UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

ADAM BARNETT	§	
Plaintiff,	§	
	§	
v.	§	
	§	
KEITH HOUSER, BIOTECH MEDICS,	§	
INC., EDWARD THOMPSON,	§	**CIVIL ACTION NO. 3-07-CV-1724-B**
And KIM PERALTA-JACOBS	§	
Defendants,	§	
	§	
v.	§	
	§	
WILLIAM SEMINARIO,	§	
HAMILTON HOLDINGS PA, INC.,	§	
	§	
Third-Party Defendants.	§	

PLAINTIFF'S AND THIRD PARTY DEFENDANTS' MOTION TO REMAND AND BRIEF IN SUPPORT

TO THE HONORABLE UNITED STATES DISTRICT COURT:

Plaintiff Adam Barnett and Third-Party Defendants William Seminario and Hamilton Holdings PA, Inc. [sic][actually Hamilton Holdings PA Corp.] (collectively referred to as "Movants") file their Motion to Remand and Brief in Support, and ask this Court to remand this action to the 68th Judicial District Court of Dallas County, Texas, on the grounds that removal was improperly made and that this Court lacks jurisdiction over the subject matter of this action. In support, Movants show as follows:

I.
INTRODUCTION

1.1 This action has been improperly removed and must be remanded back to the state court for several reasons, any of which, on its own, would be sufficient to remand the case. This case must be remanded because: (1) Defendants Houser, Jacobs, and Biotech Medics, Inc.

(collectively "the Removing Parties") cannot remove a case to federal court on the basis of their own, and not the Plaintiff's, claim; (2) there is no federal jurisdiction to support removal; (3) the removal is improper because not all Defendants have consented to removal; and (4) the notice of removal is defective. Additionally, Plaintiffs and Third Party Defendants request recovery of their just costs and actual expenses, including attorneys' fees, incurred as a result of the Removing Parties' improper removal.

II.
THE STATE COURT ACTION

2.1 The Removing Parties – Peralta-Jacobs and Houser, along with their employer BioTech – on the one hand, and Barnett, Seminario, and Hamilton Holdings, on the other, are involved in litigation that was originally filed by Barnett against Houser and BioTech on November 29, 2005, in the 68th Judicial District Court of Dallas County, Texas (the "Lawsuit"). Houser and BioTech then filed a third-party petition and brought Seminario and Hamilton Holdings into the Lawsuit as third-party defendants. In subsequent pleadings, Barnett added Peralta-Jacobs and Edward Thompson as defendants.

2.2 On September 11, 2007, the Removing Parties filed an amended pleading in which they asserted, for the first time, a counterclaim for alleged violations of the Sarbanes-Oxley Whistleblower Act, 18 U.S.C. § 1514A ("SOX"). Coincidentally, September 11, 2007, is also the date that: (1) Houser and Peralta-Jacobs first attempted to file a complaint under SOX with OSHA (to whom these matters have been delegated by the Secretary of Labor); and (2) the state court in the Lawsuit sanctioned Houser, alone, for violating the Texas rules against filing frivolous pleadings. OSHA rejected the complaint for failure to fully comply with SOX. On October 5, 2007, the trial court sanctioned the Removing Parties' attorney, David Morris, for filing another frivolous pleading.

2.3 Unhappy with the way things were going in the Lawsuit, and before the state court could enter a written order on its latest sanctions ruling, on October 11, 2007, the Removing Parties filed a notice of removal, removing the Lawsuit to federal court based on their attempt to assert a cause of action under SOX. Peralta-Jacobs and Houser then filed a new complaint with OSHA on or about October 22, 2007, *eleven days after filing the notice of removal.* Additionally, the Removing Parties filed their notice of removal only a few days prior to a hearing on Plaintiff's and Third Party Defendants' Motion for Summary Judgment.

III.
THE NOTICE OF REMOVAL

3.1 In their notice of removal, the Removing Parties assert that this case is removable based on 28 U.S.C. § 1331 (federal question jurisdiction), 28 U.S.C. § 1441(c) (removal based on federal question jurisdiction), and 28 U.S.C. § 1446(b) (procedure for removal). They also assert, as a substantive basis of federal question jurisdiction, that this action is removable under SOX. However, the only claim asserted under SOX in this case is the one asserted by the Removing Defendants as a counterclaim in the Lawsuit. There is no other basis of removal asserted by the Removing Parties.

3.2 "The party seeking to remove the case has the burden of establishing its right to remove, and a close question is to be resolved in favor of remand." *Scott v. Communications Services, Inc.*, 762 F. Supp. 147, 149 (S.D. Tex. 1991). For the reasons set forth below, Movants contend that the removing parties have not, and can not, sustain their burden of establishing the right to remove, and the case should be remanded to state court.

IV.
ARGUMENTS AND AUTHORITIES
A. Only claims brought by the Plaintiff can be removed

4.1 As noted, the Removing Parties were the defendants in the state court. So far, so

good, as only by a "defendant," as that term is used in the removal statute, may remove. However, where the Removing Parties run afoul of the removal statute is by asserting in the Lawsuit a (frivolous) counterclaim under federal law, then removing their own counterclaim to federal court. This they may not do.

4.2 The removal statute at 28 U.S.C. § 1441(c) provides:

> Whenever a separate and independent claim or cause of action within the jurisdiction conferred by section 1331 of this title is joined with one or more otherwise nonremovable claims or causes of action, the entire case may be removed and the district court may determine all issues therein, or, in its discretion, may remand all matters in which State law predominates.

This statute, "properly construed, applies only to claims brought by the plaintiff or plaintiffs." *Folts v. City of Richmond*, 480 F. Supp. 621, 625 (E.D. Vir. 1979). It does not apply to claims brought by counterdefendants or cross-claimants, and certainly doesn't apply to claims brought by the removing party. *See also, Moore's Federal Practice (Third Edition)*, § 107.11[1][b][iii]:

> "First, applying the general rule that defendant means plaintiff's defendant precludes removal, a cross-claim is asserted by the co-party defendant, not the plaintiff. Second, removal under Section 1441(c) has been limited to removal based on claims asserted by plaintiffs. This view comports with the firmly embedded principle to construe narrowly the right of removal."

4.3 Federal case law, in fact, construes the term "defendant" as used in 28 U.S.C. §1441(a) so narrowly that even a counterdefendant to a federal claim is prohibited from removal. *See, e. g., Scott v. Communications Services, Inc., supra,* 762 F. Supp. at 150 ("No court since 1938 has held that the plaintiff may remove a case as counterdefendant, and the well-established rule is that the plaintiff, who chose the forum, is bound by that choice, and may not remove the case."). Stated differently, a plaintiff who elected state court jurisdiction when filing the complaint may not subsequently remove the action to federal court, even if a counterclaim would treat the plaintiff as a defendant under state law. *See Ballard's Serv. Ctr., Inc. v. Transue*, 865

F.2d 447, 449 (5th Cir. 1989) (affirming Rule 11 sanctions against removing plaintiff); *Southland Corp. v. Estridge*, 456 F. Supp. 1296, 1300-1301 (C.D. Cal. 1978) (holding that plaintiff cannot remove to defend against counterclaim).

4.4 In *Collins v. Faucett*, 87 F. Supp. 254 (ND Fla.1949), the plaintiff filed a lawsuit to recover damages, and the defendant counterclaimed under the provisions of the Soldiers' and Sailors' Civil Relief Act of 1940. The defendant then filed a petition for removal to federal court, using his counterclaim as the basis for the right to remove. In remanding to state court, the federal district court wrote:

> "If Congress had desired to grant to a defendant the right to remove a case from a State court to a Federal court based solely upon a counterclaim, it could have, and undoubtedly would have, done so in clear unambiguous language. The Section gives no such right to a defendant and the court finds and holds that a defendant has no such right under the law."

87 F. Supp. at 255. The Fifth Circuit has also held that "Title 28 U.S.C. § 1446 authorizes removal only by defendants and only on the basis of claims brought against them and *not on the basis of counterclaims asserted by them.*" *Ballard's Service Ctr., Inc. v. Transue, supra,* 865 F. 2d at 449 (Emphasis added).

4.5 Here, the Court faces a situation similar to the facts in *Collins v. Faucett*. The Removing Parties are not removing based on claims asserted against them by the plaintiff. Rather, after nearly two years in litigation in state court, with things starting to go badly in the form of multiple awards of sanctions against them for filing frivolous, bad faith pleadings, they decide to assert a frivolous claim for alleged violations of SOX, without having first exhausted the mandatory administrative remedies in SOX, then use their own frivolous counterclaim as a basis to remove to federal court. They cannot do so.

B. There Is No Federal Jurisdiction to Support Removal

4.6 Under the express terms of SOX, a complaining party must file a complaint with the Secretary of Labor within 90 days after the alleged violation. If the Secretary does not rule within 180 days of the filing of the complaint, and the delay in ruling was not caused by the complainant's bad faith, then, *and only then*, may the complainant bring an action for de novo review in federal district court. SOX at § 1514A(b)(1). But until those 180 days have passed without a ruling by the Secretary of Labor, the federal court lacks jurisdiction.

4.7 In *Murray v. TXU Corp.*, 279 F. Supp. 2d 799, 802 (N.D. Tex. 2003), the Court specifically held that:

> *A federal district court lacks jurisdiction over a suit filed under § 806 of the Sarbanes-Oxley Act if* (1) the plaintiff failed to file a complaint with the Secretary of Labor within ninety days of the alleged violation; (2) the Secretary issued a final decision within 180 days of the filing of a § 806 complaint; (3) *the plaintiff filed suit in a federal district court less than 180 days after filing such a complaint;* or (4) there is a showing that the Secretary failed to issue a final decision within 180 days due to the plaintiff's bad faith. (Emphasis added)

See also, *Willis v. Vie Financial Group, Inc.*, 86 Empl. Prac. Dec. (CCH) P41,895 (ED Pa. 2004).

