Agenda Item: 8

Taxi Commission v. Driss “Kiki” Ellassali: [ACTION]

May 12, 2008

Driss "KiKi" Elassali
520 San Antonio Ave. Apt # 7
San Bruno, CA 94066

Dear Mr. Elassali:

This will confirm that your hearing for revocation of your A-card # 52819 will be heard before the Taxi Commission on Tuesday, June 10, 2008, in Room 400 of City Hall at 6:30 PM and not before the Hearing Officer as originally scheduled.

At the April 18, 2008, before the Hearing Officer, you requested a continuation of your hearing based on the fact you were not able to retain an attorney. However, you went on the record agreeing to attend a future hearing with representation.

If there are any changes to the hearing times or dates, we will advise you immediately. Please review MPC § 1188 or advise your attorney to do so, as it governs hearing procedures for disciplinary matters.

Until we receive communication from an attorney indicating that she or he is representing you, we will continue to communicate directly with you. Your refusal to accept service of process at your address of record, your failure to update your address with this Commission, or your claim that you have not received documents as a result of such refusals and failures, will not relieve you of your responsibility to respond to disciplinary proceedings.

Sincerely,

Jordanna Thigpen
Acting Executive Director
SAN FRANCISCO TAXI COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

COMPLAINT

1. Complaint is hereby made against Driss “Kiki” Elassali, Taxi Driver (“A-card”) Permit 52819, that said Permit Holder has conducted his business in a disorderly manner and violated provisions of the Taxicab and Ramped Taxi Rules & Regulations and the Municipal Police Code as described below.

2. Mr. Elassali has been a P-44 Taxi Driver Permit (“A-card”) holder with the City and County of San Francisco since 2000. He does not hold any other type of permit with the City and County of San Francisco. Officially, he claims to be driving for United Cab at present time. (Exhibit A, Declaration of Vicky Siu, Exhibit 1.)

3. Mr. Elassali first came to the attention of the Taxi Commission in Summer 2007 when the office began to receive numerous complaints about illegal “brokering” or “managing” of medallions in the taxicab industry. Investigation revealed severe problems perpetrated by Mr. Elassali and others who are also brokering medallions. (Exhibit B, Declaration of Scott Leon, Exhibit 2.)

4. Municipal Police Code § 1090(a) provides as follows:

(a) Revocation for Cause. Any permit issued under this Article may be suspended or revoked by the [Taxi Commission] for good cause after a noticed hearing. “Good cause” hereunder shall include but shall not be limited to, the following...

(iii) The permittee or the lessee of the permittee’s permit operated without the insurance required by this Article.
(iv) The permittee or an agent of the permittee knowingly made false statements to
or concealed information from the [Taxi Commission], the [Chief of Police or
Executive Director of the Taxi Commission] or the Police Department.
(ix) The permittee violated any applicable statute, ordinance, rule or regulation
pertaining to the operation or licensing of the vehicles and services regulated by this
Article...

Upon a showing of good cause, the [Taxi Commission] shall have discretion to
suspend or revoke a permit as set forth above, except that a suspension and/or
revocation shall be mandatory in the circumstances described in subparts (i) through
(iv) above.

As will be described below, Mr. Ellassali’s P-44 driver’s permit is subject to revocation for good
cause, including but not limited to the circumstances described herein.

Rules & Regulations* provides as follows:

No Taxicab Driver may lease a permit or medallion, either on a per shift basis or for
any term of time from anyone other than the Medallion Permit Holder or the Color
Scheme Company under which the permit or medallion is operating.

Mr. Ellassali has leases with an estimated two dozen medallion holders which violates this Rule.
Specifically, Mr. Ellassali contracts with medallion holders to “broker” or “manage” their
medallions. His arrangements with each individual medallion holder are distinct, but share common
themes.

6. Mr. Ellassali pays each medallion holder a monthly fee, in cash, ranging anywhere from
$1,800 to in excess of $3000 per month. He requires the medallion holders to “affiliate” with a color
scheme. Mr. Ellassali pays directly to the color schemes, on behalf of the medallion holders, a
monthly fee ranging from $250-$850 for use of the color scheme’s trade dress on the medallion
number taxicab vehicle associated with each particular medallion. “Affiliation” also typically
includes use of the dispatch service, the credit card machines, and the computer system if
applicable. Mr. Ellassali hires the drivers, maintains vehicles, and makes payments to the color
scheme for insurance and affiliate fees. He has personally been involved in taxicab vehicle
accidents and so have his drivers, and in addition, he moves drivers from company to company
without causing them to notify the Taxi Detail as required by Rule 6.A.8. It is also alleged that in
some cases he also arranges for the medallion holder to copy the drivers’ waybills in the medallion
holder’s own handwriting so that it falsely appears the medallion holder has been fulfilling his
driving requirement. Mr. Elassali provides these waybills knowingly and with intent to deceive the
Taxi Commission and the San Francisco Police Department in violation of MPC § 1110 (false
statements to the Taxi Commission and the SFPD.) (Exhibit C, Declaration of Tom Stanghellini;
Exhibit D, Declaration of Sgt. Ron Reynolds; Exhibit E, Declaration of Mostafa Syed; Exhibit F,
Declaration of Scott Van Leuven; Exhibit G, Declaration of Felix Goldberg; Exhibit H, Declaration
of Jamal Tawasha; Exhibit I, Declaration of Anatoly Beliovsky; Exhibit J, Declaration of Yousef
Oskou; Exhibit K, Declaration of Hossein Khousroozc; Exhibit L, Declaration of Jamil Sweidan;
Exhibit M, Declaration of Ronald Brother; Exhibit N, Declaration of Rich Hybels; Exhibit O,
Declaration of Kamal Heishan.)

7. **Charging Drivers Oppressive and Outrageous Gate Fees:** Mr. Elassali maintains a stable
of drivers whom he uses to drive the medallion taxicab vehicles. Again, the arrangements with each
particular driver are distinct, but share a common theme. He may lease the taxicab vehicle for the
entire month at rates of up to $6,000. He may also charge a gate fee to individual drivers of at least
$150 per shift. Mr. Elassali may also force individual drivers to purchase vehicles, although
occasionally he purchases them himself. (Exhibit C, Declaration of Tom Stanghellini; Exhibit N,
Declaration of Rich Hybels.)

8. **Operating Without a Permit:** Mr. Elassali hires and fires drivers, maintains their
schedules, pays for insurance and trade dress fees, and handles purchase, maintenance and accidents
of vehicles. Taken together, Mr. Elassali’s actions are those of a color scheme holder. The only
difference between Mr. Elassali and permitted Color Scheme Holders is that he has not adopted an
actual trade dress for the estimated twenty-two medallions that he manages. A Color Scheme
Holder finds medallions, enters into contracts with the medallion holders, and then recruits drivers
to operate the medallion number taxicab vehicles when the medallion holder is not driving the
vehicle. Color Scheme Holders also maintain business premises, general liability and worker’s
compensation insurance, and are subject to regulation as defined in Section 5 of the Rules &
Regulations. (Exhibit P, Declaration of John Lazar.) MPC § 1078(a) provides that any person
operating a color scheme within the City and County of San Francisco is required to have a color
scheme permit. Mr. Elassali does not have a permit and therefore he is in violation of MPC §
1078(a). In the alternative, Mr. Elassali has operated taxicab vehicles as if he were the individual
medallion holder for each of the estimated two dozen medallions he is brokering. MPC § 1078(a)
requires that a person must have a permit to operate a taxicab vehicle, and in addition, MPC § 1120
requires that it is “unlawful to own or operate a taxicab in the City and County of San Francisco
unless a taxicab permit has been issued by the [Taxi Commission] for operation of that vehicle.”
Each medallion that Mr. Elassali operates is held by another individual and therefore he is operating
each medallion that is brokering without a permit in violation of MPC §§ 1078(a) and 1120.

9. MPC § 1187.1 provides that any person operating a taxicab without a permit in the City
and County of San Francisco must have a permit as required in Section 1078. The Commission may
impose administrative penalties for violations of the permit requirement, including $2,500 for the
first offense and $5,000 for subsequent violations. Mr. Elassali has been operating his illegal color
scheme for at least 3 years. (Exhibit B, Declaration of Tom Stanghellini; Exhibit N, Declaration of
Rich Hybels.)

