

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY  
Division of Law  
124 Halsey Street - 5<sup>th</sup> Floor  
P.O. Box 45029  
Newark, New Jersey 07101  
Attorney for Plaintiffs

FILED

OUT 7 2014

RAYMOND W. SMITH, P.J.Ch.

By: Russell M. Smith, Jr.  
Deputy Attorney General  
[REDACTED]  
[Russell.Smith@dol.lps.state.nj.us](mailto:Russell.Smith@dol.lps.state.nj.us)  
[REDACTED]

SUPERIOR COURT OF NEW JERSEY,  
CHANCERY DIVISION, ATLANTIC  
COUNTY, DOCKET NO. C69-14

JOHN J. HOFFMAN, Acting Attorney General of the  
State of New Jersey, and STEVE C. LEE, Acting  
Director of the New Jersey Division of Consumer  
Affairs,

Plaintiffs,

v.

SHOREPRO CONTRACTORS, LLC;  
CHRISTOPHER N. MOLOSSO, SR., individually  
and as an owner, officer, director, shareholder,  
founder, manager, agent, servant, employee, and  
representative of SHOREPRO CONTRACTORS,  
LLC; JANE AND JOHN DOES 1-10, individually  
and as owners, officers, directors, shareholders,  
founders, managers, agents, servants, employees,  
representatives and/or independent contractors of  
SHOREPRO CONTRACTORS, LLC; and XYZ  
CORPORATIONS 1-10,

Defendants.

Civil Action

COMPLAINT

Plaintiffs, John J. Hoffman, Acting Attorney General of the State of New Jersey ("Attorney  
General"), with offices located at 124 Halsey Street, Fifth Floor, Newark, New Jersey, and Steve C.

Lee, Acting Director ("Director") of the New Jersey Division of Consumer Affairs ("Division"), with offices located at 124 Halsey Street, Seventh Floor, Newark, New Jersey, by way of Complaint state:

### PRELIMINARY STATEMENT

1. At all relevant times, ShorePro Contractors, LLC and Christopher N. Molosso, Sr. (collectively, "Defendants") were engaged in the advertisement, offering for sale, sale and performance of various home improvements including, among other things, roofing and home renovations to consumers in the State of New Jersey ("State" or "New Jersey").

2. Consumer complaints received by the New Jersey Division of Consumer Affairs ("Division") regarding Defendants' home improvement work revealed multiple violations of the New Jersey Consumer Fraud Act, N.J.S.A. 56:8-1 et seq. ("CFA"), the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq., and the regulations promulgated thereunder, specifically Regulations Governing Home Improvement Practices, N.J.A.C. 13:45A-16.1 et seq. ("Home Improvement Regulations"), and the Regulations Governing Contractor Registration, N.J.A.C. 13:45A-17.1 et seq. ("Contractor Registration Regulations"). Among other things these alleged violations arise from: (a) unduly pressuring consumers to enter into home improvement contracts; (b) failing to include required information in or with the home improvement contracts; (c) creating long delays in completing home improvement projects; (d) failing to perform all of the contracted for home improvement work after receiving consumer payments; (e) failing to make necessary repairs to correct substandard work; and (f) failing to maintain the required commercial general liability insurance. As such, the Attorney General and the Director commence this action to halt Defendants' unconscionable and deceptive business practices and to obtain consumer restitution and other monetary relief.

### PARTIES AND JURISDICTION

3. The Attorney General is charged with the responsibility of enforcing the CFA, the Contractors' Registration Act, and the regulations promulgated thereunder, including the Home Improvement Regulations and the Contractor Registration Regulations. The Director is charged with the responsibility of administering the CFA, the Contractors' Registration Act, the Home Improvement Regulations, and the Contractor Registration Regulations on behalf of the Attorney General.

4. By this action, Plaintiffs seek injunctive relief and other relief against Defendants for violations of the CFA, the Contractors' Registration Act, the Home Improvement Regulations and the Contractor Registration Regulations. Plaintiffs bring this action pursuant to their authority under the CFA, specifically N.J.S.A. 56:8-8, 56:8-11, 56:8-13 and 56:8-19.