4.8 The Removing Parties first filed their SOX complaint with OSHA on September 11, 2007, but it was rejected as not being fully compliant with SOX. They tried again on or about October 22, 2007, more than a week *after* they removed this case to federal district court. **(See Declaration of Michael D. Farris attached hereto as Exhibit A).** Not only has the 180 days called for SOX not yet expired, nor will it for some five-and-a-half months, *it hadn't even started to run at the time the case was removed.* Thus, there is no jurisdiction over the SOX claim in federal district court. Furthermore, not only does this Court not yet have jurisdiction over this matter, it may never have jurisdiction if the Secretary timely issues a final decision.

C. Not All Defendants Consented to Removal

4.9 All of the defendants to an action must join in the removal.

> "The procedure for removal, as provided in 28 U.S.C. § 1446, requires that '[a] defendant or defendants desiring to remove any civil action . . . shall file . . . a notice of removal.' This Court has previously held that 'the law is clear that under 28 U.S.C. § 1446(a), removal procedure requires that all defendants join in the removal petition.' This rule is based on § 1441(a) which provides that 'the defendant or the defendants' may remove the case. The courts have read these words to mean that, if there is only one defendant then that defendant may remove the case; however, if there is more than one defendant, then the defendants must act collectively to remove the case."

Doe v. Kerwood, 969 F.2d 165, 167 (5th Cir. 1992). This is true even if not all of the defendants would be entitled, individually, to remove the case.

4.10 The Removing Parties here constitute only three-fourths of the Lawsuit's defendants. The other one-fourth is Edward Thompson, who has not joined in the removal. Because Thompson has not joined in the removal, removal is not proper.

D. The Notice of Removal is Defective

4.11 28 U.S.C. §1446(a) provides that a notice of removal must contain "a short and plain statement of the grounds for removal . . ." The removing parties here have not done so, making it difficult to determine their basis for removing this action. The closest thing to such a statement is the sentence, at the end of section 1 of the Removal, which states: "On September 19, 2007, Counter Defendants filed a Motion to Strike and for Sanctions alleging, among other things, that the federal district courts had exclusive jurisdiction." In addition to being a misstatement of Movants' position as stated in the Motion for Sanctions, even if true, a simple allegation by the opposing party that a federal court has jurisdiction is not a basis for removal. The right to remove is controlled by federal law, not what another party says about jurisdiction.

4.12 Furthermore, Movants' contention is that *no court has jurisdiction* until and unless

a SOX claimant has first exhausted its administrative remedies (see Section B, above). Specifically, Counterdefendants stated the following in their Motion for Sanctions in the Lawsuit:

> "In Count Fourteen, Defendants assert a claim for violations of the Sarbanes-Oxley 'Whistleblowers' Act (18 U.S.C. § 1514A) based upon Houser providing information about Barnett to the SEC. The BioTech Parties allege that Barnett and Jones, along with other 'Counterdefandants [sic],' retaliated against Houser by filing this civil lawsuit, in violation of the statute. See paragraph 137 of Second Counterclaim. However, even assuming for the sake of argument that this lawsuit is a violation of the Act (which it clearly is not), a plain reading of the statute establishes that its whistleblower protection is provided to employees against retaliation by their employers or their employers' agents and not by third parties (18 U.S.C. § 1514A(a)); a person seeking relief must first file a complaint with the Secretary of Labor, with de novo review available in federal district court (18 U.S.C. § 1514A(b)); and an action under the statute must be brought within 90 days after the alleged violation occurs (18 U.S.C. § 1514A(b)(2)(D)). *Barnett and Jones are not agents of Houser's employer, Biotech, nor did Houser first file a claim with the Secretary of Labor – and even if he had, jurisdiction to review any action resides in federal, not state, district court.* Furthermore, since it was the November 29, 2005, filing of this lawsuit that constitutes the alleged violation, the September 11, 2007, assertion of a claim is about a year and a half too late. Reasonable inquiry would have revealed all of this to Morris and the BioTech Parties." (Emphasis added)

E. Request for Costs and Expenses

4.13 28 U.S.C. § 1447(c) provides that "[a]n order remanding the case may require payment of just costs and expenses, including attorneys fees, incurred as a result of the removal." See also, *Garcia v. Amfels, Inc.*, 254 F.3d 585, 587 (5th Cir. 2001). Fees and costs are routinely awarded under 28 U.S.C. § 1447(c) where the removing party lacked an objectively reasonable basis for seeking removal. *Martin v. Franklin Capital Corp.*, 546 U.S. 132, 141 (2005); *Valdes v. Wal-Mart Stores*, 199 F.3d 290, 293 (5th Cir. 2000). The purpose of awarding fees and costs on remand is to deter the utilization of the removal process as a method for delaying litigation and imposing costs on the plaintiff. *Martin*, 546 U.S. at 140.

4.14 Similarly, 28 U.S.C. § 1446 provides that a notice of removal is "signed pursuant to

Rule 11 of the Federal Rules of Civil Procedure . . ." Under Rule 11, there is no requirement that the notice be signed in bad faith to award sanctions. As the Fifth Circuit said in *News-Texan, Inc. v. City of Garland, Texas,* 814 F.2d 216, 220 (5th Cir. 1987):

> "Rule 11 permits a district court – either on a party's motion or *sua sponte* – to award costs and attorneys' fees against a party or attorney, or both, for filing a 'pleading, motion, [or] other paper of a party' that is not 'well grounded in fact and . . . warranted by existing law or a good faith argument for the extension, modification, or reversal of existing law,' *or* if it is 'interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.' Rule 11 also imposes upon the attorney signing a party's pleadings, motions, and other papers the duty of reasonable inquiry and permits sanctions even in the absence of bad faith."

4.15 In removal cases, it is appropriate to assess costs under Rule 11 "when the nonremovability of the action is obvious." *News-Texan, supra,* 814 F.2d at 220, citing to 14A C. Wright, A. Miller & E. Cooper, *Federal Practice and Procedure: Jurisdiction 2d* § 3739, at 586-87 (1985). For the reasons stated above, the nonremovability of the current action is painfully obvious. Even cursory inquiry, much less reasonable inquiry would have revealed that. Thus, awarding costs and fees under Rule 11 is appropriate as the Removing Parties obviously lacked any reasonable basis for removal, much less an objectively reasonable basis.

4.16 Furthermore, this is a pattern of conduct by the removing parties and their attorney. Houser has already been sanctioned in the Lawsuit by the state court for violating Tex. R. Civ. P. 13 and Chapter 10 of the Texas Civil Practice & Remedies Code, provisions that govern the filing of frivolous pleadings. David Morris, the attorney who signed the Notice of Removal, was subsequently sanctioned on October 5, 2007, for violating the same rule and statute for the pleading he filed immediately after Houser was sanctioned. A sanctions order was entered on the former, and it was only the removal to federal court that prevented an order from being

signed on the latter. Houser has also been sanctioned $2,000 for discovery abuse, and that amount was later doubled by the state court.

4.17 Having demonstrated that they have no respect for the state court and its rules of procedure, it is no surprise that the Removing Parties and their attorney now demonstrate that they have no respect for the federal court and its rules. Accordingly, this Court should impose an appropriate sanction upon the Removing Parties and their attorney who signed the notice of removal. An appropriate sanction would include an order to pay the amount of reasonable expenses incurred in preparing and presenting this motion, including a reasonable attorney's fee. Plaintiff and Third Party Defendants will file an appropriate declaration establishing the fees and costs incurred.

WHEREFORE, Movants respectfully move this Court to remand this action to the 68th Judicial District Court of Dallas County, Texas; to order the Removing Parties and their attorney to pay all costs and expenses, including attorneys' fees, incurred by Movants as a result of the removal; and to order such other relief to which Movants might be justly entitled.

RESPECTFULLY SUBMITTED,

By: _____

Murray W. Camp
Texas Bar No. 00790418
Michael D. Farris
Texas Bar No. 06844300
P.O. Box 601025
Dallas, Texas 75360-1025
Tel. 214-979-0100
Fax 214-979-0101
ATTORNEYS FOR PLAINTIFF AND THIRD-PARTY DEFENDANTS

CERTIFICATE OF SERVICE

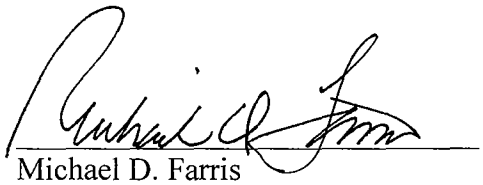
I certify that, on November 9, 2007, I served a true and correct copy of the foregoing on each person listed below in accordance with the Federal Rules of Civil Procedure.

Via CMRRR and FAX
David Morris, Esq.
David Morris Law Firm
14785 Preston Road, Ste. 550
Dallas, Texas 75254
Tel. 972-789-5122
Fax 972-789-5123

ATTORNEY FOR DEFENDANTS KEITH HOUSER, BIOTECH MEDICS, INC. AND KIM PERALTA-JACOBS

Via CMRRR
Edward Thompson
1022 Euclid St. Apt. 7
Santa Monica, CA 90403
Tel. 310-663-9868
Fax 310-319-4076

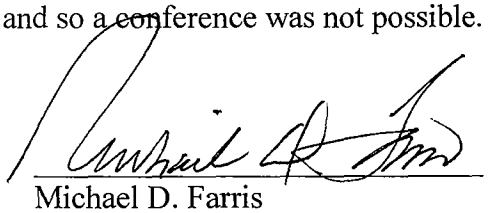
PRO SE DEFENDANT



Michael D. Farris

CERTIFICATE OF CONFERENCE

I certify that, on November 8 and 9, 2007, I attempted to confer with David Morris, attorney for the Removing Partiers, regarding this Motion to Remand. However, I was unable to reach Mr. Morris, who did not return my telephone calls, and so a conference was not possible.