10. Operating Without Insurance: “Operator” is defined in the Municipal Police Code, Article
16, as “any person...licensed by the City and County of San Francisco pursuant to the provisions of
this Article and any agent of such permittee including, but not limited to, any manager or lessee of
said permittee.” MPC § 1091 requires that “no person...shall operate any motor vehicle for hire
unless and until such person...shall comply with the provisions of either Section 1092 or 1094...”
In addition to operating without a permit, Mr. Elassali has not provided the Taxi Commission with
evidence of his insurance policy or bond or evidence of self-insurance, as required by MPC § 1092
or 1094, and therefore, is operating without insurance as prohibited by MPC § 1091. Nor has Mr. Elassali filed an annual sworn statement or submitted financial information as required by MPC § 1095. (Exhibit A, Declaration of Vicky Siu.)

11. **False Statements to SFPD**: Mr. Elassali also attempted to conceal his noncompliance from the San Francisco Police Department and the San Francisco Taxi Commission. Specifically, on February 1, 2008, Mr. Elassali made false statements to Sgt. Ron Reynolds of the San Francisco Police Department Taxi Detail, when he first stated that he did not broker or manage any medallions, and then admitted to brokering three medallions. These statements were knowingly false and Mr. Elassali made them with the intent to conceal the fact that he has committed the violations alleged in this Complaint. He has therefore violated MPC § 1110 and Rule 6.A.4.

12. Mr. Elassali holds a driver’s permit and therefore, he is required to comply with provisions of Article 16 of the Municipal Police Code as well as Section 6 of the *Rules & Regulations*. Rule 6.A.1 provides that each Driver shall comply with applicable laws. By operating a color scheme without a permit, Mr. Elassali is in violation of Rule 6.A.1.

13. The last color scheme with which Mr. Elassali was affiliated was United. He falsely informed Sgt. Reynolds at his interview that he was employed at Yellow Cab, yet if this is true, he has failed to notify the Taxi Detail, the Taxi Commission, and the Treasurer’s Office of the change in his employment, in violation of Rule 6.A.8 and Rule 6.A.9. If is not true, he knowingly committed a false statement in violation of MPC § 1110.

14. MPC § 1090(a)(vi) provides for mandatory revocation of the permit of a Permittee who has “failed to satisfy any judgment for damages arising from unlawful or negligent operation under any permit issued under this Article.” In 2005, Mr. Elassali hit a police officer with his vehicle and never reported the accident. A lawsuit was filed in 2006 but Mr. Elassali failed to satisfy the judgment. (Exhibit Q, Declaration of Dmitry Erenkov.)
15. **Conclusion:** Mr. Ellassali is a blight upon the San Francisco taxicab industry with his illegal activities and poor business judgment and practices. He has violated MPC § 1110, MPC § 1187.1, and Rules 6.A.1, 6.A.4, 6.A.8, 6.A.9, and 6.A.11. He has violated MPC § 1078(a) and MPC § 1120. He has also violated MPC §§ 1091, 1092, 1094, and 1095. Pursuant to MPC § 1090(a)(iii), (iv), and (ix), his P-44 driver’s permit must be revoked and fines of at least $2500 must be administered. This Complaint shall constitute the Executive Director’s Notice pursuant to MPC § 1188. A statement including a list of witnesses shall be provided to Mr. Ellassali at least five days prior to the hearing. The hearing shall occur on April 18, 2008 at 10:00 am in Room 408 of San Francisco City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.
MPC § 1078(a). PERMIT REQUIRED FOR OPERATION OF MOTOR VEHICLES FOR HIRE; EXCLUSIONS.

(a) Permit Required. No person, business, firm, partnership, association or corporation shall drive or operate any motor vehicle for hire on the public streets of the City and County of San Francisco, nor shall any person, business, firm, partnership, association or corporation operate any taxicab radio-dispatch service or taxicab color scheme in the City and County of San Francisco, without a permit issued by the Taxi Commission authorizing such driving or operation in accordance with the provisions of this Article.

MPC § 1090(a)(iii), (iv) and (ix). REVOCATION OF PERMITS

(a) Revocation for Cause. Any permit issued under this Article may be suspended or revoked by the Police Commission for good cause after a noticed hearing. "Good cause" hereunder shall include, but shall not be limited to, the following:

(i) The permittee ceased to be a full-time driver.
(ii) The permittee failed to pay a permit fee after notice of nonpayment.
(iii) The permittee or the lessee of the permittee's permit operated without the insurance required by this Article.
(iv) The permittee or an agent of the permittee knowingly made false statements to or concealed information from the Police Commission, the Chief of Police or the Police Department.
(v) The permittee has been convicted of any crime involving moral turpitude.
(vi) The permittee has failed to satisfy any judgment for damages arising from unlawful or negligent operation under any permit issued under this Article.
(vii) The permittee has been convicted of a misdemeanor under Section 1185 of this Article.
(viii) The permittee violated the Traffic Code of the City and County of San Francisco or the Vehicle Code or related laws of the State of California.
(ix) The permittee violated any applicable statute, ordinance, rule or regulation pertaining to the operation or licensing of the vehicles and services regulated by this Article, including any rules and regulations enacted by the Chief of Police pursuant to this Article.

Upon a showing of good cause, the Police Commission shall have discretion to suspend or revoke a permit as set forth above, except that a suspension and/or revocation shall be mandatory in the circumstances described in Subparts (i) through (vi) above.

MPC § 1091. INSURANCE REQUIRED.

Unless otherwise provided by ordinance, no person, firm or corporation, shall operate any motor vehicle for hire unless and until such person, firm or
corporation shall comply with the provisions of either Section 1092 or 1094 of this Article.

MPC § 1092. FILING INSURANCE POLICIES OR BOND WITH POLICE COMMISSION.

(a) Each person, firm or corporation holding a permit to operate a motor vehicle for hire pursuant to this Article shall file with the Police Commission and thereafter keep in full force and effect a policy of insurance in such form as the Police Commission may deem proper and executed by an insurer approved by the said Commission insuring the public against any loss or damage that may result to any person or property from the operation of such vehicle or vehicles.

MPC § 1094. SEC. 1094. PROVISIONS FOR SELF-INSURERS.

Any person, firm, corporation, association or organization of owners of vehicles for hire who have a certificate of self-insurance from the State of California pursuant to Sections 16500 and 16056 of the Vehicle Code may file said certificate together with a policy of insurance providing excess insurance over self-insurance retention for single limit of not less than $1,000,000 applying to bodily injuries or property damage or a combination thereof, with the Police Commission, and shall thereupon be deemed in compliance with the provisions of Section 1092 of this Article.

MPC § 1095. INFORMATION TO BE FILED WITH CHIEF OF POLICE.

(a) Information Re Other Permits. No person, firm or corporation shall operate or cause to be operated any motor vehicle for hire, unless and until such person, firm or corporation shall file with the Police Commission a sworn statement setting forth the permits and/or certificates held, or proposed to be acquired, by applicant from other governmental bodies relating to the proposed operation, and annually thereafter, and not later than the first week in May of each year, and as often as said Commission shall direct, file a sworn statement setting forth the permits and/or certificates then held by applicant from other governmental bodies relating to said operation, together with a sworn statement showing full compliance with all provisions of the Municipal Code and/or State or federal laws applicable to said operations. Failure to file such statement or statements shall constitute a violation of this Article and shall be deemed a cause for cancellation of any and all permits to so operate.

Excepting, however, every person, firm or corporation having heretofore filed such statement with the Board of Supervisors, shall file such annual statement as provided herein.
(b) Financial Information. The Controller of the City and County of San Francisco shall establish rules and regulations for the keeping and filing of financial statements, and accounting books and records, by permittees under this Article. The purpose of such rules and regulations shall be to provide information to the Board of Supervisors with respect to maximum rates to be authorized for motor vehicles for hire and to the Police Commission for the performance of its duties under the law.

MPC § 1110: SEC. 1110. FALSE STATEMENTS PROHIBITED.

It shall be unlawful knowingly to make any false or misleading representation, or knowingly to conceal information where this Article requires that information be disclosed, in connection with the application for, renewal of, or possible revocation of a permit issued under this Article.

MPC § 1120: SEC. 1120. TAXICAB PERMITS.