5. Venue is proper in Atlantic County, pursuant to R. 4:3-2, because it is a county in which the Defendants have maintained a business address and otherwise conducted business.

6. ShorePro Contractors, LLC ("ShorePro") was established as a limited liability company on September 4, 2001 with a business address of 205 Hamilton Avenue, Linwood, New Jersey, 08221. At all times relevant to this Complaint, ShorePro has maintained this business address.

7. ShorePro's registered agent in the State is Christopher N. Molosso, Sr. ("Molosso"), with a mailing address of 205 Hamilton Avenue, Linwood, New Jersey, 08221.

8. Upon information and belief, at all times relevant to this complaint, Molosso has been a president, owner and employee of ShorePro.

9. John and Jane Does 1 through 10 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, members, managers, agents, servants, employees, representatives and/or independent contractors of ShorePro who have been involved in the conduct that gives rise to this Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

10. XYZ Corporations 1 through 10 are fictitious corporations meant to represent any additional business entities who have been involved in the conduct that gives rise to the Complaint, but are heretofore unknown to Plaintiffs. As these defendants are identified, Plaintiffs shall amend the Complaint to include them.

#### **GENERAL ALLEGATIONS COMMON TO ALL COUNTS**

11. Since at least March 17, 2005, Defendants have been engaged in the advertisement, offering for sale and performance of home improvements in the State including, but not limited to, roofing and home renovations.

12. At all relevant times, Defendants have advertised home improvement services by way of the internet (e.g., ads were posted on <http://www.oakridgecondo.org>), ad books, business cards and oral communication.

13. At all relevant times, Defendants advertised that they are “fully insured” and/or “licensed and insured.”

14. At varying times, Defendants advertised that their home improvement services are superior to their competitors’ services.

#### **A. HIC Registration and Commercial General Liability Insurance Coverage**

15. On or about November 17, 2004, Defendants submitted to the Division a Home Improvement Contractor Application for Initial Registration as a home improvement contractor in the State.

16. On or about March 17, 2005, the Division issued a home improvement contractor registration ("HIC registration") to Defendants with registration number 13VH00211600.

17. On or about May 11, 2010, Defendants' commercial general liability insurance coverage with Merchant's Insurance Group, policy number [REDACTED] was canceled.

18. Upon information and belief, from May 12, 2010, to February 10, 2011, Defendants did not have commercial general liability insurance coverage. During this time period, Defendants continued to advertise, offer for sale, and perform home improvements in this State while uninsured.

19. On or about February 11, 2011, Defendants acquired commercial general liability insurance coverage with Mercer Insurance Group, policy number [REDACTED], which expired on February 11, 2012.

20. Upon information and belief, from February 12, 2012, to September 26, 2012, Defendants did not have commercial general liability insurance coverage. During this time period, Defendants continued to advertise, offer for sale, and perform home improvements in this State while uninsured.

21. On or about September 27, 2012, Defendants acquired commercial general liability insurance coverage with Seneca Specialty Insurance, policy number [REDACTED], which expired on September 27, 2013.

22. Upon information and belief, from September 28, 2013, to November 12, 2013, Defendants did not have commercial general liability insurance coverage. During this time period,

Defendants continued to advertise, offer for sale, and perform home improvements in this State while uninsured.

23. On October 29, 2013, ShorePro's HIC registration was suspended by the Division for failing to maintain commercial general liability insurance.

24. On or about November 13, 2013, ShorePro renewed its commercial general liability insurance with Seneca Specialty Insurance, policy number [REDACTED] and ShorePro's HIC registration was reinstated on November 15, 2013.

25. ShorePro's HIC registration is currently valid through December 31, 2014.

**B. Home Improvement Contracts**

26. At all relevant times, Defendants used home improvement contracts to sell home improvements, more specifically roofing and home renovation services, to consumers in this State.

27. At all relevant times, Defendants provided consumers with contracts that listed the business name as Shore Pro Contractors, LLC, the business address as 205 Hamilton Avenue, Linwood, New Jersey 08221 and the HIC registration number as 13VH00211600.