Michael D. Farris

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

ADAM BARNETT	§	
Plaintiff,	§	
	§	
v.	§	
	§	
KEITH HOUSER, BIOTECH MEDICS,	§	
INC., EDWARD THOMPSON,	§	**CIVIL ACTION NO. 3-07-CV-1724-B**
And KIM PERALTA-JACOBS	§	
Defendants,	§	
	§	
v.	§	
	§	
WILLIAM SEMINARIO,	§	
HAMILTON HOLDINGS PA, INC.,	§	
	§	
Third-Party Defendants.	§	

DECLARATION OF MICHAEL D. FARRIS IN SUPPORT OF PLAINTIFF'S AND THIRD PARTY DEFENDANTS' MOTION TO REMAND

I, Michael D. Farris, counsel of record for Plaintiff and Third Party Defendants in the above-styled and numbered action, do hereby declare under penalty of perjury, in accordance with 28 U.S.C. § 1746, as follows:

1. On October 22, 2007, the offices of Tipton Jones received a fax transmission from Rossana Nardizzi, an investigator with the U.S. Department of Labor, Occupational Safety and Health Administration. This fax was forwarded to me for handling. Attached to the cover letter from Investigator Nardizzi was a document that purports to be a complaint under the Sarbanes-Oxley Whistleblower Act, filed by Kim Peralta-Jacobs. Attached hereto as Exhibit 1 is a true and correct copy of that fax and attached complaint.

Exhibit A

2. On October 23, 2007, I spoke by telephone with Ms. Nardizzi. She informed me that a prior document had been filed with OSHA on or about September 11, 2007, but that she and her supervisor had rejected it as not fully complying with the requirements for a SOX complaint. In response to my request, she faxed me that September 11, 2007, document, a true and correct copy of which is attached hereto as Exhibit 2.

I declare under penalty of perjury, in accordance with 28 U.S.C. § 1746, that the foregoing is true and correct.

EXECUTED in Dallas, Texas, on November 9, 2007.

Michael D. Farris

TELEFAX MESSAGE

U.S. DEPARTMENT OF LABOR
Occupational Safety and Health Administration
8344 East R. L. Thornton Freeway, Suite 420
Dallas, Texas 75228
Telephone No.: (214) 320-2400 / Fax No.: (214) 320-2598

FAX SENT TO:

NAME: Andrew Jones

AGENCY: Attorney

~~TELEPHONE~~ FAX NO.: 214-739-8959

TOTAL NUMBER OF PAGES ___

FAX FROM:

NAME: NARDI, 221

AGENCY: INVESTIGATOR

TELEPHONE NO.: (214) 320-2400 X230

COMMENTS:

I would Appreciate a call back

PLEASE CALL IMMEDIATELY IF THIS MESSAGE IS INCOMPLETE OR ILLEGIBLE.

U.S. Department of Labor

Occupational Safety & Health Administration
Dallas Area Office
8344 East R. L. Thornton Frwy. Ste. 420
Dallas, Texas 75228
(214) 320-2400 Fax (214) 320-2598

October 22, 2007

William Seminario
Adam E. Barnett
C/o Tipton & Jones LLP
8144 Walnut Hill Lane
Suite 1018
Dallas, Tx. 75231

RE: Biotech Medic/ Hauser et al/6-1730-08-90

Dear Sir:

We hereby serve you notice that a complaint of discrimination has been filed with this office by Keith Hauser and Kim Peralta Jacobs, alleging discriminatory employment practices in violation of Section 806 of the Corporate and Criminal Fraud Accountability Act of 2002 , 18 U.S.C. 1514A, also known as the Sarbanes-Oxley Act. A copy of the complaint is enclosed.

We would appreciate receiving from you promptly a written account of the facts and a statement of your position with respect to the allegation that you have discriminated against complainant in violation of the Act. Please note that a full and complete initial response, supported by appropriate documentation, may serve to help achieve early resolution of this matter. Voluntary adjustment of meritorious complaints can be effected by way of a settlement agreement at any time.

Within 20 days of your receipt of this complaint you may submit to this agency a written statement and any affidavits or documents explaining or defending your position. Within the same 20 days you may request a meeting to present your position. The meeting will be held before the issuance of any findings and a preliminary order. At the meeting, you may be accompanied by counsel and by any persons relating to the complaint, who may make statements concerning the case.

If the investigation provides this agency with reasonable cause to believe that the Act has been violated and reinstatement of the complaint is warranted, you will again be contacted prior to the issuance of findings and a preliminary order, at which time you will be advised of the substance of the relevant evidence supporting the complainant's allegations, and you will be given the opportunity to submit a written response, to meet with the investigator and to present statements

From rebuttal witnesses. Your rebuttal evidence shall be presented within ten business days of this agency's notification described in this paragraph.

This agency may disclose to the parties in this case any information that it deems necessary in the conduct of its investigation, since evidence submitted by the parties must be tested and the opposing party provided the opportunity to fully respond. Thus, in order to facilitate the timely resolution of the complaint, we encourage the parties in this case to exchange copies of any documents or evidence filed with the agency. Documents and evidence submitted in this matter will become part of the case file, which is subject to the Freedom of Information Act (FOIA). If you believe that documents you submit would fall under an exemption to the FOIA, please clearly mark these documents and notify the Investigator of your concerns. You will be given appropriate notice, as provided in the Department's FOIA regulations in 29 CFR 70.26, "Predisclosure notification to submitters of confidential commercial information" prior to a FOIA disclosure to a third party.

Attention is called to your right and the right of any party to be represented by counsel or other representative in this matter. In the event you choose to have a representative appear on your behalf, please have your representative forward us a notification promptly. All communication and submissions should be made to the investigator assigned below. Your cooperation with this office is invited so that all facts of the case may be considered.

:

ROSSANA NARDIZZI
Investigator II(c)
USDOL/OSHA
8344 E. R.L. Thornton Frwy
Suite 420
Dallas, Tx. 75228
(214) 320-2400 x 230
(214) 320-2598 (FAX)

Sincerely,

Rossana Nardizzi
Investigator

FOR: GERALD T. FOSTER
Supervisory Investigator

Enclosure: Copy of Complaint

To: Dept of Labor-OSHA
Attention: Mrs. Nardizzi
8344 E. R L Thornton, Rm 420
Dallas TX 75228

Original Sent USPO- Certified Mail - RRR

RE: Original Complaint regarding Respondents' Discrimination against Claimant for Whistleblowing activities under Section 806 of the Corporate & Criminal Fraud Accountability Act, otherwise known as the Sarbanes-Oxley Act (SOX) , 18 U.S.C. § 1541A, et seq.; and Claimant Complaint regarding Respondents' Harassment & Retaliation under the Sarbanes-Oxley Act, 18 U.S.C. § 1513(e), et seq.

From **Claimant: Kim Peralta-Jacobs**, P O Box 93476, Southlake, TX 76092

1) I, Kim Peralta-Jacobs, the "Claimant" am an individual, who resides in the State of Kansas; however, I am employed in Texas. I am above the legal age of 21, a native born USA citizen, who has never been convicted of a felony. I hereby submit this Whistleblower Complaint due to the previous and ongoing threatening, discriminatory, harassing, and/or other retaliatory acts personally inflicted upon me which are personally known to me and/or are based upon information and/or belief as follows:
2) I qualify as an "Employee" Claimant pursuant to SOX definitions. I am an "employee" of BioTech Medics, Inc., a Nevada public corporation, duly authorized to do business in the State of Texas as a "foreign corporation". It is a fact that my employment is contractual in the form of a written signed agreement which commenced on December 7, 2004 and continues through the date of this Complaint[1]. My position with the company is Secretary of the Company and the Board of Directors.
3) BioTech Medics, Inc.("BTME" and/or "the Company") in fact qualifies under the SOX statutes as a public company because BTME is required to file reports under section 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. § 780(d)) due to the fact that BTME has greater than 750 shareholders and assets greater than $1,000,000. BTME as a public company trades on the Pinksheets as a penny stock under the symbol: BTME.
4) **Respondent # 1 is Goldstake Enterprises, Inc** ("Goldstake"), is a Nevada corporation that may be served a copy of this Complaint, % Chris Jensen, President, at 2950 Aberdeen Lane, El Dorado Hills CA 95762. Goldstake clearly qualifies as a "Respondent" within 29 CFR – 1980.101, Section 806. First Goldstake qualifies as a "Company Representative", an "Agent" and a "Contractor". Goldstake was a marketing relations consultant with the Company prior to October 29, 2004, when the Company was called "Corbel Holdings, Inc." Second, Goldstake was under "contract" with the Company subsequent to December 7, 2004[2]. Goldstake is also a "shareholder" in the Company with one (1) vote per share. Under Nevada Revised Statutes § 78.330 the BTME Board of Directors is comprised of only one class. The BTME Directors are elected by the affirmative vote of a plurality of the votes of the common shareholders. Since Respondent Goldstake is a shareholder, Goldstake has the power to vote Claimant Houser in or out (hiring or firing) of her employment as a member of the board. Therefore, Respondent Goldstake has a legal say over Claimant's employment as Claimant's "employer". As of December 30, 2004, Goldstake held 1,914,800 shares of BTME according to the Company NOBO list. Subsequently Goldstake has had issued

[1] See Exhibit A – Peralta-Jacobs Executive Employment Agreement (Note: This Exhibit is to be "Sanitized" and held "In Camera" for OSHA and **NOT** to be distributed to Respondents.)
[2] See Exhibit B – Goldstake/Jensen BTME Contract, December, 2004.

over 4 million shares in its name. This does not include shares held by Goldstake in CEDE hidden from immediate disclosure in the name of a securities broker.

