their partnership after pressure from defendant Haugen because defendant Haugen wanted out of the check cashing business.

18. At different times throughout 1998, plaintiff asked defendant Haugen if he was in partnership with defendant Cashmore in the business plaintiff and Haugen owned. Each time defendant Haugen denied that he was still a partner in the business and told plaintiff that it was not good for their Amway business to let anyone know about plaintiff's or Cashmore's check cashing business.

19. On or about May 1998, plaintiff, through the discovery of various documents, discovered that defendant Haugen never sold his part of the partnership to defendant Cashmore but instead continued the partnership with Cashmore instead of plaintiff. Plaintiff is informed and believes and based on this belief alleges that if not for the representations of defendants Haugen and Cashmore made to him he would not have sold his share of the partnership. Additionally, because of the representations of defendants and each of them, plaintiff was forced to sell at a price lower than the true value of the business and was forced to expend additional capital to restart his own business.

FIRST CAUSE OF ACTION
(Intentional Misrepresentation of Fact)
(Against All Defendants)

20. Plaintiff incorporates herein by reference Paragraphs 1 through 19 of his complaint as though fully set forth herein.

21. The above-stated representations were made to plaintiff to induce him to sell his

share of his partnership so that defendant Haugen and defendant Cashmore could be partners in the same business.

22. Defendant Haugen represented to plaintiff that he no longer wanted the stores as it was detrimental to his Amway business and that defendant Cashmore offered \$750,000.00 to purchase the business. This fact was a primary inducement in plaintiff's decision to sell his share of the partnership and venture out on his own.

23. The representations made by representatives of defendants were in fact false. The true facts were that because of the existing business relationship between defendants Haugen and Cashmore, Haugen wanted Cashmore to replace plaintiff as his partner. This was never revealed to plaintiff. Additionally, plaintiff was never informed of the fact that defendant Haugen never intended to receive any monies from the sale but rather intended to keep the money in the business. In addition to QC Instant Cash and RKT Holding Company, defendants Haugen and Cashmore branched out from Quick Cash, LLC and formed USA Cash Stores and USA Cash Services. Had plaintiff been aware of the true facts, plaintiff would not have agreed to sell his portion of the partnership.

24. When defendants made these representations, they knew them to be false and made these representations with the intention to deceive and defraud plaintiff and to induce plaintiff to act in reliance on these representation in the manner hereafter alleged, or the with expectation that plaintiff would so act.

25. Plaintiff, at the time these representations were made by defendants and at the time plaintiff took the actions herein alleged, was ignorant of the falsity of defendants'

representations and believed them to be true. In reliance on these representations, plaintiff was induced to and did sell his portion of the partnership. Had plaintiff known the actual facts, he would not have taken such action. Plaintiff's reliance on defendant's representations was justified because plaintiff had no reason to believe defendants did not represent the truth of various facts relating to plaintiff's sale of his portion of the partnership.

26. As a proximate result of the fraudulent conduct of defendants as herein alleged, plaintiff was induced to sell his portion of the partnership and has been damaged in an amount according to proof at time of trial.

27. The aforementioned conduct of defendants was an intentional misrepresentation, deceit, or concealment of a material fact known to the defendants with the intention on the part of the defendants of thereby depriving plaintiff of property or legal rights or otherwise causing injury, and was despicable conduct that subjected plaintiff to a cruel and unjust hardship in conscious disregard of plaintiff's rights, so as to justify an award of exemplary and punitive damages.

WHEREFORE, plaintiff prays for judgment as hereinafter set forth.

SECOND CAUSE OF ACTION
(Negligent Misrepresentation of Fact)
(Against All Defendants)

28. Plaintiff incorporates herein by reference Paragraphs 1 through 27 of his complaint as though fully set forth herein.

29. When defendants made these representations, they had no reasonable ground for believing them to be true.

30. Defendants made these representations with the intention of inducing plaintiff to act in reliance on these representations in the manner herein alleged, or with the expectation that plaintiff would so act.

31. As a proximate result of the fraudulent conduct of defendants as herein alleged, plaintiff was induced to sell his portion of the partnership and by reason of which plaintiff has been damaged in an amount according to proof at time of trial.

32. The aforementioned conduct of defendants was a negligent misrepresentation, deceit, or concealment of a material fact known to the defendants with the intention on the part of the defendants of thereby depriving plaintiff of property or legal rights or otherwise causing injury, and was despicable conduct that subjected plaintiff to a cruel and unjust hardship in conscious disregard of plaintiff's rights, so as to justify an award of exemplary and punitive damages.

WHEREFORE, plaintiff prays for judgment as hereinafter set forth.

**THIRD CAUSE OF ACTION
(Relief Based on Rescission)
(Against All Defendants)**

33. Plaintiff incorporates herein by reference Paragraphs 1 through 32 of his complaint as though fully set forth herein.

34. Plaintiff, at the time the aforementioned representations were made by defendants and at the time plaintiff took the actions herein alleged, was ignorant of the falsity of defendants' representations and believed them to be true. In reliance on these representations, plaintiff was

induced to and did enter into the contract with defendant Cashmore to sell his share of the business.

35. Plaintiff has and will suffer substantial harm and injury under the contract if it is not rescinded in that as a result of defendants' conduct, plaintiff has and will be deprived of his share and income derived from the aforementioned partnership.

36. Plaintiff intends service of the summons and complaint in this action to serve as notice of rescission of the contract, and hereby offers to restore all consideration furnished by defendant Cashmore under the contract, on condition that defendants restore to him the consideration furnished by plaintiff in an amount to be proven at time of trial.

37. As a result of entering into the contract with defendant, plaintiff has incurred expenses in addition to those alleged above (and will continue to incur them in an amount unknown to him at this time) in an amount to be proven at time of trial. Plaintiff prays leave of this court to amend this complaint to insert the true amount of those expenses when they are ascertained.

38. In performing the acts herein alleged, defendants intentionally misrepresented to plaintiff material facts known to defendants, as stated above (with the intention on the part of defendants of depriving plaintiff of his money and property, thereby justifying an award of punitive damages against the defendants.

WHEREFORE, plaintiff prays for judgment as hereinafter set forth.

FOURTH CAUSE OF ACTION
(Intentional Interference With Business Relations)
(Against All Defendants)

39. Plaintiff incorporates herein by reference Paragraphs 1 through 38 of his complaint as though fully set forth herein.

40. On or about the fall of 1994, plaintiff and defendant Haugen entered into a written partnership agreement at Ogden, Utah for the purpose of carrying on the business of check cashing service, under the name of Quick Cash, LLC, with its principal place of business at Ogden, Utah.

41. Defendant Cashmore knew of the above described relationship existing plaintiff and defendant Haugen. As stated above, defendants and plaintiff all have a business relationship involving Amway. Defendant Haugen falsely represented to plaintiff that it was in the best interests of their Amway relationship for them to sell their Quick Cash business to defendant Cashmore, all with the intent to harm plaintiff financially and to induce plaintiff to sell his share of the Quick Cash business.

42. The aforementioned acts of defendants, and each of them, were willful and fraudulent. Plaintiff is therefore entitled to punitive damages.

FIFTH CAUSE OF ACTION
(Accounting)
(Against All Defendants)

43. Plaintiff incorporates herein by reference Paragraphs 1 through 42 of his complaint as though fully set forth herein.

44. On or about the fall of 1994, plaintiff and defendant Haugen entered into a written partnership agreement at Odgen, Utah for the purpose of carrying on the business of check cashing service, under the name of Quick Cash, LLC, with its principal place of business at Ogden, Utah.

45. Thereafter and until about December, 1997, the partnership conducted the aforementioned business, acquired assets, and incurred liabilities resulting in an overall profit. As stated above, plaintiff was fraudulently induced into entering a purchase/sale agreement with the defendants thereby losing his share of the partnership. The amount of assets and liabilities is unknown to plaintiff and cannot be ascertained without an accounting of the profits and losses that occurred during the period of time defendants Haugen and Cashmore were in possession of Quick Cash.

• WHEREFORE, Plaintiff prays for judgment as follows:

1. For general and special damages according to proof at time of trial;
2. For incidental and consequential damages according to proof at time of trial;
3. For punitive damages in an amount sufficient to punish and deter Defendants;
4. For prejudgment interest at the highest possible rate from the earliest possible date;
5. For an accounting of the profits and losses;
6. For a rescission of the contract;
7. For costs of suit and reasonable attorney's fees herein incurred: and
8. For such other and further relief as the Court may deem just and proper.

DATED this 25 day of January, 2000

NELSON, SNUFFER, DAHLE & POULSEN

By 

Denver C. Snuffer, Jr.
Attorney for Plaintiff

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Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiff,	)	AFFIDAVIT OF RANDY HAUGEN
)	
vs.)	
	)	Civil No. 010901074
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH	)	Judge Roger S. Dutson
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING)	
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	

STATE OF UTAH)
: ss.
COUNTY OF SALT LAKE)

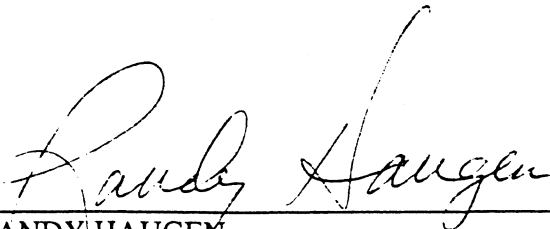
Randy Haugen, being first duly sworn, deposes and states as follows:

1. I owned a 50% membership interest in Quick Cash, LLC (“Quick Cash”) in October 1997. Kerry Pipkin “Pipkin” owned the other 50 % membership interest in Quick Cash in October 1997.
2. Quick Cash operated check-cashing stores in October 1997.
3. Around October 1997, I decided that I no longer wanted to be in the check- cashing business and no longer wanted to own my membership interest in Quick Cash.
4. I wanted to sell my interest in Quick Cash, because I no longer wished to be involved in Quick Cash or any check-cashing businesses.
5. I told Pipken I wanted to sell my interest in Quick Cash, because I no longer wished to be involved in Quick Cash or any check-cashing businesses.
6. Cashmore offered \$750,000 to purchase Quick Cash.
7. I sold my membership interest in Quick Cash to Cashmore for \$375,000 by individual agreement and that agreement has been fully performed by Cashmore and myself. Pipkin sold his interest in Quick Cash to Cashmore by a separate individual agreement. Pipkin, Cashmore and myself were represented by the North Carolina law firm of Elliott, Culp and Carpenter in drafting the individual agreements to sell our interests in Quick Cash to Cashmore.
8. Apart from the payment I received from Cashmore for the sale of my interest in Quick Cash, I received no other compensation from Cashmore for the sale of my interest nor have I afterwards had any interest at all in Quick Cash or in any check-cashing business with Cashmore.
9. I did not sell my interest in Quick Cash in order to replace Pipkin with Cashmore as my partner in Quick Cash.

10. RKT Holding Company is a Utah company that holds real property to sell later for development. RKT Holding Company is entirely separate from and unrelated to Cashmore's check-cashing businesses. I am a co-owner of RKT Holding Company with Cashmore.


11. QC Instant Cash is a California limited liability company operating a check-cashing business in California and was an asset owned by Quick Cash when Quick Cash was sold to Cashmore.

DATED: ~~June~~ ^{July} 12, 2001.

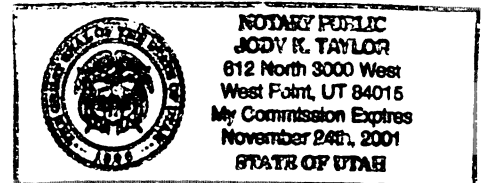


RANDY HAUGEN

SUBSCRIBED AND SWORN to before me this ^{July} 12 day of ~~April~~, 2001.



NOTARY PUBLIC

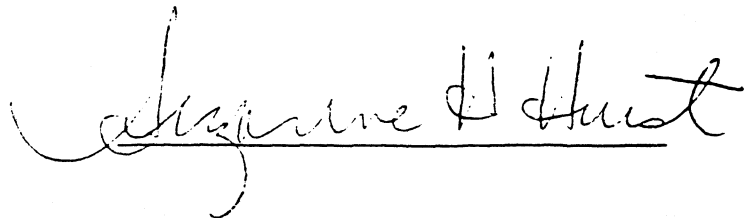


CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 3rd day of July, 2001, I caused a true and correct copy of **AFFIDAVIT OF RANDY HAUGEN** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

A handwritten signature in cursive script, appearing to read "Etan E. Rosen", written over a horizontal line.

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,

Plaintiff,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY and DOES 1-50, inclusive,

Defendants.

)
)
)
) **AFFIDAVIT OF KIP CASHMORE**

)
) Civil No. 010901074

)
) Judge Roger S. Dutson

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

Kip Cashmore, being first duly sworn, deposes and states as follows:

1. "USA Cash Services" is a DBA for Quick Cash, LLC. ("Quick Cash").

2. I offered to purchase and subsequently purchased Randy Haugen's ("Haugen") and Kerry Pipkin's ("Pipkin") membership interests in Quick Cash in December 1997 for a total of \$750,000.

3. I executed an individual agreement in December 1997 with Pipkin providing for Pipkin to sell his 50% ownership in Quick Cash to me in consideration for \$375,000. Both parties have fully performed under that agreement. Pipkin has been fully paid under that agreement and has never tendered back nor offered to tender back any part of the consideration he received for his interest in Quick Cash.

4. I executed an individual agreement in December 1997 with Haugen providing for Haugen to sell his 50% ownership in Quick Cash to me in consideration for \$375,000. Haugen and I have fully performed under that agreement.

5. In drafting the Pipkin and Haugen agreements, Pipkin, Haugen and myself were each represented by the North Carolina law firm of Culp, Elliott and Carpenter.

6. I never stated or in any way implied or promised that Pipkin would continue to be involved in any of my check-cashing or other businesses after Pipkin sold his interest in Quick Cash to me in December 1997.

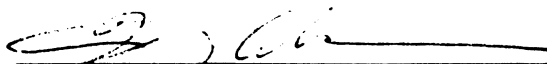
7. Haugen has no interest in any of my check-cashing businesses nor has he been involved in any of my check-cashing businesses after the sale of his Quick Cash membership interest to me in December 1997.

8. RKT Holding Company is a Utah company that holds real property to sell for development. RKT Holding Company is entirely separate from and has nothing to do with any of my check-cashing businesses. I am a co-owner of RKT Holding Company with Randy Haugen.

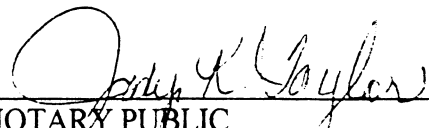
9. "USA Cash Stores," an entity named in the Complaint, was a DBA for Quick Cash but no longer exists as an entity in which I have any interest.

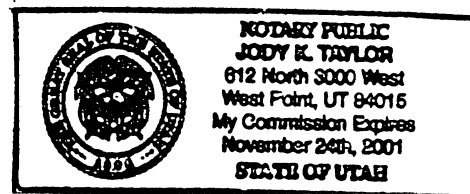
10. QC Instant Cash is a California limited liability company operating a check-cashing business in California and was an asset owned by Quick Cash when Quick Cash was sold to me.

DATED: ~~June~~ ^{July} 12, 2001.


KIP CASHMORE

SUBSCRIBED AND SWORN to before me this 12 ^{July} day of ~~June~~, 2001.


NOTARY PUBLIC



STATE OF UTAH)
)
COUNTY OF DAVIS)

MEMBERSHIP INTEREST
PURCHASE AGREEMENT

THIS AGREEMENT FOR PURCHASE AND SALE OF A LIMITED LIABILITY COMPANY MEMBERSHIP INTEREST (the "Agreement") is made and entered into and effective as of the 1st day of December, 1997, by and among KERRY PIPKIN ("Seller"), QUICK CASH, LLC, a Utah limited liability company (the "Company") and KIP D. CASHMORE ("Purchaser").

WITNESSETH:

WHEREAS, Seller owns a Membership Interest in the Company, which operates a short-term financing business (the "Business"); and

WHEREAS, Seller desires to sell, and Purchaser desires to acquire, all of Seller's Membership Interest in the Company representing 50% of the total Membership Interest in the Company, and all rights thereunto appertaining (collectively, the "Membership Interest");

NOW, THEREFORE, in consideration of the premises and the mutual covenants, conditions, promises and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

1. PURCHASE OF MEMBERSHIP INTEREST. Seller, in consideration of Purchaser's payment of the Purchase Price as set forth in Section 2 below, hereby agrees to sell, transfer and assign to Purchaser, and Purchaser, in consideration of such sale, transfer and assignment by Seller, agrees to purchase and acquire from Seller, on the Closing Date (as defined in Section 4(a) below), all of Seller's Membership Interest in the Company.

2. PURCHASE PRICE.

(a) The aggregate consideration (the "Purchase Price") for the Membership Interest set forth in Section 1 shall be Three Hundred Sixty Eight Thousand Four Hundred Sixty Five and 10/100's Dollars (\$368,465.10). Including interest on the deferred payment of the Purchase Price as calculated in Exhibit "B," the total payments by Purchaser shall total Three Hundred Seventy-Five Thousand and No/100's Dollars (\$375,000.00). The parties agree that the Purchase Price shall be paid as follows:

(i) One Hundred Seventy-Five Thousand Dollars (\$175,000) paid on or before the Closing Date.

(ii) The remaining portion of the purchase price, including interest, paid in Twelve (12) monthly installments of Fifteen Thousand Dollars (\$15,000) per month for

twelve months, beginning on the Closing Date, due on or before the last day of each month. The balance of the Purchase Price shall be due on January 2, 1999.

(b) Purchaser will also pay an additional amount, equal to one-half of the amount of cash held in the accounts of the Company on the Closing Date, to be determined from applicable bank records. Provided, however, in no event shall the Purchaser's payment obligation under this Section 2(b) exceed Seventy Thousand Dollars (\$70,000.00).

3. NO OBLIGATIONS TO BE ASSUMED BY PURCHASER. Purchaser shall not assume or become liable for any obligation, liabilities or indebtedness of any nature whatsoever of or related to Seller, the Company, the Membership Interest or the Business arising or related to the period prior to the Closing Date, whether due or to become due, asserted or unasserted, and Seller shall be and remain liable therefor. Seller represents and warrants that as of the Closing Date, all obligations, liabilities and indebtedness of the Company or otherwise related to the Business shall have been paid, and does hereby agree to indemnify Purchaser and hold Purchaser harmless from any and all such obligations, liabilities and indebtedness.

Except for the liabilities Purchaser expressly assumes herein, Purchaser hereby assumes no liabilities of Seller or the Company, including, without limitation, liabilities, claims or actions alleging or relating to any tort, product liability, environmental liability, taxes on Seller or the Business, or breach of contract or otherwise seeking damages and relating to the operation of the Business prior to the Closing Date.

4. CLOSING; PAYMENT; DOCUMENTS.

(a) The consummation of the transactions contemplated in this Agreement (the "Closing") shall be held and effective as of December 1, 1997 (the "Closing Date").

(b) Seller will deliver to Purchaser on the Closing Date a Bill of Sale in the form attached hereto as Exhibit "A."

(c) Seller will deliver possession of and title to the Membership Interest to Purchaser at Closing by a valid and duly executed document of assignment of Membership Interest in the Company.

(d) All representations, warranties, covenants and obligations in this Agreement, or in any document delivered pursuant to this Agreement, shall survive the Closing.

5. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller represents and warrants as follows:

(a) The Company is a limited liability company validly existing and in good standing under the laws of the State of Utah. The Company has all necessary power and

authority to carry on its Business as and where now conducted. All of the Membership Interest in the Company has been duly and validly issued, is fully paid and nonassessable, and has been offered and sold in compliance with all applicable federal and state laws.

(b) Seller and the Company have full power and authority to execute and perform this Agreement. This Agreement has been duly and validly authorized and approved by all necessary formal action on the part of Seller and the Company. This Agreement constitutes the valid and legally binding obligation of Seller and the Company enforceable in accordance with its terms. Neither the execution and delivery of this Agreement nor the consummation of the transactions hereby contemplated result in, or will result in, a violation or breach of any provision of any other instrument to which Seller or the Company is a party or by which the Membership Interest may be affected.

(c) Seller has, and at all times up through and including the Closing Date will have, good and marketable title to the Membership Interest, free and clear of all mortgages, pledges, liens, security interests, conditional sale agreements, charges, encumbrances and restrictions of every kind and nature.

(d) No representation or warranty of Seller or the Company in this Agreement, nor any document furnished or to be furnished to Purchaser pursuant hereto or in connection with the transaction contemplated herein, contains or will contain any untrue statement of a material fact nor do such representations and warranties taken as a whole omit any statement necessary in order to make any material statement contained herein or therein not misleading.

(e) With regard to any purchase orders or other contracts issued or received in the ordinary course of the Business by the Company and expressly agreed in writing to be assumed by Buyer (the "Assumed Contracts"), Seller warrants and represents that:

(i) Each Assumed Contract is in full force and effect and is valid and enforceable in accordance with its terms.

(ii) The Company is in compliance in all material respects with all applicable terms and requirements of each of the Assumed Contracts;

(iii) To the best of Seller's knowledge, each other person or entity that has or had any obligation or liability under any of the Assumed Contracts is in compliance in all material respects with all applicable terms and requirements of such Assumed Contract;

(iv) No event has occurred or circumstance exists that (with or without notice or lapse of time) may contravene, conflict with, or result in a violation or breach of, or give Seller or other person or entity the right to declare a default or exercise any

remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Assumed Contract;

(v) Neither Seller nor the Company has given to or received from any other person or entity, at any time since January 1, 1997, any notice or other communication (whether oral or written) regarding any actual, alleged, possible, or potential violation or breach of, or default under, any Assumed Contract; and

(vi) Other than in the ordinary course of the Business, there are no renegotiations of, attempts to renegotiate, or outstanding rights to renegotiate any material amounts paid or payable to the Company under current or completed contracts with any person or entity included in the Assumed Contracts and no such person or entity has made written demand for such renegotiation.

(f) There are no actions, suits, litigations or governmental investigations pending or, to the knowledge of Seller or the Company, threatened against or affecting Seller or the Company, nor is either Seller or the Company subject to any order, judgment, decree, stipulation or consent of or with any court, governmental body or agency that would impair the ability of Seller and the Company to consummate the transactions contemplated by this Agreement.

(g) Neither the execution and delivery of this Agreement nor the consummation or performance of any of the transactions contemplated hereby will give any person or entity the right to prevent, delay or otherwise interfere with the transactions contemplated by this Agreement pursuant to any legal requirement or Order to which Seller or the Company may be subject, or any material contract to which Seller or the Company is a party or by which either may be bound, nor will violate any law, order, judgment, decree, rule or regulation of any court or governmental agency or body having jurisdiction over Seller or the Company.

6. REPRESENTATIONS AND WARRANTIES OF PURCHASER. Purchaser represents and warrants to Seller as follows:

(a) This Agreement has been duly and validly executed and delivered by Purchaser, and constitutes the valid and legally binding obligation of Purchaser enforceable in accordance with its terms. Purchaser has the absolute and unrestricted right, power and authority to execute and deliver this Agreement and the other documents contemplated to be executed and delivered at the Closing by Purchaser and to perform its obligations under this Agreement and such other documents.

(b) No representation or warranty of Purchaser in this Agreement, nor any certificate furnished or to be furnished to Seller or the Company pursuant hereto or in connection with the transaction contemplated herein, contains or will contain any untrue statement of a

material fact nor shall such representations and warranties taken as a whole omit any statement necessary in order to make any material statement contained herein or therein not misleading.

(c) There are no actions, suits, litigations or governmental investigations pending or, to the knowledge of Purchaser, threatened against or affecting Purchaser, nor is Purchaser subject to any order, judgment, decree, stipulation or consent of or with any court, governmental body or agency that would impair the ability of Purchaser to consummate the transactions contemplated by this Agreement.

Purchaser makes no representation or warranty to Seller or the Company regarding the purchase or sale of any limited liability company Membership Interest other than that which is the subject of this Agreement.

7. COVENANTS. From time to time prior to, at and after the Closing, Seller will, at its own expense, execute and deliver, or cause to be executed and delivered, such documents to Purchaser as Purchaser may reasonably request in order to consummate the purchase of the Membership Interest and to vest, confirm or evidence in Purchaser good title to the Membership Interest. From time to time prior to, at and after the Closing, Purchaser will, at its own expense, execute and deliver or cause to be executed and delivered such documents to Seller as Seller may reasonably request in order to consummate the sale of the Membership Interest pursuant to this Agreement.

8. CONDITION PRECEDENT TO PURCHASER'S OBLIGATION TO CLOSE. Purchaser's obligation to purchase the Membership Interest and to take the other actions required to be taken by Purchaser at the Closing is subject to the satisfaction of Purchaser, at or prior to the Closing, that there have not been made or threatened by any person or entity any claim asserting that such person or entity (a) is the holder or beneficial owner of, or has the right to acquire or to obtain beneficial ownership of, the Membership Interest, or (b) is entitled to all or any portion of the Purchase Price payable for the Membership Interest.

9. INDEMNITY OBLIGATIONS.

(a) Seller will indemnify and save Purchaser harmless from and against any and all claims, demands, actions, controversies and suits, whether groundless or otherwise, and from and against any and all liabilities, losses, damages, costs, charges, counsel fees and other expenses of every nature and character arising by reason of or resulting from (i) anything done, suffered to be done, or omitted to be done by Seller or the Company on or before the Closing Date specifically including (whether or not Seller has notice or knowledge on the Closing Date of such matters), but not limited to, (ii) litigation involving Seller, the Company or the Business, accruing, arising or relating to an event occurring or existing prior to the Closing Date; (iii) any breach of any warranty or any misrepresentation of Seller contained in this Agreement, by or on behalf of Seller; (iv) any misrepresentation in, or omission from, any instrument, document or other consideration executed and/or delivered by or on behalf of Seller pursuant to the terms of

this Agreement; (v) any federal, state or local tax liabilities, assessments or obligations of Seller or the Company in respect of the Membership Interest, the Business or the transaction contemplated by this Agreement; (vi) any breach by Seller or the Company on or before the date of closing of any contract; or (vii) any civil or criminal statutory violation or tort committed by Seller, or the Company before the Closing Date.

(b) Purchaser shall indemnify and save Seller harmless from and against any and all claims, demands, actions, controversies and suits, whether groundless or otherwise, and from and against any and all liabilities, losses, damages, costs, charges, counsel fees and other expenses of every nature and character arising by reason of or resulting from (i) anything done, suffered to be done, or omitted to be done by Purchaser in relation to the Business on or after the Closing Date, specifically including, but not limited to, (ii) litigation involving Purchaser or the Company, relating to an event occurring or existing only after the Closing Date; (iii) any breach of any warranty or any misrepresentation of Purchaser contained in this Agreement, by or on behalf of Purchaser; (iv) any misrepresentation in, or omission from, any instrument, document or other consideration executed and/or delivered by or on behalf of Purchaser pursuant to the terms of this Agreement; (v) any federal, state or local tax liabilities, assessments or obligations of Purchaser in respect of the Membership Interest or the transaction contemplated by this Agreement; or (vi) any civil or criminal statutory violation or tort committed by Purchaser, or the Company after the Closing Date.

(c) Purchaser and Seller agree to give one another prompt written notice of any claim of one ("Indemnitee") against the other ("Indemnitor") under this Agreement arising from threatened or pending third party claims, specifically including, but not limited to, any claim, demand, action, controversy, or suit which may give rise to a claim for indemnification of Indemnitee by Indemnitor under this Agreement. Indemnitor shall undertake the defense of any such claim, demand, action, controversy or suit by representatives of its own choosing, at its own cost and expense, provided, however, that in the event Indemnitor, within a reasonable time after notice of any such claim, demand, action, controversy or suit, shall fail to undertake the defense thereof, then Indemnitee shall have the right to undertake the defense, compromise or settlement thereof at the risk of Indemnitor, subject to the right of Indemnitor to assume such defense at any time prior to compromise or final determination thereof. The Indemnitor may settle any such claim with the consent of Indemnitee which consent shall not be unreasonably withheld, provided that adequate financial security for the fulfillment of the Indemnitor's indemnity obligations under this Section in cash lump sum is provided by Indemnitor to Indemnitee.

10. ASSIGNMENT RIGHTS. Purchaser may assign this Agreement to any other person or entity without the consent of Seller. Seller may not assign its rights or delegate its duties under this Agreement.

11. MISCELLANEOUS.

(a) The parties shall cooperate fully with each other in connection with any steps required to be taken as part of their respective obligations under this Agreement, and all parties will use their best efforts to consummate the transactions contemplated in this Agreement.