It shall be unlawful to own or operate a taxicab in the City and County of San Francisco unless a taxicab permit has been issued by the Police Commission for the operation of that vehicle. Taxicab permits shall be applied for and issued pursuant to Sections 1079 through 1081 and this Division of this Article.

MPC § 1187.1: OPERATING WITHOUT A PERMIT; VIOLATIONS; ADMINISTRATIVE PENALTIES.

(a) Permit Required. Any person operating a motor vehicle as a taxicab or other motor vehicle for hire licensed under this Article must have a permit as required in Section 1078.

(b) Administrative Penalties. The Taxi Commission (the Commission) may impose administrative penalties for violations of the permit requirement, in accordance with the procedures established in Section 1188. The penalties may be assessed against the driver or against the vehicle's owner if it is proven that the driver operated the vehicle as a taxicab with the owner's knowledge. These penalties are in addition to any other penalties or methods of enforcement authorized by law.

For purposes of Section 1188, the violator shall be referred to as "the permit holder." If any penalties are not paid to the Taxi Commission within 30 days of the notice, the Commission shall refer the unpaid penalties to the Bureau of Delinquent Revenue.
(c) Amount of Penalty. The administrative penalties assessed against the violator by the Commission shall not exceed two thousand five hundred dollars ($2,500) for a first violation or five thousand dollars ($5,000) for a subsequent violation.

In determining the amount of the penalty in an individual case, the Commission shall take into account:
(i) Whether the violator has in the past violated the permit requirement, other provisions of Article 16, the Taxi Commission's rules and regulations, or state law relevant to the operation of a taxicab permit;
(ii) Whether the violator concealed or attempted to conceal his or her non-compliance with the permit requirement; and
(iii) Such additional factors as the Commission may determine are appropriate.

**MPC § 1188. PROCEDURES FOR ADMINISTRATIVE PENALTIES.**

(a) Director's Notice. Upon a determination that a permit holder has violated the full-time driving requirement or the Commission's rules and regulations, the Executive Director of the Taxi Commission (the Director) shall send a written notice, by first class mail or hand-delivery, to the permit holder, at the address listed in the Taxi Commission's records, identifying and describing the alleged violations and stating the amount of the administrative penalty to be imposed. The notice shall also inform the permit holder that he or she has the right to request a fact-finding hearing on the alleged violations and the proposed penalty by filing such a request within 15 business days of the date of the notice. The Director and the permit holder may modify the Director's proposed decision by mutual consent. If the permit holder does not request a fact-finding hearing within the 15 days, the decision of the Director shall be final.

(b) Scheduling of Fact-finding Hearing. Whenever a fact-finding hearing is requested under subsection (a) above, the Director within 10 business days of receiving the request shall notify the permit holder of the date, time, and place of the hearing by first-class mail or hand delivery. Such hearing shall be held no sooner than 20 business days and no later than 40 business days after the Director receives the request for a hearing, unless the time is extended by mutual agreement of the permit holder and the Director. Notice of hearings shall be posted on the Commission's web site at least 72 hours in advance of the hearings.

(c) Hearing Officers. The Director shall appoint a hearing officer for the fact-finding hearing from a list approved by the Commission. The hearing officer shall not be an employee of the Taxi Commission or the Police Department.
(d) Submittals for the Hearing. At least 5 business days prior to the hearing, the parties to the hearing shall submit written information to the hearing officer including, but not limited to, the following: a statement of the issues to be determined by the hearing officer, a statement of the evidence to be offered at the hearing and the identity of any witnesses to appear at the hearing. The written information shall not exceed 10 double-spaced pages, excluding exhibits.

(e) Conduct of the Hearing. The hearing shall be open to the public and tape recorded. Any party to the hearing may, at his or her own expense, cause the hearing to be recorded by a certified court reporter. During the hearing, evidence and testimony may be presented to the hearing officer. Parties may be represented by counsel and have the right to cross-examine witnesses. All testimony shall be given under oath.

The hearing need not be conducted according to formal rules of procedure and evidence, but no decision shall be based solely on hearsay evidence. The hearing officer may make reasonable rulings to ensure a fair and efficient hearing.

(f) Proposed Decision. The hearing officer shall, within ten business days after the conclusion of the hearing, present a proposed decision including written findings and recommendations regarding penalties to the Commission. The hearing officer shall at that time transmit his or her decision to the permit holder by certified mail directed to the most recent address on file with the Commission for the permit holder. The Commission shall post at its office a notice that a copy of the proposed decision is available for public inspection during normal business hours.

(g) Commission Action. The Executive Director shall place the hearing officer’s proposed decision on the Commission’s consent calendar for the next scheduled meeting occurring not less than ten calendar days after entry of the Director’s decision. The Director shall also submit the recording of the hearing and any written materials submitted in connection with the hearing. The proposed decision shall be a recommendation to the Commission, and the Commission may adopt, modify, or deny such recommendation, or may remand the matter to the hearing officer for further proceedings. The Commission may act on the hearing officer’s proposed decision and the record presented; it may not rehear the case. The Commission shall serve its final decision upon the parties to the hearing and post the decision in the same manner as provided for herein with respect to the hearing officer’s proposed decision.

(h) Collection. If the Commission finds against the permit holder and imposes administrative penalties, the Commission’s decision shall state the amount of the penalties and declare that they are due and payable to the City and County of San Francisco within 30 days of the date of the decision, provided that the Executive Director may agree to a reasonable payment schedule not to exceed the permit holder’s income on a monthly basis. If the penalties are not paid to the Taxi Commission within 30 days of the notice, the Commission may move to suspend or revoke the permit.

(i) Other Penalties. The penalties and methods of enforcement set forth in this Section and in Sections 1186 and 1187 are in addition to those set forth in
Sections 1090 and 1185 of this Code and in addition to any other penalties or methods of enforcement authorized by law.
DECLARATION OF VICKY SIU

1. I am over the age of 18 and not a party to this action, and I am a citizen of the United States.

2. My name is Vicky Siu, and my business address is 25 Van Ness, Suite 420, San Francisco, CA 94102. I am employed at the Taxi Commission as the Office Coordinator. In that capacity, and as part of my regular duties, I receive and maintain records for the Commission. Attached to this Declaration are true and correct copies of various records which were received and maintained in the ordinary course of my duties at the Taxi Commission.

3. Attached as Exhibit 1 is a true and correct copy of a Police Department document issuing Mr. Driss “Kiki” Elassali a P-44 Taxi Driver Permit on May 26, 2000.

4. Attached as Exhibit 2 is a true and correct copy of Mr. Elassali’s records from the Treasurer & Tax Collector’s computer system. I access the Treasurer & Tax Collector’s records on a daily basis in the course of my duties. The records demonstrate the history for a particular permit. In the case of Mr. Elassali, the records demonstrate that he renewed his A-card on February 20, 2008 and claims to drive for United Cab. At the top it states that the account began May 26, 2000.
5. I also collect and maintain annual filings required by permittees operating taxicabs. Both
color schemes and medallion permit holders are required to submit annual filings known as a Form
1095 as well as other declarations regarding worker's compensation and financial filings. Mr.
Ellassali has never submitted any of the annual filings as required.

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

Signed: [Signature]

Date: 3/4/08

Vicky Siu
Office Coordinator
San Francisco Taxi Commission

Executed in San Francisco, California
POLICE DEPARTMENT PERMIT
City and County of San Francisco
State of California

Permit Number: \text{AN591} \quad \text{Date Granted: MAY 26 2000}

TYPE OF PERMIT: DRIVER PUBLIC VEHICLE

Permission is hereby granted to:
Name(s): Driss Elsali

Location: 650 Ellis St. #12, San Francisco 94109

Business Name: "Yellow Cab Co."

Unless revoked or suspended by the Chief of Police during a current year or unless the permit is valid for only a specified time, it shall be deemed that application for a tax license renewal has been made at the end of each year and the original application granted under the conditions, limitations and obligations is unchanged.

Instructions To Permittee(s): You must display this permit on site in a conspicuous place. You are required to allow any police officer to inspect your premises. You shall not transfer this permit to another person or conduct a separate business at a different location other than that described on this permit. ANY CHANGE IN OWNERSHIP OR THE LOCATION OF THE BUSINESS REQUIRES THAT A NEW APPLICATION BE FILED WITHIN 10 DAYS OF THE DATE OF CHANGE. If a permit is granted, and an appeal is filed by any person within 15 days of issuance, the permit is not valid until the appeals process is concluded, and a final decision is rendered by the Board of Appeals.