5) **Respondent # 2: Chris Jensen** ("Jensen"), an individual, is above the legal age of twenty-one, who may be served a copy of this Complaint, at 2950 Aberdeen Lane, El Dorado Hills CA 95762. Jensen qualifies as a Respondent within 29 CFR – 1980.101, with three separate written "contracts" within Section 806 definitions qualifying Jensen as a "Company Representative". First, it is a fact that Jensen had a prior relationship with the predecessor company Corbel, either individually or as an officer of Goldstake. Claimant has already established in section 4) above that Goldstake is a "Company Representative". Secondly, it is a fact that Jensen entered on October 20, 2004, a Confidentiality & Non-Disclosure Agreement" (a "contract") with HaloLaser BioTherapy, LLC, ("HaloLaser") the predecessor that merged with Corbel to form BTME on December 7, 2004.[3] Jensen under the Confidentiality Agreement qualifies as a "Contractor" which again qualifies Jensen as a "Company Representative". The Confidentiality is in effect until October 19, 2007. Thirdly, it is a fact that Jensen in conjunction with William Haseltine, (formerly HaloLaser/ BTME's legal counsel) entered into an October 29, 2004 "contract"[4] with BTME/HaloLaser to be paid a "fee" upon the reverse/merger of HaloLaser/Corbel into BTME. This qualifies Jensen a third time as a "Company Representative". Under Nevada Revised Statutes § 78.330 the BTME Board of Directors is comprised of only one class. The BTME Directors are elected by the affirmative vote of a plurality of the votes of the common shareholders. Since Respondent Jensen is a shareholder, Jensen has the power to vote Claimant in or out (hiring or firing) her employment as a member of the board. Therefore, Respondent Jensen has a legal say over Claimant's employment as Claimant's "employer".

6) **Respondent # 3: Hamilton Holding PA Corp**, ("Hamilton") a Pennsylvania corporation, can be served a copy of this Complaint, in % Tipton & Jones, LLP, 8144 Walnut Hill Lane, Suite 1080, Dallas TX 75231. Hamilton qualifies as a Respondent within 29 CFR – 1980.101, due to the fact Hamilton entered three separate written "contracts" with BTME on or about December 17, 2004 which qualifies Hamilton as a "contractor" which qualifies Hamilton as a "Company Representative". The first contract was a "Subscription Agreement". The second was a "Warrant".[5] The third was a "Promissory Note".[6] The Promissory Note clearly states it is "subject to the laws of the State of Texas'. Further, Hamilton had over 17 million BTME shares issued in Hamilton's name[7]. Under Nevada Revised Statutes § 78.330 the BTME Board of Directors is comprised of only one class. The BTME Directors are elected by the affirmative vote of a plurality of the votes of the common shareholders. Since Respondent Hamilton is or was a shareholder, Hamilton has the power to vote Claimant in or out (hiring or firing) of her BTME employment as a member of the board. Therefore, Respondent Hamilton has a legal say over Claimant's employment as Claimant's "employer".

7) **Respondent # 4: Hamilton Holding PA Corp** ("Hamilton Florida"), % William Seminario, Registered Agent, 15749 SW 93 ST, MIAMI FL 33196. Hamilton Florida qualifies as a Respondent within 29 CFR – 1980.101, due to the fact Hamilton Florida is a registered Florida Foreign Corporation and is an integral part of Hamilton (PA) that executed three separate written "contracts" with BTME on or about December 17, 2004

[3] See Exhibit C – Confidentiality Agreement HaloLaser/Jensen
[4] See Exhibit D – Haseltine Fee Agreement Letter
[5] See Exhibit E- BioTech Hamilton Warrant
[6] See Exhibit F - Hamilton Promissory Note to BioTech
[7] See Exhibit G– Hamilton BTME Certificates

which qualifies Hamilton Florida as a "contractor" which makes Hamilton Florida a "Company Representative". Further, Hamilton Florida had over 17 million BTME shares issued in Hamilton's name in a Florida brokerage account. Under Nevada Revised Statutes § 78.330 the BTME Board of Directors is comprised of only one class. The BTME Directors are elected by the affirmative vote of a plurality of the votes of the common shareholders. Since Respondent Hamilton Florida is a legal extension of Hamilton that is or was a shareholder, Hamilton has the power to vote Claimant in or out (hiring or firing) of her BTME employment as a member of the board. Therefore, Respondent Hamilton Florida via Hamilton has a legal say over Claimant's employment as Claimant's "employer".

8) **Respondent # 5: William Seminario** ("Seminario"), an individual above the legal age of twenty-one, can be served a copy of the Complaint in % Tipton & Jones, LLP, 8144 Walnut Hill Lane, Suite 1080, Dallas TX 75231. Seminario qualifies as a Respondent within 29 CFR – 1980.101, due to the fact that Seminario was the president of Hamilton and Hamilton Florida or "agent" of both of these companies that qualify as "contractors" and "Company Representatives". It is a fact, according to the Florida Secretary of State, that as of 09/14/2007, Hamilton Florida's charter has been "revoked" due to failure to file an "Annual Report"[8].

9) **Respondent # 6: Adam E. Barnett** ("Barnett"), is an individual above the legal age of twenty-one, who may be served a copy of this Complaint in % Tipton & Jones, LLP, 8144 Walnut Hill Lane, Suite 1080, Dallas TX 75231. Barnett qualifies as a Respondent within 29 CFR – 1980.101, due to the fact Barnett alleges under oath and penalty of perjury in his September 11, 2007 deposition in the matter of Barnett, et. al. vs. Houser, et al, in the 68th Tex. Dist Court, Dallas County, TX, No. 05-10907-C that Barnett was a consultant who performed "consulting work"[9] for "this corporation or its predecessor owed me." Therefore Barnett as a "contractor" as defined by the statutes and qualifies as a "Company Representative". Further, it is a fact, Barnett according to the Pennsylvania Department of Revenue, was the "tax matters representative" of Hamilton. Therefore, Barnett was a "representative" of a "contractor" Hamilton of the Company. Additionally, Barnett may have been a "subcontractor" of Goldstake and Jensen. According to Respondent Barnett's sworn testimony under oath and penalty of perjury in his September 11, 2007 deposition in the matter of Barnett, et. al. vs. Houser, et al, in the 68th Tex. Dist Court, Dallas County, TX, No. 05-10907-C and I quote:

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2 Q. My question was: How did you get invited to
3 this meeting?
4 A. That's a good question.
5 I knew from running into Mr. Jensen in I
6 want to say it was Hilton where he stays and gambles,
7 and Don Yarder, who – sort of running buddies – knew
8 about my success with the oil company I chair and its
9 substantial stock price appreciation, that I was
10 invited to the meeting to -- to help them do a better
11 job at consulting for their client, which was BioTech
12 Medics or Halo Laser at the time.

END OF QUOTE –Emphasis Added

[8] See Exhibit H– Florida SOS Internet Hamilton Florida web page
[9] See Exhibit I – Barnett's sworn Sept 11, 2007 deposition pages 98.

10) Finally, Respondent Barnett had over 1 million BTME shares issued in Barnett's name. Under Nevada Revised Statutes § 78.330 the BTME Board of Directors is comprised of only one class. The BTME Directors are elected by the affirmative vote of a plurality of the votes of the common shareholders. Since Respondent Barnett is or was a shareholder, Barnett has or had the power to vote Claimant in or out (hiring or firing) of her BTME employment as a member of the board. Therefore, Respondent Barnett has or had a legal say over Claimant's employment as Claimant's "employer".

11) **Respondent # 7: Jeffrey G. Turino ("Turino")**, is an individual who is above the legal age of twenty-one, who may be served a copy of this Complaint at his last known residence at 3140 Masters Drive, Clearwater FL 33761. Turino qualifies as a Respondent within 29 CFR – 1980.101, as a "Company Representative" due to the fact Turino was a former officer and/or director and/or contractor of Summit Property Group, Inc. Summit Property Group, Inc. is the original name of BTME, the Company when the Nevada corporation was first formed in December, 1997.

12) **Respondent # 8: 1st Global Stock Transfer, LLC** ("Global") a Nevada limited liability company that may be served a copy of this Complaint at 7361 Prairie Falcon Rd, Suite 110, Las Vegas, NV 89128. Global qualifies as a Respondent within 29 CFR – 1980.101, due to the fact that Global is a "contractor" having entered into a written agreement in December, 2004, with BTME[10]. Therefore, Global is a "Company Representative".

13) **Respondent # 9: Helen Bagley** ("Bagley"), is an individual above the legal age, who may be served a copy of this Complaint in % 1st Global Stock Transfer Agents, LLC, 7361 Prairie Falcon Rd, Suite 110, Las Vegas, NV 89128. Bagley qualifies as a Respondent within 29 CFR – 1980.101, due to the fact that Bagley is an "employee" as an "officer" of Global a "contractor" having entered into a written agreement in December, 2004, with BTME. Therefore, Bagley is an "employee" and/or "officer" and/or "agent" of a "Company Representative".

14) **Respondent # 9: Anthony Santos ("Santos") (CRD No. 3239243)**, Executive Vice President/, Chief Compliance Officer and General Counsel of NevWest Securities Corporation (CRD No. 46464), who may be served a copy of this Complaint at 5440 W Sahara Avenue Suite 202, Las Vegas NV 89146. Santos qualifies as a Respondent within 29 CFR – 1980.101, due to the fact that Santos is an "agent" and/or "officer" of NevWest and therefore a "Company Representative" by the undisputed fact that NevWest Securities accepted and negotiated BTME share certificates of stock and did actively trade BTME shares of stock on behalf of the Company and the Company shareholders.