(b) All transfer taxes, including sales or use taxes, if any, payable by reason of the sale, transfer or delivery of any of the Membership Interest shall be paid by Seller. Purchaser hereby waives compliance with any applicable bulk sale laws.

(c) All notices shall be in writing and shall be deemed given when delivered by hand or by facsimile transmission, telexed or mailed by reputable courier service or registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses set forth on the records of the Company (or at such other address for a party as shall be specified by like notice; provided that notices of a change of address shall be effective only upon receipt thereof). The parties may change the address for any such notice, request, demand, tender or other communication by delivery of such notice of change of address in accordance with the terms of this Section.

(d) This Agreement supersedes all prior discussions and agreements between the parties with respect to the matters contained herein, and this Agreement contains the sole and entire agreement between the parties hereto with respect to the transactions contemplated herein. This Agreement may be amended or modified only in a writing signed by all of the parties hereto.

(e) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

(f) This Agreement shall be construed and governed by the substantive laws of the State of Utah.

(g) The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision had not been contained herein.

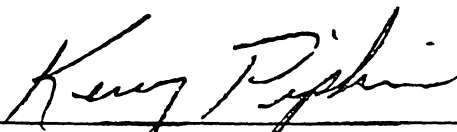
(h) Whenever in this Agreement a singular word is used, it shall also include the plural wherever required by the context, and vice versa. Whenever in this Agreement a word of one gender is used, it shall also include the other gender and the neuter.

(i) The captions in this Agreement are for convenience and identification purposes only, are not an integral part of this Agreement, and are not to be considered in the interpretation of any part hereof.

(j) All representations, warranties, covenants and obligations in this Agreement and any certificate or document delivered pursuant to this Agreement will survive the Closing.

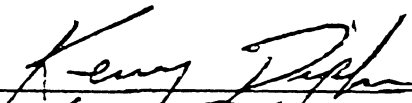
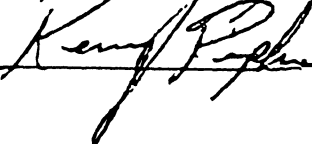
IN WITNESS WHEREOF, the parties have executed this Agreement under seal effective on the date first above written.

SELLER:




KERRY PIPKIN (SEAL)

COMPANY:
QUICK CASH, LLC

By:  (SEAL)
 Member and Manager

PURCHASER:



KIP D. CASHMORE (SEAL)

EXHIBIT A

BILL OF SALE

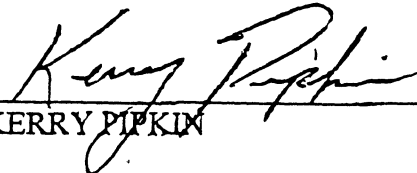
FOR VALUE RECEIVED, and in accordance with that certain Agreement (the "Purchase Agreement") for Sale and Purchase of Certain Membership Interest of a limited liability company Membership Interest, dated as of December 1, 1997, by and between KERRY PIPKIN ("Seller"), QUICK CASH, LLC (the "Company") and KIP D. CASHMORE ("Purchaser"), Seller does hereby sell, assign, transfer, deliver, and convey to Purchaser all right, title and interest in and to the Membership Interest identified in the Purchase Agreement (collectively, the "Membership Interest").

TO HAVE AND TO HOLD said Membership Interest unto Purchaser, its successors and assigns, and Seller does hereby represent and warrant that such Membership Interest is transferred to Purchaser free and clear of any security interests, liens, adverse claims, encumbrances or other restrictions whatsoever, and Seller agrees to forever defend the title of such Membership Interest unto Purchaser, its successors and assigns against all persons whomsoever.

THIS BILL OF SALE is given pursuant and subject to the Purchase Agreement, and in the event of any conflict between the terms hereof and those of the Purchase Agreement, the Purchase Agreement shall be deemed controlling.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale effective as of the date first written above.

SELLER:

 (SEAL)
KERRY PIPKIN

Quick Cash Sale

Compound Period: Monthly

Nominal Annual Rate ... : 5.610 %
 Effective Annual Rate .. : 5.757 %
 Periodic Rate : 0.4675 %
 Daily Rate : 0.01537 %

CASH FLOW DATA

Event	Start Date	Amount	Number	Period	End Date
1 Loan	11/30/1997	193,465.10	1		
2 Payment	12/30/1997	15,000.00	12	Monthly	11/30/1998
3 Payment	01/02/1999	20,000.00	1		

AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 11/30/1997				193,465.10
1 12/30/1997	15,000.00	904.45	14,095.55	179,369.55
1997 Totals	15,000.00	904.45	14,095.55	
2 01/30/1998	15,000.00	838.55	14,161.45	165,208.10
3 02/28/1998	15,000.00	772.35	14,227.65	150,980.45
4 03/30/1998	15,000.00	705.83	14,294.17	136,686.28
5 04/30/1998	15,000.00	639.01	14,360.99	122,325.29
6 05/30/1998	15,000.00	571.87	14,428.13	107,897.16
7 06/30/1998	15,000.00	504.42	14,495.58	93,401.58
8 07/30/1998	15,000.00	436.65	14,563.35	78,838.23
9 08/30/1998	15,000.00	368.57	14,631.43	64,206.80
10 09/30/1998	15,000.00	300.17	14,699.83	49,506.97
11 10/30/1998	15,000.00	231.45	14,768.55	34,738.42
12 11/30/1998	15,000.00	162.40	14,837.60	19,900.82
1998 Totals	165,000.00	5,531.27	159,468.73	
13 01/02/1999	20,000.00	99.18	19,900.82	0.00
1999 Totals	20,000.00	99.18	19,900.82	
Grand Totals	200,000.00	6,534.90	193,465.10	

twelve months, beginning on the Closing Date, due on or before the last day of each month. The balance of the Purchase Price shall be due on January 2, 1999.

(b) Purchaser will also pay an additional amount, equal to one-half of the amount of cash held in the accounts of the Company on the Closing Date, to be determined from applicable bank records. Provided, however, in no event shall the Purchaser's payment obligation under this Section 2(b) exceed Seventy Thousand Dollars (\$70,000.00).

3. NO OBLIGATIONS TO BE ASSUMED BY PURCHASER. Purchaser shall not assume or become liable for any obligation, liabilities or indebtedness of any nature whatsoever of or related to Seller, the Company, the Membership Interest or the Business arising or related to the period prior to the Closing Date, whether due or to become due, asserted or unasserted, and Seller shall be and remain liable therefor. Seller represents and warrants that as of the Closing Date, all obligations, liabilities and indebtedness of the Company or otherwise related to the Business shall have been paid, and does hereby agree to indemnify Purchaser and hold Purchaser harmless from any and all such obligations, liabilities and indebtedness.

Except for the liabilities Purchaser expressly assumes herein, Purchaser hereby assumes no liabilities of Seller or the Company, including, without limitation, liabilities, claims or actions alleging or relating to any tort, product liability, environmental liability, taxes on Seller or the Business, or breach of contract or otherwise seeking damages and relating to the operation of the Business prior to the Closing Date.

4. CLOSING; PAYMENT; DOCUMENTS.

(a) The consummation of the transactions contemplated in this Agreement (the "Closing") shall be held and effective as of December 1, 1997 (the "Closing Date").

(b) Seller will deliver to Purchaser on the Closing Date a Bill of Sale in the form attached hereto as Exhibit "A."

(c) Seller will deliver possession of and title to the Membership Interest to Purchaser at Closing by a valid and duly executed document of assignment of Membership Interest in the Company.

(d) All representations, warranties, covenants and obligations in this Agreement, or in any document delivered pursuant to this Agreement, shall survive the Closing.

5. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller represents and warrants as follows:

(a) The Company is a limited liability company validly existing and in good standing under the laws of the State of Utah. The Company has all necessary power and

authority to carry on its Business as and where now conducted. All of the Membership Interest in the Company has been duly and validly issued, is fully paid and nonassessable, and has been offered and sold in compliance with all applicable federal and state laws.

(b) Seller and the Company have full power and authority to execute and perform this Agreement. This Agreement has been duly and validly authorized and approved by all necessary formal action on the part of Seller and the Company. This Agreement constitutes the valid and legally binding obligation of Seller and the Company enforceable in accordance with its terms. Neither the execution and delivery of this Agreement nor the consummation of the transactions hereby contemplated result in, or will result in, a violation or breach of any provision of any other instrument to which Seller or the Company is a party or by which the Membership Interest may be affected.

(c) Seller has, and at all times up through and including the Closing Date will have, good and marketable title to the Membership Interest, free and clear of all mortgages, pledges, liens, security interests, conditional sale agreements, charges, encumbrances and restrictions of every kind and nature.

(d) No representation or warranty of Seller or the Company in this Agreement, nor any document furnished or to be furnished to Purchaser pursuant hereto or in connection with the transaction contemplated herein, contains or will contain any untrue statement of a material fact nor do such representations and warranties taken as a whole omit any statement necessary in order to make any material statement contained herein or therein not misleading.

(e) With regard to any purchase orders or other contracts issued or received in the ordinary course of the Business by the Company and expressly agreed in writing to be assumed by Buyer (the "Assumed Contracts"), Seller warrants and represents that:

(i) Each Assumed Contract is in full force and effect and is valid and enforceable in accordance with its terms.

(ii) The Company is in compliance in all material respects with all applicable terms and requirements of each of the Assumed Contracts;

(iii) To the best of Seller's knowledge, each other person or entity that has or had any obligation or liability under any of the Assumed Contracts is in compliance in all material respects with all applicable terms and requirements of such Assumed Contract;

(iv) No event has occurred or circumstance exists that (with or without notice or lapse of time) may contravene, conflict with, or result in a violation or breach of, or give Seller or other person or entity the right to declare a default or exercise any

remedy under, or to accelerate the maturity or performance of, or to cancel, terminate, or modify, any Assumed Contract;

(v) Neither Seller nor the Company has given to or received from any other person or entity, at any time since January 1, 1997, any notice or other communication (whether oral or written) regarding any actual, alleged, possible, or potential violation or breach of, or default under, any Assumed Contract; and

(vi) Other than in the ordinary course of the Business, there are no renegotiations of, attempts to renegotiate, or outstanding rights to renegotiate any material amounts paid or payable to the Company under current or completed contracts with any person or entity included in the Assumed Contracts and no such person or entity has made written demand for such renegotiation.

(f) There are no actions, suits, litigations or governmental investigations pending or, to the knowledge of Seller or the Company, threatened against or affecting Seller or the Company, nor is either Seller or the Company subject to any order, judgment, decree, stipulation or consent of or with any court, governmental body or agency that would impair the ability of Seller and the Company to consummate the transactions contemplated by this Agreement.

(g) Neither the execution and delivery of this Agreement nor the consummation or performance of any of the transactions contemplated hereby will give any person or entity the right to prevent, delay or otherwise interfere with the transactions contemplated by this Agreement pursuant to any legal requirement or Order to which Seller or the Company may be subject, or any material contract to which Seller or the Company is a party or by which either may be bound, nor will violate any law, order, judgment, decree, rule or regulation of any court or governmental agency or body having jurisdiction over Seller or the Company.

6. REPRESENTATIONS AND WARRANTIES OF PURCHASER. Purchaser represents and warrants to Seller as follows:

(a) This Agreement has been duly and validly executed and delivered by Purchaser, and constitutes the valid and legally binding obligation of Purchaser enforceable in accordance with its terms. Purchaser has the absolute and unrestricted right, power and authority to execute and deliver this Agreement and the other documents contemplated to be executed and delivered at the Closing by Purchaser and to perform its obligations under this Agreement and such other documents.

(b) No representation or warranty of Purchaser in this Agreement, nor any certificate furnished or to be furnished to Seller or the Company pursuant hereto or in connection with the transaction contemplated herein, contains or will contain any untrue statement of a

material fact nor shall such representations and warranties taken as a whole omit any statement necessary in order to make any material statement contained herein or therein not misleading.

(c) There are no actions, suits, litigations or governmental investigations pending or, to the knowledge of Purchaser, threatened against or affecting Purchaser, nor is Purchaser subject to any order, judgment, decree, stipulation or consent of or with any court, governmental body or agency that would impair the ability of Purchaser to consummate the transactions contemplated by this Agreement.

Purchaser makes no representation or warranty to Seller or the Company regarding the purchase or sale of any limited liability company Membership Interest other than that which is the subject of this Agreement.

7. COVENANTS. From time to time prior to, at and after the Closing, Seller will, at its own expense, execute and deliver, or cause to be executed and delivered, such documents to Purchaser as Purchaser may reasonably request in order to consummate the purchase of the Membership Interest and to vest, confirm or evidence in Purchaser good title to the Membership Interest. From time to time prior to, at and after the Closing, Purchaser will, at its own expense, execute and deliver or cause to be executed and delivered such documents to Seller as Seller may reasonably request in order to consummate the sale of the Membership Interest pursuant to this Agreement.

8. CONDITION PRECEDENT TO PURCHASER'S OBLIGATION TO CLOSE. Purchaser's obligation to purchase the Membership Interest and to take the other actions required to be taken by Purchaser at the Closing is subject to the satisfaction of Purchaser, at or prior to the Closing, that there have not been made or threatened by any person or entity any claim asserting that such person or entity (a) is the holder or beneficial owner of, or has the right to acquire or to obtain beneficial ownership of, the Membership Interest, or (b) is entitled to all or any portion of the Purchase Price payable for the Membership Interest.

9. INDEMNITY OBLIGATIONS.

(a) Seller will indemnify and save Purchaser harmless from and against any and all claims, demands, actions, controversies and suits, whether groundless or otherwise, and from and against any and all liabilities, losses, damages, costs, charges, counsel fees and other expenses of every nature and character arising by reason of or resulting from (i) anything done, suffered to be done, or omitted to be done by Seller or the Company on or before the Closing Date specifically including (whether or not Seller has notice or knowledge on the Closing Date of such matters), but not limited to, (ii) litigation involving Seller, the Company or the Business, accruing, arising or relating to an event occurring or existing prior to the Closing Date; (iii) any breach of any warranty or any misrepresentation of Seller contained in this Agreement, by or on behalf of Seller; (iv) any misrepresentation in, or omission from, any instrument, document or other consideration executed and/or delivered by or on behalf of Seller pursuant to the terms of

this Agreement; (v) any federal, state or local tax liabilities, assessments or obligations of Seller or the Company in respect of the Membership Interest, the Business or the transaction contemplated by this Agreement; (vi) any breach by Seller or the Company on or before the date of closing of any contract; or (vii) any civil or criminal statutory violation or tort committed by Seller, or the Company before the Closing Date.

(b) Purchaser shall indemnify and save Seller harmless from and against any and all claims, demands, actions, controversies and suits, whether groundless or otherwise, and from and against any and all liabilities, losses, damages, costs, charges, counsel fees and other expenses of every nature and character arising by reason of or resulting from (i) anything done, suffered to be done, or omitted to be done by Purchaser in relation to the Business on or after the Closing Date, specifically including, but not limited to, (ii) litigation involving Purchaser or the Company, relating to an event occurring or existing only after the Closing Date; (iii) any breach of any warranty or any misrepresentation of Purchaser contained in this Agreement, by or on behalf of Purchaser; (iv) any misrepresentation in, or omission from, any instrument, document or other consideration executed and/or delivered by or on behalf of Purchaser pursuant to the terms of this Agreement; (v) any federal, state or local tax liabilities, assessments or obligations of Purchaser in respect of the Membership Interest or the transaction contemplated by this Agreement; or (vi) any civil or criminal statutory violation or tort committed by Purchaser, or the Company after the Closing Date.

(c) Purchaser and Seller agree to give one another prompt written notice of any claim of one ("Indemnitee") against the other ("Indemnitor") under this Agreement arising from threatened or pending third party claims, specifically including, but not limited to, any claim, demand, action, controversy, or suit which may give rise to a claim for indemnification of Indemnitee by Indemnitor under this Agreement. Indemnitor shall undertake the defense of any such claim, demand, action, controversy or suit by representatives of its own choosing, at its own cost and expense, provided, however, that in the event Indemnitor, within a reasonable time after notice of any such claim, demand, action, controversy or suit, shall fail to undertake the defense thereof, then Indemnitee shall have the right to undertake the defense, compromise or settlement thereof at the risk of Indemnitor, subject to the right of Indemnitor to assume such defense at any time prior to compromise or final determination thereof. The Indemnitor may settle any such claim with the consent of Indemnitee which consent shall not be unreasonably withheld, provided that adequate financial security for the fulfillment of the Indemnitor's indemnity obligations under this Section in cash lump sum is provided by Indemnitor to Indemnitee.

10. ASSIGNMENT RIGHTS. Purchaser may assign this Agreement to any other person or entity without the consent of Seller. Seller may not assign its rights or delegate its duties under this Agreement.

11. MISCELLANEOUS.

(a) The parties shall cooperate fully with each other in connection with any steps required to be taken as part of their respective obligations under this Agreement, and all parties will use their best efforts to consummate the transactions contemplated in this Agreement.

(b) All transfer taxes, including sales or use taxes, if any, payable by reason of the sale, transfer or delivery of any of the Membership Interest shall be paid by Seller. Purchaser hereby waives compliance with any applicable bulk sale laws.

(c) All notices shall be in writing and shall be deemed given when delivered by hand or by facsimile transmission, telexed or mailed by reputable courier service or registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses set forth on the records of the Company (or at such other address for a party as shall be specified by like notice; provided that notices of a change of address shall be effective only upon receipt thereof). The parties may change the address for any such notice, request, demand, tender or other communication by delivery of such notice of change of address in accordance with the terms of this Section.

(d) This Agreement supersedes all prior discussions and agreements between the parties with respect to the matters contained herein, and this Agreement contains the sole and entire agreement between the parties hereto with respect to the transactions contemplated herein. This Agreement may be amended or modified only in a writing signed by all of the parties hereto.

(e) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

(f) This Agreement shall be construed and governed by the substantive laws of the State of Utah.

(g) The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision had not been contained herein.

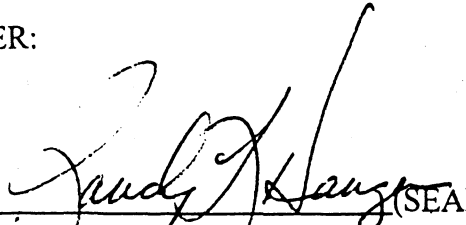
(h) Whenever in this Agreement a singular word is used, it shall also include the plural wherever required by the context, and vice versa. Whenever in this Agreement a word of one gender is used, it shall also include the other gender and the neuter.

(i) The captions in this Agreement are for convenience and identification purposes only, are not an integral part of this Agreement, and are not to be considered in the interpretation of any part hereof.

(j) All representations, warranties, covenants and obligations in this Agreement and any certificate or document delivered pursuant to this Agreement will survive the Closing.

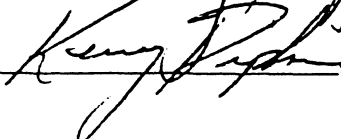
IN WITNESS WHEREOF, the parties have executed this Agreement under seal effective on the date first above written.

SELLER:

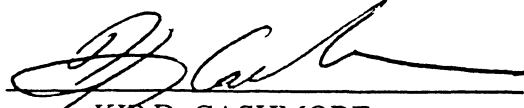


RANDY L. HAUGEN (SEAL)

COMPANY:
QUICK CASH, LLC

By:  (SEAL)
 Member and Manager

PURCHASER:



KIP D. CASHMORE (SEAL)

EXHIBIT A

BILL OF SALE

FOR VALUE RECEIVED, and in accordance with that certain Agreement (the "Purchase Agreement") for Sale and Purchase of Certain Membership Interest of a limited liability company Membership Interest, dated as of December 1, 1997, by and between RANDY L. HAUGEN ("Seller"), QUICK CASH, LLC (the "Company") and KIP D. CASHMORE ("Purchaser"), Seller does hereby sell, assign, transfer, deliver, and convey to Purchaser all right, title and interest in and to the Membership Interest identified in the Purchase Agreement (collectively, the "Membership Interest").

TO HAVE AND TO HOLD said Membership Interest unto Purchaser, its successors and assigns, and Seller does hereby represent and warrant that such Membership Interest is transferred to Purchaser free and clear of any security interests, liens, adverse claims, encumbrances or other restrictions whatsoever, and Seller agrees to forever defend the title of such Membership Interest unto Purchaser, its successors and assigns against all persons whomsoever.

THIS BILL OF SALE is given pursuant and subject to the Purchase Agreement, and in the event of any conflict between the terms hereof and those of the Purchase Agreement, the Purchase Agreement shall be deemed controlling.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale effective as of the date first written above.

SELLER.



RANDY L. HAUGEN (SEAL)

Quick Cash Sale

Compound Period: Monthly

Nominal Annual Rate ... : 5.610 %
 Effective Annual Rate .. : 5.757 %
 Periodic Rate : 0.4675 %
 Daily Rate : 0.01537 %

CASH FLOW DATA

Event	Start Date	Amount	Number	Period	End Date
1 Loan	11/30/1997	193,465.10	1		
2 Payment	12/30/1997	15,000.00	12	Monthly	11/30/1998
3 Payment	01/02/1999	20,000.00	1		

AMORTIZATION SCHEDULE - Normal Amortization

Date	Payment	Interest	Principal	Balance
Loan 11/30/1997				193,465.10
1 12/30/1997	15,000.00	904.45	14,095.55	179,369.55
1997 Totals	15,000.00	904.45	14,095.55	
2 01/30/1998	15,000.00	838.55	14,161.45	165,208.10
3 02/28/1998	15,000.00	772.35	14,227.65	150,980.45
4 03/30/1998	15,000.00	705.83	14,294.17	136,686.28
5 04/30/1998	15,000.00	639.01	14,360.99	122,325.29
6 05/30/1998	15,000.00	571.87	14,428.13	107,897.16
7 06/30/1998	15,000.00	504.42	14,495.58	93,401.58
8 07/30/1998	15,000.00	436.65	14,563.35	78,838.23
9 08/30/1998	15,000.00	368.57	14,631.43	64,206.80
10 09/30/1998	15,000.00	300.17	14,699.83	49,506.97
11 10/30/1998	15,000.00	231.45	14,768.55	34,738.42
12 11/30/1998	15,000.00	162.40	14,837.60	19,900.82
1998 Totals	165,000.00	5,531.27	159,468.73	
13 01/02/1999	20,000.00	99.18	19,900.82	0.00
1999 Totals	20,000.00	99.18	19,900.82	
Grand Totals	200,000.00	6,534.90	193,465.10	

2001 JUL 15 2:25

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)
)
)
 Plaintiff,) **AFFIDAVIT OF RANDY HAUGEN**
)
 vs.)
) Civil No. 010901074
)
 RANDY HAUGEN, KIP CASHMORE,)
 QUICK CASH, LLC, USA CASH) Judge Roger S. Dutson
 STORES, USA CASH SERVICES, QC)
 INSTANT CASH, RKT HOLDING)
 COMPANY and DOES 1-50, inclusive,)
)
 Defendants.)
)

STATE OF UTAH)
 : ss.
 COUNTY OF SALT LAKE)

Randy Haugen, being first duly sworn, deposes and states as follows:

1. I owned a 50% membership interest in Quick Cash, LLC (“Quick Cash”) in October 1997. Kerry Pipkin “Pipkin” owned the other 50 % membership interest in Quick Cash in October 1997.

2. Quick Cash operated check-cashing stores in October 1997.

3. Around October 1997, I decided that I no longer wanted to be in the check-cashing business and no longer wanted to own my membership interest in Quick Cash.

4. I wanted to sell my interest in Quick Cash, because I no longer wished to be involved in Quick Cash or any check-cashing businesses.

5. I told Pipken I wanted to sell my interest in Quick Cash, because I no longer wished to be involved in Quick Cash or any check-cashing businesses.

6. Cashmore offered \$750,000 to purchase Quick Cash.

7. I sold my membership interest in Quick Cash to Cashmore for \$375,000 by individual agreement and that agreement has been fully performed by Cashmore and myself. Pipkin sold his interest in Quick Cash to Cashmore by a separate individual agreement. Pipkin, Cashmore and myself were represented by the North Carolina law firm of Elliott, Culp and Carpenter in drafting the individual agreements to sell our interests in Quick Cash to Cashmore.

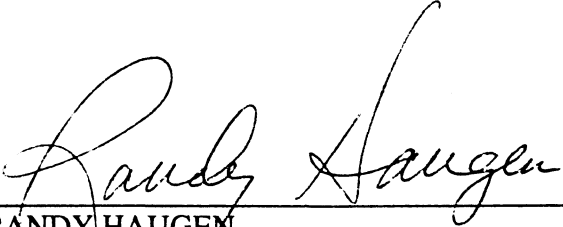
8. Apart from the payment I received from Cashmore for the sale of my interest in Quick Cash, I received no other compensation from Cashmore for the sale of my interest nor have I afterwards had any interest at all in Quick Cash or in any check-cashing business with Cashmore.

9. I did not sell my interest in Quick Cash in order to replace Pipkin with Cashmore as my partner in Quick Cash.

10. RKT Holding Company is a Utah company that holds real property to sell later for development. RKT Holding Company is entirely separate from and unrelated to Cashmore's check-cashing businesses. I am a co-owner of RKT Holding Company with Cashmore.


11. QC Instant Cash is a California limited liability company operating a check-cashing business in California and was an asset owned by Quick Cash when Quick Cash was sold to Cashmore.

DATED: ~~June~~ ^{July} 12, 2001.

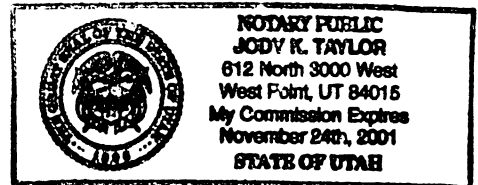


RANDY HAUGEN

SUBSCRIBED AND SWORN to before me this ~~April~~ ^{July} 12 day of ~~April~~, 2001.



NOTARY PUBLIC

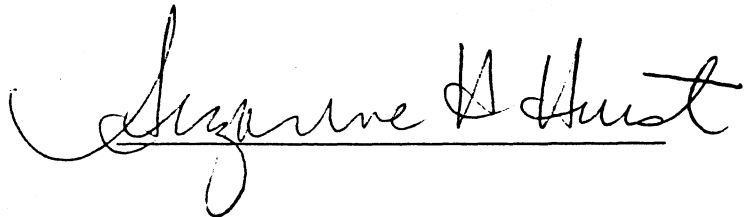


CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 3rd day of July, 2001, I caused a true and correct copy of **AFFIDAVIT OF RANDY HAUGEN** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

A handwritten signature in cursive script, reading "Suzanne A. Hunt", is written over a horizontal line.

Etan E. Rosen SBN 173728
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
Telephone: (916) 369-9750
Facsimile: (916) 369-9760

2001 JUL 17 P 2:37
SECOND DISTRICT COURT

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiff,	)	CERTIFICATE OF DELIVERY OF
	)	DISCOVERY
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,	)	Civil No. 010901074
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC	)	Judge Roger S. Dutson
INSTANT CASH, RKT HOLDING)	
COMPANY and DOES 1-50, inclusive.)	
Defendants.)	

Etan E. Rosen, BEYER, PONGRATZ & ROSEN, counsel for Plaintiff, hereby certifies that on the 12th day of July, 2001, he caused to be served upon all counsel of record, by first-class mail, postage prepaid. Plaintiff Kerry Pipkin's Rule 26 Initial Disclosures.

DATED this 12th day of July, 2001.

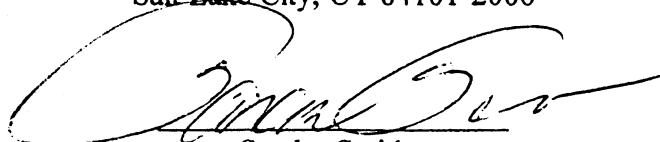
~~BEYER, PONGRATZ & ROSEN~~
Etan E. Rosen
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing instrument was mailed, first-class, postage prepaid, on this 12th day of July 2001, to the following:

Denver Snuffer
Nelson, Snuffer, Dohle & Pulsen
10885 South State Street
Sandy, UT 84070

James Tily
Anderson & Karrenberg
700 Bank One Tower
50 West Broadway
Salt Lake City, UT 84101-2006


Sandra Smith

Etan E. Rosen SBN 173728
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
Telephone: (916) 369-9750
Facsimile: (916) 369-9760

2001 JUL 17 P 2:37
SECOND DISTRICT COURT

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,

Plaintiff,

vs.

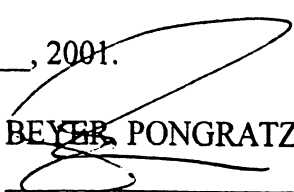
RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY and DOES 1-50, inclusive.
Defendants.