Pertinent information regarding this permit:


Failure to conduct your business in conformity with these regulations may subject you to a criminal citation or arrest and the revocation of your permit. This permit is accepted and subject to all legal obligations, requirements, and to the conditions set forth above.

Signature of Permittee: [Signature] \quad \text{Issued by: [Signature] Chief of Police}

SFFD 237 (Rev.6/99)

Verified by: [Signature]
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P44 052819 RECORD RETRIEVED - ENTER CLASS-ACCOUNT FOR NEXT RECORD
DECLARATION OF TOM STANGHELLINI

1. I am over the age of 18 and not a party to this action, and I am a citizen of the United States.

2. My name is Tom Stanghellini, and I am the Operations Manager for Luxor Cab Company. I have been employed in that capacity for six years and prior to that time, I was an officer with the Daly City Police Department for twelve years. My business address is 2230 Jerrold Avenue, San Francisco, CA 94124. I oversee administration including scheduling of taxicab drivers, leases with medallion holders. Part of my duties are processing transactions such as new medallions, color scheme changes, insurance requests and medallion lease payments. I also handle driver scheduling and I must approve every driver that comes through Luxoc Cab for insurance purposes.

3. I first became aware of Mr. Driss “Kiki” Ellassali, an illegal medallion broker, on or about May 1, 2005. At that time he came into Luxor to be a taxicab driver. My recollection is that he came in with the medallion holder that he would be driving for, Mr. Ian Carmichael, the former holder of medallion # 334. I placed him as a driver under # 334, since he represented that he would be driving that vehicle. I spoke to the medallion holder, approximately two months later, and Mr. Carmichael stated “for finances, speak to Kiki, because he handles all that.” I assumed that Mr. Ellassali was brokering Mr. Carmichael’s medallion by hiring drivers, managing their schedules, purchasing the vehicle, paying color scheme fees and paying insurance. In my experience as Operations Manager these are typical activities of a color scheme, and individuals engaging in this practice are acting as brokers or color schemes without a permit.

4. On or about December 2006, Mr. Ellassali started to pay the monthly color scheme fees for # 675 and other medallion vehicles. At some point in early 2006, he also began paying the color scheme fees for cab number # 968 and brokering # 968, but the owner took back
management because of Mr. Elassali’s business practices which include bouncing checks and being delinquent in payments to Luxor Cab.

5. On November 9, 2006, Ian Cartmill, passed away. Luxor Cab was required to turn the medallion back to the City. In November or December 2006, Mr. Elassali began brokering Medallion # 1079 and Medallion # 841. I understand from my conversations with others in the industry that he is brokering over two dozen medallions at various companies.

6. In the past year and a half, I have had consistent problems with drivers that are driving for Mr. Elassali. Specifically, they turn in waybills from other companies such as DeSoto, to Luxor Cab. From my understanding, resulting from my conversations with drivers and customers, some of Mr. Elassali’s drivers are driving for DeSoto, which does not accept credit cards, and then come into Luxor to process their credit card slips. This results in expense to Luxor Cab because of the merchant services charges from the credit cards, and additionally, I am aware that some customers have done chargebacks because they have realized they did not ride in a Luxor Cab and were contesting a charge from Luxor Cab.

7. The most recent incident involving Mr. Elassali occurred in November 2007. Luxor had a driver for twenty-five years, Mr. Mikhail Liriseman. Mr. Liriseman came up on the waiting list. He wanted to affiliate with Luxor, but could not decide if he wanted to be gas and gates or a color scheme affiliate. I told him he needed to make that decision right away and that he needed to speak to John Lazar. I talked to him in person twice more over a four-week period and informed him of his responsibilities in that regard. He failed and refused to speak to John. On or about November 15, 2007, Mr. Elassali came in with four drivers and stated that those drivers were going to be the drivers for Mr. Liriseman. Once more I informed Mikhail to speak to John, but he continued to fail and refuse, and ultimately, filed for a transfer to Yellow Cab.
8. One reason I believe that Mr. Elassali is managing several dozen medallions is because he has an enormous stable of drivers. I have tried to force Mr. Elassali to bring new drivers in when he hires them, because of our insurance requirements at Luxor. He will not commit drivers to a specific shift. He will simply say “these two drivers are going to alternate back and forth on night shifts,” or “these drivers will be relief drivers” on a particular vehicle. I will then check for that particular vehicle and discover some other drivers driving those shifts. Then I will find out the original drivers are driving at other companies on other vehicles that Mr. Elassali is brokering. Over the years, Mr. Elassali has repeatedly turned up at Luxor driving various taxicab vehicles from other companies.

9. I have had ongoing problems with Mr. Elassali since May 2005. For example, he has bounced several checks to Luxor Cab for payments of color scheme fees that he has made on behalf of the medallions he is brokering. Also, when I call medallion holders to discuss a particular problem, the medallion holder will respond “it’s not my problem, it’s Kiki’s problem.” However, our contract is with the medallion holder, not with Mr. Elassali.
10. When he brokers a medallion, Mr. Elassali purchases the vehicles for the medallion holders and also purchases insurance. Meanwhile, the medallion holder's name remains on the title. Some of the problems I have noted include overcharging of gate fees (up to $150), not shifting on property, refusal to communicate with Luxor management, charging excessive deposits to drivers (upwards of $2,000). Mr. Elassali also enters into questionable arrangements with medallion holders — for example, Cab Number # 675 was in an accident and Mr. Elassali paid to replace the vehicle. This occurred approximately November 2007.

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

Signed:

Date:

3-11-08

Tom Stanghellini
Operations Manager
Luxor Cab

Executed in San Francisco, California
DECLARATION OF SCOTT LEON

1. I am over the 18 years old and a citizen of the United States, and I am not a party to this action.

2. I am an Investigator with the San Francisco Taxi Commission. My duties involve investigating Color Schemes and permit holders of the taxicab industry to ensure they meet the regulatory compliance of the Taxicab/Ramped Taxi Rules and Regulations enacted by the Taxi Commission. I conduct audits and inspections, detect violations and fraud in the taxi industry, and I collect, maintain, and analyze evidence for disciplinary cases. I also interview witnesses, including drivers, medallion holders, color scheme company owners, and others.

3. My investigation with Mr. Driss “Kiki” Ellassali began in November 2007 under the direction of Deputy Director Jordanna Thigpen. I was instructed to assist with the investigation to review and evaluate Mr. Ellassali’s role in the taxicab industry as a “broker” or “manager” of medallions.

4. I discovered that Mr. Ellassali’s network of medallion holders was quite extensive. In conversations with sources and informants in the industry, I believe that Mr. Ellassali is brokering at least twenty-four medallions. Due to resources constraints in our office and my need to finish the annual Proposition K driving requirement audits and the annual color scheme audits, I have stopped investigating Mr. Ellassali, but I believe that we have only scratched the surface of his illegal activities in the San Francisco taxicab industry.

5. Over the course of February 2008, Sgt. Reynolds, Deputy Director Thigpen, and myself interviewed several medallion holders who are allowing Mr. Ellassali to broker or manage their medallions. Those medallion holders included the following individuals: Mostafa Syed, Scott van Leuven, Felix Goldberg, Jamal Tawasha, Anatoly Belovsky, Yousef Oskoui, Hossein Kousrooze, Jamil Sweidan, Kemal Heishan, Ahmad Mozanffari, and Ronald Brother. Each one submitted voluntarily to an interview and voluntarily submitted declarations. Those declarations are attached to the Complaint.
DECLARATION OF SGT. RON REYNOLDS

1. I am over the age of 18 and not a party to this action, and I am a citizen of the United States.

2. My name is Ron Reynolds, and I am a Sergeant with the San Francisco Police Department Taxi Detail. My business address is 850 Bryant Street, Suite 458, San Francisco, CA 94103. I am employed at the Taxi Detail as Officer-in-Charge, a position I have held since November 2006. In that capacity, I have responsibility for motor vehicles for hire and all associated permits, such as medallion permits, in the City and County of San Francisco.