15) **Respondent # 10: John Edwards ("Edwards")**, is an individual above the legal age of twenty-one, who may be served a copy of this Complaint at 9101 W Sahara Avenue, # 105-A33, Las Vegas, NV 89117. Edwards qualifies as a Respondent within 29 CFR – 1980.101, due to the fact that Edwards was at the minimum an agent of Jensen and Turino that makes him a "Company Representative". Further, Edwards had over 1 million BTME shares issued in various trust names. Edwards was the trustee of these trusts and had power to vote these shares. Under Nevada Revised Statutes § 78.330 the BTME Board of Directors is comprised of only one class. The BTME Directors are elected by the affirmative vote of a plurality of the votes of the common shareholders. Since Respondent Edwards is or was a shareholder, Edwards has or had the power to vote Claimant in or out (hiring or firing) of her BTME employment as a member of the board. Therefore, Respondent Edwards has or had a legal say over Claimant's employment as Claimant's "employer".

16) **Respondent # 11: One or More Jane Does**, To Be Determined, through discovery. Complainant qualifies One or More Jane Does in that through discovery it will become

[10] See Exhibit b – Global contract with BTME

evident from the facts that One or More Jane Does acted in concert with one or more of the Respondents above as an agent, contractor or subcontractor of an existing "Company Representative" to violate Complainant's rights under these statutes.

17) **Respondent # 12: One or More John Does,** To be determined through discovery. Complainant qualifies One or More John Does in that through discovery it will become evident from the facts that One or More John Does acted in concert with one or more of the Respondents above as an agent, contractor or subcontractor of an existing "Company Representative" to violate Complainant's rights under these statutes.

FACTS & BACKGROUND OF THIS CASE

18) It is a fact Complainant became an employee on December 7, 2004 of the Company (prior footnote indicates a copy of employee's Employment Agreement is attached hereto IN CAMERA).

19) It is a fact, one of the very first acts of the Complainant as a new employee of the Company was to immediately vote during the first convening of the board of directors meeting to act upon numerous issues; one of those issues being the Company's full compliance with the Sarbanes-Oxley Act and compliance with an audit of the Company's books and records in accordance with SEC rules and regulations to make BTME a reporting and more reputable company.[11]

20) It is a fact in the Reverse/Merger contract, the prior board of directors via their "auditor, Neil Levine" were to supply the new board of directors of BTME: [12]

> "complete copies of the financial statements for the fiscal years ending December 31, 2003, and December 31, 2002, or, in the alternative, its auditor, Neil Levine and Michael Pollack, will have provided adequate assurances regarding their substance to Halo. If the latter is the case, the Company and said accountants will provide such audited financial statements at the earliest practicable time for inclusion in filings to be made with the SEC to register the Surviving Corporation, or to include with transactional filings at the SEC." (Merger Agreement, Page 4, Section 4.4).

21) It is a fact that Corbel never supplied BTME with "audited financial statements" whatsoever.

22) It is a fact that on December 7, 2004, Respondent Global entered into a contract with BTME and Respondent Bagley executed the contract on behalf of Global.

23) It is a fact that Corbel according to the Reverse/Merger contract on Page 2, Section D, was: "Prior to this Merger, the Company has completed an offering under Rule 504 of Regulation D under the Securities Act of 1933 for up to $1,000,000".

24) It is a fact that Corbel did not complete the Rule 504 Reg D offering for $1 million prior to the Reverse/Merger, nor subsequent thereto as required per the contract.

25) It is a fact that Hamilton and Seminario allegedly as Hamilton's president executed a "Subscription Agreement", a "Warrant" and a "Promissory Note" for One Million Dollars with BTME. Hamilton and Seminario and Barnett ex officio did not fulfill their obligations and breached the contracts.

26) Complainant states it is a fact that Respondent Jensen introduced Complainant to Corbel, Respondent's Turino, Edwards and Barnett, either in an individual capacity and/or as an agent of Respondent Goldstake as a Company Representative.

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[11] See Exhibit J – BTME Secretary's Certification of Hiring of Bagell, Joseph CPA's as auditors.

[12] See Exhibit K – Corbel / HaloLaser Merger Agreement, page 4, Section 4.4

BASIS OF COMPLAINT

27) It is a fact that Complainant testified within Ninety (90) days of this complaint on or about July 17, 2007, before the Securities & Exchange Commission (SEC), Enforcement Division, Washington, D.C., before Chief Wm. Max Hathaway and Senior Enforcement Counsel, Thomas Swiers. Complainant testified truthfully, under penalties of perjury, personally and as an "employee" of the Company BTME in compliance with Section 1514A and Section 1513(e) regarding multiple current and prior violations of the Securities Act, as amended that have been perpetrated upon BTME, violations of Securities and Exchange Commission regulations perpetrated upon BTME, violations regarding various state securities acts perpetrated upon BTME , fraud, theft, perjury, illegal stock manipulation and other illegal and/or tortuous acts willfully, intentionally and maliciously perpetrated upon BTME, Houser and Complainant initiated, made, caused and/or orchestrated by Respondents' Barnett, Seminario, Hamilton, Hamilton Florida, Edwards, Goldstake, Jensen, Turino, Bagley, Global, Santos, John Does and Jane Does.

28) Based upon information and belief, the SEC commenced Subpoena service subsequent to Complainant's July 17, 2007 testimony before the SEC upon Respondents Jensen, Barnett, Goldstake, Global, Bagley and other Respondents John Doe and Jane Does.

29) Subsequent to Claimant's testimony before the SEC in July, 2007, Respondents have gone ballistic which caused them to start a pernicious campaign against Claimant, Keith Houser ("Houser") (BTME's Chairman and Chief Executive Officer) and BTME which have injured claimant and caused damages to Claimant in lost wages, emotional distress, retaliation, legal fees and court costs and expenses.

30) Specifically, Respondents Barnett, Hamilton, Hamilton Florida and Seminario have filed a Sixth and Seventh Amended Complaint (together within two weeks in September, 2007) before the 68th Texas District Court, Dallas County, and filed Motions against Complainant for "sanctions" and have been awarded "sanctions" against Houser and the Company in the sum of $3,045.00 and BTME for $500 (and more sanctions and contempt of court motions are pending). This has injured Claimant and caused damages.

31) Respondent Barnett, Hamilton & Seminario via their legal counsel have unethically parsed words or taken my sworn deposition testimony out of context to cause Claimant harassment and disparagement of Claimants words. Respondent Barnett, Hamilton and Seminario have not denied that they have lied and/or misrepresented facts before the 68th Texas Judicial Dist Court, they just make claims that Claimant permitted Houser to "malicious(ly)" permit Houser's "unconscionable statement" used the wrong words or Claimant failed to respond the way Respondent wanted Claimant to reply to describe Respondent's Barnett, Hamilton and Seminario's intentional misrepresentations and fraud before the court. Respondent Barnett stated on numerous occasions under oath that he "never" was CEO of OMDA Oil & Gas, Inc. However, Respondent Barnett's filings with the Texas Secretary of State (SOS) **CLEARLY** show that Barnett signed documents as Chief Executive Officer (CEO)[13]. Respondent Barnett's Texas SOS filing Claimant and Claimant Houser relied upon in the 68th Tex. Dist Court pleadings and representations. The harassment, embarrassment, retaliation and threats by Respondent Barnett have caused injury to Complainant and damages with extreme mental anguish, emotional distress, loss of wages and personal financial harm.

32) It is a fact that Complainant on the very same September 11th, 2007 day of the 68th Tex Dist. Court "sanctions", Complainant had filed with the same Court an amended complaint that addressed the "perjury" "fraud" and "intentional misrepresentations"

[13] See Exhibit L – OMDA Oil & Gas Inc., Tex. SOS Filing with Barnett as "CEO" or "Chief Executive Officer"

32) It is a fact that Complainant on the very same September 11th, 2007 day of the 68th Tex Dist. Court "sanctions", Complainant had filed with the same Court an amended complaint that addressed the "perjury" "fraud" and "intentional misrepresentations" issues of the Respondent's sanctions; however, the new judge in the case failed and/or refused to hear the best evidence in the case (due to his having a more pressing luncheon meeting than to go into the lunch hour to hear the best evidence testimony that could have been provided by Houser who was present in the court room at the time) and the judge refused to allow and hear Complainant's attorney make exceptions and objections to Respondent Barnett's false claims. This has caused economic harm and damages to Claimant in lost wages, harassment, retaliation and emotional distress and Claimant has been injured as a result of Respondent's wrongful statements and acts.

33) Specifically, Respondents Barnett, Hamilton, Hamilton Florida and Seminario have commenced subsequent to Complainant's July 17, 2007 testimony before the SEC a "scorched earth" legal strategy of harassment with adverse publicity, intimidation and extreme badgering during depositions, discrimination and unethical and dishonest legal retaliation against Complainant which has injured Claimant and caused damages.

34) Specifically, Respondents Barnett, Hamilton, Hamilton Florida and Seminario via their law firm of Tipton & Jones, LLP, have sued Complainant five (5) times. They filed an original complaint in November, 2005 in the 68th Tex. Dist. Court, Dallas County and have amended it seven (7) times over nearly 2 years. This complaint by Claimant is ONLY regarding the sixth and seventh Amended Complaints and related Motions for Sanctions and Contempt regarding Respondents Barnett, Hamilton, Hamilton Florida and Seminario which have been filed within the past 45 days.

35) Respondents, Barnett, Hamilton & Seminario via their Tipton & Jones, LLP law firm more recently within the past thirty (30) days of this complaint supplied only one (1) copy of their September 7, 2007 "Motion For Sanctions" against Complainant to Complainant's attorney when a minimum of three (3) copies were required to have been supplied to Complainant's attorney under Texas Rules of Civil Procedure as Attorney Morris legally represents three (3) separate parties, including Claimant, BTME and Jacobs. This is clearly a violation of the Texas Rules of Civil Procedure ("TRCP"), but it is nevertheless has caused injury, damages, discrimination, legal fees and court costs, stressful harassment and additional retaliation against Complainant.