)
)
) **CERTIFICATE OF DELIVERY OF**
) **DISCOVERY**
)
)
)

) Civil No. 010901074
)
) Judge Roger S. Dutson
)
)

Etan E. Rosen, BEYER, PONGRATZ & ROSEN, counsel for Plaintiff, hereby certifies that on the 12th day of July, 2001, he caused to be served upon all counsel of record, by first-class mail, postage prepaid. Plaintiff Kerry Pipkin's Rule 26 Initial Disclosures.

DATED this 15th day of July, 2001.

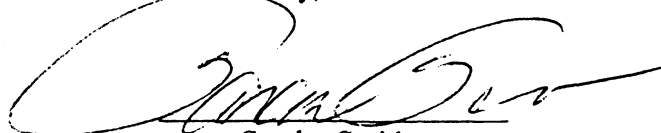

BEYER, PONGRATZ & ROSEN
Etan E. Rosen
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing instrument was mailed, first-class, postage prepaid, on this 12th day of July 2001, to the following:

Denver Snuffer
Nelson, Snuffer, Dohle & Pulsen
10885 South State Street
Sandy, UT 84070

James Tily
Anderson & Karrenberg
700 Bank One Tower
50 West Broadway
Salt Lake City, UT 84101-2006


Sandra Smith

2001 JUL 16 P 2:26
SECOND DISTRICT COURT

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiff,	)	AFFIDAVIT OF KIP CASHMORE
)	
vs.	)	Civil No. 010901074
)	
RANDY HAUGEN, KIP CASHMORE,	)	Judge Roger S. Dutson
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING)	
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

Kip Cashmore, being first duly sworn, deposes and states as follows:

1. "USA Cash Services" is a DBA for Quick Cash, LLC. ("Quick Cash").

2. I offered to purchase and subsequently purchased Randy Haugen's ("Haugen") and Kerry Pipkin's ("Pipkin") membership interests in Quick Cash in December 1997 for a total of \$750,000.

3. I executed an individual agreement in December 1997 with Pipkin providing for Pipkin to sell his 50% ownership in Quick Cash to me in consideration for \$375,000. Both parties have fully performed under that agreement. Pipkin has been fully paid under that agreement and has never tendered back nor offered to tender back any part of the consideration he received for his interest in Quick Cash.

4. I executed an individual agreement in December 1997 with Haugen providing for Haugen to sell his 50% ownership in Quick Cash to me in consideration for \$375,000. Haugen and I have fully performed under that agreement.

5. In drafting the Pipkin and Haugen agreements, Pipkin, Haugen and myself were each represented by the North Carolina law firm of Culp, Elliott and Carpenter.

6. I never stated or in any way implied or promised that Pipkin would continue to be involved in any of my check-cashing or other businesses after Pipkin sold his interest in Quick Cash to me in December 1997.

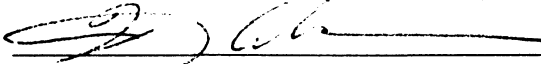
7. Haugen has no interest in any of my check-cashing businesses nor has he been involved in any of my check-cashing businesses after the sale of his Quick Cash membership interest to me in December 1997.

8. RKT Holding Company is a Utah company that holds real property to sell for development. RKT Holding Company is entirely separate from and has nothing to do with any of my check-cashing businesses. I am a co-owner of RKT Holding Company with Randy Haugen.


9. "USA Cash Stores," an entity named in the Complaint, was a DBA for Quick Cash but no longer exists as an entity in which I have any interest.

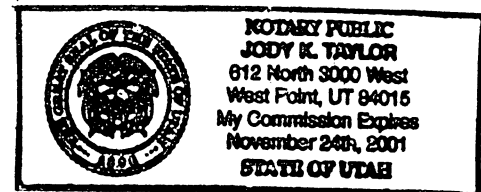
10. QC Instant Cash is a California limited liability company operating a check-cashing business in California and was an asset owned by Quick Cash when Quick Cash was sold to me.

DATED: ~~June~~ ^{July} 12, 2001.


KIP CASHMORE

SUBSCRIBED AND SWORN to before me this ^{July} 12 day of ~~June~~, 2001.


NOTARY PUBLIC

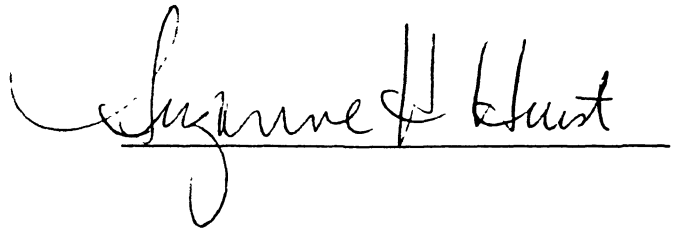


CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 13th day of July, 2001, I caused a true and correct copy of **AFFIDAVIT OF KIP CASHMORE** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



2001 JUL 25 P 1:42

SECOND DISTRICT COURT

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,

Plaintiff,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY and DOES 1-50, inclusive,

Defendants.

**MOTION TO AMEND ANSWER TO
ASSERT COUNTERCLAIMS**

Civil No. 010901074

Judge Roger S. Dutson

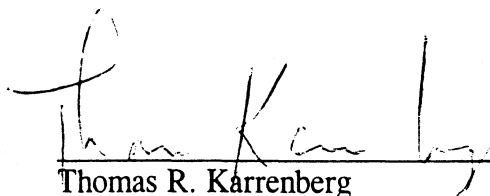
JUL 27 2001

Defendants Randy Haugen, Kip Cashmore, Quick Cash, LLC, USA Cash Stores, USA Cash Services, QC Instant Cash and RKT Holding Company ("Defendants") hereby move the Court for an order granting them leave to amend their Answer to assert counterclaims pursuant to Rule 15 of the Utah Rules of Civil Procedure. A copy of the proposed Amended Answer and Counterclaim is attached hereto as Exhibit "A." The basis for this motion, as more fully set forth in the accompanying memorandum, is that the litigation has not advanced in any meaningful

a complete Rule 26 disclosure statement from the Plaintiff. Accordingly, an amendment of Defendants' Answer to include counterclaims will not be prejudicial nor will it delay these proceedings. Defendants, therefore, respectfully request this Court grant Defendants' Motion to Amend Answer to include the asserted counterclaims.

DATED: July 23, 2001.

ANDERSON & KARRENBERG

A handwritten signature in black ink, appearing to read "Thomas R. Karrenberg", is written over a horizontal line.

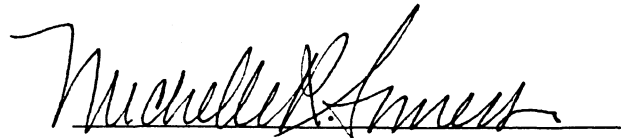
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 23rd day of July, 2001, I caused a true and correct copy of **Defendants' Motion to Amend Answer to Assert Counterclaims** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



Michelle R. Ames

1. Defendants are without sufficient knowledge or information to form a belief as to the truth of each and every averment contained in paragraph 1 of Plaintiff's Complaint and, therefore, deny paragraph 1 of Plaintiff's Complaint.

2. Defendants admit the averments contained in paragraph 2 of Plaintiff's Complaint.

3. Defendants admit the averments contained in paragraph 3 of Plaintiff's Complaint.

4. Defendants admit the averments contained in paragraph 4 of Plaintiff's Complaint.

5. Defendants admit the averments contained in paragraph 5 of Plaintiff's Complaint.

6. Defendants admit the averments contained in paragraph 6 of Plaintiff's Complaint.

7. Defendants deny the averments contained in paragraph 7 of Plaintiff's Complaint.

8. Defendants admit the averments contained in paragraph 8 of Plaintiff's Complaint.

9. Defendants deny the averments contained in paragraph 9 of Plaintiff's Complaint.

10. Defendants deny the averments contained in paragraph 10 of Plaintiff's Complaint.

11. Defendants deny the averments contained in paragraph 11 of Plaintiff's Complaint.

12. Defendants admit the averments contained in paragraph 12 of Plaintiff's Complaint.

13. Defendants are without sufficient knowledge or information to form a belief as to the truth of each and every averment contained in paragraph 13 of Plaintiff's Complaint and, therefore, deny each and every averment contained therein, except Defendants admit that Mr. Haugen was involved in the establishment of Quick Cash.

14. Defendants admit the averments contained in paragraph 14 of Plaintiff's Complaint.

15. Defendants deny the averments contained in paragraph 15 of Plaintiff's Complaint, but admit that Mr. Haugen and Mr. Cashmore met with Plaintiff to discuss the stores in 1997.

16. Defendants deny the averments contained in paragraph 16 of Plaintiff's Complaint.

17. Defendants deny in part the averments contained in paragraph 17 of Plaintiff's Complaint, but admit that when Mr. Cashmore offered \$750,000 to purchase seven of the stores, Plaintiff and Mr. Haugen agreed to sell their interests in their partnership.

18. Defendants deny each and every averment contained in paragraph 18 of Plaintiff's Complaint, except admit that Mr. Haugen did tell the Plaintiff truthfully that he was not a partner with Mr. Cashmore in the check cashing business.

19. Defendants deny each and every averment contained in paragraph 19 of Plaintiff's Complaint.

20. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 19 above.

21. Defendants deny each and every averment contained in paragraph 21 of Plaintiff's Complaint.

22. Defendants admit that Mr. Cashmore offered \$750,000 to purchase the business and that Mr. Haugen told Plaintiff he wanted to sell the business. Defendants deny each and every other averment contained in paragraph 22 of Plaintiff's Complaint.

23. Defendants deny each and every averment contained in paragraph 23 of Plaintiff's Complaint.

24. Defendants deny each and every averment contained in paragraph 24 of Plaintiff's Complaint.

25. Defendants deny each and every averment contained in paragraph 25 of Plaintiff's Complaint.

26. Defendants deny each and every averment contained in paragraph 26 of Plaintiff's Complaint.

27. Defendants deny each and every averment contained in paragraph 27 of Plaintiff's Complaint.

28. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 27 above.

29. Defendants deny each and every averment contained in paragraph 29 of Plaintiff's Complaint.

30. Defendants deny each and every averment contained in paragraph 30 of Plaintiff's Complaint.

31. Defendants deny each and every averment contained in paragraph 31 of Plaintiff's Complaint.

32. Defendants deny each and every averment contained in paragraph 32 of Plaintiff's Complaint.

33. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 32 above.

34. Defendants deny each and every averment contained in paragraph 34 of Plaintiff's Complaint.

35. Defendants deny each and every averment contained in paragraph 35 of Plaintiff's Complaint.

36. Defendants deny each and every averment contained in paragraph 36 of Plaintiff's Complaint.

37. Defendants deny each and every averment contained in paragraph 37 of Plaintiff's Complaint.

38. Defendants deny each and every averment contained in paragraph 38 of Plaintiff's Complaint.

39. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 38 above.

40. Defendants admit that Plaintiff and Mr. Haugen entered into a business arrangement in 1994 concerning check cashing services, but deny each and every other averment contained in paragraph 40 of Plaintiff's Complaint.

41. Defendants admit that Mr. Cashmore knew that there was an existing business relationship between Plaintiff and Mr. Haugen and that Mr. Cashmore, Mr. Haugen and Plaintiff did have a business relationship involving Amway, but deny each and every other averment contained in paragraph 41 of Plaintiff's Complaint.

42. Defendants deny each and every averment contained in paragraph 42 of Plaintiff's Complaint.

43. Defendants repeat and incorporate herein by reference each and every averment, admission or denial contained in paragraphs 1 through 42 above.

44. Defendants admit that Mr. Haugen and Plaintiff entered into a business relationship in 1994 for the purpose of carrying on a check cashing business, but deny each and every other averment contained in paragraph 44 of Plaintiff's Complaint.

45. Defendants admit that the check cashing business was carried on until about December 1997, but deny each and every other averment contained in paragraph 45 of Plaintiff's Complaint.

FIRST AFFIRMATIVE DEFENSE

46. Plaintiff's Complaint and each claim for relief contained therein fails to state a claim upon which relief may be granted.

SECOND AFFIRMATIVE DEFENSE

47. Plaintiff's Complaint and each claim for relief contained therein is barred by the applicable statute of limitations.

THIRD AFFIRMATIVE DEFENSE

48. Plaintiff's Complaint and each claim for relief contained therein is barred by the doctrine of waiver.

FOURTH AFFIRMATIVE DEFENSE

49. Plaintiff is estopped by reasons of his own actions in selling the business with the advice and assistance of counsel and Plaintiff, therefore, is barred from pursuing the claims contained in the Complaint.

FIFTH AFFIRMATIVE DEFENSE

50. Any damages caused to Plaintiff as a result of any of the claims contained in Plaintiff's Complaint, which damages Defendants specifically deny occurred, were incurred as a result of Plaintiff's own fault which is greater than or equal to the fault of the Defendants, which fault these Defendants specifically deny exists, and, therefore, Plaintiff is barred from recovering any damages from the Defendants.

SIXTH AFFIRMATIVE DEFENSE

51. Plaintiff's Complaint and each and every claim from relief contained therein is barred by the doctrine of laches.

PRAYER FOR RELIEF

WHEREFORE, Defendants pray for relief as follows:

1. That Plaintiff take nothing by his action;
2. That Defendants be awarded all costs of suit incurred herein, including reasonable attorneys fees;
3. For such further and other relief as the Court deems proper.

COUNTERCLAIM

Plaintiff Kip Cashmore ("Cashmore") hereby counterclaims against defendant Kerry Pipkin ("Pipkin") and alleges as follows:

PARTIES

1. Cashmore is and was at all times relevant to this action an individual residing in Weber County, Utah.

2. Upon information and belief, Pipkin is and was at all times relevant to this action an individual residing in Weber County, Utah.

GENERAL ALLEGATIONS

3. In December 1997, Pipkin and Cashmore executed an Agreement (“Pipkin Agreement”) providing for Pipkin to sell his 50% membership interest in Quick Cash to Cashmore. *See* Pipkin Agreement, attached hereto as Exhibit A.

4. The Pipkin Agreement states that Pipkin agreed to “indemnify and save [Cashmore] harmless from against and any and all claims . . . and from and against any and all liabilities, losses, damages, costs, charges, counsel fees and other expenses of every nature and character arising by reason of or resulting from . . . litigation involving [Pipkin], [Quick Cash] or the Business . . . relating to an event occurring existing prior to the Closing Date.” *See* Pipkin Agreement, attached hereto as Exhibit A, at ¶ 9.a.

5. Pipkin’s Complaint herein is based on events that occurred prior to the closing date prior to the Pipkin Agreement. Pipkin asserted causes of action for fraud, negligent misrepresentation, intentional interference with economic relations, rescission and accounting against Cashmore based on alleged statements that Cashmore and Randy Haugen, Pipkin’s previous business partner, made to Pipkin prior to the closing of the Pipkin Agreement. *See* Pipkin Complaint, attached hereto as Exhibit B.

6. Cashmore has incurred counsel fees and other litigation expenses as a result of the Pipkin Complaint.

7. Induced by and in reliance upon the indemnity provision in the Pipkin Agreement, Cashmore entered into the Pipkin Agreement.

8. Pursuant to the terms of the indemnification provision, Pipkin is required to pay Cashmore all expenses resulting from litigation arising out of events occurring prior to the closing date of the Pipkin Agreement and, further, to indemnify Cashmore for any liabilities, losses, damages, costs and charges which may be imposed upon Cashmore as a result of this litigation.

9. By letter dated June 26, 2001, Cashmore demanded payment from Pipkin for the litigation expenses and demanded that Pipkin acknowledge his duty to indemnify Cashmore for any losses suffered by Cashmore as a result of this litigation.

10. Pipkin failed, or otherwise expressed or indicated an inability, to promptly and properly pay Cashmore's claim and failed to acknowledge his contractual duty to indemnify Cashmore. As a result, Cashmore has been required to pay these amounts and, in addition, has incurred various costs and expenses in investigating, defending, paying, settling, or otherwise resolving the claim and may incur additional losses as a result of the litigation.

FIRST CLAIM FOR RELIEF

(Breach of Agreement of Indemnity)

11. Cashmore realleges and incorporates herein the preceding allegations in this Counterclaim.

12. Under the terms of the indemnity provision in the Pipkin Agreement, Pipkin is liable to Cashmore for the total of all losses and expenses (including attorney's fees) that Cashmore has incurred or will incur as a result of the Pipkin Complaint.

13. Cashmore has performed all of the terms and conditions of the Pipkin Agreement.

14. Pipkin has breached the indemnity provision of the Pipkin Agreement by failing or refusing to perform his obligations to indemnify and save Cashmore harmless against losses, expenses and attorney's fees incurred as a result of litigation arising out of event occurring prior to the closing date of the Pipkin Agreement.

15. By reason of Pipkin's breaches of the indemnity provision, Cashmore has sustained damages at least in the amount of \$10,000.00. Cashmore continues to sustained ongoing damages. The full extent of Cashmore's damages will be established by proof at the time of trial.

WHEREFORE, Cashmore prays for judgment and other relief against Pipkin as follows:

1. Under his First Claim for Relief for breach of the indemnification provision, for judgment against Pipkin at least in the amount of \$10,000.00, plus such additional sums as may be established at the time of trial as the total of losses and expenses incurred by Cashmore by reason of the Pipkin Complaint and by reason of enforcing by litigation the indemnity provision in the Pipkin Agreement.

2. For Cashmore's attorney's fees and expenses incurred in connection with this action.

3. For pre-judgment and post-judgment interest at the rates allowed by law.

4. For such other and further relief as may be just and proper under the circumstances, including other equitable relief deemed appropriate to protect and preserve Cashmore's rights under the Pipkin Agreement and the common law.

DATED: July ____, 2001.

ANDERSON & KARRENBERG

Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 29th day of March, 2001, I caused a true and correct copy of **Defendants' Amended Answer and Counterclaim** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

2001 JUL 25 P 1:42

ANDERSON & KARREBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiff,)	
	)	MEMORANDUM IN SUPPORT OF
vs.	)	MOTION TO AMEND ANSWER TO
	)	ASSERT COUNTERCLAIMS
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH	)	Civil No. 010901074
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Judge Roger S. Dutson
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	

JUL 27 2001

Defendants Randy Haugen, Kip Cashmore, Quick Cash, LLC, USA Cash Stores, USA Cash Services, QC Instant Cash and RKT Holding Company ("Defendants"), by and through their undersigned counsel, hereby submit this memorandum in support of their Motion to Amend Answer to Assert Counterclaims for indemnification.

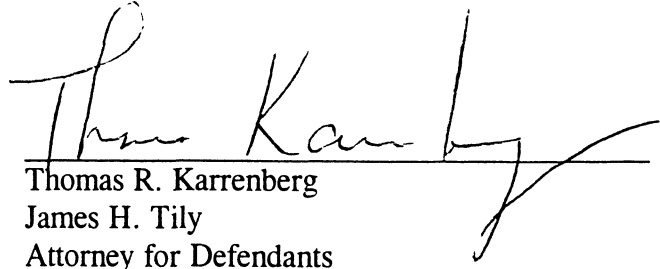
Pursuant to Rule 15 of the Utah Rules of Civil Procedure, Defendants have moved this Court to allow Defendants to amend their Answer to assert counterclaims. While the parties may

amend their pleading at this stage only by leave of Court or by written consent of the adverse party, "leave shall be freely given when justice so requires." Utah R. Civ. P. 15(a). In this case, neither party will suffer prejudice by allowing the proposed amendment.

Defendants, through their counsel, requested Plaintiff to stipulate to this motion. Plaintiff's counsel, however, refused to do so. Discovery has barely commenced and Defendants have not yet received a complete set of mandatory disclosures required by Rule 26(a)(1) of the Utah Rules of Civil Procedure. The deadline for amending pleadings is not until September 30, 2001. A trial date is not yet set, and the case will not be certified as ready for trial until April 2, 2002. The counterclaim will not greatly expand the scope of the litigation. Accordingly, Defendants request that this Court exercise its discretion and permit Defendants to amend their Answer to assert their counterclaim.

.DATED: July 23, 2001.

ANDERSON & KARRENBERG

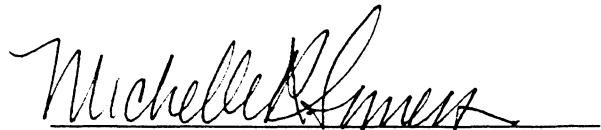

Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 23rd day of July, 2001, I caused a true and correct copy of **Memorandum in Support of Defendants' Motion to Amend Answer to Assert Counterclaims** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



LAW OFFICES
ANDERSON & KARREBERG
A PROFESSIONAL CORPORATION

THOMAS R. KARREBERG
JOHN T. ANDERSON
FRANCIS J. CARNEY
STEVEN W. DOUGHERTY
SCOTT A. CALL
JOHN P. MULLEN
JON V. HARPER
NATHAN B. WILCOX
STEPHEN P. HORVAT
SHAYNE R. KOHLER
JAMES H. TILY

700 BANK ONE TOWER
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101-2006

TELEPHONE (801) 534-1700
TELECOPIER (801) 364-7697

2001 JUL 25 P 1:42

July 23, 2001

Clerk of the Court
Second District Court, Weber County
2525 Grant Avenue
Ogden, Utah 84401

**Re: Kerry Pipkin v. Randy Haugen, et al.
Civil No. 010901074**

Dear Clerk:

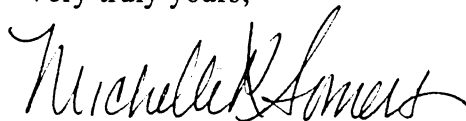
Enclosed please find the original and one copy of each of the following pleadings:

1. Motion to Amend Answer to Assert Counterclaims; and
2. Memorandum in Support of Motion to Amend Answer to Assert Counterclaims.

Please file the originals in the above-referenced action, and date-stamp and return the copies to the undersigned in the enclosed self-addressed, stamped envelope.

Thank you for your assistance.

Very truly yours,



Michelle R. Somers
Secretary

Enclosures

ETAN E. ROSEN, ESQ. - CBN: 173728
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

2001 JUL 24 A 9:43

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801)576-1400

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT

IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,

Plaintiff,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH STORES,
USA CASH SERVICES, QC INSTANT
CASH, RKT HOLDING COMPANY, and
DOES 1-50, inclusive.

Defendants.

)
) DECLARATION OF ETAN ROSEN IN
) OPPOSITION TO DEFENDANTS'
) MOTION FOR SUMMARY JUDGMENT

)
) Civil No. 010901074

)
) Judge Roger S. Duncan

I am an attorney at law duly licensed to practice before all courts of the State of California, pro-hac vice' in this case and am attorney of record for Plaintiff Kerry Pipkin, herein.

1. Everything contained in this declaration is matter of my own personal knowledge and I will testify in accordance therewith if called to testify at a hearing or trial.

2. I conducted a search in the Superior Court of the State of California in the County of Sacramento regarding any of the Defendants in the case of Pipkin v. Haugen, et al. We located a case named Virginia McQueen v. U.S.A Cash Stores, Inc. where Kipley Cashmore and Randy Haugen were one of the Defendants. The case caption is 99AS04703.

3. Apparently, U.S.A. Cash Stores, Inc. and Kipley Cashmore and Randy Haugen were sued by certain employees for sexual harassment. On or about September 5, 2000 in the law and motion department of the Sacramento Superior Court, Defendant Randy Haugen's Motion to Quash Service of Summons based on lack of jurisdiction was heard. It is my understanding that the court denied the motion to quash service of summons based on the fact that Mr. Haugen appears to have retained an ownership interest in the business that he supposedly sold to Mr. Cashmore. I managed to retrieve the court's tentative ruling on that matter which became the ruling of the court. A true and correct copy of that ruling is enclosed herein as Exhibit "A" and incorporated herein by reference.

4. Through my research into that specific case I also found a copy of a check made by Q C Corporation under the name of Randy Haugen to Amanda Lewis, one of the Plaintiffs in 99AS04703, (the Sacramento County case). Apparently, Randy Haugen was signing checks under QC or (Quick Cash) after the supposed purchase of his interests by Kip Cashmore. A true and correct copy of that check is enclosed herein as Exhibit "B" and incorporated herein by reference.

5. I also managed to find a W-2 form for wage and tax statement for the year 1998 which was issued by January 31, 1999. This W-2 wage and tax statement for 1998 is in the name of Quick Cash, LLC. Randy Haugen, General Partner. A true and correct copy of that W-2 is attached hereto as Exhibit "C" and incorporated herein by reference.

6. It appears as if Mr. Haugen retained an interest and an active role in Quick Cash, LLC even though he claims that he did not pursue the business further after he sold his interest to Kip Cashmore.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed at Sacramento, California this 24th, July, 2001.



Etan E. Rosen
Attorney for Plaintiff- Kerry Pipkin

material fact by disputing Fact No 7, which relies for its support upon the July 19, 1994 letter from Samuel Gulizia to set forth the entire basis on which defendant American Home denied coverage to its insured in the underlying litigation. Plaintiff has submitted numerous additional facts and supporting evidence to dispute this fact.

The dispute between the parties is based upon the inferences to be drawn from other statements by Samuel Gulizia, the director of complex claims for American Home, to plaintiff's attorneys, which are relevant to the basis for American Home's decision to decline coverage and which plaintiff contends support punitive damages. Plaintiff provides admissible evidence that from 1994 through at least 1997, Gulizia expressed an actual personal animus towards plaintiff. (See, Axup Dec.) Defendant American Home contends that statements made by Samuel Gulizia at any time prior to the 1999 rejection of plaintiff's demand as a judgment creditor, are not relevant or precatory as to oppression, fraud, or malice. This Court rejects that contention; and finds that a material issue of fact as to punitive damages exists and remains for

the prevailing party is directed to prepare a formal order for the Court's signature pursuant to C.C.P. section 437c(g).

Department 53
September 8, 2000
Page 4

...

ITEM 9 99AS04703 VIRGINIA MCQUEEN, ET AL VS. U.S.A. CASH STORES, INC, ET AL
Nature of Proceeding: MOTION TO QUASH SERVICE OF SUMMONS
Filed By: MCDONALD, MELISSA L.

Defendant Haugen's motion to quash for lack of personal jurisdiction is DENIED. There is ample evidence of contacts by this defendant to support both general and special jurisdiction. Defendant declares he sold his interest in Quick Cash in December 1997 before the acts complained of by plaintiffs occurred. Attached to his declaration is a copy of the purchase agreement between defendant and Cashmore dated December 1997. The agreement provides for a down payment with the remainder of the purchase price to be made in installments.

Defendant's former partner declares that Haugen did not receive the installment payments from purchaser Cashmore and that Haugen needed a business to invest his money. Thus he appears to have retained an ownership interest in the business for personal financial reasons. This is consistent with the declarations of the plaintiffs. They each state:

(1) they were told Haugen was one of the owners, (2) the manager had business related conversations with Haugen, (3) the manager contacted Haugen for advice on important decisions, and (4) their W-2 forms for 1998 indicated Haugen was their employer. In addition Haugen is a distributor/sponsor for Amway products and has sponsored several California residents as well as visiting California to conduct Amway meetings.

This minute order is effective immediately. No formal order is required, the tentative ruling being sufficient notice.

1214

QC 3-05
RANDY HAUGEN
2488 BONNEVILLE TERRACE DRIVE 801-473-8672
OGDEN, UTAH 84403

3-11-200

DATE Jan 5, 1998

PAY
TO THE
ORDER OF

Amanda Lewis

\$ 375.36

Three Seventy Five & 36/100

DOLLARS

First Security Bank, N.A.
3001 Washington Boulevard
Ogden, Utah 84403

FOR 445.50 (FVA) 37.46 (MVA) 34.50 (FED) 2.05 (ST)

[Signature]

⑈001211⑈ ⑆124000021334 0009 38⑈

EMPLOYEE W-2 WAGE SUMMARY 1998

0068-6396 00061-0000361

QUICK CASH LLC
HAUGEN RANDY GEN PTR
2488 BONNEVILLE TER
OGDEN UT 84403

The chart below indicates your 1998 voluntary payroll adjustments which are included (+), excluded (-), or did not affect (N/A) your federal wages (Box 1) and state wages.