3. My office received a complaint that Medallion # 899 was being managed or brokered by an individual alleged to be managing or brokering two dozen medallion permits. Brokering or managing medallions is a violation of the triple-layer lease rule contained in the Taxicab/Ramped Taxi Rules & Regulations and in my experience, brokering or leasing results in other rule violations such as overcharging of gate fees, shift-changing off property, and other problems. Therefore, I decided to investigate the complaint for Medallion # 899.

4. On January 31, 2008, I went to Royal Cab and interviewed drivers and office personnel at Royal’s premises. Cab # 899 was sitting on the lot, out of service for a blown engine. However, Spare Cab # 2318 was out and had apparently been used as a substitute for weeks without notification to the taxi Commission or the Taxi Detail. No driver I interviewed at Royal’s premises could recall seeing Cab # 2318 or a driver for that vehicle or Cab # 899 in weeks. Apparently, the drivers and the cab had not been shift-changing for Cab # 2318 on property. I asked for waybills for Cab # 899 or Cab # 2318 and no waybills were available since none had been turned into the business office since the end of November 2007.
5. On February 1, 2008, I interviewed Jamil Sweidan, a medallion holder with Royal. I informed him that I had a complaint regarding his medallion, that it was being illegally brokered or managed by Mr. Driss Ellassali. During that conversation, Mr. Sweidan admitted to me that he was not driving his medallion and was in violation of the full-time driving requirement.

6. Mr. Sweidan also admitted to me that Mr. Ellassali was in fact brokering his medallion for him by hiring drivers. Mr. Sweidan stated that he did not have a written contract with Mr. Ellassali, that he did not know Mr. Ellassali’s last name, that he occasionally drove other cabs since his was occupied by drivers that Mr. Ellassali obtained for him and placed in his vehicle to drive it, and that he had no idea he was violating the rules. He also stated that he (Mr. Sweidan) drove a spare cab for months at a time, when he did drive.

7. I have reviewed the declaration that Mr. Sweidan gave to the Taxi Commission, based on a subsequent interview he gave to Investigator Scott Leon. Based on my review of that declaration, it is my belief that Mr. Sweidan gave inconsistent statements to Investigator Leon and myself, because Mr. Sweidan admitted to me that he had been contracting with Mr. Ellassali for over a year and knew that Mr. Ellassali was managing the medallion, while he told Investigator Leon that he was “confused” about who was managing his medallion.

8. On February 1, 2008, I also interviewed Mr. Ellassali himself, because he came with Mr. Sweidan to the interview to represent Mr. Sweidan’s interests. Like Mr. Sweidan, Mr. Ellassali voluntarily came into Taxi Detail to answer questions; he was not requested to be at the interview for Mr. Sweidan.

9. I asked Mr. Ellassali if he was brokering Medallion #899, held by Mr. Sweidan, to which he responded “no” – despite the fact that Mr. Sweidan had already informed me moments before that Mr. Ellassali was, in fact, brokering # 899. I also asked him if he was leasing #899, to which he responded “whatever he [Mr. Sweidan] told you, it’s fine.” He made what I believe to be false
statements regarding the submission of waybills, and what I believe to be false statements
involving the drivers operating #899 and #2318. He also made what I believe to be false
statements regarding the use of particular cabs and whether they were shift-changing on the
property.

10. In the course of the interview he finally conceded that he has his "friends" drive taxicab
vehicles. He claimed that he "helps a big community of people, no one helps them when they
come here but I do" and stated that he helps 2,000 people. He stated "I know Gavin Newsom, I
know Jordanna [Thigpen]," to imply that he would have these two public officials use their
official position to help him if he was in trouble, and to intimidate a Sergeant of the San
Francisco Police Department who was performing his official duties.

11. After being interrogated, Mr. Ellassali finally conceded that he was leasing/brokering
medallions, but he stated that he was only leasing/brokering three medallions. I believe this to be
an untrue statement based on my review of the other declarations in this matter from other
medallion holders that he is brokering.

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

Signed: [Signature]

Date: 3/11/08

Ron Reynolds
Sergeant, Officer-in-Charge, Taxi Detail
San Francisco Police Department

Executed in San Francisco, California
DECLARATION OF MOSTAFA SYED

1. I am over the 18 years old and a citizen of the United States, and I am not a party to this action.

2. My name is Mostafa Syed. I reside at 1068 Crestwood Drive, South San Francisco, CA 94080.

3. I have been a taxi driver in San Francisco since 1988. I hold medallion permit #179 and presently drive full time for Luxor Cab.

4. I first became acquainted with Driss Ellassali, aka Driss "Kiki" Ellassali, on or about 1998 in the taxi lot of the San Francisco International Airport (SFO). By word of mouth and recommendation from other medallion holders, I was told that Mr. Ellassali was someone who helps manages medallion and he offers to pay more money than the color schemes pay the medallion holders.

5. On or about the second week of October 2007 I was scheduled to leave the country to travel to Bangladesh to seek medical treatment for my heart condition. I needed someone to manage my medallion for the period I was gone, otherwise there would be financial hardship for my family.

6. Mr. Ellassali offered to manage my medallion until I returned back from Bangladesh on December 30 2007. On or about the first week of October 2007 I accepted Mr. Ellassali's offer to manage my medallion, including hiring drivers, paying the insurance and taking care of the maintenance for the vehicle.

7. On or about first week of October 2007 I informed Mr. Tom Stangellini that I would contract with Mr. Ellassali to manage my medallion. Mr. Stangellini gave me the approval without any comments or objections.
8. Based on our agreement Mr. Ellassali offered to pay me $2,700 per month in cash while I pay him the Luxor gate fees during the shifts I drive. Mr. Ellassali also agreed to handle the maintenance for the vehicle, and pay for the color scheme and insurance fees to Luxor.

9. Mr. Ellassali continued to manage my medallion after I returned from Bangladesh on January 1, 2008. I receive my cash transactions at least once per month in various places, such as my house, at SFO, or during shift changes at Luxor.

10. I chose Mr. Ellassali to manage my medallion because he was able to help me financially while I was away from the country. I have no knowledge that I have violated any taxi rules or regulations, and it is my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: [Signature]
Date: 02-27-08

Executed in San Francisco, California
DECLARATION OF SCOTT VAN LEUVEN

1. I am over 18 years old and a citizen of the United States, and I am not a party to this action.

2. My name is Scott Van Leuven. I reside at 2378 Saint Francis Drake #6, Fairfax, CA 94930.

3. I have been a taxi driver in San Francisco since 1972. I hold medallion permit #675 and presently drive full time for Luxor Cab.

4. I first became acquainted with Driss Elassali, aka Driss "Kiki" Elassali, on or about January 2007 through Mr. John Lazar at Luxor. I informed Mr. Lazar that wanted a better deal for the management of my medallion, or otherwise I would go somewhere else. Rather than see me leave Luxor, Mr. Lazar just told me to contact Mr. Elassali.

5. On or about January 2007 I telephoned Mr. Elassali he made an offer to manage my medallion, which I accepted. Based on a verbal agreement without a written contract, Mr. Essali agreed to pay me $2,500 per month in cash while he covers the maintenance, permit and insurance fees to Luxor.

6. I have been receiving my cash payments from January 2007 until the present time. I receive my payment once a month and it is delivered to me during shift changes.

7. I chose Mr. Elassali to manage my medallion by recommendation of Mr. Lazar at Luxor and simply because Mr. Elassali offers to pay more than the color schemes. I have no knowledge that I have violated any taxi rules or regulation, and it is my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: [Signature]  Date: 2-27-08

Executed in San Francisco, California
DECLARATION OF FELIX GOLDBERG

1. I am over 18 years old and a citizen of the United States, and I am not a party to this action.

2. My name is Felix Goldberg. I reside at 2079 Morello Ave., Pleasant Hill, CA 94523.

3. I have been a taxi driver in San Francisco since 1980. I hold medallion permit #841 and presently drive full time for Luxor Cab.

4. I first became acquainted with Driss Elassali, aka Driss “Kiki” Elassali, on or about May 2007 at the taxi lot of the San Francisco International Airport (SFO). By word of mouth and recommendation from other medallion holders, I was told that Mr. Elassali was someone who helps manage medallions with additional incentives.