36) The violation of the TRCP by Respondent's Barnett, Hamilton & Seminario's attorneys caused Claimant not to be able to read the Motion For Sanctions before it was expeditiously heard in Court within four (4) days (this is highly unusual in this busy court's calendar). The Motion For Sanctions was belatedly added to the court calendar and was not originally scheduled to be heard. This caused Claimant injury with extreme emotional distress which prohibited Claimant to have ample time to prepare a defense, and caused Houser the CEO of the Company over $3,045 in damages, plus legal fees, lost wages and the expense of coming to the court.

37) It is a fact, that Respondent's Barnett, Hamilton & Seminario's legal counsel have previously filed a minimum of five (5) times with their Original 68th Tex. Dist Ct. Lawsuit and amended complaints against Complainant. In the Respondent's pleadings they have alleged the following false and malicious claim against Claimant: Paragraph 16, Respondent's Barnett, Seminario & Hamilton's Sixth Amended Complaint quote: "Houser's (Claimant's) statements in the November 23, 2005 Letter, ***unlawfully published*** to numerous third parties including, at a minimum, the ***"SEC-Enforcement Division, Washington, DC (and the) SEC-Enforcement Division, Fort Worth, TX,"*** go beyond the pale of any rational person and are once again false, malicious, unconscionable, defamatory, and falsely disparaging." [Emphasis of underline and bolding of words added].

by Respondent's Barnett, Hamilton & Seminario's attorneys include but are not limited to: 1) Violation of Claimant's First Amendment Right to freedom of speech, 2) Violation of Claimant's right under Texas's Constitution and Claimant's Right to freedom of speech, 3) Claimant's right under the Whistleblower statutes under Section 806 of the Corporate & Criminal Fraud Accountability Act, otherwise known as the Sarbanes-Oxley Act (SOX) , 18 U.S.C. § 1541A, et seq.; and Claimant's rights regarding Respondents' Retaliation under the Sarbanes-Oxley Act, 18 U.S.C. § 1513(e), et seq. The egregious and malicious acts of Respondent's Barnett, Hamilton & Seminario, together with their attorneys have caused the Claimant injury and damages over 23 months of extreme emotional distress. The unethical manner in which Respondent's Barnett, Seminario and Hamilton acted by falsely alleging on behalf of their clients that Claimant "unlawfully published" as well as falsely alleging that Claimant's true statements were false, malicious, unconscionable, defamatory and falsely disparaging should come under scrutiny by OSHA, DOL, the SEC and the Texas Bar Association Ethics Committee for sanctions and/or separate charges of impediment of a federal investigation, harassment, retaliation and intimidation of Claimant as a witness for and/on behalf of one or more federal agencies who have oversight in these matters.

39) Respondent's Barnett, Seminario & Hamilton's litigious acts were clearly meant to injure, harass and retaliate against Claimant and cause damages. Their litigious acts and egregiously false claims caused Claimant's as an employee of BTME to endure protracted and devastating mental anguish, emotional distress, loss of wages and to have Claimant's good name and reputation smeared in the press and before the Company officers, directors, customers and shareholders. This has cost Claimant more than $100,000 in lost wages, legal and court fees and costs.

40) It is a fact, Complainant Houser has had legal motions for sanctions against Respondents Barnett, Hamilton and Seminario since September, 2006, but the Respondent's attorneys have moved to quash them and the 68th Tex Civ Court has failed and/or refused to schedule Complainant's Houser Motion for Sanctions hearings.[14] One charge for sanctions is Respondents' Barnett, Hamilton and Seminario's commencing a civil suit against me twice in violation of the Agreed Order signed March 9, 2006, without seeking permission of the Court to override the Agreed Order to bring personal suit against me. This has caused injury to Claimant and damages including legal fees, court costs, extreme emotional distress and loss of wages.

41) It is a fact Respondent's Barnett failed and/or refused to appear for depositions before Claimant for over 22 months. Respondent's Hamilton, Hamilton Florida and Seminario have yet to appear before Complainant for depositions, even though Complainant properly noticed Hamilton, Hamilton Florida and Seminario over a year ago in September, 2006 to appear. This has caused Claimant injury and damages of lost wages, legal fees and court costs.

42) It is a fact, Respondent's Barnett, Seminario & Hamilton's through their attorneys have filed a minimum of 2 (two) Motions for Sanctions against Claimant. This caused Claimant injury and damages due to extreme mental and emotional distress, lost wages, the cost of the defense in legal research, court costs and travel costs.

43) Claimant was able to secure a mutually "Agreed Order" dated March 9, 2006 from the 68th Tex Dist Court, acting judge, with Respondent's Barnett, Seminario and Hamilton.[15] This was to partially protect Claimant from Respondent's Barnett, Seminario and Hamilton. A part of the "Agreed Order" that begins on Page 1 and continues on page 2, paragraph e, specifies the following: Quote: from Page 1: "IT IS ORDERED,

[14] See Exhibit M – Claimants Motion for Sanctions Sept, 2006
[15] See Exhibit N – 68th Tex Dist Court – Agreed Order, Dated March 9 2006

This was to partially protect Claimant from Respondent's Barnett, Seminario and Hamilton. A part of the "Agreed Order" that begins on Page 1 and continues on page 2, paragraph e, specifies the following: Quote: from Page 1: "IT IS ORDERED, ADJUDGED AND DECREED that [Respondents] Adam Barnett, William Seminario and Hamilton Holdings PA. Inc.[sic], and all other persons, firms, and entities acting directly or indirectly or on behalf of them or who are in concert with them are hereby immediately and temporarily restrained from:" QUOTE: Page 2, Paragraph e: "Destroying any document and computer records in their possession, custody or control which relate in any way to the factual allegations contained herein or related thereto." END OF QUOTE.

44) It is a fact, Respondent Barnett in his sworn testimony, under oath and penalties of perjury, on September 11, 2007, was asked about his "computer". This is new evidence which has come to the immediate attention of Complainant within the past 30 days. Quote from the deposition of Respondent Barnett to a question asked by Claimant's attorney Mr. Morris:

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14 Q. Do you still use the same computer that you
15 used in 2005?
16 A. I doubt it.
17 Q. Do you still have the computer that you used
18 in 2005?
19 A. No, I do not.
20 Q. What happened to that computer?
21 A. A little bit of speculation because there's a
22 number of computers in the office. But we've had some
23 challenges with them, whether it be virus or hacking or
24 just outdated and wanted to have something with a
25 little bit more RAM. And we have probably upgraded our

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1 computers at least once a year since I opened the
2 office.
3 Q. How do you upgrade your computers?
4 A. By buying new ones.
5 Q. What do you do with the old ones?
6 A. I'd be guessing. I'm not the office manager,
7 tech person.
8 Q. How would you find out that information?
9 A. I could ask my office manager if she threw
10 them away or if she donated them to poor children or I
11 could ask her if she remembers. But I've known her for
12 nine years so that's at least an average of nine new
13 computers. And I've never heard – I've never seen a
14 thank you card from poor children, so I think they just
15 get thrown away.
16 Q. Who would be your office manager to tell you
17 this?
18 A. Maria Amaya, A-M-A-Y-A.
19 Q. We'll leave a blank in the deposition and, if
20 you could, check with her and then fill in the blank as
21 to what actually happened with your 2005 computer.

45) Respondent Barnett, in violation of the 68th Tex Dist Court "Agreed Order" and in violation of SEC. 802 entitled: CRIMINAL PENALTIES FOR ALTERING DOCUMENTS, section (a) IN GENERAL. - Chapter 73 of title 18, U.S.C. as amended under "§ 1519 captioned: Destruction, alteration, or falsification of records in Federal investigations and bankruptcy states:

> "Whoever knowingly alters, destroys, mutilates, conceals, covers up, falsifies, or makes a false entry in any record, document, or tangible object with the intent to impede, obstruct, or influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the United States or any case filed under title 11, or in relation to or contemplation of any such matter or case, shall be fined under this title, imprisoned not more than 20 years, or both.

46) Respondent Barnett had prior knowledge from Claimant's company in an initial letter dated November 23, 2005 that Claimant's company via Houser brought Respondent Barnett and others under scrutiny of the SEC-Enforcement Division. Further, Claimant had the specific March 9, 2006, Tex Dist Ct "Agreed Order" controlling Respondent Barnett which clearly instructed Respondent Barnett not to destroy any "computer records". Claimant's knowledge of this egregious and willful violation of both federal and state statutes and the "Agreed Court Order" just came to Claimant's attention and knowledge within the past thirty (30) days and is a new and additional claim for Claimant bringing this Complaint at this time.

47) Respondent Barnett's malicious acts are in contempt of the 68th Texas Judicial District Court "Agreed Order", and in violation of the federal criminal law Chapter 73 of title 18, U.S.C. as amended under "§ 1519 regarding impeding and/or obstructing justice. This has caused Claimant injury and damages via extreme mental anguish and emotional distress as Respondent Barnett has destroyed evidence which would exonerate Claimant. This has caused lost wages of Claimant as well as extra legal and court costs and fees.

48) It is a fact, that Respondent Barnett and his attorneys authored the "Order for Motion For Sanctions" against Claimant's company on or about September 12th or 13th, that was subsequently signed by Judge Hoffman of the 68th Tex Jud Dist Court.[16] In the Respondent Barnett attorneys authored "Order", Respondent Barnett approved his attorneys unethical disparagement of Claimant's company and Houser with false and intentionally misleading statements. One such statement is on page 2, Section (3): "Houser's Second Amended Petition contains excerpts of criminal court records from Plaintiff Barnett's teenage years when such records have no relevance to any matter at issue in this lawsuit". Houser's "excerpts of criminal court records from Respondent Barnett's" prior years are TRUE! This is an adjudged fact, not lies.