28. At varying times, Defendants provided consumers with contracts with the following warranty:

All materials as specified above. Work will meet or exceed industry standards and is guaranteed for 5 years. Alterations from the above specifications will be charged at our competitive rates in addition to the above estimate. Time frames specified are subject to delay in the event of labor stoppage, unavailability of materials, unavoidable casualties and other causes beyond the control of Shore Pro Contractors, LLC. This warranty excludes personal property.

29. At all relevant times, Defendants failed to provide consumers with contracts that included the name and business address of the sales representative or agent who solicited or negotiated the contract.

30. At all relevant times, Defendants failed to provide consumers with contracts that included the toll-free telephone number provided by the Division for consumers making inquiries concerning home improvement contractors.

31. At varying times, Defendants failed to provide consumers with contracts that stated the cost of materials used in the home improvement project or the hourly rate for labor.

32. At varying times, Defendants failed to provide consumers with contracts that were signed by all parties.

33. At varying times, Defendants failed to provide consumers with contracts that included the Notice to Consumers, regarding their right to cancel a home improvement contract.

34. At varying times, Defendants failed to include with home improvement contracts a copy of ShorePro's certificate of commercial general liability insurance or the telephone number of the company issuing the certificate.

35. At varying times, Defendants did not memorialize in writing material changes to the terms of their home improvement contracts.

36. At varying times, Defendants performed roofing and/or home renovations without a written contract.

**C. Sales Tactics**

37. At varying times, Defendants pressured consumers into purchasing more expensive materials by delaying work and/or disparaging the materials already selected (e.g., induced an

additional payment from a consumer to install “silver coating” on her roof after delays in starting the project and disparaging the materials selected by the consumer’s father).

38. At varying times, Defendants pressured consumers to enter into a home improvement contract by misleading consumers about the extent of existing damage to their homes (e.g., induced a consumer to enter into a nearly \$10,000 home improvement contract by alleging that the consumer would have to move out of her home unless the Defendants repaired the home’s termite damage).

39. At varying times, Defendants misled consumers about refunds they could expect to receive (e.g., promised to “pass along” a refund to a consumer on cabinets that had been delivered damaged and had significantly delayed the home improvement project. Defendants received a refund from the cabinet manufacturer, but refused to “pass along” any money to the consumer).

40. At varying times, Defendants pressured consumers to make payment before the time agreed upon in the contract (e.g., pressured a consumer to make a payment before the time agreed upon in the contract by alleging that the money was needed to purchase cabinets to be used in the job during a “one-day sale”).

41. At varying times, Defendants misled consumers about the cost of materials, supplies or permits (e.g., Defendants accepted \$2,000 from a consumer for a permit for home renovation, even though the permit fee was waived because the consumer was a Hurricane Sandy victim).

**D. Performance**

42. At all relevant times, Defendants refused to correct substandard work on consumers’ homes pursuant to its warranty, or otherwise.

43. At varying times, Defendants failed to respond to consumers’ requests for repairs.



44. At varying times, Defendants performed substandard roof repairs (e.g., incorrect design and construction of the roof, improper roof installment, use of inappropriate hardware and fasteners, use of improper sealants, and failure to seal the entire roof).

45. Upon information and belief, Defendants' substandard roofing caused consumers substantial monetary damages.

46. At varying times, Defendants performed substandard home renovations (e.g., improper tile installation; improper grouting; sloppy painting; and crooked trim installation).

47. Upon information and belief, Defendants' substandard home renovations caused consumers substantial monetary damages.

48. At varying times, Defendants failed to perform all work specified in consumers' home improvement contracts (e.g., failure to remove debris and equipment from consumers' homes or to clean the jobsite).

49. At varying times, consumers' home improvement projects were not completed within dates specified in their contracts, or any reasonable amount of time.

50. At varying times, Defendants misled consumers about when home improvement projects would be completed.

51. At varying times, Defendants failed to obtain requisite permits to perform the contracted home improvement work.

52. At varying times, Defendants damaged consumers' personal property and failed to fix, clean or compensate the consumers for the damage.

**E. Consumer Payments**

53. At all times relevant to this Complaint, Molosso directed consumers to pay ShorePro by cash or check payable to "Chris Molosso" and received funds from consumers in that form.