5. On or about May 2007 my taxi vehicle was having a lot of maintenance issues and it eventually broke down beyond repair. I needed a new vehicle and I was informed by other permit holders that Mr. Elassali own several vehicles with Yellow and Luxor.

6. Since I did not have a lot of cash to purchase a new vehicle, I approached Mr. Elassali for help on or about May 2007. At first Mr. Elassali offered me to lease one of his vehicles for $80 per shift, a 2003 Ford Taurus, License #7Z60048, VIN # 1FAFP55S03G250739. As part of our agreement, Mr. Elassali agreed to pay me $1800 per month in cash for the monthly fees I collect from my medallion and I would pay him $80 per shift for the leasing of his vehicle. As an additional incentive, Mr. Elassali also agreed to handle all my maintenance costs, cover my permit and insurance fees to Luxor, and provide me with a flexible driving schedule.

7. On or about May 2007 I informed Tom Stangellini that I would be leaving Luxor and contract with Mr. Essali to manage my medallion. Mr. Stangellini provided the approval without any objections.

8. I have been receiving my cash payments from May 2007 until the present time. I receive my payment once a month and it is delivered to me during shift changes at Luxor.
9. On or about July 2007 Mr. Elassali issued a non-sufficient check to Luxor in the amount of $1300 to pay for my permit and insurance fees. Because of Mr. Elassali’s bad check, I temporarily lost access to my company’s dispatch service for that month. This incident occurred again in August 2007 when Mr. Elassali issued another bad check to Luxor, resulting in further lost of my taxi wages.

10. On or about December 2007, I told Mr. Elassali that I was not satisfied with the management of my medallion because he was not paying on time with the color scheme, insurance and workers compensation fees. We made an agreement that I would purchase the vehicle from Mr. Elassali for $4,000. I told Mr. Elassali that once I finish paying off the vehicle I will continue to manage my own medallion. I already paid Mr. Elassali $1,500, so I still owe him a remaining balance of $2,500 as of today.

11. I chose Mr. Essali to manage my medallion because I did not have a lot of cash and I needed a vehicle to drive. Mr. Elassali provided me with a flexible schedule when I can start driving at 3pm. I have no knowledge that I have violated any taxi rules or regulation, and it is my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: Jolin Aoling

Date: 02/26/05

Executed in San Francisco, California
DECLARATION OF JAMAL TAWASHA

1. I am over 18 years old and a citizen of the United States, and I am not a party to this action.

2. My name is Jamal Tawasha. I reside at 244 Dennis Drive, Daly City, CA 94015.

3. I have been a taxi driver in San Francisco since 1987. I am a new medallion permit holder #1315 and presently drive full time for Luxor Cab.

4. I first became acquainted with Driss Ellassali, aka Driss “Kiki” Ellassali, on or about 2001 when we waited together in the taxi lot of the San Francisco International Airport (SFO). Prior to receiving my new medallion, Mr. Ellassali had offered to sell me his hybrid vehicle to use as my taxi.

5. On December 1, 2007 I purchased Mr. Ellassali’s 2005 Ford Escort, an alternate fuel only vehicle, in the amount eighteen thousand USD ($18k). The Ford Escort’s vehicle license plate number is #8J7267, and the vehicle’s identification (VIN) is #1FMCU95H1KB86725.

6. Since I owe money to Mr. Ellassali for the purchase of this vehicle, he offered to manage my medallion along with an opportunity to finance the vehicle. In other words, I reimburse Mr. Ellassali back through the monthly fees I collect from my medallion.

7. On or about December 12, 2007, I accepted Mr. Ellassali’s offer to manage my medallion. Based on a verbal agreement without a written contract, Mr. Ellassali agreed to pay me $1,800 per month in cash while he hires my drivers and takes care of my permit and insurance fees to Luxor.

8. When I began contracting with Mr. Ellassali to manage my medallion, the managers at Luxor Cab already knew of my situation and did not say anything to me.

9. I have been receiving my cash transactions from January 2008 until the present time. I receive my payment once a month and it is delivered to me during shift changes at Luxor.
10. I chose Mr. Ellassali to manage my medallion only by word of mouth and recommendation of other people. As a new permit holder I do not want to take any chances or do anything that could jeopardize losing my medallion. I have no knowledge that I have violated any taxi rules or regulation, and it is my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: [Signature]

Date: 2/22/08

Executed in San Francisco, California
DECLARATION OF ANATOLY BELIOVSKY

1. I am over 18 years old and a citizen of the United States, and I am not a party to this action.


3. I have been a taxi driver in San Francisco since 1991. I hold medallion permit #1276 and presently drive full time at Luxor Cab.

4. I first became acquainted with Driss Ellassali, aka Driss “Kiki” Ellassali, on or about August 2007 when we waited together in the taxi lot of the San Francisco International Airport (SFO). By word of mouth and recommendation from other medallion holders, I was told that Mr. Ellassali was someone who helps manage other people’s medallion with hassle free incentives.

5. On September 1, 2007, I approached Mr. Ellassali and accepted his offer to manage my medallion. Based on a verbal agreement without a written contract, Mr. Ellassali agreed to pay me $1800 per month in cash while he takes care of my maintenance of my vehicle and also covers the permit and insurance fees to Luxor.

6. On September 1, 2007 when I began contracting with Ellassali, the managers at Luxor already knew that I was affiliated with Mr. Ellassali and they chose not to get involved.

7. I have been receiving my cash transactions from September 1, 2007 until the present time. I receive my payment once a month and it is delivered directly to me during shift changes.

8. Starting next month in March 2008, Mr. Ellassali will begin paying me $1,800 per month minus the gate fees because I will be driving additional shifts of at least three (3) nights out of the week.

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9. I chose Mr. Elassali to manage my medallion because it provides me the opportunity to do less work and spend more time with my family. I don’t have deal with the headaches of managing my drivers or deal with unexpected maintenance issues. I have no knowledge that I have violated any taxi rules or regulation, and it is my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: A. Bellassay

Date: 02/22/08

Executed in San Francisco, California
DECLARATION OF YOUSEF OSKOUI

1. I am over 18 years old and a citizen of the United States, and I am not a party to this
   action.

2. My name is Yousef Oskoui. I reside at 4139 Snow Bank Court, San Jose, CA 95135.

3. I have been a taxi driver in San Francisco since 1986. I hold medallion permit
   #328 and presently drive full time for Yellow Cab Cooperative.

4. I first became acquainted with Driss Ellassali, aka Driss “Kiki” Ellassali, on or about August
   2006 when I left Luxor and started driving for Yellow. By word of mouth and recommendation
   from other medallion holders, I was told that Mr. Ellassali was someone who helps manage other
   people’s medallion and he offers to pay more money than the color schemes.

5. On or about August 2006, I approached Mr. Ellassali and accepted his offer to manage my
   medallion. Based on a verbal agreement without a written contract, Mr. Ellassali agreed to pay me
   $2500 per month in cash while he covers the permit and insurance fees to Yellow.

6. On or about August 2006 when I began contracting with Mr. Essali, the managers at Yellow
   already knew that I was affiliated with Mr. Essali and they chose not to get involved.

7. I started receiving my cash transactions on or about August 2006 until September 30, 2007. I
   receive my payment once a month and it is delivered to me during shift changes.

8. I chose Mr. Ellassali to manage my medallion out of convenience with additional financial
   incentives. I have no knowledge that I have violated any taxi rules or regulation, and it is my
   intention to fully cooperate with the Taxi Commission at all times during this investigation.

9. Presently I am no longer affiliated with Mr. Ellassali and he is no longer managing my
   medallion anymore.

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

Signed: [Signature]

Date: 2/21/08

Executed in San Francisco, California
DECLARATION OF HOSSEIN KHOUSROOZE

1. I am over 18 years old and a citizen of the United States, and I am not a party to this action.

2. My name is Hossein Khousooroze. I reside at 1288 East Hillsdale Blvd #B105, Foster City, CA 94404.

3. I have been a taxi driver in San Francisco since 1989. I hold medallion permit #981 and presently drive full time for Yellow Cab Cooperative.

4. I first became acquainted with Driss Ellassali, aka Driss “Kiki” Ellassali, on or about 2004 when I left Luxor and started driving for Yellow. By word of mouth and recommendation from other medallion holders, I was told that Mr. Ellassali was someone who helps manage other people’s medallion and he offers to pay more money than the color schemes.