49) However, Respondent Barnett's unethical and dishonest attorneys lied in this biased false and misleading statement. Claimant's company posted in Houser's Second Amended Petition the Miami-Dade County Criminal

[16] See Exhibit O – Order for Motion for Sanctions, Sept 12 or 13, 2007

49) However, Respondent Barnett's unethical and dishonest attorneys lied in this biased false and misleading statement. Claimant's company posted in Houser's Second Amended Petition the Miami-Dade County Criminal Court Records of Respondent Barnett as an "adult", not as a juvenile or "teenage delinquent". One such Criminal charge was "Resisting Arrest without violence" on 10/04/2001 against Respondent Barnett. It is an undisputed fact that Respondent Barnett was born on June 14, 1974. Simple math will show that Respondent Barnett was 27 years old, and not a "teenager" as falsely, unethically and dishonestly represented by Respondent Barnett's legal attorney Murray Camp. Further, Respondent Barnett's "Grand Theft...Felony" criminal charge was on "09/23/1993". Again, the calendar will show Respondent was an "adult" of the legal adult age of 18 and one half years old and not a juvenile delinquent. This has great relevance as to Respondent's checkered past, by his intentional violating on three known occasions of the Miami-Dade County criminal codes and regulations. Respondent Barnett in authorizing his unethical attorneys to author and coerce a judge to sign such a false order is unconscionable and has caused injury to Claimant and damages for extreme anguish and emotional distress. This egregious calculated and harmful act has disparaged Claimants good name and reputation and libeled Claimant for no good reason but pure pernicious retaliation against Claimant. Claimant has lost $3,045 in sanctions, lost wages, legal fees, court costs and travel expenses.

50) Respondent Jensen within the past thirty (30) days has retaliated against Houser, Claimant's company CEO and spread false rumors to a Hal Engel a/k/a Willy Wizard a paid stock tout on the Internet that Jensen has given Houser a check for $100,000 that Claimant has not disclosed or revealed. Claimant is not aware of any alleged "$100,000 check". Claimant is aware that Jensen as an officer and/or manager of Redwood Funding of Minnesota did partially complete a Reg D, Exempt Private 504 Offering with BTME, which was properly recorded with the SEC in a filing and for which a proper legal opinion was issued from BTME's SEC legal counsel. Respondent Jensen's false and disparaging allegations have been circulated in Internet circles and private talk groups on the Internet hosted by Willy Wizard and caused injury and damages to Claimant including great mental anguish and emotional distress upon Claimant and caused lost wages, legal fees and expenses.

51) Respondent Bagley and Global have permitted their name to be misused by Respondent Barnett in his most recent Sixth & Seventh Amended Pleadings, falsely stating that Claimant has violated a March, 2006 Agreed Order issued by the 68th Tex. Dist Court in which Claimant is not to contact any of Respondent Barnett's "known customers or related known business entities". It is an undisputed fact that Respondent Global and Respondent Bagley as Global's president had a contractual relationship with BTME. Respondent Barnett has never advised Claimant of any prior "known relationship" with Global and/or Bagley. It is a fact that Respondent Barnett in his own September 11, 2007, sworn testimony stated:

Page 124

22 Q. What is your relationship with Ms. Bagley?
23 A. Her company is the transfer agent for a penny
24 stock that I have done some consulting for.
25 Q. Which company was that?

125
1 A. Grand Entertainment & Music, Inc.
END OF QUOTE

52) It is a fact that at no time prior to September 11, 2007, had Respondent informed Claimant in writing pursuant to the Agreed Order that Respondent's Bagley and Global were "related known entities". However, Respondent Barnett cannot prove that he has a direct legal relationship with Global and/or Bagley. Claimant's company BTME had in fact a written contractual relationship with Respondent's Bagley and Global. If Claimant were to illogically take Respondent Barnett's unsubstantiated word for it, he has been a "consultant" to the world of business (however, he cannot even remember two companies under oath in his sworn deposition.)

53) It is a fact that Respondents Barnett, Global & Bagley have violated the Agreed Order due to the fact that the Company BTME had a written contractual relationship with each other at the time that the Agreed Order was issued and it is Respondent Barnett who has violated that Agreed Order by contacting or otherwise communicating with Global and Bagley as they were "related business entities" of the Company.

54) It is a fact that Respondent Barnett had prior knowledge of Respondent Global and Bagley's relationship with BTME. Respondent Barnett stated in his sworn testimony on September 11, 2007, quote:

"Page 124
4 Q. Well, how did you know that Corbel Holdings
5 was a client of First Global?
6 A. When I received the certificate in the mail,
7 I believe it came from her office from Las Vegas."
END OF QUOTE

55) Despite Respondent Barnett's prior knowledge of a business relationship between BTME and Respondent Bagley and Global he violated the Agreed Order and communicated with them to the detriment of Claimant, Houser and BTME. This has caused injury to Claimant and damages including harassment, mental and emotional distress, lost wages and legal fees.

56) It is a fact Respondent Santos has falsely permitted or falsely represented his statement to be used against Claimant in Respondent Barnett's Sixth and Seventh Amended Petitions in the 68th Tex Dist Court within the past 45 days.

57) It is a fact, Respondent Barnett associates with disgraced, adjudged, censored and sanctioned attorney and stock brokers at NevWest Securities, Las Vegas. Respondent Barnett alleges a relationship and association with Respondent Anthony Santos, in Respondent Barnett's Sixth & Seventh Amended Complaint in the 68th Tex Dist Court as Respondent Santos was an officer of NevWest Securities of Las Vegas, Nevada.

58) It is an adjudged fact, on March 13, 2007, In The NASD, Dept. of Enforcement, Disciplinary Proceeding No. E0220040112-01, vs. Anthony M. Santos, (CRD No. 3239243), et al. : "It has been determined ...and accepted ...that the findings ...that ...Santos, failed to adequately implement and enforce anti-money laundering procedures in accordance with NASD Conduct Rules 3011 and 2110". Santos also "failed to

file…Suspicious Transaction Reports" in the illegal money laundering of nearly $50 million.

59) It is an adjudged fact, Respondent Santos was "censured" by the NASD, and Santos agreed to a "fine in the amount of $100,000", "a three month suspension in all principal capacities" and completion of "16 hours of AML training …for a two-year period (total of 32 hours)". This is the disgraced Respondent Santos who Respondent Barnett alleges Claimant Houser defamed Barnett over the telephone. This has caused injury to Claimant and damages as Respondents Barnett, Hamilton and Seminario allege that Claimant has aided Houser in committing fraud, intentional misrepresents and other malicious acts. Claimant's damages include but are not limited to legal fees, lost wages, emotional distress, disparagement of his good name and reputation and is a form of retaliation by Respondent Santos and Barnett against Claimant.

60) It is a fact Respondent Barnett states under oath in his sworn September 11, 2007 deposition that he hardly remembers Respondent Santos, quote:

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Have you ever maintained a brokerage account at NevWest?
A. No, I do not. They're actually a defunct corporation now.
Q. Do you know any stockbroker by the name of Anthony Santos?
A. I'm familiar -- no. I know an attorney by that name.
Q. What do you utilize the services of Anthony Santos for?
MR. FARRIS: Objection, form.
A. I couldn't say that I use his services for anything. I believe he was -- that name rings a bell as an attorney at NevWest Securities Corporation.
Q. (By Mr. Morris) So Mr. Santos was an attorney who worked at in NevWest?
A. Might have been a partner as well.

END OF QUOTE

61) It is a fact that Respondent Barnett has misrepresented to the 68th Tex Dist Court and Claimant that he never maintained a brokerage account at NevWest.

62) Claimant has just learned within the past 30 days via documents that were released under Subpoena by the NASD in the above Respondent Santos case that revealed to Claimant for the very first time that Respondent Barnett did have one or more "brokerage accounts at NevWest". This misrepresentation by Respondent Barnett has caused damages and injury and Claimant has had to pay legal fees, costs and lost wages to uncover this fact.

63) Claimant has just learned within the past 30 days via documents that were released under Subpoena by the NASD in the above Respondent Edwards misused over 39 different trusts and sham shell companies to defraud the Company BTME and other Companies. Claimant just learned that Haiget Gears of Las Vegas as well as Jules Englehart, Inc, were two of Respondent Edwards sham sell companies that had stock in BTME. Claimant learned that Edwards forged and/or caused to be forged signatures on various shares of BTME stock. These forgeries were consistent with prior forgeries in the CMKX stock fraud matter which is before the SEC at this time. These undisclosed,

fraudulent and illegal acts by Respondent Edwards has caused injury and damages upon Claimant including but not limited to legal fees and costs, loss of wages, distress and disparagement of his good name and reputation.

64) Respondent Jane Does have conspired with one or more of Respondent's Barnett, Seminario, Hamilton, Hamilton Florida, Global, Bagley, Turino, Edwards and/or John Does against Claimant and BTME and others in posting false and misleading messages on the Raging Bull and other investor boards on the Internet and/or chatted on Internet chat boards or spoken at group investor conference calls in which false and disparaging words have been spoken or written about Claimant, Houser and/or BTME. They have also permitted their names and signatory powers over various brokerage accounts to be misused by one or more Respondents Barnett, Hamilton, Seminario, Turino, Edwards, Global, Bagley and/or Jensen. These wrongful acts continue on a daily basis and have occurred within the past 90 days from the date of this Complaint. These egregious acts have caused injury and damages to Claimant in legal fees and costs, lost wages, disparagement of Claimant's good name and reputation and emotional distress.