VOLUNTARY ADJUSTMENTS	YTD AMOUNT	FEDERAL WAGES	CA WAGES
TAX ADJ: PPADJRS		N/A N/A	N/A N/A

FEDERAL W-2 EXEMPTIONS
CA W-2 EXEMPTIONS

REGULAR WAGES Form 1998

EMPLOYER'S

00001-0000346

PAYROLL BY PSYCHEX

Form W-2 Wage and Tax Statement 1998

1 Employer's identification number 0068-6396		2 Employer's federal tax ID number 0003-000028		3 Employer's name, address, and ZIP code QUICK CASH LLC HAUGEN RANDY GEN PTR 2488 BONNEVILLE TER OGDEN UT 84403		Department of the Treasury - Internal Revenue Service OMB No. 1545-0047	
4 Employee's social security number 87-0318823		5 Employee's state ID number (if any) CASO1		6 Employee's name, address, and ZIP code AMANDA LEVITS		1 Wages, tips, and other compensation	
7 Social security wages		8 Medicare wages and tips		9 Non-medical tips		2 Federal income tax withheld	
10 State wages, tips, etc.		11 State income tax		12 Local wages, tips, etc.		3 Social Security tax withheld	
13 Local wages, tips, etc.		14 Local income tax		15 Other income		4 Medicare tax withheld	
16 State income tax		17 State income tax		18 Other income		5 Railroad retirement taxes	
19 Other income		20 Other income		21 Other income		6 Union dues	
22 Other income		23 Other income		24 Other income		7 Dependent care benefit	
25 Other income		26 Other income		27 Other income		8 Excess deferrals of 1997	
28 Other income		29 Other income		30 Other income		9 Excess deferrals of 1998	
31 Other income		32 Other income		33 Other income		10 Excess deferrals of 1999	
34 Other income		35 Other income		36 Other income		11 Excess deferrals of 2000	
37 Other income		38 Other income		39 Other income		12 Excess deferrals of 2001	
40 Other income		41 Other income		42 Other income		13 Excess deferrals of 2002	
43 Other income		44 Other income		45 Other income		14 Excess deferrals of 2003	
46 Other income		47 Other income		48 Other income		15 Excess deferrals of 2004	
49 Other income		50 Other income		51 Other income		16 Excess deferrals of 2005	
52 Other income		53 Other income		54 Other income		17 Excess deferrals of 2006	
55 Other income		56 Other income		57 Other income		18 Excess deferrals of 2007	
58 Other income		59 Other income		60 Other income		19 Excess deferrals of 2008	
61 Other income		62 Other income		63 Other income		20 Excess deferrals of 2009	
64 Other income		65 Other income		66 Other income		21 Excess deferrals of 2010	
67 Other income		68 Other income		69 Other income		22 Excess deferrals of 2011	
70 Other income		71 Other income		72 Other income		23 Excess deferrals of 2012	
73 Other income		74 Other income		75 Other income		24 Excess deferrals of 2013	
76 Other income		77 Other income		78 Other income		25 Excess deferrals of 2014	
79 Other income		80 Other income		81 Other income		26 Excess deferrals of 2015	
82 Other income		83 Other income		84 Other income		27 Excess deferrals of 2016	
85 Other income		86 Other income		87 Other income		28 Excess deferrals of 2017	
88 Other income		89 Other income		90 Other income		29 Excess deferrals of 2018	
89 Other income		90 Other income		91 Other income		30 Excess deferrals of 2019	
90 Other income		91 Other income		92 Other income		31 Excess deferrals of 2020	
91 Other income		92 Other income		93 Other income		32 Excess deferrals of 2021	
92 Other income		93 Other income		94 Other income		33 Excess deferrals of 2022	
93 Other income		94 Other income		95 Other income		34 Excess deferrals of 2023	
94 Other income		95 Other income		96 Other income		35 Excess deferrals of 2024	
95 Other income		96 Other income		97 Other income		36 Excess deferrals of 2025	
96 Other income		97 Other income		98 Other income		37 Excess deferrals of 2026	
97 Other income		98 Other income		99 Other income		38 Excess deferrals of 2027	
98 Other income		99 Other income		100 Other income		39 Excess deferrals of 2028	
99 Other income		100 Other income				40 Excess deferrals of 2029	
100 Other income						41 Excess deferrals of 2030	

The information is being furnished to the Internal Revenue Service.

ETAN E. ROSEN, ESQ. - CBN: 173728
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801)576-1400

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,
Plaintiff,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH STORES,
USA CASH SERVICES, QC INSTANT
CASH, RKT HOLDING COMPANY, and
DOES 1-50, inclusive.

Defendants.

)
) AFFIDAVIT OF PLAINTIFF KERRY
) PIPKIN IN SUPPORT OF
) MEMORANDUM OF POINTS AND
) AUTHORITIES IN OPPOSITION OF
) SUMMARY JUDGMENT

)
) Civil No. 010901074
)
) Judge Roger S. Duncan

STATE OF UTAH)

: ss.

COUNTY OF WEBER)

Kerry Pipkin, being first duly sworn, deposes and states as follows:

1. Randy Haugen and myself each owned a fifty percent (50%) interest in Quick

Cash, LLC in 1997. On or about October, 1997 Randy Haugen allowed Kip Cashmore access to our books and records without my knowledge. It is my understanding that Randy Haugen then asked Cashmore to propose a three way partnership which did not materialize as I did not want to be in a partnership with Mr. Cashmore. In response to my refusal to partner with Mr. Cashmore, Mr. Haugen indicated to me that he wanted to sell the partnership to Mr. Cashmore and did not want anything to do with Quick Cash, LLC. He indicated to me that he wanted to focus his energies on his Amway Distributorship instead.

2. Mr. Haugen asserted repeated pressure on me to sell my fifty percent (50%) interest in Quick Cash, LLC to Mr. Cashmore. This pressure was substantial because I was involved in the Amway business with Mr. Haugen, and as my sponsor in the Amway business, Mr. Haugen had substantial financial authority and financial power over me. I specifically felt that if I did not sell my fifty percent (50%) interest in Quick Cash, LLC to Mr. Cashmore, my Amway business with Mr. Haugen would be effected.

3. The sale of Quick Cash, LLC happened around December, 1997. On or about May 11, 1998 I received information that Randy Haugen and Kip Cashmore both signed new signature cards for the continued business of Quick Cash, LLC. I, of course, understood Mr. Randy Haugen to have sold half of his interest to Kip Cashmore. I questioned Randy Haugen repeatedly about the new bank signature cards and he finally informed me, after a lot of pressure, that he never received monthly payments from Mr. Kip Cashmore. Therefore I understood that he decided to continue his business with Kip Cashmore in direct opposition to what he told me in inducing me to sell to Mr. Kip Cashmore. Mr. Haugen specifically told me that the signature card allowed him access to Quick Cash, LLC money at any time.

4. On or about May 12, 1998 I learned again that Mr. Randy Haugen and Mr. Kip

Cashmore were indeed partners.

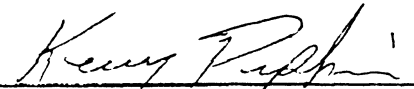
5. On or about October, 1998 I received the front page only of the 1997 tax return relating to Quick Cash, LLC. On that page a question was asked "Did the LLC or its subsidiary have transfer of acquisition of more than fifty percent (50%) in control of ownership?" Mr. Cashmore's tax attorneys' answer to that was clearly "No."

6. On or about late 1999 I found documentation indicated that Mr. Cashmore and Mr. Haugen were partners in cash stores, Quick Cash, LLC also doing business as USA Cash Stores, Inc. This entity us nothing more than a name change of my old business.

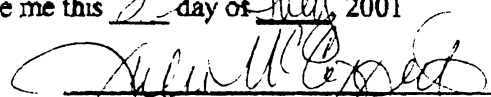
7. On or about July, 2000, I met with Mr. Cashmore over issues relating to taxes relating back to 1997 and then learned that Mr. Haugen had a fifty percent (50%) ownership and Mr. Cashmore had another fifty percent (50%) ownership in the cash stores.

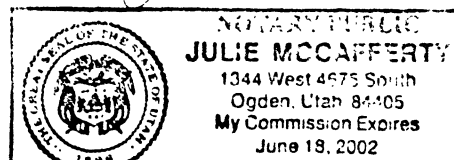
8. From approximately December, 1997 until July, 2001 the initial stores that I and Mr. Haugen allegedly sold to Mr. Cashmore grew from seven (7) stores to around seventy (70). I would have never sold had I not been told that Mr. Haugen was intending on exiting the business. I did not intend to sell to Mr. Cashmore so that he and Mr. Haugen can continue doing business. I would have never sold had Mr. Haugen not pressured me to sell telling me he is getting out of the business.

DATED: July 23, 2001


Kerry Pipkin

SUBSCRIBED AND SWORN to before me this 23 day of July, 2001


NOTARY PUBLIC



motion prior to conducting any discovery in this case and prior to even scheduling the depositions of Plaintiff and Defendants.

As seen in the affidavit of Plaintiff Kerry Pipkin and the declaration of his counsel, the “undisputed material facts” are indeed disputed and therefore defendants motion for summary judgment must fail.

II. DISPUTED MATERIAL FACTS

1. Plaintiff does not dispute statement number one.
2. Plaintiff does not dispute statement number two.
3. Plaintiff does not dispute statement number three.
4. Plaintiff **highly disputes** statement number four. As seen in the affidavit of Plaintiff, which is attached hereto and incorporated herein by reference, Cashmore paid Plaintiff \$375,000.00 but did not pay defendant Haugen anything. This is specifically the reason why Plaintiff alleges that Defendant Haugen and Defendant Cashmore conspired to defraud him by informing him that Defendant Cashmore is paying \$375,000.00 to Defendant Haugen when indeed Defendant Haugen did not receive any money but instead continued doing business with Defendant Cashmore. Evidence of the continued dealings is attached to the declaration of attorney Etan Rosen in Exhibits “B” and “C”.
5. Plaintiff does not dispute statement number five even though it is not relevant to this action whatsoever.
6. Plaintiff does not dispute that he received \$375,000.00 from Defendant Cashmore.
7. Plaintiff **highly disputes** statement number seven. As seen in his declaration, attached hereto and incorporated herein by reference, Defendant Cashmore did not perform under

the Haugen agreement and did not pay \$375,000.00 to Defendant Haugen but instead went into a continued business with Defendant Haugen after inducing Plaintiff to sell to Defendant Cashmore.

8. Plaintiff does not dispute statement number eight.

9. Plaintiff **highly disputes** statement number nine as seen in his affidavit.

10. Plaintiff **highly disputes** statement number ten as seen in his affidavit. While Defendant Cashmore never promised or agreed to include Plaintiff Pipkin in any of his future business ventures, it was understood that Defendant Cashmore and Defendant Haugen would not continue with the same check cashing business amongst themselves. Plaintiff would have never exited the check cashing business if it was not for Haugen's misrepresentations. See attached affidavit of Plaintiff attached hereto and incorporated herein by reference.

11. Plaintiff disputes statement number eleven as it is irrelevant.

12. Plaintiff disputes statement number twelve as seen in his affidavit.

13. Plaintiff specifically disputes the statement in number thirteen as seen in his affidavit.

14. Plaintiff is unable to dispute or to affirm statements made in Defendants Statement of Undisputed Material Facts number fourteen aside from the fact that Defendants Cashmore and Haugen are co-owners of RKT Holding Company.

15. Plaintiff disputes statement number fifteen as it has no relevance to this litigation.

16. Plaintiff **highly disputes** statement number sixteen as to the fact that Defendant Cashmore is the only member of QC Instant Cash. Plaintiff believes that QC Instant Cash is owned by both Defendant Cashmore and Defendant Haugen. Evidence on that fact is enclosed as Exhibit "B" to the declaration of Etan Rosen.

17. Plaintiff **highly disputes** statement number seventeen as to the fact that Defendant

Cashmore is the only member of QC Instant Cash. Plaintiff believes that QC Instant Cash is owned by both Defendant Cashmore and Defendant Haugen. Evidence to that fact is enclosed as Exhibit "B" to the declaration of Etan Rosen.

III. ARGUMENT

18. Defendants' motion for summary judgment should be denied as there are many genuine issues of material facts that are in dispute. While defendants are correct in stating the standard for summary judgment, it is clear from reviewing the issues still in dispute in this case that several issues, which are crucial, are actually disputed. Specifically, Plaintiff plead with great specificity fraud, negligent misrepresentation, intentional interference with economic relations and recessions against various defendants. In the very essence of Plaintiff's complaint he claims that Mr. Haugen and Mr. Cashmore conspired amongst themselves to defraud Plaintiff by "squeezing" him out of the check cashing business which he was involved in with Defendant Haugen only to learn afterward that Defendants Haugen and Defendant Cashmore continued with the business. Plaintiff submitted enough evidence, in the form of two declarations, to show on its face that Defendants Haugen and Cashmore continued with the business, even though Defendant Haugen claims that he sold his entire interest to Defendant Cashmore. Plaintiff claims that he sold his interest to Cashmore at a discount based on the fact that Mr. Haugen, his partner of several years and his sponsor in the Amway business, told him that he is exiting the check cashing business. Plaintiff claims that he would have never sold to Defendant Cashmore and certainly not for the amount that he did without the misrepresentations made by Cashmore and Haugen.

19. Defendants now come and argue, supported only by their declarations, that Plaintiff does not have a case. Of course Plaintiff disagrees and attached is his declaration and exhibits that were discovered that fly in the face of the declarations of defendants. Therefore,

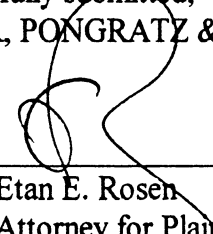
Plaintiff respectfully requests their summary judgment be denied.

IV. CONCLUSION

20. For the reasons stated above Plaintiff respectfully request that the summary judgment be denied.

DATED: July 24th, 2001

Respectfully submitted,
BEYER, PONGRATZ & ROSEN

By: 
Etan E. Rosen
Attorney for Plaintiff

pEtan E. Rosen SBN 173728
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
Telephone: (916) 369-9750
Facsimile: (916) 369-9760

2001 JUL 24 A 9:07

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH


KERRY PIPKIN,)
)
 Plaintiff,)
)
 vs.) **CERTIFICATE OF DELIVERY OF**
) **MEMORANDUM IN OPPOSITION TO**
) **DEFENDANTS' MOTION FOR**
) **SUMMARY JUDGEMENT**
)
 RANDY HAUGEN, KIP CASHMORE,)
 QUICK CASH, LLC, USA CASH)
 STORES, USA CASH SERVICES, QC)
 INSTANT CASH, RKT HOLDING)
 COMPANY and DOES 1-50, inclusive.)
 Defendants.)

Civil No. 010901074

Judge Roger S. Dutson

Etan E. Rosen, BEYER, PONGRATZ & ROSEN, counsel for Plaintiff, hereby certifies that on the 25th day of July , 2001, he caused to be served upon all counsel of record, by first-class mail, postage prepaid. Plaintiff Kerry Pipkin's Opposition to Defendants' Motion for Summary Judgment.

DATED this 25th day of July, 2001

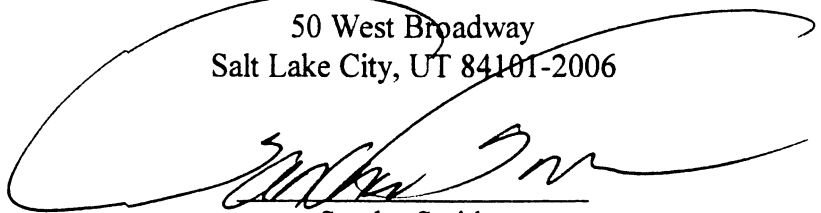

BEYER, PONGRATZ & ROSEN
Etan E. Rosen
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing instrument was mailed, first-class, postage prepaid, on this 25th day of JULY 2001, to the following:

Denver Snuffer
Nelson, Snuffer, Dohle & Pulsen
10885 South State Street
Sandy, UT 84070

James Tily
Anderson & Karrenberg
700 Bank One Tower
50 West Broadway
Salt Lake City, UT 84101-2006


Sandra Smith

ETAN E. ROSEN, ESQ. - CBN: 173728
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

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92
SECOND JUDICIAL DISTRICT COURT

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801)576-1400

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)
)
Plaintiff,)
)
vs.)
)
)
RANDY HAUGEN, KIP CASHMORE,)
QUICK CASH, LLC, USA CASH STORES,)
USA CASH SERVICES, QC INSTANT)
CASH, RKT HOLDING COMPANY, and)
DOES 1-50, inclusive.)
)
Defendants.)

I.
STATEMENT

This honorable Court is already familiar with some of the facts of this case as a summary judgment and its opposition were recently filed.

Regardless, Defendants now come four months after filing their answer in this case and

requests leave to file an amended answer, and more importantly a counterclaim for indemnification or breach of agreement of indemnity on behalf of Defendant Kip Cashmore.

For the reason stated below Plaintiff respectfully requests that Defendants not be allowed to amend their answer.

II.

ARGUMENT

Defendants filed their initial answer to their complaint on behalf of all the named Defendants, including Mr. Kip Cashmore on March 29, 2001. The complaint was signed and filed approximately the end of January, 2001.

There are no facts in this case that have changed from the time Defendants filed its initial answer to this complaint that would justify the Defendants neglect to file a counterclaim for indemnification at this late date. Defendants, were in possession of the supposed indemnification agreement between Plaintiff and Defendant Kip Cashmore at the time they filed their answer to the complaint but neglected for some reason to file a cross-complaint. Defendants now come to Court, without any justification or explanation as to why they should be able to file a cross-claim at this late date. Short of an inadvertent error, excuse, or neglect Defendants should not be allowed to do so. No such excuse was given.

III.

CONCLUSION

For the reasons as stated above Defendants' Motion To Amend Answer to Assert Counterclaims should be denied.

Dated: , July, 2001.

Etan E. Rosen
Attorney for Plaintiff- Kerry Pipkin

CERTIFICATE OF SERVICE

I HEREBY CERTIFY I am a member and/or employed by the law firm of BEYER, PONGRATZ & ROSEN, 3230 Ramos Circle, Sacramento, CA 95827, and that on the 30 day of July, 2001, I caused a true and correct copy of Plaintiff's Opposition to Defendants' Motion to Amend Answer and to Assert Counterclaim to be served, via U.S. Mail, postage prepaid, upon:

Denver Snuffer
Nelson, Snuffer, Dohle & Pulsen
10885 South State Street
Sandy, UT 84070

James Tily
Anderson & Karrenberg
700 Bank One Tower
50 West Broadway
Salt Lake City, UT 84101-2006



Sandra Smith

ETAN E. ROSEN, ESQ. - CBN: 173728
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A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

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Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801)576-1400

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)
	) PLAINTIFF'S OPPOSITION TO
Plaintiff,	) DEFENDANTS MOTION TO AMEND
	) ANSWER AND TO ASSERT
vs.	) COUNTERCLAIMS
)
	) Civil No. 010901074
RANDY HAUGEN, KIP CASHMORE,)
QUICK CASH, LLC, USA CASH STORES,	) Judge Roger S. Duncan
USA CASH SERVICES, QC INSTANT)
CASH, RKT HOLDING COMPANY, and)
DOES 1-50, inclusive.)
)
Defendants.)

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III.

CONCLUSION

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Dated: 30th, July, 2001.

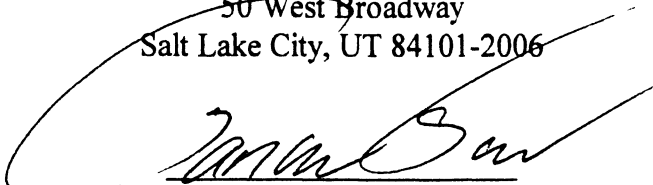

Etan E. Rosen
Attorney for Plaintiff- Kerry Pipkin

CERTIFICATE OF SERVICE

I HEREBY CERTIFY I am a member and/or employed by the law firm of BEYER, PONGRATZ & ROSEN, 3230 Ramos Circle, Sacramento, CA 95827, and that on the 30 day of July, 2001, I caused a true and correct copy of Plaintiff's Opposition to Defendants' Motion to Amend Answer and to Assert Counterclaim to be served, via U.S. Mail, postage prepaid, upon:

Denver Snuffer
Nelson, Snuffer, Dohle & Pulsen
10885 South State Street
Sandy, UT 84070

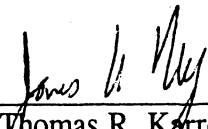
James Tily
Anderson & Karrenberg
700 Bank One Tower
50 West Broadway
Salt Lake City, UT 84101-2006


Sandra Smith

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

DATED: August 7, 2001.

ANDERSON & KARRENBERG



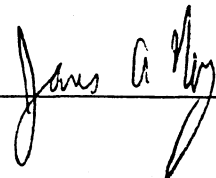
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 7 day of August, 2001, I caused a true and correct copy of the foregoing **Certificate of Service** was served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



LAW OFFICES
ANDERSON & KARRENBERG
A PROFESSIONAL CORPORATION

THOMAS R. KARRENBERG
JOHN T. ANDERSON
FRANCIS J. CARNEY
STEVEN W. DOUGHERTY
SCOTT A. CALL
JOHN P. MULLEN
JON V. HARPER
NATHAN B. WILCOX
STEPHEN P. HORVAT
SHAYNE R. KOHLER
JAMES H. TILY

700 BANK ONE TOWER
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101-2006

TELEPHONE (801) 534-1700
TELECOPIER (801) 364-7697

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August 8, 2001

Clerk of the Court
Second District Court, Weber County
2525 Grant Avenue
Ogden, Utah 84401

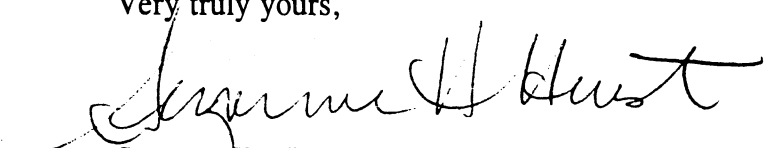
Re: Kerry Pipkin v. Randy Haugen, et al.
Civil No. 010901074

Dear Clerk:

Enclosed please find the original and one copy of a Certificate of Service. Please file the original in the above-referenced action and date-stamp and return the copy to me in the enclosed self-addressed, stamped envelope.

Thank you for your assistance.

Very truly yours,

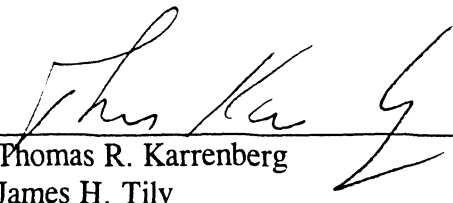

Suzanne H. Hurst
Secretary to James H. Tily

Enclosures

- (g) Memorandum in reply: Date Filed: **August 9, 2001**
- (i) Other pleading(s) necessary to determine motion (specify):
- (j) Hearing requested? Yes X No

DATED: August 8 , 2001.

ANDERSON & KARRENBERG



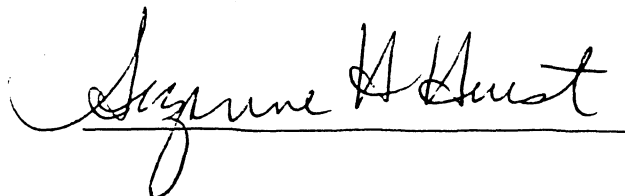
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 8 day of ~~July~~ ^{August}, 2001, I caused a true and correct copy of Notice to Submit for Decision to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



Suzanne H. Hurst

has served only one set of requests for production of documents on Defendants and have taken no deposition. Defendants have still yet to receive complete Rule 26 disclosures from Plaintiff.

Close examination of Plaintiff's objections reveal that the objections are without merit. In Utah, "[the rules of civil procedure] must all be looked to in the light of their even more fundamental purpose of liberalizing both pleading and procedure to the end that the parties are afforded the privilege of presenting whatever legitimate contentions they have pertaining to their dispute." Cheney v. Rucker, 14 Utah 2d 205, 211, 381 P.2d 86, 91 (1963). Plaintiff's objection to Defendants' motion reveals a disregard for this fundamental purpose. The amendment Defendants seek will allow for that and do so without prejudice to either party and the Plaintiff has claimed no prejudice whatsoever in his opposition.

FACTS

1. The deadline for amending the pleadings is September 30, 2001. Defendants' Motion to Amend was filed on July 23, 2001.
2. No trial date has been set and it is likely the case will not be certified as ready for trial until April 2, 2002.
3. The discovery cutoff is not until December 31, 2001. The only discovery which has taken place in this case has been by Plaintiff who has served requests for production of documents. Plaintiff has not taken a single deposition.
4. Defendants have still yet to receive complete Rule 26 disclosures from Plaintiff.

ARGUMENT

Rule 15(a) of the Utah Rules of Civil Procedure provides that leave to amend a pleading shall be freely given when justice so requires. Utah R. Civ. P. 15(a); *see also* Timm v.

Dewsnup, 851 P.2d 1178, 1183 (Utah 1993) (“Courts should be liberal in allowing amendments to the end that cases may be fairly and fully presented on their merits.”). Utah courts consider the following factors in determining whether to allow amendment: (1) the timeliness of the motion; (2) the justification for the delay; and (3) any resulting prejudice to the responding party. Swift Stop, Inc. v. Wright, 845 P.2d 250, 253 (Utah Ct. App. 1992). Of these requirements, the third is the most important: “A prime consideration in determining whether an amendment should be permitted is the adequacy of an opportunity for the opposing party to meet the newly raised matter.” Lewis v. Moultree, 627 P.2d 94, 98 (Utah 1981); *see also* Bekins Bar V Ranch v. Huth, 664 P.2d 455, 464 (Utah 1983) (“A primary consideration that a trial judge must take into account in determining whether leave should be granted is whether the opposing side would be put to unavoidable prejudice by having an issue adjudicated for which he had not had time to prepare.”)

In this case, Plaintiff has plenty of time to respond to the counterclaim and they will suffer no prejudice if the Court grants the Motion to Amend. Plaintiff has served only one set of requests for production of documents. No depositions will have to be retaken; no written discovery will have to be re-served. Defendants’ Rule 26(a)(1) disclosures identify witnesses and documents which support their counterclaims, so these matters are already known to Plaintiff.

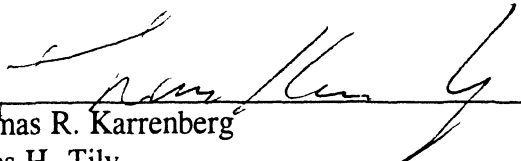
CONCLUSION

Defendants should be allowed leave to amend their answer to assert their counterclaims in this action. First, there has been no bad faith delay. Second, there will be no prejudice to either party--there is plenty of time remaining for discovery and neither party has engaged in significant discovery which would have to be repeated. Third, forcing Defendants to bring their claims in a

different action would be contrary to the efficient resolution of judicial disputes. Accordingly, Defendants respectfully request that they be permitted to amend their Answer to include the counterclaims attached as Exhibit "A" to the opening memorandum.

DATED: August 8, 2001.

ANDERSON & KARRENBERG



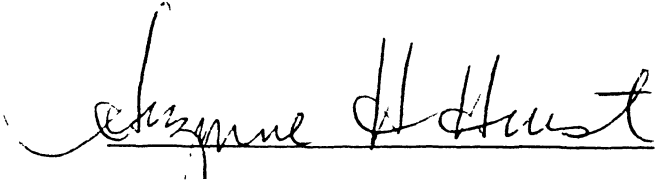
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 8 day of ~~July~~ ^{August}, 2001, I caused a true and correct copy of **Reply Memorandum in Support of Defendants' Motion to Amend Answer to Assert Counterclaims** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



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ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700
Attorneys for Defendants

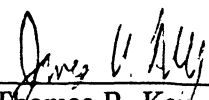
IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
)	
Plaintiff,	)	REQUEST FOR HEARING AND ORAL
	)	ARGUMENT
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,	)	Civil No. 010901074
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC	)	Judge Roger S. Dutson
INSTANT CASH, RKT HOLDING)	
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	

Pursuant to Rule 4-501(3)(A) of the Utah Rules of Judicial Administration, Defendants, by and through their undersigned counsel, hereby request a hearing and oral argument on their Motion for Leave to Amend Answer to Assert Counterclaims.

DATED: August 8, 2001.

ANDERSON & KARRENBERG



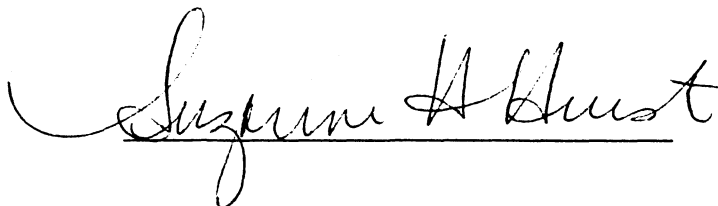
Thomas R. Karrenberg
James H. Tily

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 8 day of August, 2001, I caused a true and correct copy of **Request for Hearing and Oral Argument** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700
Attorneys for Defendants

2001 AUG 14 12:59

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiff,)	
)	
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,	)	Civil No. 010901074
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC	)	Judge Roger S. Dutson
INSTANT CASH, RKT HOLDING)	
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	

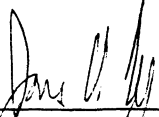
AUG 15 2001

REQUEST FOR HEARING AND ORAL ARGUMENT

Pursuant to Rule 4-501(3)(A) of the Utah Rules of Judicial Administration, Defendants, by and through their undersigned counsel, hereby request a hearing and oral argument on their Motion to Compel Disclosures and for Sanctions and Attorney's Fees.