5. Because my family and I live in Foster City, it was a hassle for me to always come out to San Francisco when I am not driving. I would have to deal with maintenance issues of my vehicle and take care of unexpected accidents in the middle of the night.

6. On or about December 2005, I approached Mr. Ellassali and accepted his offer to manage my medallion. Based on a verbal agreement without a written contract, Mr. Ellassali agreed to pay me $2500 per month in cash while he pays $850 per month to Yellow to cover the permit in fees and insurance fees for $700 per month.

7. On or about December 2005 when I began contracting with Mr. Ellassali, the managers at Yellow already knew of my situation and did not say anything to me.

8. I have been receiving my cash transactions from December 2005 until the present time. I receive my payment once a month and it is delivered directly to my house.

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10. I chose Mr. Essali to manage my medallion because it provides me the opportunity to do less work and spend more time with my family. I don't have to worry about covering my night shifts and I did not have to deal with unexpected maintenance issues during my time off. I have no knowledge that I have violated any taxi rules or regulation, and it is my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: 

Date: 2-20-08

Executed in San Francisco, California
DECLARATION OF JAMIL SWEIDAN

1. I am over the 18 years old and a citizen of the United States, and I am not a party to this action.
2. My name is Jamil Sweidan, currently residing at 2470 Erin Place, South San Francisco, CA 94080.
3. I have been a taxi driver in San Francisco since 1979. I hold medallion permit #899 and presently driving for Royal Taxi.
4. I first became acquainted with Driss Essali, aka Driss “Kiki” Essali, on or about May 2006 when I was driving for Royal Taxi. Since I see Mr. Essali during my shift changes, I thought Mr. Essali was just a driver for my medallion permit at Royal Taxi. I am aware that Mr. Essali is also managing other medallion permits, but I do not know any of the specifics.
5. Due to my confusion I initially thought Royal Taxi was managing my medallion, but in fact it is Mr. Essali who is managing it because he pays the medallion fees and arranges driver to operate the vehicle.
6. I have since realized Mr. Essali has been managing my medallion for the past year and a half. I receive $1800 per month in cash, and Mr. Essali pays $1420 per month to cover color scheme and insurance fees to Royal Taxi.
7. I have been receiving my cash payments on or about July 2006 until the present time and my payments are delivered to my house. Since I receive my payments every month, I did not suspect there was anything wrong with my medallion permit or how it was managed.

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8. I have no knowledge that I have violated any taxi rules or regulation, and it is my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: [Signature]

Date: 2. 13 - 05

Executed in San Francisco, California
DECLARATION OF RONALD BROTHER

1. I am over the 18 years old and a citizen of the United States, and I am not a party to this action.

2. My name is Ronald Brother, and I reside at 1390 Market St. Apt #1426, San Francisco, CA 94102.

3. I have been a taxi driver in San Francisco since 1978. I hold medallion permit holder #349 and presently drive for Yellow Cab Cooperative.

4. I first became acquainted with Driss Essai, aka Driss “Kiki” Essali, back in February 2007 when I was driving for Yellow. From recommendations of other medallion holders, I was informed that Mr. Essali pays more money managing my medallion than any color scheme would.

5. On 9/26/2007 I had a quadruple bypass surgery which affected my ability to fulfill my full time driving requirement. On 12/26/2007 I applied for an ADA Accommodation with the SF Taxi Commission because I am presently not driving at this time.

6. On or about April 2007 I informed Jim Gillespie that I would be leaving Yellow and contract with Mr. Essali to manage my medallion. Jim Gillespie made no comment about me leaving Yellow and provided me the approval without any objections.

7. On or about April 2007, I approached Mr. Essali and I accepted his offer. Mr. Essali promised to make my job easier and said he would handle everything from hiring all my drivers, collecting my gate fees, and purchasing my insurance.

8. Based on verbal agreement I collect $3000 per month from Mr. Essali when I am not driving or $2500 per month when I am driving. No written contract was ever created between me and Mr. Essali. I receive my payments in cash once a month and delivered by a night driver coming to my house.
9. I have been receiving my payments from Mr. Essali on or about April 2007 until the present time.

10. I have no knowledge that I have violated any taxi rules or regulation, and it is my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: [Signature]  Date: 2-15-2008

Executed in San Francisco, California
DECLARATION OF RICHARD HYBELS

1. I am over the age of 18, a citizen of the United States, and I am not a party to this action. If called to testify to the facts below I could competently testify thereto.

2. My name is Richard Hybels and I am the President and Owner of Metro Cab, a permitted color scheme in San Francisco. I first became acquainted with Driss "Kiki" Ellassali when I was working at National Cab as the General Manager. In 2001, Mr. Ellassali came to National with another driver. He stated that he and the other driver wanted to lease a medallion. I leased a medallion to him. I do not remember who signed the contract at that time, but Mr. Ellassali was not a National driver before that time. After the lease was signed, I never saw Mr. Ellassali again at National but was too busy to look into the reasons.

3. The next time I saw him was in February 2006. One of my long term lease holders wanted to give up his long term lease on medallion # 60. He brought a woman in with him to take over his lease. Normally I don’t allow the lessee to choose someone to take over a long term lease, to prevent the "selling" of a lease by subterfuge. I have found that individuals misrepresent the status of the future lessees in exchange for cash. For example, some individuals have represented that a proposed lessee is a “partner” or “brother” when in reality it is a business deal, and the original lessee eventually disappears. In the case of Medallion # 60, I made an exception this time because the outgoing lessee had some personal problems and I was trying to help him out. I had never seen the woman before, and she was not a driver with my company. I told her that she had to drive the vehicle full time because the owner of the vehicle tends to have fewer accidents than substitute drivers.

4. It quickly came to my attention that she was Mr. Ellassali’s wife, which she confirmed. On February 15, 2006 very first night the car was out on the streets, her driver had a $60,000 accident on my insurance. Shortly after the accident, she told me had bought a used Town Taxi to substitute for the wrecked vehicle. I informed her that since the GTU stickers (airport decals) were already off, and the vehicle had more than 60,000 miles on it, it could not be re-used as a taxicab vehicle.
5. A few days later I was shocked to see a fully outfitted Metro Cab parked in front of Luxor Cab as I drove by Luxor’s business premises. Mr. Ellassali was placing the numbers and name on with decals. I went over to him and asked what he was doing and told him he could not use that vehicle as a taxicab because it was a used vehicle that could not be issued new airport decals. Later, the Ground Transportation Unit allowed Mr. Ellassali to use the vehicle and gave him airport decals for the vehicle even though it had already been taken out of service.

6. Because the lessee had misrepresented her intentions, bounced checks and because I was aware that her drivers were being mistreated in a number of ways canceled the lease on or about May 1, 2006.

7. On or about November 28, 2006, one of my drivers named David Reeder was involved in two accidents in one day. I terminated Mr. Reeder and I told colleagues in the industry what had happened and to be on the lookout for him. Approximately three days later, someone told me that Mr. Reeder was driving a Yellow Cab for “Kiki.” I contacted Yellow Cab and was informed that he was not driving there, and that the medallion holder was driving the particular vehicle at issue. A few days after that someone called me to tell me that Mr. Reeder was at Luxor Cab getting the vehicle repaired. I went down to Luxor and Mr. Reeder was logged in using the medallion holder’s identification. Jim Gillespie of Yellow Cab came down to Luxor and seized the medallion so that Mr. Reeder could not operate the vehicle.
8. On February 5, 2008, I spoke with a driver who informed me that he drove for Mr. Elassali for five days in a hybrid vehicle. Mr. Elassali charged him gates as follows: Monday, $125; Tuesday, $130; Wednesday, $140; Friday, $150. These gates are illegal because Mr. Elassali does not have a color scheme permit, and also because the gates are in violation of the current gate cap.

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

[Signature]
Richard Hybels
President/Owner, Metro Cab

Executed in San Francisco, California

2.7.08
DECLARATION OF KAMAL HEISHAN

1. I am over the 18 years old and a citizen of the United States, and I am not a party to this action.

2. My name is Kamal Heishan, currently residing at 3709 Palos Verdes Way, South San Francisco, CA 94080.

3. I have been a taxi driver in San Francisco since 1981. I am medallion permit holder #892 and presently driving full time at least 5 days per week for Yellow Cab Cooperative.