54. At varying times, consumer checks were made payable to "Chris Molosso" for home improvement work sold under the name ShorePro. Those checks were signed by Molosso and then cashed and/or deposited by Molosso.

### COUNT I

#### VIOLATION OF THE CFA BY DEFENDANTS (UNCONSCIONABLE COMMERCIAL PRACTICES AND DECEPTION)

55. Plaintiffs repeat and reallege the allegations in paragraphs 1 through 54 above as if more fully set forth herein.

56. The CFA, N.J.S.A. 56:8-2, prohibits:

The act, use or employment by any person of any unconscionable commercial practice, deception, fraud, false pretense, false promise, misrepresentation, or the knowing concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale or advertisement of any merchandise or real estate, or with the subsequent performance of such person as aforesaid, whether or not any person has in fact been misled, deceived or damaged thereby...

57. The CFA defines "merchandise" as including "any objects, wares, goods, commodities, services or anything offered, directly or indirectly to the public for sale." N.J.S.A. 56:8-1(c).

58. At all relevant times, Defendants have been engaged in the advertisement and sale of merchandise within the meaning of N.J.S.A. 56:8-1(c), specifically home improvements.

59. In the operation of their business, Defendants have engaged in the use of unconscionable commercial practices, deception, false promises and/or misrepresentations.

60. Defendants have engaged in unconscionable commercial practices and/or deception including, but not limited to, the following:

a. Failing to perform work specified in a consumer's home improvement contract;

- b. Failing to honor guarantees or warranties provided in a consumer's home improvement contract;
- c. Performing roofing and home renovations of poor or substandard quality and then failing to make the necessary repairs;
- d. Requiring a consumer to make payment before the time agreed upon in the contract;
- e. Causing damage to a consumer's home while performing home improvement work and failing to fix, clean or compensate for the damage;
- f. Failing to respond to consumers' inquiries or complaints in a timely manner, or at all;
- g. Accepting payment for work not performed or supplies not purchased; and
- h. Deceiving consumers about the condition of their homes in order to solicit additional home improvement jobs.

61. Each unconscionable commercial and/or deceptive practice by Defendants constitutes a separate violation under the CFA, N.J.S.A. 56:8-2.

## COUNT II

### **VIOLATION OF THE CFA BY DEFENDANTS (FALSE PROMISES AND MISREPRESENTATIONS)**

62. Plaintiffs repeat and reallege the allegations in paragraphs 1 to 61 above as if more fully set forth herein.

63. Defendants' conduct in violation of the CFA includes, but is not limited to, the following false promises and/or misrepresentations:

- a. Misrepresenting that ShorePro was "fully insured" and/or "licensed and insured;"
- b. Misrepresenting that ShorePro would guarantee home improvement work for up to five years;
- c. Misrepresenting that ShorePro would "pass along" material refunds; and
- d. Misrepresenting the date on which the home improvement project would be completed.

64. Each act of false promise and/or misrepresentation by Defendants constitutes a separate violation under CFA, N.J.S.A. 56:8-2.

### COUNT III

#### VIOLATION OF THE CONTRACTORS' REGISTRATION ACT BY DEFENDANTS

65. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 to 64 above as if set forth more fully herein.

66. The Contractors' Registration Act, among other things, governs the registration of home improvement contractors with the Division.

67. At all relevant times, Defendants have been "Contractor[s]" within the definition of the Contractors' Registration Act, N.J.S.A. 56:8-137.

68. At all relevant times, Defendants have offered to perform and performed "Home Improvement[s]" within the definition of the Contractors' Registration Act, N.J.S.A. 56:8-137.

69. At all relevant times, Defendants have entered into "Home Improvement Contract[s]" within the definition of the Contractors' Registration Act, N.J.S.A. 56:8-137.

70. The Contractors' Registration Act provides, in pertinent part:

a. On or after December 31, 2005, no person shall offer to perform, or engage, or attempt to engage in the business of making or selling home improvements unless registered with the Division of Consumer Affairs in accordance with the provision of this act.

[N.J.S.A. 56:8-138(a).]