DATED: August 13, 2001.

ANDERSON & KARRENBERG



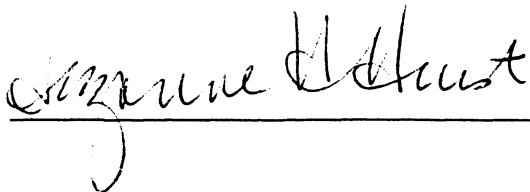
Thomas R. Karrenberg
James H. Tily

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 3rd day of August, 2001, I caused a true and correct copy of **Request for Hearing and Oral Argument** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



4. Mark Nelson, 2316 East 5950 South, Ogden UT 84403
(801) 476-9276
(801) 721-9603
(Witness)
5. Terry Semrow, 3605 West 5700 South, Roy UT 84067
(801) 985-9097
(Witness)
6. Laurie Pipkin, 1024 Ease 5275 South, South Ogden, UT 84403
(801) 940-1466
(Witness)
7. Ron Jenson, 3250 North 100 West, Pleasant View, UT 84414
(801) 782-7375
(Witness)

The following documents are provided to support the allegations of the plaintiff;

1. Membership Interest Purchase Agreement
2. Amended Articles of Organization of Quick Cash, LLC 10/96
3. Resolution of Members of Quick Cash, LLC 11/97
4. Amended Articles of Organization of Quick Cash, LLC 3/98
5. Articles of Organization of QC Instant Cash, LLC 5/98
6. West Star Investment Company, LLC Annual Report 10/98
7. Quick Cash LLC Company Annual Report 8/99

The following are the damages claimed by Plaintiff:

1. Actual damages \$1.5 million. [Based on estimated value of ½ interest less amount received]. Documentation in recorded conversation.
2. Punitive damages in the amount of \$1,000,000.00.

DATED this 13th day of August, 2001.

BEYER, PONGRATZ & ROSEN



Etan E. Rosen
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing instrument was mailed, first-class, postage prepaid, on this 13th day of August 2001, to the following:

Denver Snuffer
Nelson, Snuffer, Dohle & Pulsen
10885 South State Street
Sandy, UT 84070

James Tily
Anderson & Karrenberg
700 Bank One Tower
50 West Broadway
Salt Lake City, UT 84101-2006


Sandra Smith

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

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Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

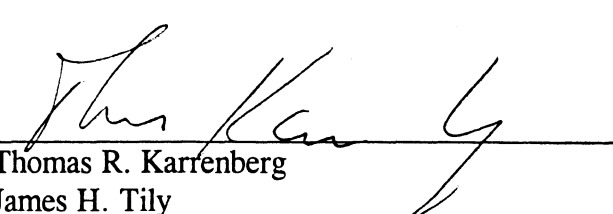
KERRY PIPKIN,)	
)	
Plaintiff,)	
)	
vs.	)	MOTION TO COMPEL DISCLOSURES
	)	AND FOR SANCTIONS AND
	)	ATTORNEY'S FEES
)	
RANDY HAUGEN, KIP CASHMORE,	)	(Oral Argument Requested)
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Civil No. 010901074
COMPANY and DOES 1-50, inclusive,)	
	)	Judge Roger S. Dutson
Defendants.)	
)	

Pursuant to Rule 37(f), Defendants move the Court for an order that Plaintiff be compelled to disclose the damage information required by Rule 26 and for sanctions, costs and attorney's in bringing this motion. Defendants have already requested the damage information required by Rule 26 in two separate letters following the Plaintiff's failure to disclose the required damage information in their initial disclosures. (See Letters and facsimiles from James H. Tily to Etan E. Rosen dated July 18, 2001 and August 7, 2001, attached hereto as Exhibit A.)

Rule 37(f) of the Utah Rules of Civil Procedure provides that “if a party fails to disclose a witness, document, or other material as required by Rule 26(a)(1), that party shall not be permitted to use the witness, document or other material at any hearing unless the failure to disclose is harmless or the party shows good cause for the failure to disclose.” Utah R. Civ. P. 37(f). That rule further provides that in addition to or lieu of the sanction, “the court may order payment of reasonable costs and attorney fees” to the party forced to bring the motion. Utah R. Civ. P. 37 (f). Because Plaintiff has still failed to provide the required information on damages pursuant to Rule 26, this Court should issue an order that Plaintiff be compelled to produced such information and for sanctions, and awarding costs and attorney’s fees to Defendants in bringing this motion.

DATED: August 1, 2001.

ANDERSON & KARRENBERG



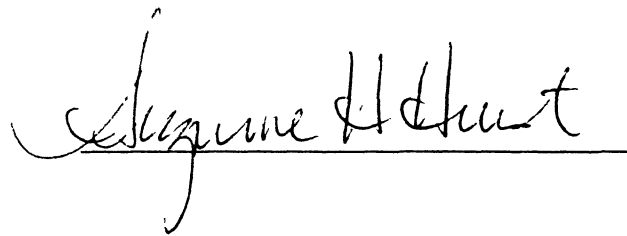
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 13th day of August , 2001, I caused a true and correct copy of the foregoing **Motion to Compel Disclosures and for Sanctions and Attorney's Fees** was served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



LAW OFFICES
ANDERSON & KARRENBERG
A PROFESSIONAL CORPORATION

THOMAS R. KARRENBERG
JOHN T. ANDERSON
FRANCIS J. CARNEY
STEVEN W. DOUGHERTY
SCOTT A. CALL
JOHN P. MULLEN
JON V. HARPER
NATHAN B. WILCOX
STEPHEN P. HORVAT
SHAYNE R. KOHLER
JAMES H. TILY

700 BANK ONE TOWER
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101-2006

TELEPHONE (801) 534-1700
TELECOPIER (801) 364-7697

July 18, 2001

Via Facsimile and First Class Mail

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

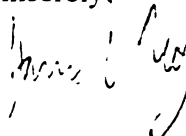
Re: Kerry Pipkin v. Randy Haugen, et al.

Dear Etan:

I received your Rule 26 Initial Disclosures on Tuesday, July 17, 2001. The disclosures are seriously deficient in that they fail to provide any damage calculations as expressly required by Utah R. Civ. P. 26(a)(1)(C). Please supplement your disclosures immediately so that they conform to the Utah Rules of Civil Procedure or we will be forced to seek the appropriate relief.

Contact me if you have any questions.

Sincerely,



James H. Tily

sh

cc: Thomas R. Karrenberg

LAW OFFICES
ANDERSON & KARRENBERG
A PROFESSIONAL CORPORATION

THOMAS R. KARRENBERG
JOHN T. ANDERSON
FRANCIS J. CARNEY
STEVEN W. DOUGHERTY
SCOTT A. CALL
JOHN P. MULLEN
JON V. HARPER
NATHAN B. WILCOX
STEPHEN P. HORVAT
SHAYNE R. KOHLER
JAMES H. TILY

700 BANK ONE TOWER
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101-2006

TELEPHONE (801) 534-1700
TELECOPIER (801) 364-7697

August 7, 2001

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

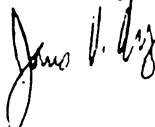
Re: Kerry Pipkin v. Randy Haugen, et al.

Dear Etan:

By letter and facsimile of July 18, 2001, I informed you that your Rule 26 disclosures were seriously deficient in that they failed to include damage calculations as required by Rule 26. You indicated you would supplement your Rule 26 disclosures statement and send them to us immediately with the included damage information. We have not yet received any such supplement. Please supplement your Rule 26 disclosure statement immediately or we will be forced to file a motion to compel such disclosures and for sanctions and attorney's fees in bringing the motion.

Please contact me if you have any questions regarding the above.

Sincerely,



James H. Tily

sh

cc: Thomas R. Karrenberg

KRIS' NOTICE TO SUBMIT

Date 90-17-01

Judge RSD

A motion/order is being submitted to you for decision/signature.

MOTION

The time for responses has expired and the motion is ready for decision.

A hearing is requested on this non-dispositive motion. Please indicate if you would like a hearing scheduled. Yes No (If yes, please return to scheduling clerk)

There is no certificate of mailing on the motion.

There was a delay in submitting this notice to you because: _____

Other: _____

ORDER

The time has expired for opposing party's objections.

An objection has been filed. Please indicate if you would like a hearing scheduled.
 Yes No (If yes, please return to scheduling clerk)

There is no certificate of mailing.

There was a delay in submitting this notice to you because: _____

Other: 8/24/2001
I need the file

RSD

2001 JUL 17 P 2:39

ANDERSON & KARREBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
)	
Plaintiff,	)	NOTICE TO SUBMIT FOR DECISION
)	
vs.	)	(Oral Argument Requested)
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH	)	Civil No. 010901074
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Judge Roger S. Dutson
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	
)	


The following matter is now at issue and ready for decision of the Court. The documents indicated have been filed with the Court.

1. (a) Type of motion: **Motion for Summary Judgment**
- (b) Date filed: **July 16, 2001**
- (c) Party filing motion: **Defendants**
- (d) Memorandum in support
- (f) Memorandum in opposition: Date Filed: **July 25, 2001**

- (g) Memorandum in reply: Date Filed: **August 16, 2001**
- (i) Other pleading(s) necessary to determine motion (specify):
- (1) **Affidavit of Kip Cashmore filed July 17, 2001**
- (2) **Affidavit of Randy Haugen filed July 17, 2001**
- (j) Hearing requested? Yes No

DATED: August 16, 2001.

ANDERSON & KARRENBERG



Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 16 day of August, 2001, I caused a true and correct copy of **Notice to Submit for Decision** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700
Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,

Plaintiff,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH
STORES, USA CASH SERVICES, QC
INSTANT CASH, RKT HOLDING
COMPANY and DOES 1-50, inclusive,

Defendants.

)
)
)
) **REQUEST FOR HEARING AND ORAL**
) **ARGUMENT**
)
)

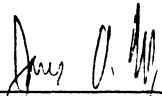
) Civil No. 010901074

) Judge Roger S. Dutson
)
)
)
)
)
)
)
)

Pursuant to Rule 4-501(3)(A) of the Utah Rules of Judicial Administration, Defendants,
by and through their undersigned counsel, hereby request a hearing and oral argument on their
Motion for Summary Judgment.

DATED: August 16, 2001.

ANDERSON & KARRENBERG



Thomas R. Karrenberg
James H. Tily
Attorneys for Defendants

4/1/014
101

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the th 16 day of August, 2001, I caused a true and correct copy of **Request for Hearing and Oral Argument** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr. *5/11/01*
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen *9/11/01*
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

Suzanne D. Must

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

2011.03.17 P 039

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH


KERRY PIPKIN,)	
)	
Plaintiff,	)	MOTION TO STRIKE DECLARATION
	)	OF ETAN ROSEN, PORTIONS OF THE
	)	DECLARATION OF ETAN ROSEN
vs.	)	AND PORTIONS OF THE AFFIDAVIT
	)	OF KERRY PIPKIN
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH	)	Civil No. 010901074
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Judge Roger S. Dutson
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	
)	

Pursuant to Rule 56(e), Defendants move to strike the Declaration of Etan Rosen, portions of the Declaration of Etan Rosen, and portions of the Affidavit of Kerry Pipkin, all of which are offered to support Plaintiff's Memorandum in Opposition to Summary Judgment. The "Declaration" is not a proper document that can be considered by the Court in ruling on summary judgment. Rule 56(e). Furthermore, statements contained in the Declaration and Affidavit should be struck, because they are hearsay, lack foundation, lack personal knowledge

or are legal conclusions and therefore inadmissible evidence that cannot be considered on a motion for summary judgment. The grounds for Defendants' motion are more fully set forth in the accompanying memorandum of points and authorities.

DATED: August 16, 2001.

ANDERSON & KARRENBERG



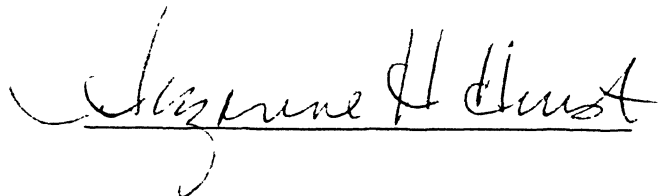
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 16 day of August, 2001, I caused a true and correct copy of the foregoing **MOTION TO STRIKE DECLARATIONS CONTAINED WITH PLAINTIFF'S OPPOSITION TO DEFENDANTS' MOTION FOR SUMMARY JUDGMENT** was served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



Suzanne H. Christ

ANDERSON & KARREBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

Attorneys for Defendants

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiff,)	
)	
vs.	)	REPLY MEMORANDUM IN SUPPORT
	)	OF DEFENDANTS' MOTION FOR
	)	SUMMARY JUDGMENT
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH	)	Civil No. 010901074
STORES, USA CASH SERVICES, QC)	
INSTANT CASH, RKT HOLDING	)	Judge Roger S. Dutson
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	
)	

Plaintiff's memorandum filed in opposition to Defendants' summary judgment motion is not only deficient under the Utah rules, but also fails to raise a genuine issue of fact that would preclude Defendants' Motion for Summary Judgment on Plaintiff's claims.

I. PROCEDURAL DEFICIENCIES

Plaintiff fails to respond to the Defendants' Statement of Undisputed Fact individually and disputes a number of facts without any particular reference to the fact in dispute. (See Plaintiff's Memorandum, responding to Defendants' Statement of Undisputed Facts Nos. 9, 11, 12, 13 and

15.) In addition to improperly responding to Defendants' Statement of Undisputed Material Facts, Plaintiff fails to provide any material facts or cite a single case or rule from any jurisdiction that would preclude Defendants' Motion for Summary Judgment. Furthermore, Plaintiff's attached "Declaration of Etan Rosen" is not material that can properly be considered by the Court on summary judgment. Utah R. Civ. P. 56(e). Because Plaintiff has failed to provide affidavits or other supporting materials satisfying Rule 56(e) in support of Plaintiff's opposition to Defendants' Motion for Summary Judgment, Defendants' motion for summary judgment should be granted.

II. THERE ARE NO MATERIAL FACTS IN DISPUTE PRECLUDING SUMMARY JUDGMENT

For the reasons set forth in the Defendants' principal memorandum, under the undisputed material facts of this case, Pipkin cannot provide any set of facts that would support his Causes of Action for Fraud, Negligent Misrepresentation, Intentional Interference with Economic Relations, Rescission or Accounting against any of the Defendants. Pipkin's claims therefore fail as a matter of law, and should be dismissed pursuant to Utah R. Civ. P. 56. Pipkin has provided not a single legal argument in response to Defendants' memorandum. Rather, Pipkin attempts to dispute the material fact that Defendant Haugen sold his ownership interest in Quick Cash, LLC ("Quick Cash") to Defendant Cashmore by making conclusory statements that Haugen still owns an interest in Quick Cash and by attaching documents that purport to show that Haugen maintained an ownership interest in Quick Cash. For the reasons, discussed below, neither Pipkin's Affidavit nor any of the documents attached raise a genuine material fact regarding Haugen's sale of his ownership interest to Defendant Cashmore and summary judgment should therefore be granted in favor of Defendants.

A. The Attached Documents in Support of Pipkin's Opposition Memorandum Do Not Preclude Summary Judgment.

Even if Plaintiff's proffered evidence could be considered and was viewed in light most favorable to Plaintiff, the evidence still does not preclude summary judgment. Plaintiff offers a January 5, 1998 check with the name Randy Haugen under the letters "QC." Plaintiff offers a 1998 IRS W-2 form issued from Quick Cash to an employee, Amanda Lewis, with the name Randy Haugen listed as a general partner of Quick Cash. Plaintiff further attaches a minute entry from a September 8, 2000 proceeding in an employment law case that was pending in California against USA Cash Services.

None of Plaintiff's proffered evidence raises an issue of material fact that would preclude summary judgment. The check and W-2 form do not raise an issue of material fact. At the most, the W-2 form shows only that Randy Haugen had not yet been taken off official IRS records in early 1998. The sale of Haugen's ownership interest in Quick Cash occurred on December 31, 1997. It would be expected that Randy Haugen's name would continue to be on IRS documents in 1998, when the sale occurred on the last day of 1997. The W-2 form is thus meaningless with respect to Haugen's ownership interest.

Similarly, the check attached is meaningless relative to Haugen's ownership interest. The check only shows that in January 1998, Randy Haugen's name was still on checks issued by Quick Cash. Even if Randy Haugen's name were still on official checks issued by Quick Cash on January 5, 1998, this does not dispute the Defendants' uncontroverted evidence that Haugen sold his ownership interest in Quick Cash to Cashmore on December 31, 1997. Indeed, the signature on the check is Cashmore's signature despite that Rosen uses the check to erroneously

state in his “Declaration” that, “Randy Haugen was signing checks under QC or (Quick Cash) after the supposed purchase of his interests by Kip Cashmore.” (See Rosen Declaration at ¶ 4).

The document indicating a minute entry in a sexual harassment case against USA Cash Services in California also does not raise an issue of material fact regarding Haugen’s ownership interest in Quick Cash. The minute entry shows only that it was accepted as true for the purpose of the hearing on Haugen’s motion to quash service in that action. Plaintiff’s allegation in that proceeding that Cashmore purchased Haugen’s ownership interest in Quick Cash by installment agreement. Indeed, this minute entry verifies that Haugen sold his interest in Quick Cash to Cashmore at the time of the agreement in December 1997. Even if Haugen sold his membership interest by installment agreement, that is irrelevant to the fact that Haugen sold his membership interest to Cashmore. In other words, when Haugen was to be paid for his interest is irrelevant to the fact that Cashmore owned Haugen’s interest. Thus, the minute entry fails to raise any material issue of fact regarding Haugen’s ownership interest after the sale and does not preclude summary judgment.

B. The Statements Contained in Rosen’s Declaration and Pipkin’s Affidavit Do Not Preclude Summary Judgment.

The statements made in the Rosen Declaration simply refer to the documents attached, which documents have already been discussed above as failing to preclude summary judgment. The statements made in the Pipkin Affidavit, for the reasons set forth in the Memorandum in Support of the Motion to Strike Portions of the Pipkin Affidavit, are inadmissible as hearsay, lacking foundation, lacking personal knowledge, and are conclusory. For this reason, the statements made in the Pipkin Affidavit should not be considered by the Court in deciding Defendants’ Motion for Summary Judgment.

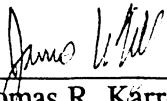
Furthermore, even if they were to be considered, Pipkin's conclusory allegations and legal conclusions masquerading as facts will not suffice to prevent the granting of a motion for summary judgment. See Campbell v. San Antonio, 43 F.3d 973, 975 (5th Cir. 1995); see also Dwares v. City of New York, 985 F.2d 94, 100 (2nd Cir. 1993). Thus, even if considered, Pipkin's statements that Haugen still has an ownership interest in Quick Cash, LLC are conclusory and lack foundation and these mere conclusory allegations cannot preclude summary judgment. See id.

III. CONCLUSION

Because Plaintiff's opposition to Defendants' Motion for Summary Judgment demonstrates that there are no material facts in dispute precluding summary judgment, Defendants respectfully request that this Court grant Defendants' motion for summary judgment.

DATED: August 16, 2001.

ANDERSON & KARRENBERG



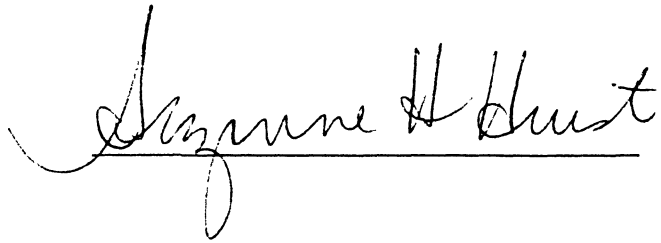
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 16 day of August , 2001, I caused a true and correct copy of the foregoing **Reply Memorandum in Support of Defendants' Motion for Summary Judgment** was served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



A handwritten signature in cursive script, reading "Suzanne H. Hunt", is written over a horizontal line.

motion for summary judgment is made and supported as provided in this rule, an adverse party may not rest upon the mere allegations or denials of his pleadings, but his response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine for trial.” Utah R. Civ. P. 56(e). There is nothing in Rule 56 that allows for declarations to support a motion for summary judgment and the Declaration of Etan Rosen should therefore be stricken as inadmissible and not considered by the Court. See Rule 56(e).

When Defendants’ Motion for Summary Judgment was filed and supported by affidavits, Pipkin had an affirmative duty to respond with affidavits or other materials allowed by Rule 56(e). D&L Supply v. Saurini, 775 P.2d 420 (Utah 1989); Thayne v. Beneficial Utah, Inc., 874 P.2d 120 (Utah 1994). Pipkin has not responded with material allowed by Rule 56(e). The Defendants’ Motion for Summary Judgment was properly supported by affidavits. Plaintiff’s opposition merely contained a single, primarily inadmissible affidavit and no other material allowed by Rule 56(e), despite that Plaintiff had an affirmative duty to provide such materials to oppose Defendants’ summary judgment motion. See id. These materials should therefore be stricken and not considered by the Court in ruling on Defendants’ Motion for Summary Judgment.

I. EVEN IF THE DECLARATIONS WERE PROPER TO SUPPORT PLAINTIFF’S OPPOSITION, THE STATEMENTS MADE IN THE DECLARATIONS ARE INADMISSIBLE AND THEREFORE CANNOT BE CONSIDERED BY THE COURT.

A. The Declaration of Etan Rosen and Portions Thereof Should Be Stricken.

In order for an affidavit to be of effective use in the determination of a motion for summary judgment, it must set forth facts as would be admissible in evidence. Preston v. Lamb,

436 P.2d 1021 (1968); Norton v. Blackham, 669 P.2d 857 (Utah 1983). An affidavit that does not contain facts that would be admissible in evidence is subject to a motion to strike. Howick v. Bank of Salt Lake, 498 P.2d 352 (1972).

1. Paragraphs 2, 3, 4, 5, and 6 of Etan Rosen's Declaration Contain Inadmissible Statements and Should Be Stricken.

Paragraphs 2, 3, 4, 5, and 6 of the Rosen Declaration contain inadmissible statements and should therefore be stricken. Testimony that would not be admissible if testified to at trial may not be properly be set forth in an affidavit supporting summary judgment. Western States Thrifty & Loan Co. v. Blomquist, 504 P.2d 1019 (1972); Walker v. Rocky Mountain Recreation Corp., 508 P.2d 538 (Utah 1973). Statements in an affidavit that are largely conclusory in form, and would not be admissible in evidence, may not be considered on motion for summary judgment. Norton v. Blackham, 669 P.2d 587 (Utah 1983).

In paragraph 2, Rosen asserts, “we located a case name Virginia McQueen v. USA Cash Stores, Inc. where Kipley Cashmore and Randy Haugen were one of the defendants.” (See Rosen Declaration at ¶ 2.) This statement is hearsay, because it is based on a “search” from which Rosen purportedly gathered the information and the information is offered for the truth of the matter asserted. Furthermore, Rosen referred to “we,” however, the declaration is supposedly based on Rosen’s personal knowledge and the “we” is never elaborated upon.

Rosen states in paragraph 3, “apparently, USA Cash Stores, Inc. and Kipley Cashmore and Randy Haugen were sued by certain employees for sexual harassment.” Paragraph 3 continues, “it is my understanding that the court denied the motion to quash service of summons based on the fact that Mr. Haugen appears to have retained an ownership in the business that he

supposed sold to Mr. Cashmore.” Those statements are pure hearsay and are merely Rosen’s interpretation of a minute entry in another proceeding. Furthermore, Rosen’s statements in paragraph 3 lack personal knowledge. Rosen’s lack of personal knowledge is demonstrated plainly by his use of the terms “apparently” and “it is my understanding.” Because paragraph 3 contains hearsay statements and statements that lack personal foundation, paragraph 3 should be stricken.

Paragraph 4 of the Rosen Declaration lacks any foundation whatsoever and should be stricken. In fact, the statement made therein are false as demonstrated by Pipkin’s own attached documents. In paragraph 4 Rosen states, “apparently, Randy Haugen was signing checks under QC or (Quick Cash) after the supposed purchase of his interest by Kip Cashmore.” In fact, the signature on the attached check is Kip Cashmore’s signature. There is absolutely no foundation provided for Rosen’s statement that, “Randy Haugen was signing checks under QC or (Quick Cash).” Rosen’s lack of personal knowledge and foundation to make the statement is evidenced by his use of the term “apparently” and the fact that the statement is complete false. Paragraph 4 should therefore be stricken.

Paragraph 5 of the Rosen Declaration also contains hearsay statements and statements lacking foundation or personal knowledge and should be stricken accordingly. Rosen states in paragraph 5 that a “W-2 Wage and Tax Statement for 1998 is in the name of Quick Cash, LLC. Randy Haugen, general partner.” This statement is hearsay, because it taken entirely from a hearsay source, an entirely separate document. No foundation has been laid for the document and not only does Rosen lack personal knowledge of the contents of the W-2 Statement, but

Rosen further lacks any foundation to make conclusions based on the W-2 Statement. For these reasons, paragraph 5 should be stricken.

Paragraph 6 of the Rosen Declaration is patently inadmissible. In paragraph 6, Rosen states, “it appears as if Mr. Haugen retained an interest and active role in Quick Cash, LLC even though he claims that he did not pursue the business further after he sold his interest to Kip Cashmore.” This statement lacks any foundation as evidenced by Rosen’s use of the term “it appears as if.” Rosen has no personal knowledge regarding Haugen’s ownership or rather, lack thereof, in Quick Cash and further has absolutely no foundation for stating that Haugen retained an interest in Quick Cash. Furthermore, Rosen has no basis for stating that Haugen “claims that he did not pursue the business further after he sold his interest to Kip Cashmore.” Rosen offers Haugen’s statement for the truth of the matter asserted and the statement is therefore hearsay. The statements contained in paragraph 6 are inadmissible as evidence and likewise should not be considered by this Court.

II. PORTIONS OF THE AFFIDAVIT OF PLAINTIFF KERRY PIPKIN SHOULD BE STRICKEN, BECAUSE THEY CONTAIN INADMISSIBLE STATEMENTS.

Paragraphs 2 through 8 of Pipkin’s Affidavit contains inadmissible statements and should therefore be stricken. Pipkin states in paragraph 2, “on or about October, 1997 Randy Haugen allowed Kip Cashmore access to our books and records without my knowledge.” Plaintiff thus affirmatively admits he had no personal knowledge of any alleged access. Thus, this statement lacks personal knowledge and should be stricken. Pipkin then states in paragraph 1, “it is my understanding that Randy Haugen then asked Cashmore to propose a three-way partnership which did not materialize as I did not want to be in partnership with Mr. Cashmore.” Again,

Pipkin's use of the phrase "it is my understanding" evidences that he does not have personal knowledge of what Randy Haugen asked Cashmore, if anything, and this statement is therefore inadmissible and should be stricken.

In paragraph 3 of Pipkin's Affidavit, he states, "On or about May 11, 1998, I received information that Randy Haugen and Kip Cashmore both signed new signature cards for the continued business of Quick Cash, LLC." Pipkin states merely that he "received information" without stating from where or from whom such information was received. This statement is patent hearsay and inadmissible. Thus, Pipkin's statement based on this information is inadmissible and should be stricken. Pipkin further states in paragraph 3 that, "I questioned Randy Haugen repeatedly about the new bank signature cards and he finally informed me, after a lot of pressure, that he never received monthly payments from Kip Cashmore. Therefore I understood that he decided to continue his business with Kip Cashmore" This statement lacks any foundation whatsoever. Pipkin's conclusion that Haugen continued to retain an ownership interest in Quick Cash because Haugen had a "signature card" lacks any foundation whatsoever, is inadmissible and paragraph 3 should therefore be stricken.

In paragraph 4 of his Affidavit, Pipkin states, "On or about May 12, 1998 I learned again that Mr. Randy Haugen and Mr. Kip Cashmore were indeed partners." This statement is again completely without foundation, lacks personal knowledge and is hearsay. Pipkin never states how he "learned" that Haugen and Cashmore were partners. The statement is thus inadmissible and paragraph 4 should be stricken.

Paragraph 5 of the Pipkin Affidavit contains a statement that is classic hearsay. In paragraph 5, Pipkin states, "On or about October 1998 I received the front page only of the 1997

tax return relating to Quick Cash, LLC. On that page a question was asked 'Did the LLC or its subsidiary have transfer of [sic] acquisition of more than fifty percent (50%) in control of ownership?' Mr. Cashmore's attorneys answer to that was clearly 'no.'" Pipkin's statement as to what Cashmore's tax attorney said is hearsay, inadmissible and paragraph 5 should be stricken accordingly.