4. Prior to meeting Driss Essali, aka Driss “Kiki” Essali, I used to manage my own permit. Eventually it became burdensome for me to cover one of my driver’s shifts due to attendance problems or have to deal with maintenance issues with my cab.

5. I first became acquainted with Mr. Essali, on or about June 2007 when I was driving for Yellow. By recommendations of other medallion holders, I was informed he would manage my medallion.

6. On or about June 2007 I had approached Mr. Essali and accepted his offer to manage my medallion as long as meet my full driving requirements of 800 hour shifts. Mr. Essali said he could provide additional incentives and would promised to take care all of my drivers’ shifts, including paying for my color scheme permit fees and all of my insurance expenses.

8. Based on verbal agreement I collect $1800 per month from Mr. Essali when I am driving. No written contract was ever created between me and Mr. Essali. I receive my payments in cash every month, and it is delivered during shift changes.

9. I have been receiving these cash transactions since approximately June 2007 until the present time.

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10. I chose Mr. Essali to manage my medallion because it provided me the opportunity to spend
more time with my family and alleviated the stress and hassle of always coming out
the City all the time. I have no knowledge that I have violated any taxi rules or regulations, and it is
my intention to fully cooperate with the Taxi Commission at all times during this investigation.

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

Signed: [Signature] Date: 2.12.08

Executed in San Francisco, California
DECLARATION OF JOHN LAZAR

1. I am over the age of 18, a citizen of the United States, and I am not a party to this action. If called to testify to the facts below I could competently testify thereto.

2. My name is John Lazar and I am the President of Luxor Cab. I have been employed in that capacity for 12 years. I have been working in the San Francisco taxicab industry off and on since 1960 and am knowledgeable about all aspects of operating a taxicab color scheme in the City and County of San Francisco. I oversee all operations of Luxor Cab including employees, dispatch, drivers, medallion holders, and general administration of the company. Each year, I pay the City and County of San Francisco an annual permit fee to obtain my “color scheme permit.” My permit fee is based on the size of my company. This year, Luxor paid $2,716 for the permit because Luxor has more than 50 medallions. In fact, at this time Luxor has 277 medallions. Luxor also maintains its own dispatch system and every medallion at the color scheme “Luxor Cab” affiliates with “Luxor Dispatch.”

3. Attracting and Retaining Medallion Holders: There are many duties involved in running a successful San Francisco taxicab color scheme. The first duty is to attract and retain medallion holders. There are two types of medallion holders – “pre-K” and “post-K.” These designations reference the date at which a medallion holder first received a medallion permit. “Pre-K” medallion holders first received a permit prior to 1978 and have renewed it annually since that time. “Post-K” medallion holders first received a permit after 1978. To attract medallion holders, like all color schemes, Luxor offers a financial incentive for affiliating with our company, which is permitted under the Taxicab/Ramped Taxi Rules & Regulations. It is increasingly difficult to retain medallion holders because many companies have begun to offer financial incentives for medallion holders who will abandon one color scheme for another.
4. Types of Leasing Arrangements: As a color scheme, Luxor may only enter into leases with three layers, pursuant to the *Taxicab/Ramped Taxi Rules & Regulations*, Rule 5.K.1. A medallion holder may enter into three types of leases with Luxor depending on whether he is pre-K or post-K. For pre-K medallion holders, these individuals all receive a monthly fee from Luxor and the drivers are on long term leases. For a post-K medallion holder, he may simply “affiliate” with Luxor, in which case he pays Luxor a monthly fee and obtains use of our trade dress for his taxicab vehicle, as well as a radio, dispatch service, and worker’s compensation insurance. In those instances the medallion holder is responsible for leasing to individual drivers and obtaining general liability and their own vehicle. Another common arrangement for a post-K medallion holder is to become a “gas and gates” driver for Luxor. He receives a monthly lease fee from Luxor and comes in to drive his taxicab vehicle at specified shifts, paying for gas and paying the gate fees on a per-shift or weekly basis. When he is not driving, Luxor may operate it as a “gas and gates” vehicle for drivers working as “gas and gates” drivers. Because of my knowledge of the industry and the length of time I have been working in it, I know that Luxor’s practices as a color scheme with respect to medallion holders are standard throughout the industry.

5. Purchasing Vehicles: For gas and gates vehicles, Luxor purchases vehicles for our drivers. For medallion holders who have affiliated or who have long term leases, the medallion holders purchase vehicles for themselves. Drivers are not allowed to purchase the vehicle or be on the title or registration. Because of my knowledge of the industry and the length of time that I have been working in it, I am aware that such arrangements are common at other color schemes besides Luxor.

6. Insurance: Luxor purchases general liability insurance for gas and gates vehicles, but not for long term leases or for affiliates. Luxor purchases worker’s compensation for everyone.

7. Drivers: Luxor recruits and retains drivers to work at the company. We ensure that all drivers have A-cards from the City and County of San Francisco and verify that they have a safe driving record with the DMV. We strive to ensure a safe workforce with drivers who have not been
involved in accidents or who have problems with customers, and we take complaints very seriously.

Having an established business with a permit assists us in our effort to control the drivers for the
safety of the public.


We have union shops (Teamsters Local 1414) for our mechanics, and we ensure that all vehicles are
repaired if there are problems. We are required to maintain certain standards for taxicab vehicles by
the Rules & Regulations and to be inspected by the Ground Transportation Unit at San Francisco
International Airport.

9. Administration: Luxor also maintains all business records associated with running a color
scheme company. The Rules & Regulations require us to maintain certain records, such as waybills,
and to provide receipts to drivers if requested. We have an office staff and regular employees who
work full-time to perform these duties. We also have cashiers to handle the gate payments and
perform other duties as necessary. We pay payroll taxes to the City and County of San Francisco as
well as parking taxes.

10. I am aware that some individuals are operating illegally in the City and County of San
Francisco as "brokers" or "managers" of medallions. I am aware of Mr. Drias "Kiki" Elassali
because he brokers several Luxor medallions. I believe that individuals operating as "brokers" or
"managers" are illegally operating like a color scheme because they are performing similar duties,
and I am aware that these "brokers" are not paying a color scheme permit fee to the City.

[Signature]

John Lazar, President, Luxor Cab

Executed in San Francisco, California

3-9-08
Date
DECLARATION OF DMITRY ERENKO

1. I am over the age of 18 and not a party to this action, and I am a citizen of the United States.

2. My name is Dmitry Erenkov, and my business address is 3450 Geary Blvd. Suite 100, San Francisco, CA 94118. I am an insurance broker with my own firm, Dmitry Erenkov Insurance Agency. In that capacity, and as part of my regular duties, I obtain liability, worker’s compensation, and physical damage insurance policies for taxicab companies in San Francisco. At this time I have approximately 400 medallions participating in a group liability policy through agency. Deputy Director Jordanna Thigpen enumerated several medallions to me and I confirmed that some of them are covered in my current automobile liability policy, but not all of them.

3. When there is an accident involving a taxicab vehicle, I require that all accidents are reported in a timely manner. Even though claims can be reported directly to the insurance company, I ask all the drivers to report claims to my office.

4. I am aware of an accident involving Mr. Driss “Kiki” Ellassali, a taxicab driver. This accident occurred on or about late 2005. At that time Mr. Ellassali was driving for United Cab. He struck a motorcycle police officer, who I understood was on duty at the time for the San Francisco Police Department and assigned to the Airport. He struck the officer from behind, presumably causing damage and injury. He never reported the accident to me and I only found out six months later when the officer served a summons and complaint at United Cab. He then reported the accident to me.

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5. After the accident, the insurance company excluded Mr. Elassali from the list of drivers on
the policy I obtain for San Francisco taxicab vehicles because he did not report the accident.
Consequently, Mr. Elassali is not listed on our scheduled list of insured drivers.

6. Deputy Director Jordanna Thigpen telephoned me to inquire about the accident and Mr.
Elassali generally and I have reviewed this declaration for accuracy of my statements to her.

7. I declare under penalty of perjury under the laws of the State of California that the
foresaid is true and correct.

Signed: 

Date: 3/18/08

Dmitry Erenkov
Owner
Dmitry Erenkov Insurance Agency

Executed in San Francisco, California