65) Respondent John Does have conspired with one or more of Respondent's Barnett, Seminario, Hamilton, Global, Bagley, Turino, Edwards and/or John Does against Claimant and BTME and others in posting false and misleading messages on the Raging Bull and other investor boards on the Internet and/or chatted on Internet chat boards or spoken at group investor conference calls in which false and disparaging words have been spoken or written about Claimant, Houser and/or BTME. They have also permitted their names and signatory powers over various brokerage accounts to be misused by one or more Respondents Barnett, Hamilton, Seminario, Turino, Edwards, Global, Bagley and/or Jensen. These continue on a daily basis and have occurred within the past 90 days from the date of this Complaint. These egregious acts have caused injury to Claimant and damages in legal fees, lost wages, disparagement of Claimant's good name and reputation and emotional distress.

66) It is a known fact that Respondent Turino has previously used sham shell companies such as Federal One Investments, KRKA LLC, MIA LLC, NPJB, Inc., 71st Street Holdings LLC, Grafofoni Holdings LLC, Haiget Gears, Mountain Passages, Inc. Respondent Barnett has used Winding River and 123 Web Creations and many more to illegally trade BTME shares. Respondent Turino has on a regular basis caused injury and damages to Claimant in emotion distress, economical harm and retaliation against Claimant by conspiring with Respondent's Jensen, Barnett, Bagley, Jane Does and John Does and Edwards in using sham shell companies to illegally manipulate BTME shares. Claimant has also had her computer emails with yahoo.com hacked into and the password changed as well as received lewd and sexually indecent emails from anonymous IP sources. This has caused Claimant legal fees, emotional distress and loss of wages and her good name and reputation.

67) It is a fact that Respondent Turino is in contempt of an agreed "Final Judgment" issued by a US Dist Court Judge in Tampa, Florida on December 3, 2003 prohibiting Turino from having anything to do with penny stocks until December, 2008. By Respondent Turino trading of BTME shares through one or more various USA and overseas and/or Canadian broker accounts Respondent Turino has caused Claimant emotional distress, lost wages and disparaged her good name and reputation. Turino has retaliated against Claimant for having communicated with the SEC and testified regarding Turino's violation of the US Dist Court order and other violations of state and federal securities statutes.

Claimant respectfully requests that OSHA and the DOL take **immediate** action to protect Claimant from further injury and damages and the retaliation, harassment and other wrongful acts of Respondents.

Claimant prays for relief in the form of

1) A Temporary Injunction against Respondents, barring them from harassing, threatening, litigating in retaliation for Claimant's having reported securities and other violations of law to federal and state regulatory agencies.
2) Restitution of Claimant lost wages.
3) Punitive Damages against Respondents.
4) Exemplary Damages against Respondents.
5) Criminal sanctions against Respondents.
6) A Permanent Injunction against Respondents protecting Claimant from further violations of Claimant's civil rights and rights under the SOX statutes.
7) Payment of any and all legal fees, attorney fees, court costs, travel and related fees and/or expenses.
8) Any and all other relief permitted by law.

Respectfully submitted:

Kim Peralta-Jacobs, Claimant
Employee of the Company
BioTech Medics, Inc.
P O Box 93476
Southlake TX 76092
Phone 913-341-4325
Fax 972-692-5441
Email: kjacobs@biotechmedics.com

TELEFAX MESSAGE

U.S. DEPARTMENT OF LABOR
Occupational Safety and Health Administration
8344 East R. L. Thornton Freeway, Suite 420
Dallas, Texas 75228
Telephone No.: (214) 320-2400 / Fax No.: (214) 320-2598

FAX SENT TO:

NAME: Mike Farris

AGENCY: Attorney

~~TELEPHONE~~ FAX NO.: 214 979-0101

TOTAL NUMBER OF PAGES ___

FAX FROM:

NAME: NARDI, 22i

AGENCY: INVESTIGATOR

TELEPHONE NO.: (214) 320-2400 X230

COMMENTS:

PLEASE CALL IMMEDIATELY IF THIS MESSAGE IS INCOMPLETE OR ILLEGIBLE.

10/23/2007 10:08 2143202598 OSHA PAGE 01/04

Exhibit 2

BioTech Medics, Inc.™

"Alternatives for the 21st Century!"

September 11, 2007

URGENT!

Mrs. Nardizzi
Dept of Labor-OSHA
8344 E. R L Thornton, Rm 420
Dallas TX 75228

TEN PAGE FAX
Faxed to: 214-320-2598

RE: **REQUEST FOR IMMEDIATE EMERGENCY INJUNCTIVE RELIEF UNDER SARBANES-OXLEY ACT OF 2002 -SEC. 1514. CIVIL ACTION TO PROTECT EMPLOYEES AGAINST RETALIATION IN STOCK OR SECURITIES FRAUD CASES**

Dear Ms. Nardizzi:

RE: In the Matter of the SEC Investigation of Jeffrey G. Turino and related penny stocks

Please find attached the Sixth Amended Complaint by Adam Barnett, in the 68th Texas District Court, Dallas County, Texas, Case No. 05-11907-C which we received at 5:45PM-CDST on Friday, Sept. 7, 2007. In this litigation, Barnett is retaliating against Dr. Kim Peralta-Jacobs (a Hispanic female worker) and Houser due to our providing evidence and testifying before the SEC-Enforcement Division regarding Adam Barnett and others within the past Ninety (90) days regarding massive illegal stock fraud which we uncovered during an audit of our company shareholders.

In the Attached lawsuit in paragraph 15, Barnett objects to Houser sending the SEC a complaint regarding Barnett, et al's illegal manipulation of BTMD stock.

In paragraph 16, Barnett alleges that Houser's statements and actions to the SEC were "unlawful" and that Houser's letter to the SEC "goes beyond the pale of any rational person and are once again false, malicious, unconscionable, defamatory, and falsely disparaging." Of course, Houser's statements to the SEC were NOT unlawful, nor false, etc.

In paragraph 17, Barnett also attacks Dr. Kim Jacobs for allowing Houser to write the SEC.

In paragraph 57, Barnett is asking the Court to pierce BioTech's corporate veil.

In paragraph 64, Barnett is seeking immediate injunctive relief.

Letter to Ms. Nardizzi, dated September 11, 2007

In paragraph 70, Barnett is seeking injunctive relief in the form of the Court appointing a Court-appointed Receiver of BioTech and removing Dr. Jacobs and Houser as employee/officers.

We request immediate injunctive relieve as a "whistleblower" under SEC. 1514. (a) which provides "whistleblower protection for employees of publicly traded companies".

Houser as an employee of BioTech Medics, Inc., has provided a minimum of four (4) days testimony combined In the Matter of the Investigation of John Edwards in Los Angeles and In the Matter of the Investigation of Jeffrey G. Turino in Fort Worth (in conjunction with the SEC-Enforcement Div. Washington, DC investigation). Houser has provided thousands of pages of evidence. This was all the result of a shareholder audit in full compliance with Sarbanes-Oxley Act of BioTech Medics, Inc., a Nevada company on the Pinksheets which trades under the symbol: BTME. Dr. Jacobs as an employee has testified one day before the SEC within the past Ninety (90) days and provided documentation regarding the SEC's investigation of Adam Barnett, Turino, et. al.

Houser provided information, caused information to be provided by nearly a dozen other witnesses collaborating Houser's testimony, or otherwise assisted the SEC in an investigation regarding any conduct which an employee reasonably believes constitutes a violation of section 1341, 1343, 1344, or 1348, or any rule or regulation of the Securities Act of 1933, as amended; and/or the Securities & Exchange Commission and it's rules and regulations, or any provision of Federal law relating to fraud against shareholders, when the information or assistance is provided to or the investigation is conducted by-a federal regulatory or law enforcement agency.

Dr. Jacobs and Houser are filing this Complaint and seeking immediate emergency injunctive relief within FIVE (5) days of the receipt of the threat to have our employment terminated from BioTech Medics, Inc., by Barnett via the 68th Texas Judicial Court.

You may confirm our cooperation with the Securities & Exchange Commission, by contacting the following SEC persons.

William "Max" Hathaway, Esq.
Division of Enforcement-Branch Chief
Securities & Exchange Commission
100 – "F" Street NE
WASHINGTON DC 20549-8549B

Tom Swiers, Esq., Senior Counsel Phone 202-551-4851
Division of Enforcement-Branch Chief
Securities & Exchange Commission
100 – "F" Street NE
WASHINGTON DC 20549-8549B

Letter to Ms. Nardizzi, dated September 11, 2007

Our prayer is that the DOL will provide immediate injunctive relief on behalf of Dr. Kim Jacobs and Keith Houser by seeking an injunction in any federal court that has jurisdiction to temporarily restrain Barnett and the 68th Texas District Court in taking any action of Court Appointed Receivership and/or removing Dr. Jacobs and/or Houser as employees/officers of the company as retaliation for our cooperating as "whistleblowers" before the SEC.

Please confirm that Dr. Kim Peralta-Jacobs and Keith Houser have "whistleblower" status before the SEC and that any actions or rulings to remove us as employees by the 68th Texas Dist Court should be stopped with a temporary restraining order (TRO) in conformity with the Sarbanes-Oxley Whistleblower Act.

Dr. Jacobs and Houser have exhausted all available funds and borrowed funds in which to fight Barnett, et al in a civil legal battle. We have no more known sources of savings and/or lines of credit to fight Barnett's retaliation of our proper legal acts as "whistleblowers".

Please call should you have any questions. Houser is available in Dallas should you require a meeting. Dr. Jacobs is in Kansas but available by phone.

Respectfully submitted,

Keith A Houser

Kim Peralta-Jacobs

Enclosure - 68th Tex Dist Ct

Barnett 6th Amended Complaint Abstract

CC: Tom Swiers, Esq., SEC

222 W Las Colinas Blvd., Suite 1650E
Irving, TX 75039 USA

Page 3 of 10

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