Paragraph 6 of the Pipkin Affidavit contains statements for which Pipkin lacks personal knowledge and are without foundation. Pipkin states that, "On or about late 1999 I found documentation indicated [sic] that Mr. Cashmore and Mr. Haugen were partnership in Cash Stores, Quick Cash, LLC also doing business as USA Cash Stores, Inc. This entity us [sic] nothing more than a name change of my own business." Pipkin's statement that he "found" documentation indicating that Cashmore and Haugen were partners in Cash Stores is hearsay and Pipkin provides absolutely no foundation for the discovered "documentation." Furthermore, Pipkin concludes that the entity, Quick Cash, LLC, is "nothing more than a name change of my old business." This statement lacks personal knowledge, foundation and is an inadmissible legal conclusion. Paragraph 6 contains entirely inadmissible statements and should therefore be stricken.

Paragraph 7 of Pipkin's Affidavit is also completely without foundation and inadmissible. Pipkin states that he, "learned that Mr. Haugen had a fifty percent (50%) ownership and Mr. Cashmore had another fifty percent (50%) ownership in cash stores." Pipkin provides absolutely no foundation or any other basis for how he "learned" this alleged information. Without any foundation, these statements are conclusory, based on hearsay and therefore inadmissible. Paragraph 7 should be stricken accordingly.

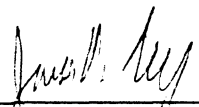
Paragraph 8 contains statements by Pipkin for which Pipkin has no personal knowledge and absolutely no foundation to make. Pipkin states that the number of stores “grew from seven (7) stores to around seventy (70).” Pipkin provides absolutely no foundation for this statement. Pipkin’s other statements in paragraph 8 of his Affidavit are otherwise completely irrelevant. Pipkin states that he, “would never have sold had I not been told that Mr. Haugen was intending on exiting the business” and that Pipkin “did not intend to sell to Mr. Cashmore so that he and Mr. Haugen can continue doing business” and that Pipkin “would have never sold had Mr. Haugen not pressured me to sell telling me he is getting out of the business.” These statements by Pipkin relating to Pipkin’s and Haugen’s preferences for business partners and his reasons for selling his interest are completely irrelevant to the present action. Paragraph 8 contains entirely inadmissible statements and should be stricken.

CONCLUSION

For the reasons set forth above, the Declaration of Etan Rosen should be stricken, paragraphs 2 through 6 of the Rosen Declaration should be stricken, and paragraphs 2 through 8 of the Affidavit of Kerry Pipkin should be stricken.

DATED: August 16, 2001.

ANDERSON & KARRENBURG



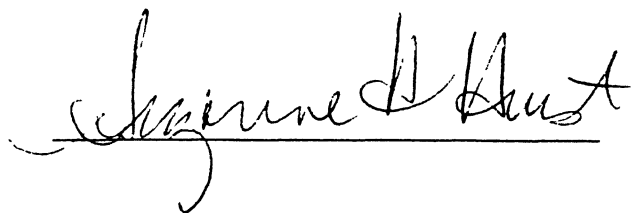
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 16 day of August , 2001, I caused a true and correct copy of the foregoing **MEMORANDUM IN SUPPORT OF MOTION TO STRIKE THE DECLARATION OF ETAN ROSEN AND PORTIONS OF THE AFFIDAVIT OF KERRY PIPKIN** was served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

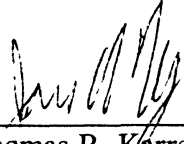


A handwritten signature in cursive script, appearing to read "Etan E. Rosen", is written over a horizontal line.

- (f) Memorandum in opposition: Date Filed: **None filed**
- (g) Memorandum in reply: Date Filed: **None filed**
- (i) Other pleading(s) necessary to determine motion (specify): **None**
- (j) Hearing requested? **No**

DATED: September 10, 2001.

ANDERSON & KARRENBERG



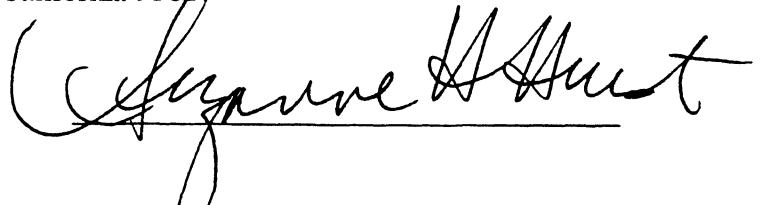
Thomas R. Karrenberg
James H. Tily
Attorney for Defendants

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 11 day of September, 2001, I caused a true and correct copy of **Notice to Submit for Decision** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827



SECOND DISTRICT COURT - OGDEN COURT
WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN, : NOTICE OF
Plaintiff, : TELEPHONE CONFERENCE
: :
: :
vs. : Case No: 010901074 MI
: :
RKT HOLDING COMPANY et al., : Judge: ROGER S. DUTSON
Defendant. : Date: September 14, 2001

TELEPHONE CONFERENCE is scheduled.

Date: 10/10/2001

Time: 10:00 a.m.

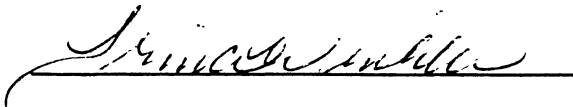
Location: 3rd Floor Northwest
Second District Court
2525 Grant Avenue
Ogden, UT 84401

Before Judge: ROGER S. DUTSON

These matters will be discussed: trial dates, discovery completion dates, jury or non-jury trial, trial length, dates for dispositive motions, dates for exchange of witness lists, nature and complexity of case, final pretrial date and settlement status.

Counsel or parties are requested to be in their respective offices at the time set for the telephone conference. The clerk will initiate the conference call.

Dated this 14th day of Sept, 2001.


District Court Deputy Clerk

Case No: 010901074
Date: Sep 14, 2001

CERTIFICATE OF NOTIFICATION

I certify that a copy of the attached document was sent to the following people for case 010901074 by the method and on the date specified.

METHOD	NAME
Mail	THOMAS R. KARRENBERG ATTORNEY DEF 700 BANK ONE TOWER 50 WEST BROADWAY SALT LAKE CITY, UT 84101
Mail	ETAN E ROSEN ATTORNEY PLA 3230 RAMOS CIRCLE SACRAMENTO CA 95827
Mail	DENVER C SNUFFER ATTORNEY PLA 10885 SOUTH STATE STREET SANDY UT 84070
Mail	JAMES H TILY ATTORNEY DEF 700 BANK ONE TOWER 50 WEST BROADWAY SALT LAKE CITY UT 84101-2006

Dated this 14th day of Sept, 2001.


Deputy Court Clerk

Case No: 010901074

Date: Sep 14, 2001

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this proceeding should call Stella Perea at (801)395-1062 at least three working days prior to the proceeding.

SECOND DISTRICT COURT - OGDEN COURT
WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN, : MINUTES
Plaintiff, : LAW AND MOTION
: :
: :
vs. : Case No: 010901074 MI
: :
RKT HOLDING COMPANY Et al, : Judge: ROGER S. DUTSON
Defendant. : Date: October 10, 2001

Clerk: dianew
TELEPHONE CONFERENCE

PRESENT

Plaintiff's Attorney(s): ETAN E ROSEN
DENVER C SNUFFER
Defendant's Attorney(s): THOMAS R. KARREBERG
JAMES H TILY

Video
Tape Number: D101001 Tape Count: 1003

HEARING

This is before the Court for a telephone conference. Counsel are requesting Oral Argument. Court grants. All pending motions will be argued. Those motions are: Plaintiff's Motion to Strike Declaration of Etan Rosen and Portions of Affidavit of Kerry Pipkin; Defense Motion to Compel Disclosures for Sanction and Attorney Fees; Defense Motion for Summary Judgment; and Defense Motion to Amend Answer and to Assert Counterclaims. Argument set 11-05-2001 at 1:30 p.m. Mr. Snuffer's appearance will be excused as Mr. Rosen is available and will be present.

Case No: 010901074
Date: Oct 10, 2001

ORAL ARGUMENT is scheduled.
Date: 11/05/2001
Time: 01:30 p.m.
Location: 3rd Floor Northwest
Second District Court
2525 Grant Avenue
Ogden, UT 84401
before Judge ROGER S. DUTSON

** CLERK REVIEW ONLY **.
Date: 10/29/2001
Time: 08:00 a.m.
Location: 3rd Floor Northwest
Second District Court
2525 Grant Avenue
Ogden, UT 84401
Before Judge: ROGER S. DUTSON

SECOND DISTRICT COURT - OGDEN COURT
WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN, : NOTICE OF
Plaintiff, : ORAL ARGUMENT
: :
: :
vs. : Case No: 010901074 MI
: :
RKT HOLDING COMPANY et al., : Judge: ROGER S. DUTSON
Defendant. : Date: October 10, 2001

ORAL ARGUMENT is scheduled.
Date: 11/05/2001
Time: 01:30 p.m.
Location: 3rd Floor Northwest
Second District Court
2525 Grant Avenue
Ogden, UT 84401
before Judge ROGER S. DUTSON

THE FOLLOWING MOTIONS WILL BE ARGUED:

- a) DEFENSE MOTION FOR SUMMARY JUDGMENT;
- b) DEFENSE MOTION TO AMEND ANSWER AND TO ASSERT COUNTERCLAIMS;
- c) DEFENSE MOTION TO COMPEL DISCLOSURES FOR SANCTION AND ATTORNEY FEES; and
- d) PLAINTIFF'S MOTION TO STRIKE DECLARATION OF ETAN ROSEN, PORTIONS OF DECLARATION OF ETAN ROSEN AND PORTIONS OF AFFIDAVIT OF KERRY PIPKIN.

Dated this ____ day of OCT 10 2001, 20____.

Heather Wood
District Court Deputy Clerk

Case No: 010901074
Date: Oct 10, 2001

CERTIFICATE OF NOTIFICATION

I certify that a copy of the attached document was sent to the following people for case 010901074 by the method and on the date specified.

METHOD	NAME
Mail	THOMAS R. KARRENBERG ATTORNEY DEF 700 BANK ONE TOWER 50 WEST BROADWAY SALT LAKE CITY, UT 84101
Mail	ETAN E ROSEN ATTORNEY PLA 3230 RAMOS CIRCLE SACRAMENTO CA 95827
Mail	DENVER C SNUFFER ATTORNEY PLA 10885 SOUTH STATE STREET MURRAY UT 84070
Mail	JAMES H TILY ATTORNEY DEF 700 BANK ONE TOWER 50 WEST BROADWAY SALT LAKE CITY UT 84101-2006

Dated this _____ day of OCT 10 2001, 20____.

ITALE WOOD
Deputy Court Clerk

Case No: 010901074
Date: Oct 10, 2001

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this proceeding should call Stella Perea at (801)395-1062 at least three working days prior to the proceeding.

ANDERSON & KARRENBERG
Thomas R. Karrenberg (#3726)
James H. Tily (#8809)
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006
Telephone: (801) 534-1700

2001 OCT 11 P 2:35
SECOND DISTRICT COURT

OCT 11 2001

Attorneys for Defendants

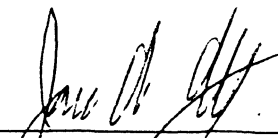
IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,)	
)	
Plaintiff,)	
	)	NOTICE OF HEARING
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,	)	Civil No. 010901074
QUICK CASH, LLC, USA CASH)	
STORES, USA CASH SERVICES, QC	)	Judge Roger S. Dutson
INSTANT CASH, RKT HOLDING)	
COMPANY and DOES 1-50, inclusive,)	
)	
Defendants.)	
)	

PLEASE TAKE NOTICE that a hearing has been set for Monday, November 5, 2001 at 1:30 p.m. on all pending motions in the above-captioned matter.

DATED: October 10, 2001.

ANDERSON & KARRENBERG



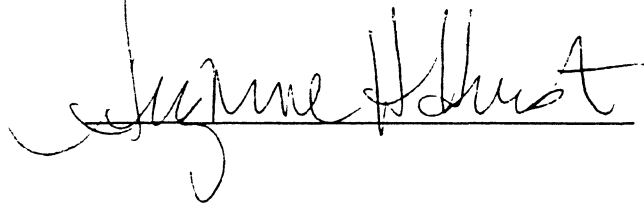
Thomas R. Karrenberg
James H. Tily

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 10 day of October, 2001, I caused a true and correct copy of **Notice of Hearing** to be served, via U.S. Mail, postage prepaid, upon

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

A handwritten signature in cursive script, appearing to read "Eugene H. Hest", is written over a horizontal line. The signature is fluid and somewhat stylized.

LAW OFFICES
ANDERSON & KARRENBERG
A PROFESSIONAL CORPORATION

THOMAS R. KARRENBERG
JOHN T. ANDERSON
FRANCIS J. CARNEY
STEVEN W. DOUGHERTY
SCOTT A. CALL
JOHN P. MULLEN
JON V. HARPER
NATHAN B. WILCOX
STEPHEN P. HORVAT
SHAYNE R. KOHLER
JAMES H. TILY

700 BANK ONE TOWER
50 WEST BROADWAY
SALT LAKE CITY, UTAH 84101-2006
2001 OCT 11 P 2:35
TELEPHONE (801) 534-1700
TELECOPIER (801) 364-7697
SECOND DISTRICT COURT

October 10, 2001

Clerk of the Court
Second District Court, Weber County
2525 Grant Avenue
Ogden, Utah 84401

Re: Kerry Pipkin v. Randy Haugen, et al.; Civil No. 010901074

Dear Clerk:

Enclosed please find the original and one copy of a Notice of Hearing. Please file the original in the above-referenced action and date-stamp and return the copy to me in the enclosed self-addressed, stamped envelope.

Thank you for your assistance.

Very truly yours,



Suzanne H. Hurst
Secretary to James H. Tily

Enclosures

ETAN E. ROSEN, ESQ. - CBN: 173728
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801)576-1400

OCT 24 2001

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,

Plaintiff,

vs.

RANDY HAUGEN, KIP CASHMORE,
QUICK CASH, LLC, USA CASH STORES,
USA CASH SERVICES, QC INSTANT
CASH, RKT HOLDING COMPANY, and
DOES 1-50, inclusive.

Defendants.

)
) MEMORANDUM IN SUPPORT OF
) OPPOSITION TO DEFENDANTS'
) MOTION TO STRIKE THE
) DECLARATION OF ETAN ROSEN AND
) PORTIONS OF THE AFFIDAVIT OF
) KERRY PIPKIN

)
) Civil No. 010901074
)
) Judge Roger S. Dudson
) Hearing Date: November 5, 2001
)
)

PRELIMINARY STATEMENT

Defendants state in their Motion to Strike that the affidavits in support of plaintiff's Opposition to Summary Judgment should be stricken because "declarations are not a proper form of evidence that can support a motion for summary judgment..." Defendants' contention is in

direct contravention of Utah R. Civ.P. 56(e) which allows for affidavits to be submitted in support of or in opposition to a motion for summary judgment and is in direct contravention of defendants' own argument that "Defendants' Motion for Summary Judgment was properly supported by affidavits." (See page 2, Defendant's Motion to Strike). Defendants simply cannot have it both ways by arguing that it is proper to support their motion with affidavits but it is not proper for plaintiff to do the same.

ARGUMENT

A. PLAINTIFF'S OPPOSITION WAS PROPERLY SUPPORTED BY TWO AFFIDAVITS WHICH SET FORTH SPECIFIC FACTS SHOWING THAT THERE IS A GENUINE ISSUE FOR TRIAL.

1. The Statements Made In The Declaration of Etan Rosen Are Admissible.

Rule 56(e) of the Utah Rules of Civil Procedure requires affidavits submitted in support of or in opposition to a motion for summary judgment to be made on personal knowledge, to set forth facts that would be admissible in evidence, and to show affirmatively that the person making the affidavit is competent to testify as to those facts. See Utah R. Civ. P. 56(e). The Declaration of Etan Rosen satisfies these requirements and supports plaintiff's contention that defendant Haugen retained an ownership in the business that he purported sold to defendant Cashmore. The statements in Mr. Rosen's declaration at Paragraph 3 are not hearsay but are founded on public records. Those public records revealed a lawsuit against defendants Haugen and Cashmore in their capacity as owners of USA Cash Stores and also contained a ruling by the court, attached to the declaration as Exhibit "A", stating that defendant Haugen did indeed retain an ownership in the business. Furthermore, the statements in Paragraph 5 of the declaration regarding Haugen being listed as "general partner" on a W-2 form are founded on a public record

and are admissible as non-hearsay as well. Additionally, defendants would like the Court to believe that because the declarations contain terms such as “apparently” and “it is my understanding” that they show a lack of personal knowledge and use this argument throughout their motion. This argument has no substance and is based on semantics alone. Defendants use the same logic to argue that statements in Paragraph 4 regarding the check (attached to the declaration as Exhibit “B”) should be stricken. Because the use of the word “apparently” was in the statement regarding Randy Haugen signing checks under QC or (Quick Cash) after the supposed purchase of his interest by Kip Cashmore defendants argue that the statement is false and lacks personal knowledge. Defendants argument that Cashmore’s signature is on the check lends even more support to plaintiff’s contention that Haugen still maintained ownership because Cashmore signed his name to a check from Haugen’s account.

2. The Statements Made In The Declaration of Kerry Pipkin Are Admissible.

Again defendants’ arguments regarding the Declaration of Kerry Pipkin are based on semantics and not substance. Plaintiff’s states in Paragraph 2, “on or about October, 1997 Randy Haugen allowed Kip Cashmore access to our books and records without my knowledge.” Defendants’ argue that this statement is an affirmative admission that plaintiff had no personal knowledge of any access. Nothing is further from the truth. Plaintiff indeed had knowledge of Cashmore’s access to the stores and the books however plaintiff never gave his permission to allow such access.

Defendants’ arguments regarding Paragraphs 3, 4, 5, 6, 7 and 8 are equally baseless. The statements contained in these Paragraphs are not hearsay but are based on admissions by Haugen and Cashmore and on non-hearsay business records. Plaintiff’s declaration contains the specific facts that are required for a showing that there is a genuine issue for trial and that plaintiff is

competent to testify to the matters stated in the declaration. Plaintiff's complaint is based on the same facts that are stated in his declaration which clearly indicates that there are many issues in dispute especially when compared to the alleged facts offered in the defendants' declarations. Therefore defendants' summary judgment motion and motion to strike should be denied.

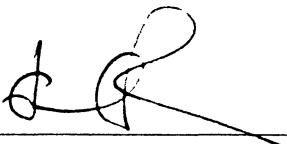
CONCLUSION

For the reasons stated above, the Declarations of Etan Rosen and Kerry Pipkin should stand in their entirety and defendants' motion should be denied.

Respectfully submitted,

BEYER, PONGRATZ & ROSEN

Dated 10/12/01

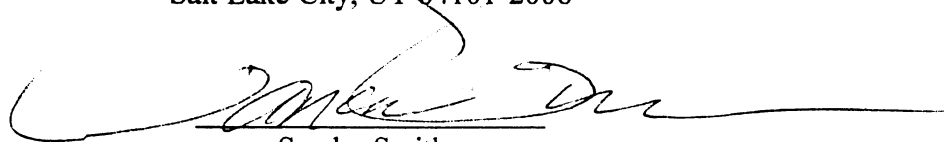
By 
Etan E. Rosen
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing instrument was mailed, first-class, postage prepaid, on this 12 day of OCTOBER 2001, to the following:

Denver Snuffer
Nelson, Snuffer, Dohle & Pulsen
10885 South State Street
Sandy, UT 84070

James Tily
Anderson & Karrenberg
700 Bank One Tower
50 West Broadway
Salt Lake City, UT 84101-2006


Sandra Smith

SECOND DISTRICT COURT - OGDEN COURT
WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN, : MINUTES
Plaintiff, : ORAL ARGUMENT
: :
: :
vs. : Case No: 010901074 MI
: :
RKT HOLDING COMPANY Et al, : Judge: ROGER S. DUTSON
Defendant. : Date: November 5, 2001

Clerk: dianew

PRESENT

Plaintiff's Attorney(s): ETAN E ROSEN
Defendant's Attorney(s): THOMAS R. KARRENBERG
Video
Tape Number: D110501 Tape Count: 151

HEARING

This is before the Court on several pending motions. Court issues ruling. Mr. Karrenberg to prepare and submit order to Court for signature.

2. Kip Cashmore (“Cashmore”) purchased Haugen’s interest in Quick Cash in an arms-length transaction for \$375,000 (“Haugen Agreement”).

3. Cashmore purchased Pipkin’s interest in Quick Cash in an arms-length transaction for \$375,000 (“Pipkin Agreement”).

4. Cashmore, Haugen and Pipkin have each fully performed under the Quick Cash purchase agreements.

5. Pipkin received and retained \$375,000 in consideration for the Pipkin Agreement. Pipkin has not tendered back nor offered to tender back any of this amount to Cashmore.

6. Cashmore never promised nor agreed to include Pipkin in any of his future business ventures as a condition of the Pipkin Agreement. There is no provision in the Pipkin Agreement entitling Pipkin to any future royalties or profits from Quick Cash or any of Cashmore’s other business ventures. Cashmore is the only member of Quick Cash.

7. Haugen did not sell his interest in Quick Cash in order to replace Pipkin as his partner with Cashmore. After Haugen sold his interest in Quick Cash to Cashmore, Haugen has had no interest in Quick Cash or in any other check-cashing businesses with Cashmore. RKT Holding Company is a Utah company that does not operate any check-cashing or similar businesses and is entirely separate from any of Cashmore’s check-cashing businesses.

8. Neither Cashmore nor Pipkin made any untrue statements or negligent statements of material fact to Pipkin in connection with the sale of Quick Cash.

9. All the material statements made by Cashmore or Haugen that Pipkin alleges are false or negligent are, in fact, true statements.

CONCLUSIONS OF LAW

The following conclusions of law are based on the foregoing findings of fact and those factual findings inherent or implied in these conclusions.

1. There is no question as to any material fact that would preclude granting summary judgment in favor of Defendants on Plaintiff's claims for fraud, negligent misrepresentation, intentional interference with economic relations, rescission or accounting against any of the Defendants.

2. Pipkin suffered no legal injury as a result of Cashmore's purchase of Quick Cash.

3. Pipkin's claims for fraud and negligent misrepresentation fail, because Pipkin identifies no untrue or negligent misrepresentations of any material fact made by either Defendant necessary to support such a claim.

4. Defendants did not act with an improper purpose or motive in selling Quick Cash to Cashmore and Cashmore did not act with an improper purpose or motive in purchasing Quick Cash, and Pipkin's claim for "intentional interference with business relations" lacks any legal basis.

5. Pipkin has made no showing that legal remedies would be insufficient even if he had a valid claim and Pipkin is therefore not entitled to the equitable remedies of accounting or rescission.

6. Pipkin has no legal claim against any other named or unnamed Defendants, because Pipkin has not identified any actions by any such Defendants that would give rise to any legal claim.

DATED: ~~November~~ ^{DEC 10 2001} _____, 2001.

BY THE COURT:



Roger S. Diltson
District Court Judge

APPROVED AS TO FORM:

ANDERSON & KARRENBURG



Thomas R. Karrenberg
James H. Tily
Attorneys for Defendants

BEYER, PONGRATZ & ROSEN

Etan E. Rosen

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 7th day of November, 2001, I caused a true and correct copy of the foregoing **FINDINGS OF FACT AND CONCLUSIONS OF LAW** to be served, via U.S. Mail, postage prepaid, upon:

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

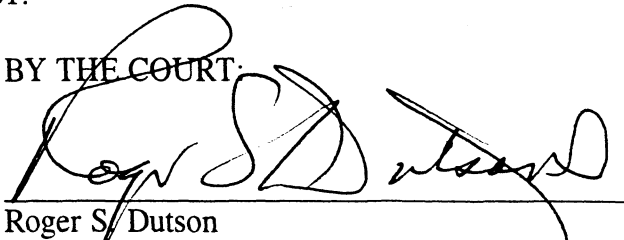
Nichelle R. Amess

ORDERED, ADJUDGED AND DECREED that:

1. Defendants' Motion for Sanctions for Plaintiff's failure to make timely disclosures under Rule 26 is DENIED
2. Defendants' Motion to Strike the Declaration of Etan Rosen and Portions of the Affidavit of Kerry Pipkin is DENIED.
3. Defendants' Motion for Leave to Amend to Assert a Counterclaim against Plaintiff is DENIED.
4. After thoroughly considering all the parties' submitted papers, alleged facts and legal arguments, Defendants' Motion for Summary Judgment on all of Plaintiff's claims is GRANTED. For the reasons set forth in Defendants' Memorandum in Support of Summary Judgment and for the reasons set forth in the Findings of Fact and Conclusions of Law, the Court finds that there is no dispute as to any material fact that would preclude summary judgment in favor of Defendants.

DATED: ^{DEC 10 2001}
~~November~~ _____, 2001.


BY THE COURT:



Roger S. Dutson
District Court Judge

APPROVED AS TO FORM:

ANDERSON & KARRENBURG



Thomas R. Karrenberg
James H. Tily
Attorneys for Defendants

BEYER, PONGRATZ & ROSEN

Etan E. Rosen

CERTIFICATE OF SERVICE

I hereby certify that I am a member of and/or employed by the law firm of Anderson & Karrenberg, 50 West Broadway, Suite 700, Salt Lake City, Utah, 84101, and that on the 7th day of November, 2001, I caused a true and correct copy of the foregoing **ORDER** to be served, via U.S. Mail, postage prepaid, upon:

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy, Utah 84070

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento, California 95827

Michelle R. Amers

Etan E. Rosen (SBN 173728)
BEYER, PONGRATZ & ROSEN
A Professional Law Corporation
3230 Ramos Circle
Sacramento, CA 95827
(916) 369-9750

2001 DEC 20 P 1:55

Denver C. Snuffer, Jr. (3032)
NELSON, SNUFFER, DAHLE & POULSEN, P.C.
10885 South State Street
Sandy, UT 84070
(801)576-1400

Attorneys for Plaintiff, KERRY PIPKIN

IN THE SECOND JUDICIAL DISTRICT COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN,	)	NOTICE OF APPEAL
)	
Plaintiff and Appellant,	)	Trial Court No. 010901074
	)	Appellate Case No.
vs.)	
)	
RANDY HAUGEN, KIP CASHMORE,)	
QUICK CASH, LLC, USA CASH STORES,)	
USA CASH SERVICES, QC INSTANT)	
CASH, RKT HOLDING COMPANY, and)	
DOES 1-50, inclusive.)	
)	
Defendants and Appellees.)	

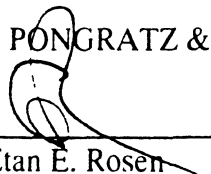
Notice is hereby given that Plaintiff KERRY PIPKIN appeals to the Utah Court of Appeals the final judgement of the Honorable Judge Roger S. Dutson entered in the above-entitled case on December 14, 2001.

The appeal is taken from the entire judgement.

Dated 12/17/01

BEYER, PONGRATZ & ROSEN

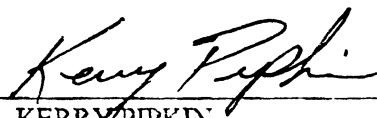
By


Etan E. Rosen
Attorney for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that I mailed a true and correct copy of the foregoing **NOTICE OF APPEAL** by depositing the same in the U.S. mail, postage prepaid, on the 20 day of December, 2001, addressed to the following:

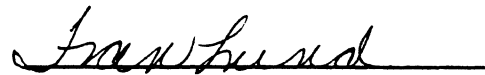
Thomas R. Karrenberg
James H. Tily
ANDERSON & KARRENBERG
700 Bank One Tower
50 West Broadway
Salt Lake City, Utah 84101-2006

By: 
KERRY PIPKIN

010901074

MAILING CERTIFICATE

I, Fran Lund, certify that on the 28th day of December, 2001 that I sent a certified copy of the NOTICE OF APPEAL to the UTAH COURT OF APPEALS


Fran Lund, Clerk

FILED
Utah Court of Appeals

DEC 31 2001

Paulette Stagg
Clerk of the Court

2002 JAN -2 P 2: 21
IN THE UTAH COURT OF APPEALS
SECOND DISTRICT COURT
---oo0oo---

Kerry Pipkin,	)	ORDER
)	
Plaintiff and Appellant,	)	District Court No. 010901074
)	
v.)	
)	
Randy Haugen, Kip Cashmore,)	
Quick Cash, LLC, USA Cash)	
Stores, USA Cash Services, QC)	
Instant Cash, RKT Holding)	
Company, and Does 1-50,)	
inclusive,)	
)	
Defendants and Appellees.)	

