

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

BOARD OF TRUSTEES of the PIPE FITTERS
RETIREMENT FUND, LOCAL 597;
BOARD OF TRUSTEES of the PIPE FITTERS
WELFARE FUND, LOCAL 597;
BOARD OF TRUSTEES of the PIPE FITTERS
TRAINING FUND, LOCAL 597; the
BOARD OF TRUSTEES of the CHICAGO AREA
MECHANICAL CONTRACTING INDUSTRY
IMPROVEMENT TRUST; and
THE PIPE FITTERS' ASSOCIATION,
LOCAL 597 U.A.,

Plaintiffs,

vs.

BSG CONSTRUCTION, INC.,
an Illinois Corporation,
GI-LA BUILDERS, INC.
an Illinois Corporation, and
FRANK GILL, an individual

Defendant.

CIVIL ACTION

NO. 07 CV 2953

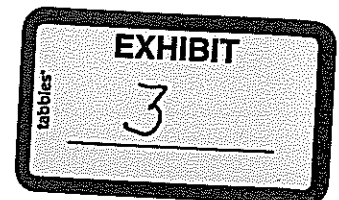
JUDGE: MANNING

MAGISTRATE JUDGE: VALDEZ

AFFIDAVIT OF THOMAS MOY

I, Thomas Moy, hold the title of Supervising Senior at Legacy Professionals, LLP. Being first duly sworn, on oath deposes and states that to the best of my knowledge the following is an accurate statement as to Defendants BSG CONSTRUCTION, INC. ("BSG"), GI-LA BUILDERS, INC. ("GI-LA"), and FRANK GILL in the above-captioned matter:

- 1. On or about July 14, 2008, Legacy Professionals, LLP was asked to conduct a payroll audit of BSG and GI-LA for the period of January 1, 2001, through May 31, 2008.
2. I am the auditor that was assigned to conduct the audit of BSG and GI-LA.

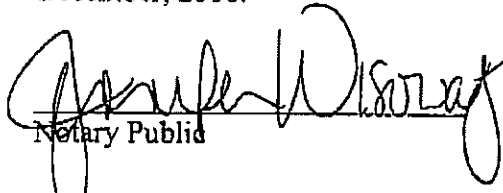



3. The purpose of the audit was to determine whether contributions to the Trust Funds and Union were made in accordance with the terms of the Collective Bargaining Agreement and Trust Agreements.
3. Our procedures included a review of the pertinent provisions of the Collective Bargaining Agreements, and compared underlying payroll records to Fund contribution records.
4. The employer records I reviewed included payroll journals, individual earnings records, payroll tax returns, contribution reports, job classifications, general disbursement records, canceled checks, bank records, and other related records as appropriate.
5. Based on my review, I have determined that discrepancies and deficiencies exist between the number of covered employees employed by BSG and GI-LA and that which was actually reported to the Local 597 Trust Funds.
6. Based on my review, I have determined that discrepancies and deficiencies exist between the number of hours worked by covered employees and that which was actually reported to the Local 597 Trust Funds.
7. Based on BSG and GI-LA'S failure to accurately report the number of employees and/or the number of hours worked by its employees, I have determined that BSG and GI-LA owe the Local 597 Trust Funds \$514,036.69 in unpaid contributions for the time period of January 1, 2001 through May 31, 2008.
8. Based on BSG and GI-LA'S failure to accurately report the number of employees and/or the number of hours worked by its employees, I have determined that BSG and GI-LA owe the Union \$14,065.57 in unpaid wage work assessments for the time period of January 1, 2001 through May 31, 2008.

9. Based on my review, I have determined that BSG and GI-LA owe the Local 597 Trust Funds and Union the aggregate amount of \$528,102.26 including contributions and wage work assessments for the time period of January 1, 2001 through May 31, 2008.

10. Further, the affiant saith not.

Subscribed and sworn  
Before me this 15 day of  
December, 2008.

  
Notary Public

  
Thomas Moy