JAN 7 2002

This matter is before the court on its own motion to transfer the appeal pursuant to Rule 44 of the Utah Rules of Appellate Procedure.

IT IS HEREBY ORDERED that the appeal is transferred to the Utah Supreme Court because it is taken from an order, judgment or decree of a district court in a civil case, not involving domestic relations, and is not within the original appellate jurisdiction of the Utah Court of Appeals pursuant to Utah Code Ann. § 78-2a-3(2)(h)(1996). See Utah Code Ann. § 78-2-2(3)(j)(1996). A case number will be assigned by the Utah Supreme Court.

Dated this 31 day of December, 2001!

FOR THE COURT:



Paulette Stagg
Clerk of the Court

CERTIFICATE OF MAILING

I hereby certify that on the 31 day of December, 2001, a true and correct copy of the foregoing ORDER was deposited in the United States mail to the parties listed below:

Etan E. Rosen
Beyer, Pongratz & Rosen
3230 Ramos Circle
Sacramento CA 95827

Denver C. Snuffer, Jr.
Nelson, Snuffer, Dahle & Poulsen, P.C.
10885 South State Street
Sandy UT 84070

Thomas R. Karrenberg
James H. Tily
Anderson & Karrenberg
700 Bank One Tower
50 West Broadway
Salt Lake City UT 84101-2006

and a true and correct copy of the foregoing ORDER was deposited in the United States mail to the trial court listed below:

Second District, Ogden Department
2525 Grant Avenue
Ogden UT 84401

Dated this 31 day of December, 2001.

By Janet Alexander
Deputy Clerk

District Court No. 010901074

Supreme Court of Utah

450 South State Street
P.O. Box 140210
Salt Lake City, Utah 84114-0210

Richard C. Howe
Chief Justice

Leonard H. Russon
Associate Chief Justice

Christine M. Durham
Justice

Matthew B. Gurrant
Justice

Michael J. Wilkins
Justice

Marilyn M. Branch
Appellate Court Administrator

Pat H. Bartholomew
Clerk

Appellate Clerks' Office
Telephone (801) 578-3900
Fax (801) 578-3999
TDD (801) 578-3940
Supreme Court Reception 238-7967

January 3, 2002

ETAN E. ROSEN
BEYER, PONGRATZ & ROSEN
3230 RAMOS CIRCLE
SACRAMENTO CA 95827

310901074

JAN 7 2002

RE: Pipkin v. Haugen Supreme Court Case No. 20011028-SC

Dear Counsel:

On December 31, 2001, the notice of appeal was received by the Utah Supreme Court. The case number is 20011028 and should be indicated on any future filings or correspondence.

Rule 11(e), Utah Rules of Appellate Procedure, requires that within ten days after filing the notice of appeal, the appellant must submit a transcript request or a certificate that no transcript is required. The transcript request should be directed to the court executive and the managing court reporter.

The docketing statement and attachments, consisting of an original and two copies, is due within 21 days of filing the notice of appeal in the trial court. Therefore, the docketing statement is due on January 10, 2002. The court, without prior notice, shall enter an order dismissing the appeal for failure to file a docketing statement.

This court will permit documents of up to 10 pages (including attachments) that do not require a filing fee to be filed by fax. The faxed document, which must bear a facsimile of the required signature, will be accepted as an "original" document until the true original and any required copies are received by the court. The original must be received by this court within 5 business days from the date of the transmission by fax. If the original is not received within that period, the court will treat the filing as void. A faxed filing is considered "received" when stamped by

Case No. 20011028-SC

Page 2

the clerk's office. The time for stamping is limited to regular office hours (weekdays, 8:00 a.m. to 5:00 p.m.). All risks associated with the filing by fax are borne by the sender. The fax number for this court is 578-3999.



Sherri Neeleman
Deputy Clerk

cc: DENVER C. SNUFFER JR.

THOMAS R. KARRENBERG

JAMES H. TILY

SECOND DISTRICT, OGDEN DEPT, #010901074 ✓

IN THE SUPREME COURT OF THE STATE OF UTAH

---oo0oo---

Kerry Pipkin,
Plaintiff and Appellant,

v.

No. 20011028-SC
010901074

Randy Haugen, Kip Cashmore, Quick
Cash, LLC, USA Cash Stores, USA
Cash Services, QC Instant Cash,
RKT Holding Company and Does 1-10,
inclusive,
Defendants and Appellees.

ORDER

Pursuant to Section 78-2-2(4), Utah Code Annotated, this matter is transferred to the Utah Court of Appeals for disposition. All further pleadings and correspondence should be directed to that court.

The address of the Utah Court of Appeals is:

Utah Court of Appeals
Office of the Clerk
450 S. State St.
PO Box 140230
Salt Lake City UT 84114-0230

FOR THE COURT:

January 29, 2002
Date

Pat Bartholomew
Pat Bartholomew
Clerk of Court

CERTIFICATE OF MAILING

I hereby certify that on January 29, 2002, a true and correct copy of the foregoing ORDER was deposited in the United States mail to the party(ies) listed below:

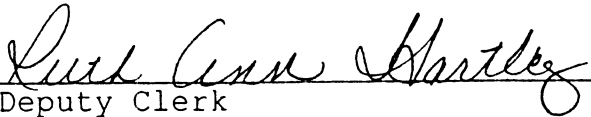
DENVER C. SNUFFER JR.
NELSON SNUFFER & DAHLE
10885 S STATE ST
SANDY UT 84070-4104

ETAN E. ROSEN
BEYER PONGRATZ & ROSEN
3230 RAMOS CIRCLE
SACRAMENTO CA 95827

THOMAS R. KARRENBERG
JAMES H. TILY
ANDERSON & KARRENBERG
50 W BROADWAY STE 700
SALT LAKE CITY UT 84101-2006

and a true and correct copy of the foregoing ORDER was deposited in the United States mail to the trial court listed below:

SECOND DISTRICT, OGDEN DEPT
ATTN: FRAN
2525 GRANT AVE
OGDEN UT 84401

By 
Deputy Clerk

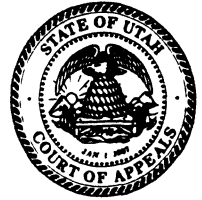
Case No. 20011028-SC
SECOND DISTRICT, OGDEN DEPT, 010901074

Norman H. Jackson
Presiding Judge
Judith M. Billings
Associate Presiding Judge
Russell W. Bench
Judge
James Z. Davis
Judge
Pamela T. Greenwood
Judge
Gregory K. Orme
Judge
William A. Thorne, Jr.
Judge

Utah Court of Appeals

450 South State Street
P O Box 140230
Salt Lake City, Utah 84114-0230

Appellate Clerks' Office (801) 578-3900
Judges' Reception (801) 578-3950
FAX (801) 578-3999
TDD (801) 578-3940



Marilyn M. Branch
Appellate Court Administrator

Paulette Stagg
Clerk of the Court

February 5, 2002

DENVER C. SNUFFER JR.
NELSON, SNUFFER & DAHLE
10885 S STATE ST
SANDY UT 84070-4104

010901074

ETAN E. ROSEN
BEYER PONGRATZ & ROSEN
3230 RAMOS CIRCLE
SACRAMENTO CA 95827

RE: Pipkin v. Haugen

Case No. 20011028-CA

Dear COUNSEL:

Please be advised that this case has been assigned to the Court of Appeals. Further proceedings will be handled by this court. Please note that the case number will remain the same as it was in the Supreme Court, with the exception that it will have a -CA after the number.

The Supreme Court file that accompanied the pourover indicates that you requested the transcript on December 26, 2001. Over thirty days have passed and the transcript has not been filed, nor has the court reporter filed a motion for an extension of time.

As the appellant's counsel and party requesting the transcript, it is your responsibility to ensure that the transcript is filed pursuant to Rules 11 and 12, Utah R. App. P. Please contact the court reporter and arrange for the transcript to be filed in the trial court.

If the court reporter is unable to file the transcript, the court reporter must file a motion for an extension of time. Pursuant to Rule 12(a), Utah R. App. P., the court reporter must seek the extension from the clerk of the appellate court. An extension request from a party to the appeal is improper.

February 5, 2002
Case No.20011028-CA
Page 2

If the transcript is not timely filed, the briefing schedule may be established without benefit of the transcript.

Please note, failure to perfect an appeal at any time during the appeal process may result in dismissal of the appeal.

Sincerely,

A handwritten signature in cursive script that reads "Janet Alexander". The signature is written in black ink and is positioned above the typed name.

Janet Alexander
Deputy Clerk

cc: THOMAS R. KARRENBERG
JAMES H. TILY
SECOND DISTRICT, OGDEN DEPT, 010901074

SECOND DISTRICT COURT - OGDEN COURT
IN AND FOR WEBER COUNTY, STATE OF UTAH

KERRY PIPKIN, : Case No. 010901074
 :
 Plaintiff, :
 :
 v :
 :
 RANDY HOUGEN, KIP CASHMORE, :
 RKT HOLDING COMPANY, et al., :
 :
 Defendants. :

SUMMARY JUDGMENT NOVEMBER 5, 2001

BEFORE

THE HONORABLE ROGER S. DUTSON

CAROLYN ERICKSON, CSR
CERTIFIED COURT TRANSCRIBER

1775 E. Ellen Way
Sandy, Utah 84092
801-523-1186

COPY

00 252

APPEARANCES

For the Plaintiff:

ETAN E. ROSEN
Attorney at Law

For the Defendant:

THOMAS R. KARRENBERG
Anderson & Karrenberg

* * *

1 OGDEN, UTAH, NOVEMBER 5, 2001

2 HONORABLE ROGER S. DUTSON PRESIDING

3 P R O C E E D I N G S

4 THE COURT: All right. The first matter on the
5 calendar is Kerry Pipkin vs. Randy Higen or Haugen and others.

6 Mr. Rosen, which one is Mr. Rosen? You're Mr. Rosen
7 and, let's see, you're Mr. ?

8 MR. KARREBERG: Karrenberg.

9 THE COURT: Karrenberg, then?

10 MR. KARREBERG: Yes, sir.

11 THE COURT: All right. Let me just preliminarily
12 indicate I've carefully reviewed all the pleadings and
13 arguments and files and there was an objection to the affidavit
14 of Mr. Rosen and some of the assertions in Mr. Pipkin's
15 affidavit. The summary judgment being a request to finalize
16 some very important issues is the thing that needs to be very
17 carefully considered on all of the seriously possible facts
18 that might exist because if there is any serious or material
19 fact that is controverted that may, have an affect on legal
20 liability then that needs to be considered by this Court.

21 I'm very, I guess you'd call be very conservative on
22 granting summary judgments and very, therefore very liberal on
23 considering what might be provable at a trial. That's
24 basically my approach to summary judgment. I think it's a
25 proper approach because of the finality of terminating a claim

1 at a very early stage in a proceeding. And so though some of
2 the assertions of Mr. Rosen's pleadings are certainly hearsay
3 and although he has checked first hand on getting what he has
4 asserted, the conclusions he wishes the Court to draw, I
5 recognize are something that really rather than to cut out
6 completely the allowing that to come in, I will take a look at
7 it. In other words, it's certainly not evidence that would be
8 permitted at this, at a trial but at this stage of the
9 proceedings I'm very liberal in looking at what might really be
10 there to be proven.

11 On the other hand, I do have to find some substantial
12 value in that and determine whether it has the intended impact
13 that an asserting party might have weighing it and so forth and
14 so I'm not going to preclude him discussing and arguing what he
15 thinks is there because he has attached some support for those
16 positions. Now, what probative value they may have is a whole
17 other story. So, I'll allow both sides very liberal argument
18 about the issues but I'm not going to cut off a person on the
19 defense or defending against a summary judgment motion from
20 presenting that evidence or to argue that evidence that's been
21 presented by affidavit and I'll accept the affidavit for what
22 it says and is and as well as Mr. Pipkin's.

23 Now, that being said, I suppose that may help each of
24 you to know where to argue, given that ruling. I was going to
25 rule on that as I told you in the telephone conference here

1 today after hearing argument but I really don't need to, I've
2 reviewed the file. I know what you're each asserting and so
3 we'll proceed accordingly.

4 Now, as far as the amendment of the pleadings, I'm
5 also very liberal in allowing amendment of pleadings but,
6 again, I think that's something that ought to wait until we see
7 where the ruling comes down on the summary judgment. And I've
8 reviewed everything in relation to the amendment of the
9 pleadings including the language of the agreement signed
10 between Mr. Pipkin and Mr. Cashmore and so I know exactly what
11 it says and I can tell you, you know, I know where we are on
12 that and we'll talk about that later if need be and probably
13 will be talking about that. But I don't want to address that
14 first. There is a motion for summary judgment that's really
15 the most important issue. Then I'd like to hear then in that
16 order the motion for summary judgment argument and then if need
17 be we'll proceed to consider some of these other issues
18 including the issues of sanctions for noncompliance with the
19 rules and discovery and so forth but we'll move accordingly.

20 MR. KARREBERG: Your Honor, Thomas Karrenberg of
21 Anderson and Karrenberg on behalf the defendants. Thank you
22 for the guidance.

23 THE COURT: Excuse me just one minute here.

24 Bailiff, I've scrapped myself and opened an old
25 wound. Would you bring me some Kleenex? I've got a bleeder

1 here on the top of my hand and it's kind of annoying. Thank
2 you. It happened a couple of weeks ago and it just keeps
3 getting bumped. All right. Proceed.

4 MR. KARREBERG: Thank you, your Honor. As I said,
5 Thomas Karrenberg from Anderson and Karrenberg in Salt Lake
6 City on behalf of all of the defendants. Judge, I appreciate
7 the guidance you gave me and I appreciate the fact that you
8 obviously have had a chance to review the papers. And let me
9 touch on a few relevant facts that I think goes right to the
10 meat of this argument.

11 As the Court I'm sure is aware, this dispute stems
12 from the sale of a check cashing business in December of 1997.
13 In fact, specifically, the sale by the plaintiff and one of the
14 defendants of their fifty percent ownership interest in a
15 limited liability to one of the defendants in the company that
16 operated the check cashing business. So, just selling a fifty
17 percent interest in a limited liability company.

18 The plaintiff, Mr. Pipkin, and the defendant, Haugen,
19 each were fifty percent owner in that LLC which operated the
20 business, Quick Cash, LLC., just a check cashing business with
21 a number of stores. They sold to the each of them of separate
22 agreements, as the Court has seen, using, all three of them
23 using the same lawyers in North Carolina. So they all had
24 advice of counsel. Sold the business, sold their interest to
25 defendant Cashmore.

1 Now, four years later after trial, after the sale,
2 excuse me, Mr. Pipkin decides to attack that sale. He sued
3 both individuals, both the purchaser and the seller. He sued
4 the LLC which was not a party to any agreement. He sued a
5 D.B.A. of one of the LLC's. He sued a wholly owned California
6 subsidiary, another LLC, owned by the LLC that operated the
7 business and he sued a third party real estate development
8 company of which Mr. Haugen and Mr. Cashmore each hold an
9 interest that has nothing to do with the cash business. And
10 what did he sue all of these entities for? For fraud in the
11 sale of his interest. Yet most of these people had nothing to
12 do with it.

13 He sued fraud, Judge, if we look at this, this is
14 important. It's labeled as intentional misrepresentation but
15 it's fraud against all the defendants. Every one of them.
16 Though throughout the complaint and throughout these papers
17 you're hard pressed to find anything alleged to have been
18 represented by most of these defendants, in other words,
19 everybody but the individuals. Negligent misrepresentation
20 against all the defendants. Accounting and recession against
21 all of the defendants. But as we pointed out in the papers,
22 Judge, you haven't seen anybody tender any money back and
23 intentional interference with the business, presumably with
24 business relations, presumably the relationship between Mr.
25 Haugen and Mr. Pipkin because it's not made clear in the papers

1 but that's the only business relationship that's even
2 identified.

3 Now no way that most of these allegations could even
4 satisfy a Rule 11 Motion, Judge. But rather than go through
5 that we just came for a summary judgment motion. An example,
6 how did the LC itself, Quick Cash, LC or its sub or its D.B.A.
7 make any representation in connection with the deal of which
8 Mr. Pipkin was selling his interest? It's not in the
9 complaint, it's not in the affidavits, it's no where to be
10 found whether intentional or negligent. Yet they've sued for
11 fraud and negligent misrepresentation. Not even an attempt to
12 make an allegation that they said anything. And how could
13 they, your Honor? Because prior to the sale Mr. Pipkin had a
14 controlling interest in those three. How could the partnership
15 that does the real estate development have made -

16 THE COURT: Let me, let me stop you. My
17 understanding was there was a 50/50 interest.

18 MR. KARRENBERG: Well, it was, your Honor, but it
19 was-

20 THE COURT: It isn't, yeah, it isn't totally
21 controlling, it's equally controlling.

22 MR. KARRENBERG: It's equally controlling but that's
23 still controlling. I mean, he could -

24 THE COURT: Well, - -

25 MR. KARRENBERG: - veto anything. Nothing is going

1 to happen without the two of them agreeing -

2 THE COURT: That's right.

3 MR. KARREBERG: - in the business.

4 THE COURT: But my understanding was he did not have
5 a greater interest than the other party.

6 MR. KARREBERG: Well, that's true, your Honor. But
7 the companies were not involved in this transaction.

8 THE COURT: I understand but I just, I just wanted to
9 know if there was something I had missed.

10 MR. KARREBERG: Okay. All I meant was in a fifty
11 percent interest he has as much to say about what goes on this
12 company as anybody else and, Judge, the companies were not
13 involved in this transaction. These are transactions, two
14 separate transactions between two, between two individuals, Mr.
15 Cashmore and Mr. Pipkin, Mr. Cashmore and Mr. Haugen
16 separately.

17 Now, how did this RKD Holdings, the real estate
18 development company, have anything to do with it? We put
19 affidavits in that Mr. Haugen and Mr. Cashmore have been in
20 this real estate development company for a number of years.
21 That they have -

22 THE COURT: Mr. Rosen, let me just ask you before we
23 spend time on this. Are you seriously pursuing the RKT Holding
24 Company in this matter?

25 MR. ROSEN: Let me explain our frustration, your

1 Honor. When, if your Honor is asking are we seriously
2 pursuing, obviously -

3 THE COURT: Well, let's take your theory to it's
4 fullest extent and that is that somehow this RKT Holding
5 Company got the full half interest that was originally owned
6 and let's say that that full amount went into the RKT Holding
7 Company, how would this be involved in your suit. In other
8 words, -

9 MR. ROSEN: And, your Honor -

10 THE COURT: - what would be the connection because if
11 you're serious, yes, I'll let you argue it. If you're not then
12 I'll cut it off now. I just wanted to know if you after you've
13 discovered and done some preparation for this -

14 MR. ROSEN: Right.

15 THE COURT: - if you're intending to seriously pursue
16 the RKT Holding Company claim.

17 MR. ROSEN: The truth of the matter, the evidence we
18 have at this early in the game and we haven't taken depositions
19 but from what we've been able to accomplish today we understand
20 that Mr. Haugen and Mr. Cashmore are involved in an entity
21 named as Weststar Investment Company, LLC, and then a new
22 company called USA Cash, also known as USA Cash Services, Inc.,
23 Kip Cashmore individually, Randy Haugen individually. These
24 entities seemed to have existed before and one of them seems to
25 be a continuation -

1 THE COURT: Well, I take your answer is yes, you are
2 intending to pursue RKT?

3 MR. ROSEN: I'm getting to this. To this date we
4 have no direct evidence in our hands that RKT is an entity that
5 we can pursue based on the evidence. At the same time we found
6 other entities that these gentlemen own together and we might
7 have to substitute them in as substituting some (inaudible)
8 but-

9 THE COURT: All right.

10 MR. ROSEN: - not RKT.

11 THE COURT: I think your answer is yes. Go ahead
12 then.

13 MR. KARREBERG: And assuming that's what the answer
14 is, your Honor, the question is it is time for summary judgment
15 motion, Judge, and, your Honor, you know I understand your
16 position on the motion to strike and how you'd like to view
17 yourself as liberal on granting. Rule 56(e) does require that
18 at summary judgment time if the evidence of the moving parties
19 supported by affidavit on personal knowledge - which every bit
20 of ours is - that the defendant has the obligation to come in
21 with evidence that's admissible in court. Now, Judge, I just
22 heard Mr. Rosen complain and he complained to us in the
23 telephone conference that it's early in the proceeding. But,
24 Judge, no one has made a Rule 56(f) motion whatsoever, your
25 Honor. No one has done that. No one has attempted any

1 discovery up to this point to deal with it.

2 Judge, so it is time to come forward with evidence
3 that's admissible at trial rebutting what we've put in which is
4 all admissible at trial. RKT Holdings by the affidavit has
5 absolutely no interest whatsoever in the check cashing
6 business. Never has, does not, and is not intended to. How
7 they could be in the lawsuit I don't know. There is nothing in
8 there that Quick Cash, L.C., made any representations, not even
9 claimed in the complaint. Nor that the other entities, the
10 wholly owned subsidiary in California or the D.B.A. do they.
11 Another claim against all these defendants including Mr. Haugen
12 is that he interfered with business relations.

13 Now, Judge, the law is clear in this State. You
14 cannot interfere with your own contracts. What business
15 relations did Mr. Haugen interfere with? His relationship with
16 Mr. Pipkin? It's not legally cognizable. There is no claim on
17 here. What we're really down to is a fraud claim or a
18 negligent misrepresentation claim made, supposedly made by
19 against Mr. Haugen and Mr. Cashmore, in connection with the
20 sale. But, Judge, we went through the complaint carefully as
21 we looked at the papers and we looked at what is alleged and
22 there hasn't been anything else changed about what the alleged
23 fraud is at this point. Paragraph 17 is one of the allegations
24 they say my clients did. Mr. Cashmore specifically. That he
25 offered \$750,000 jointly for each of their interests, half to

1 one, half to the other. Well, Judge, it's absolutely true.
2 Not only did he offer it, he did it. It wasn't a
3 misrepresentation and he paid it. A lot of money.

4 Secondly, your Honor, in paragraph 17 of the
5 Complaint, the other allegation - and this is all we're allowed
6 to deal with because this is what he sued on. He hasn't moved
7 to amend. Haugen told Pipkin that Haugen no longer wanted to
8 own the check cashing business. Well, as the affidavit says,
9 that's absolutely true. It is not a misrepresentation. He did
10 not want to be in the check cashing business. He wanted out of
11 it.

12 Paragraph 23 indicates there was an omission that
13 Haugen somehow secretly wanted Cashmore to be his partner.
14 Well, Judge, we've come through with the evidence, admissible
15 evidence, Mr. Haugen both on both their affidavits has no
16 interest whatsoever in the check cashing business with
17 Mr. Cashmore, none. Absolutely zero. It's in affidavits. We
18 have the originals, the original agreement to sell the interest
19 and Mr. Cashmore has paid the money for that interest. They
20 are in this real estate development business that has nothing
21 to do with this. So, what was omitted? Nothing.

22 Paragraph 19, 21, and 23 of the Complaint, the
23 plaintiff claims that Haugen is still involved in the check
24 cashing business. Again, the affidavit is admissible show he
25 is not.

1 Now, what evidence has come back? As I indicated,
2 Judge, while I appreciate your concern about summary judgment,
3 it is under the rules time to come in and present your
4 evidence. Now, Judge, I'm on that rules committee, the
5 advisory committee for the Supreme Court and we take great care
6 in writing those and there is an option. If you don't like
7 what, if you don't believe you've had enough chance to do
8 discovery. It's called Rule 56(f). You move the Court -

9 THE COURT: But is still ends up being discretionary
10 with the Judge, doesn't it?

11 MR. KARRENBERG: Judge, I have no doubt about that.
12 I have no doubt about whose courtroom I'm in and who is in
13 charge here. I've been around long enough to know otherwise.
14 But, your Honor, it also is, should be discretionary with the
15 judge when the claim has no merit and the plaintiff has not
16 come forward with any admissible evidence. There is no good
17 reason to indulge such claims. You have better things to do.
18 The clerk's office has better things to do. My client's have
19 better things to spend their money on, your Honor, and I've got
20 plenty of business. We don't need to be subsidized dealing
21 with bad claims. And it is, if there is no evidence there is
22 none. Now, what did they come up with? And, your Honor, it's
23 actually in the motion to strike. Mr. Rosen files a
24 preliminary ruling in California on a case dating back for
25 events prior to the sale on a sexual harassment case in

1 California and he attaches the preliminary ruling.

2 Now, Judge, I know, I use to practice in California
3 years ago when I first started out and I came back home and a
4 preliminary ruling is just, what they do in California to save
5 time is the judge will issue preliminary ruling, just like you
6 sort of did except it will be a little bit in writing so that
7 when you come in in the morning and you go to the motion
8 calendar, you can look at what the judge's preliminary decision
9 is and you can direct your arguments at it. It's not even a
10 final ruling.

11 MR. ROSEN. I'd object to that as being not a
12 statement of truth, your Honor, and I (inaudible).

13 MR. KARRENBERG: I understand when you ask him to
14 interrupt the argument but I'd rather have the courtesy of
15 having my argument go on until under his turn and I won't
16 interrupt his, as well.

17 THE COURT: Continue.

18 MR. KARRENBERG: Thank you, sir.

19 Now, Judge, but in any event there is a rule. If you
20 want an official document there is a rule of evidence that
21 shows how you get it in. You don't go into the file and just
22 take it. The preliminary ruling is full of hearsay in the
23 first place and it was on a motion to quash a subpoena. It
24 wasn't anything conclusive. It wasn't res judicata. It's not
25 even argued. It wasn't even argued as collateral estoppel and

1 it wasn't argued that there was evidence. It was just whether
2 or not the subpoena should be quashed and it's not even a final
3 ruling. Now, is this certified in accordance with the Utah
4 Rules of Evidence? No. And what even if it was, Judge? You'd
5 consider like you want to say. It's nothing but a motion of
6 quash. Nobody, there is no finding in there. If this was such
7 a great piece of evidence, why don't we have the evidence that
8 says he is there? And if you look what's in there, what the
9 Court made its ruling on in the preliminary ruling, it's
10 manufactured evidence. It says Mr. Haugen's former partner.
11 Well, there is only one, Mr. Pipkin. The plaintiff here claims
12 he's involved. That's manufacturing your own evidence, Judge,
13 and he has no foundation for it.

14 What else? A W-2 form for '98. The tax records had
15 to be changed in '98 for a '97 form. Again, it's not, it
16 wouldn't be admissible. I'd object to this at trial. The
17 Court would have no choice but to keep it out because it has
18 not been properly authenticated but so what? A W-2 form? Then
19 he has a check dated in January of '98 and he says it's got Mr.
20 Haugen's name still on it. Of course, it's from the business,
21 Quick Cash, L.C., and here is exact proof of why we have these
22 rules that you have to have proper foundation, your Honor,
23 because the signature on that check is Mr. Cashmore's. The
24 fact that they're still using old checks from the business
25 doesn't mean anything. It has raised no evidence, no weight

1 whatsoever, Judge.

2 And look at the other evidence. Mr. Pipkin's
3 affidavit. What does he say in paragraph 1? My understanding
4 is that Haugen and Cashmore, that Haugen asked Cashmore to
5 propose a three way partnership. Well, it's his understanding.
6 That's hearsay, Judge, by any definition plus Haugen proposed,
7 it doesn't say it was done that way. So what?

8 Number 2, that Haugen allowed Cashmore access to the
9 books. Not on personal knowledge. It's on, it's only on
10 hearsay information and so what? What does have, any
11 misrepresentation by any of my clients?

12 Number 3, on 5/11/98 he writes, paragraph 3, I
13 received info that both defendants signed new signature cards
14 for Quick Cash. I received. Where are these signature cards?
15 Where is the proper foundation? Where is the evidence? What
16 does this prove? Nothing.

17 5/12/98, in paragraph 4, he says I learned that the
18 defendants are indeed partners. Not any foundation. Where did
19 he hear this? Where did he learn this. The uncontroverted
20 evidence is they're not.

21 Paragraph 5, I received a '95 front page of a tax
22 return when an attorney answered his question that, i.e.,
23 before the sale no one had 100 percent interest. That's the
24 year it was sold as well as, again, hearsay evidence.

25 Paragraph 6, I found documentation that Cashmore and

1 Haugen were partners. Where is the documentation, Judge?
2 Where is the authentication?

3 Paragraph 7, Pipkin claims he learned that Haugen had
4 50 percent and Cashmore had 50 percent. Claims he learned?
5 Where? Judge, those are just allegations. That is not
6 evidence.

7 Haugen, here's another one, paragraph 8. He claims
8 that the number of stores grew from seventy to, from seven to
9 seventy. It's not even true, your Honor. It's not even true.

10 Now, what is he rely on? The only thing in the
11 Motion to Strike is he says the business record. Again, your
12 Honor, there is rules. It says how you get a business record
13 in. None of these are certified by the custodian. None of
14 these are established as a business record. We are dealing
15 with nothing but rankest hearsay and nothing but allegations
16 and we have submitted sworn affidavits saying it is not true,
17 Judge. There was nothing opposing this Motion for Summary
18 Judgment that would be at all closest to competent evidence to
19 say that there any misrepresentations that were relied on to
20 anybody's damage.

21 And, Judge, one other thing, he's received \$375,000.
22 There is not one allegation that he's given it back for a
23 rescission for a fraud claim which is the preferred remedy.
24 Judge, my client, Mr. Cashmore bought a business from the two
25 of them. The documentation is there. For some reason and I

1 for the life of me can't figure out what it is, Mr. Pipkin
2 seems to think that somehow these gentlemen are in business
3 together. Your Honor, we have put sworn affidavits in they are
4 not. Mr. Haugen receives no business, no monies whatsoever out
5 of this business outside of the note on his \$375,000. It was
6 an arms-length transaction where everybody was represented by
7 counsel. He sold his personal property. His interest in an
8 LC. None of these companies had anything to do with it and
9 there is not one alleged misrepresentation or omission of
10 material fact that should withstand this motion. Thank you,
11 your Honor.

12 THE COURT: Thank you.

13 MR. KARREBERG: And, again, your Honor, I will
14 submit, since the Court has read the papers, I'll submit the
15 Motion to Amend.

16 THE COURT: Thank you.

17 You may proceed.

18 MR. ROSEN: Thank you, your Honor. My name is Etan
19 Rosen and I appreciate the Court allowing me to practice here
20 Pro Hac Vice and I have the Utah Rules and I studied them and I
21 understand many things about your jurisdiction. I understand
22 that the motion for summary judgment is in its essence treated
23 as a motion for summary judgment in California which means you
24 still have to show that there are materials, that there are
25 matters, (inaudible) material fact that are in dispute. It's

1 not who has better evidence, it's do I have some evidence that
2 is in dispute that is material to the case? That by itself
3 does not change between California and Utah even though there
4 are changes since my learned colleague here, Mr. Karrenberg on
5 practice in California and I'll get into it.

6 One thing that I wanted to bring out in my affidavit
7 as it regards to Exhibit Number C of my declaration was a W-2
8 Wage and Tax Statement for 1998. I made a mistake by getting
9 by the "L" slot that in 1998 the Wage and Tax Statement is
10 given in 1998. Well, in 1998 Wage and Tax Statement the W-2
11 Form is given in the year 1999, the year after. It is given by
12 January 30th or January 31st as the year may be to an employee.
13 In this case I found Amanda Lewis and this is straight from
14 Court records that I found it. Amanda Lewis in 1999, January
15 30th, received a W-2 Wage and Tax Statement and it said Quick
16 Cash, LLC, Randy Haugen, General Partner. This is not only a
17 month after the sale, this is a year and a month after the
18 sale.

19 Regarding the check that we presented, Q.C., Randy
20 Haugen, check number 1214. Now, the interesting part of that
21 check is that it is signed, the handwriting on that check is
22 Mr. Haugen's handwriting. The signature is Kip Cashmore's
23 signature. It's dated January 5, 1998, well after the sale.
24 And the question is why is Mr. Randy Haugen signing, writing
25 checks if he sold the business. Why is he still writing checks

1 and why is he on the tax return? Not tax return but why is he
2 on the W-2 Statement? Now, I can understand that argument, you
3 know, that a few months after the sale they just didn't catch
4 this but this is a year after.

5 And here comes the issue of the tentative ruling that
6 came in Sacramento County. Now, that's a County where I
7 practice. We only have two law and motion departments and
8 that's all they do. And the new rule for the last year has
9 been that a minute order which you have in front of you becomes
10 effective immediately. There becomes no formal order. There
11 has been just too much law and motion. This then became the
12 order of the court. And what has happened in this case is that
13 a jurisdiction was, this attorney and her name is Wendy York,
14 tried to establish jurisdiction over Mr. Haugen in California
15 regarding a Cash store in California, in Sacramento. Mr.
16 Haugen, of course, came in and said, Well, I sold my interest
17 in 1997. I have no interest. There was, there were a lot of
18 papers, there were a lot of pleadings that went back and forth
19 and this is the judge's ruling. The judge ruled and this is
20 Department 54 which, I'm sorry, Department 53 which would be
21 Judge Coupiarchi, ruled that it appears that Mr. Haugen has
22 retained an ownership interest in the business for personal
23 financial reasons. So he might have or he might have not.
24 It's still a material issue of fact that has to be determined.

25 Now, these are only issues. That doesn't win a case.

1 I sit here and I hear Mr. Karrenberg say granted \$375,000 is a
2 lot of money. Well, it is and it isn't. First of all, in
3 California it doesn't even buy a small house and, second of
4 all, our claim is that Mr. Haugen who had power over our client
5 because he was above him in the AMWAY business told our client
6 we were partners in Quick Cash, LLC. It was our business. It
7 was ours. We built it to seven stores. In fact, I just drove
8 by the first one that they have here. I want out of this
9 business. I don't want to be involved in it anymore. I want
10 you to meet this guy. He's going to buy us out but I don't
11 want to be involved in this.

12 THE COURT: Let me ask you, Mr. Rosen.

13 MR. ROSEN: Yes.

14 THE COURT: Get right to the heart of this thing. If
15 I were to accept all of your arguments, how did that rise to
16 the level that you're claiming of misrepresentation or
17 inducement to enter into this agreement? Are you saying that
18 by him being in a superior position in AMWAY somehow translates
19 to him influencing your client's decision to the degree that he
20 did not have his own free will to decide what he wanted to do?

21 MR. ROSEN: This is only part of the argument, your
22 Honor. My client indicated and it's in the pleadings that he
23 did not want to sell. It says in his declaration -

24 THE COURT: Well, let's suppose he didn't want to
25 sell and let's just suppose that Haugen wanted to get him out

1 of the business and he told him that, you know, I'm tired of
2 doing business whether it's with you or what and that, in fact,
3 he's still a partner. Let's say that your claim is absolutely
4 true -

5 MR. ROSEN: Right.

6 THE COURT: - that he is a partner with Cashmore.

7 MR. ROSEN: Right.

8 THE COURT: How does this all rise to the level of
9 your claims?

10 MR. ROSEN: It was worth a lot more than \$375,000.

11 THE COURT: Well, but your client is a grown man.
12 He's been involved in business for years. Are you saying he is
13 so naive that he couldn't make decisions on his own?

14 MR. ROSEN: The decisions that the cards were
15 stacked, your Honor. And that's -

16 THE COURT: Well, tell me how they were stacked. How
17 was he forced or compelled or misled to the degree that he did
18 not act freely and voluntarily in entering into his contract?
19 How did that happen?

20 MR. ROSEN: Mr. Haugen, again, was his superior in
21 the AMWAY business and this is at the level that they were in,
22 at the level that they were in they were generating well in
23 advance of four to \$500,000 a year from their businesses.

24 THE COURT: Isn't that all the more reason that your
25 client should be aware of business dealings?

1 MR. ROSEN: Said to him, I'm getting out of this
2 business. You've got to, my client could not run this on his
3 own. There were seven stores. His partner and his mentor and
4 his supervisor, so to speak, in the AMWAY business -

5 THE COURT: No, but just a minute. Supervisor in
6 AMWAY. How does that work? Tell me what exactly your evidence
7 would be that he was in such a controlling position that he
8 would have been able to compel or to influence your client's
9 decision making on this collateral side business to the degree
10 that you claim that I ought to set aside the original
11 transaction and look beyond that. Now how could that happen?
12 Tell me.

13 MR. ROSEN: Well, if you want to know the evidence,
14 the evidence will be my client's testimony and also the people
15 that were in his organization. That will, of course, be the
16 evidence and whether or not he's believable or not -

17 THE COURT: Well, but what's it going to show if you
18 prove everything you intend to prove with it? What would it
19 show?

20 MR. ROSEN: It would show the following. It showed
21 that there was an attempt to take fifty percent off the
22 business that was worth substantially more than \$375,000, naive
23 or not, away from client and move his position -

24 THE COURT: I can see the result you're after but I'm
25 saying at the time of the transaction is what we have to look

1 at.

2 MR. ROSEN: Right. It was worth then more that
3 \$375,000.

4 THE COURT: Well, let's say it was but at that time,
5 how is his position in AMWAY in relation to your client going
6 to impact that? I'd like to know just what your evidence would
7 be.

8 MR. ROSEN: All right. AMWAY works, if I understand
9 correctly, on an organization basis and you go up the chain of
10 command. Mr. Haugen was superior to my client in his chain of
11 command.

12 THE COURT: True.

13 MR. ROSEN: He had substantial retribution mechanism
14 towards my client. In fact, my client will testify that this
15 has been happening and his income, because of this lawsuit is
16 income that has gone from about \$15,000 a month, has shrunk to
17 close to \$3,000 a month from the AMWAY side. Now, Mr. Haugen
18 has the ability to exclude my client from AMWAY dealings if he
19 so wishes because he is higher above him in the command. He
20 can -

21 THE COURT: Well, but doesn't your client in the
22 AMWAY business get those working under him to generate the
23 money for him?

24 MR. ROSEN: Correct.

25 THE COURT: Then how then does someone else above him

1 influence that?

2 MR. ROSEN: Because he is in such a superior position
3 and he is in his organization which means he can contact -
4 which he has done - people in his organization and say from now
5 on we do not work with the branch that involves Kerry Pipkin
6 and he has done that. And we, in fact, have taped
7 conversations of this.

8 Now, to bring the case in summary judgment motion
9 three, four months after it started when I had discussions with
10 the office of Mr. Karrenberg, when Mr. Tily's office said we
11 really need to take some depositions here. We need to get this
12 thing out. If you think at the end of the depositions - and we
13 only have three depositions here. We have Mr. Cashmore, Mr.,
14 Mr., sorry, Haugen, and my client. If, after the depositions
15 are taken you do not believe we have a case then you bring a
16 summary judgment. But, no, this had to be done this way and I
17 thought at least I showed enough evidence to survive the
18 summary judgment so we can establish the depositions and start
19 discovery because all we've done is, of course, get some
20 records but - and then they have prejudice. They can bring
21 their summary judgment at a later date. In fact, I'm sure that
22 they will if they think there is still no case. Our case is
23 simply one of money. That's all it is. We believe that these
24 gentlemen, Haugen and Cashmore, are involved in. What have I
25 found? Haugen International, Freedom Associates, Dream

1 Builders, Inc. There's fifteen different lawsuits I found here
2 alone. I found four different entities that they're involved
3 in. Aside from the 63 Cash stores that they seem to be
4 operating together and, yes, they say in the declaration that
5 they're not continuing doing business together. But what has
6 happened here is a typical squeezing out of a partner. Now you
7 can say how naive is my client? I don't know. I don't know.
8 It seemed to have been, one, that he was just squeezed out.
9 Now, he says \$375,000 and what I got from my fifty percent
10 interest is simply not enough and I have evidence that can show
11 that it was worth more than that and I would have not moved if
12 Mr. Haugen had not told me to do this.

13 I don't know how the case will turn out, your Honor.
14 I don't know how it will turn out. I don't know if my client
15 will prevail on the merits because he has the burden of proof
16 but I know as we speak we have evidence. Now, it might not be
17 in the most beautiful way but we have a check and we have a W-2
18 showing that they were involved and now this morning I found
19 some partnership share in K1 Schedules that fly in the face of
20 what I was told. And for my little research this morning I
21 found another business that they're involved in, Weststar
22 Investment Company, LLC.

23 I mean, your Honor, I agree with you as you speak
24 that I probably don't have any evidence right now RKT Holding
25 Company. When we filed the complaint we had enough information

1 to think that these guys have enough evidence. (Inaudible) not
2 West Star Investment in front of me. And I have the Articles
3 of Organization signed by Mr. Haugen, Mr. Cashmore and a
4 gentleman called Troy Thompson and then it looks like he was
5 taken out. This is of 1996. At the very minimum my client was
6 not disclosed to when he entered this deal that these gentlemen
7 have such an extensive relationship between them that he needs
8 to look into it. He was simply, he was simply misled. He was
9 misled. He basically gave away a fifty percent interest in a
10 check cashing business for \$375,000. With all due respect, I
11 understand it's a lot of money but it's really not. It's
12 really not.

13 THE COURT: Okay.

14 MR. KARREBERG: Your Honor, may I respond?

15 THE COURT: Do you have anything further, Mr. Rosen?

16 MR. ROSEN: Yeah. Yes, I do. There were two issues,
17 again, that I have discussed, not with Mr. Karrenberg because
18 he assigned a lot of the work for Mr. Tily to do. I discussed
19 with Mr. Tily my need to take depositions in this case and Mr.
20 Tily and I agreed the depositions will be taken after the
21 summary judgment motion. Of course, assuming we are
22 successful, we basically agreed to that.

23 There is another issue. The Rule 26 disclosures.
24 Now, the Rule 26 disclosures is one that I place fault on
25 myself. I've read your local rules. There was one issue in

1 the local rules that we needed to, that we needed to disclose
2 our proposed damages or at least what we thought at the time
3 were our damages. We did that. Mr. Tily and I agreed that he
4 is going to drop that motion off calendar. In fact, he called
5 me and told me he's dropping that motion off calendar. If that
6 motion was dropped off calendar, I do not see why the Court
7 should rule on that motion. I agree, Rule 26 disclosures was
8 lacking. It was supplemented but that motion should have been
9 dropped off calendar by a call from Mr. Tily to myself. That's
10 all I have to say.

11 MR. KARREBERG: Your Honor, briefly. There has been
12 some absolute misstatements to the Court. As far as
13 depositions, Mr. Rosen and I spoke directly. He tried to have
14 his secretary call me to schedule them and I called back and
15 said I need to speak to him directly because scheduling is too
16 difficult and I keep my own calendar. We spoke, he tried, he
17 asked from certain dates for my clients. I told him they
18 weren't available. I gave him alternative dates. In the
19 meantime we had filed our motion for summary judgment. On his
20 choice he chose to wait and see what happened on the summary
21 judgment before taking the depositions. It was not an
22 agreement. If he wants to notice up depositions and do it
23 properly under the Rules, he is free to do so. If he wants to
24 not notice them up, he's free to do so. If he wants to follow
25 Rule 56(f) motion, he's free to do so.

1 As far as the Rule 26 Motion, we have not withdrawn
2 that motion. Judge, we talked about that in the telephone
3 conference, scheduling conference. And, your Honor, listening
4 here today proves the need for that motion. I have tapes, he
5 said. Those weren't disclosed. I have employees of the old
6 company who are going to testify. Those weren't disclosed as
7 witnesses. He has employees within the organization. That's
8 not disclosed. He now says he's got different entities and
9 lawsuits and evidence where it said that the company was worth
10 more than \$750,000. That wasn't disclosed. That's exactly
11 what Rule 26 was meant to stop. That kind of stuff. That's
12 why we wrote that rule that way. Not to come in here and not
13 do it.

14 Now, Judge, here is why I made the motion to strike
15 and I think Mr. Rosen's argument proves the point. I tell you
16 that the check that he puts in that we've objected to is Mr.
17 Cashmore's signature. Mr. Rosen now, not with the handwriting
18 expert of any affidavit says it's Mr. Haugen's handwriting.
19 Where does that come from, Judge? What, he can't be
20 testifying.

21 And, Judge, we haven't heard anything about these
22 other LLC's, these other partnerships, but, Judge, even if
23 that's true and they exist, what difference does it make?
24 Since when, where was the representation that someone said you
25 have, Pipkin, you have to sell the Cashmore because I want

1 nothing to do with Cashmore and I don't have anything to do
2 with them. They're allowed to have other businesses. There is
3 not even any claim in the complaint that there was an omission
4 that he relied upon that he thought was material that they had
5 no relationship together. Do you want to know why, Judge?
6 Because they couldn't do it. Mr. Cashmore was involved in
7 AMWAY with these gentlemen, too. He knew that these gentlemen
8 had a relationship. And even if he didn't, so what?

9 Now, Judge, the claim here as I went through in the
10 beginning is fraud, negligent misrepresentation. You just
11 listened to Mr. Rosen say that the reason it's no longer that
12 there's misrepresentation or omission, that there is some sort
13 of duress in connection with the AMWAY relationship. Well,
14 Judge, there is no duress claimed in the pleadings.

15 Secondly, your Honor, we haven't addressed this in
16 the papers because it's not in the pleadings. There is not
17 economic duress in Utah. The Utah Supreme Court is crystal
18 clear on that. It doesn't exist. Now he claims there is some
19 sort of control relationship. Well, under the Vonhockey case
20 there could be possibly a confidential relationship that could
21 lead to a breach of fiduciary duty though I can't imagine this
22 would withstand that but that's not plead. Judge, we have him
23 come up here and argue a whole different case. We have
24 submitted evidence that on the representation claims whether
25 they were intentional or negligent that there were no

1 misrepresentations of material fact and that there were no
2 omissions of material fact. We have supported it with
3 competent evidence that is admissible at trial. There has been
4 nothing opposing that. Your Honor, I respectfully submit that
5 the motion should be granted. Thank you for your time, Sir. I
6 appreciate it.

7 THE COURT: Thank you.

8 Mr. Rosen, I'm going to allow you to respond if you
9 wish.

10 MR. ROSEN: Is defendant infliction duress claim for
11 what he has done from what Randy Haugen could have inflicted on
12 my client such as maybe in California would be intentional
13 infliction of some kind of a distress? No, there isn't. There
14 isn't in California a business dealing. What we're saying is
15 his position. He was the source of my client's income.
16 Without him, without his sponsorship in AMWAY my client's
17 income is minimal and this is actually a fact. So, what this
18 gentleman did, he said to him, Hey, as your sponsor in AMWAY
19 I'm selling, you're selling, too. ,And this is what it is.
20 Now, is this fraud? It is fraud if he didn't tell him all the
21 facts. If you get into a business deal, yes, you're not -

22 THE COURT: Okay. Now, let me just stop you there.
23 Let's suppose that Mr. Haugen had all of the intentions that
24 you attribute to him and that is he was going to get right back
25 into a full blown business relationship with Mr. Cashmore and

1 proceed to do everything that he and Mr. Pipkin had been doing,
2 let's suppose in a hypothetical argument, at least, that's the
3 case. Are you arguing then that that is, in fact, a breach of
4 some duty or responsibility by not disclosing that?

5 MR. ROSEN: The problem here is that he specifically
6 disclosed the opposite. My client claims that he -

7 THE COURT: What if he changed his mind?

8 MR. ROSEN: He changed his mind the day after?

9 THE COURT: What if he did?

10 MR. ROSEN: Well, I mean -

11 THE COURT: Let's suppose that, you know, originally
12 one intent existed and another intent emerged at a later point
13 in time and let's suppose that he continued to represent that
14 he wanted to get out of the check cashing business. That's the
15 strongest that you have, I believe, is that's what his
16 representation was. He wanted to get out of the check cashing
17 business and that wasn't true. Let's suppose that wasn't true.

18 MR. ROSEN: All right.

19 THE COURT: But let's suppose that there was another
20 motive. He just didn't want to continue to do business with
21 your client and he was telling him that. Now does that rise to
22 the level in this case of improper misrepresentation to the
23 degree that I should step in and set aside the agreement that
24 was reached?

25 MR. ROSEN: Well, your Honor, first of all, the

1 \$375,000 that my client received we'll have to deal with at
2 some point because obviously you can't have your cake and you
3 can't eat it as well. So, what we're saying is the following:
4 let's assume that the Court's hypothetical is such that it's
5 true that the gentlemen actually, Mr. Haugen said to my client,
6 you know something, Mr. Pipkin, you know, I don't want to be, I
7 don't want to be your partner anymore. I just don't get along
8 with you. We're not getting along. I don't want to be your
9 partner.

10 THE COURT: No, but that isn't what happened.

11 MR. ROSEN: Right. No, no, but let's assume that
12 that's what happened.

13 THE COURT: Well, there's no evidence that that
14 happened.

15 MR. ROSEN: No, no, but let's try to see why that is
16 different than what actually happened and why we are -

17 THE COURT: Well, I can understand the argument then
18 that may have caused your client to look at it a little
19 different.

20 MR. ROSEN: And, of course, he wouldn't have sold.
21 He wouldn't have sold. He wouldn't have sold to Kip Cashmore.
22 At least that what he says. He said he wouldn't have sold.
23 And if he would have sold he wouldn't have sold to Kip Cashmore
24 or he would have looked at it to such an extent that he would
25 have seen what the lost value is in his price. That -

1 THE COURT: How do you get around the fact that had
2 things gone soft with Mr. Haugen and Mr. Cashmore, he had an
3 agreement also that would have left him out in the cold? How
4 do you get around that?

5 MR. ROSEN: Excuse me, your Honor. I don't
6 understand that.

7 THE COURT: How do you get around the basic fact that
8 they entered into exactly the same agreement and if after the
9 transaction took place Mr. Cashmore said, sorry, Mr. Haugen,
10 you're, I really don't want to do business with you. You know,
11 this man, Mr. Haugen, who you claim was misleading your client,
12 entered into exactly the same agreement that your client
13 entered into.

14 MR. ROSEN: Well, that's the thing. On paper it's
15 the same agreement. But, your Honor, if you read the
16 declarations that they submitted, it's very interesting because
17 we claim and I think in the declaration of Kerry Pipkin -

18 THE COURT: Well, but wouldn't Mr. Haugen have been
19 bound by that agreement?

20 MR. ROSEN: This is a sham.

21 THE COURT: And Mr. Cashmore? In other words,
22 everybody was bound by these agreements.

23 MR. ROSEN: Agreements, agreements are only as good
24 as the people who write them, your Honor. I know my client got
25 \$375,000 but if you look even at their own declarations, your

1 Honor, look at the declaration of Randy Haugen and this is
2 attached to the opposition. It says here around October '97 I
3 decided I no longer wanted to be in the check cashing business
4 and so on and so forth and it says Cashmore offered \$750,000 to
5 purchase Quick Cash, to purchase Quick Cash. I sold my
6 interest in Quick Cash (inaudible) for \$375 by individual
7 agreement. That agreement has been fully performed by Cashmore
8 and myself. No where does he say that my client actually, that
9 he actually received the money. Then in exhibit number -

10 THE COURT: Well, let's suppose that he didn't just
11 for argument sake and that he transferred that asset into some
12 other business negotiation - or business dealing with Cashmore.

13 MR. ROSEN: Then the agreement would be null and void
14 for lack of consideration.

15 THE COURT: Not if he still had that value set forth
16 in that agreement that he could claim on. Okay. Anything
17 further?

18 MR. ROSEN: Okay. Here we go. This is the
19 declaration of, this is the declaration of Kip Cashmore.
20 That's also attached to the Motion for Summary Judgment. In
21 paragraph 3 now it says:

22 I executed an individual agreement in
23 December '97 with Pipkin providing for
24 Pipkin to sell his \$50,000 ownership in
25 Quickcash to me in consideration for

1 \$375,000.

2 Both parties have fully performed that agreement. And then he
3 says:

4 Pipkin has been fully paid under that
5 agreement and has never tendered back nor
6 offered to tender back any part of the
7 consideration he received for his interest
8 in Quickcash.

9 And then he says as to the agreement he reached with Haugen:

10 I executed an individual agreement in
11 December 1997 with Haugen providing for
12 Haugen to sell his 50 percent ownership in
13 Quickcash to me in consideration for
14 \$375,000. Haugen and I fully performed
15 under that agreement.

16 No mention whatsoever that he paid him. The fact that he
17 doesn't mention it specifically in light of the fact that he
18 mentions the fact that he paid Kerry Pipkin is a problem to me.

19 THE COURT: Well, let's suppose he came up with
20 \$375,000 more and invested it in RKT. What's wrong with that?

21 MR. ROSEN: None of this was disclosed to my client.
22 None of this was disclosed. None of these business dealings
23 amongst them. None of their future plan. You see the future
24 plans that they had apparently started a day or two right after
25 my client sold out.

1 THE COURT: Maybe, maybe, but what's wrong with that?

2 MR. ROSEN: It doesn't address the (inaudible), your
3 Honor, and there is too many material issues of material fact.

4 THE COURT: Well, I've try to see if there is any
5 material fact, supported by any substantial evidence and I
6 can't find any. I'm going to grant the motion for summary
7 judgment. I grant it on the basis of the argument that has
8 been presented by the defendants but I believe that the Court
9 could even go beyond that, although it's not totally before the
10 Court, and state that even allowing maximum conjecture and
11 speculation as to what the evidence is and even accepting all
12 of your arguments, Mr. Rosen, I don't believe it would meet the
13 standards to resist a summary judgment motion even speculating
14 as you've asked the Court to do. So, I frankly just can't see
15 how this case could proceed even speculating on what the
16 evidence might be. But that's, I'm being asked to rule on
17 that. I'm being asked to rule based upon the motion that has
18 been presented and I certainly grant the motion for summary
19 judgment in favor of the defendants in this case.

20 Now, as to the issue of allowing you even at this
21 stage to amend your complaint, Mr. Karrenberg, I've reviewed
22 the agreement that existed between Mr. Pipkin and your client
23 and I, frankly, can't see any kind of a legal basis where you
24 would be able to pursue legal fee, attorney's fees and costs
25 against Mr. Pipkin in that agreement because, frankly, that

1 agreement relates to seller breaches. It very specifically
2 lists all of the seller's breaches of the agreement that would
3 give him a basis for pursuing that in claims but I don't see
4 anything there. So, your motion would be denied even if we
5 were to pursue that.

6 As to the Rule 26, I'm very liberal. It's liberal in
7 Utah and I still am allowing the attorneys to, you know, to get
8 extra time to respond to things. That's not an issue in this
9 case. I don't hold that against Mr. Pipkin in this matter at
10 all. It's a hard rule, frankly. It's a good rule but it's
11 kind of a hard rule for people to get use to. There's a lot of
12 struggling going on with Rule 26. So, I'm trying to help all
13 attorneys that run into Rule 26 problems avoid being kick out
14 of court because of a Rule 26 violation. I usually make them
15 violate two or three times before I rule against anybody on the
16 Rule 26. So, that's not an issue in this case.

17 I just might comment on the evidence that Mr. Rosen
18 has attached to his affidavit. I discount the check that
19 fortunately was made out by Mr. Haugen and signed by Mr.
20 Cashmore. I considered it based on the fact that Mr. Haugen's
21 name was still on it. I just really don't find, however, that
22 that is any substantial evidence. The '98 W-2's still having
23 Mr. Haugen's name on it, a former business owner, I don't think
24 that is substantial evidence to show the fact that it's
25 supposed to be showing a court docket entry in California is a

1 motion to quash service against Mr. Haugen and it is very self
2 serving. It's based and denied and I would have probably
3 denied it as well had I been the judge down there on trying to
4 terminate service against Mr. Haugen. I'd certainly want to
5 have substantial evidence eventually presented in the case and
6 I'd give them a chance to do so and the claims were probably
7 enough to prevent a dismissal for not having a basis for
8 serving. That's a very preliminary type of motion and they
9 shouldn't be granted easily. But even looking at what is said
10 in that docket order, I don't find that that is substantial
11 evidence that support the plaintiff's claim in this matter.

12 I just in reviewing the allegations of your
13 affidavit, Mr. Rosen, I just don't find that those are enough.
14 They're just not supported by any substantial evidence in my
15 opinion. So, I have carefully considered it and I've carefully
16 considered your affidavit because I don't think that it is
17 proper for a court to quickly grant a summary judgment but as I
18 look at the law that would be applicable to the issues that are
19 raised in your pleadings and the facts that have been presented
20 some eight months now after this case has been filed, there is
21 just no substantial evidence to support your claims, therefore
22 I'm granting the motion. All right that will be all.

23 MR. KARREBERG: Judge, I'll prepare and Order and the
24 Findings and submit them by Mr. Rosen and to the Court.

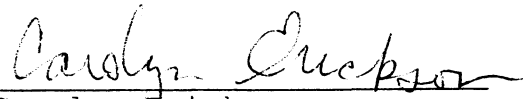
25 (Whereupon the hearing was concluded)

(C)

CERTIFICATE

I HEREBY CERTIFY that the foregoing transcript in the before mentioned hearing held before Judge Roger Dutson was transcribed by me from a videotape and is a full, true, and correct transcription of the proceedings as set forth in the preceding pages to the best of my ability.

Signed this December ?, 2001 in
Sandy, Utah.



Carolyn Erickson
Certified Shorthand Reporter
Certified Court Transcriber

My Commission expires May 4, 2002