71. At all relevant times, Defendants were not exempt from the Contractors' Registration Act pursuant to N.J.S.A. 56:8-140.

72. The Contractors' Registration Act includes a writing requirement for contracts priced in excess of \$500, and provides, in pertinent part:

a. On or after December 31, 2005, every home improvement contract for a purchase price in excess of \$500, and all changes in the terms and conditions of the contract, shall be in writing. The contract shall be signed by all parties thereto, and shall clearly and accurately set forth in legible form and in understandable language all terms and conditions of the contract, including but not limited to:

(1) The legal name, business address, and registration number of the contractor;

(2) A copy of the certificate of commercial general liability insurance required of a contractor pursuant to section 7 [C. 56:8-142] of this act and the telephone number of the insurance company issuing the certificate; . . .

[N.J.S.A. 56:8-151(a).]

73. In addition, the Contractors' Registration Act requires that home improvement contractors include cancellation language as follows:

b. . . . The contract shall contain a conspicuous notice printed in at least 10-point bold-faced type as follows:

"NOTICE TO CONSUMER

YOU MAY CANCEL THIS CONTRACT AT ANY TIME BEFORE MIDNIGHT OF THE THIRD BUSINESS DAY AFTER RECEIVING A COPY OF THIS CONTRACT. IF YOU WISH TO CANCEL THIS CONTRACT, YOU MUST EITHER:

1. SEND A SIGNED AND DATED WRITTEN NOTICE OF CANCELLATION BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED; OR

2. PERSONALLY DELIVER A SIGNED AND DATED WRITTEN NOTICE OF CANCELLATION TO:

(Name of Contractor)

(Address of Contractor)

(Phone Number of Contractor)

If you cancel this contract within the three-day period, you are entitled to a full refund of your money. Refunds must be made within 30 days of the contractor's receipt of the cancellation notice."

[N.J.S.A. 56:8-151(b).]

74. Defendants have engaged in conduct in violation of the Contractors' Registration Act including, but not limited to, the following:

- a. Failing to provide written home improvement contracts for roofing and home renovation work in excess of \$500 (N.J.S.A. 56:8-151(a));
- b. Failing to set forth the signatures of both parties to the home improvement contract (N.J.S.A. 56:8-151(a));
- c. Failing to include with home improvement contracts a copy of Defendants' certificate of commercial general liability insurance as well as the telephone number of the company issuing the certificate (N.J.S.A. 56:8-151(a)(2)); and
- d. Failing to use the required Notice to Consumers regarding cancellation of home improvement contracts (N.J.S.A. 56:8-151(b)).

75. Defendants' conduct constitutes multiple violations of the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq.

#### COUNT IV

##### VIOLATION OF THE CONTRACTOR REGISTRATION REGULATIONS BY DEFENDANTS

76. Plaintiffs repeat and reallege the allegations in paragraphs 1 to 75 above as if more fully set forth herein.

77. The Contractor Registration Regulations, among other things, provide for procedures for the registration of home improvement contractors with the Division.

78. At all relevant times, Defendants have been "Home Improvement Contractor[s]" and/or "Contractor[s]" within the definition of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.2.

79. At all relevant times, Defendants have performed "Home Improvement[s]" within the definition of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.2.

80. At all relevant times, Defendants have “advertise[d]” home improvements within the meaning of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.2.

81. At all relevant times, Defendants have entered into “Home Improvement Contract[s]” within the definition of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.2.

82. The Contractor Registration Regulations provide, in pertinent part:

(a) On or after December 31, 2005, unless exempt under N.J.A.C. 13:45A-17.4:

1. No person shall engage in the business of making or selling home improvements in this State unless registered with the Division in accordance with this subchapter.

[N.J.A.C. 13:45A-17.3(a).]

83. At all relevant times, Defendants were not exempt from the Division’s contractor registration requirements.

84. The Contractor Registration Regulations require that a home improvement contractor maintain a commercial general liability insurance policy in a minimum of \$500,000 per occurrence “in full force and effect during the entire term of registration.” N.J.A.C. 13:45A-17.12(a) and (b).

85. In addition, a home improvement contractor shall include proof of a commercial general liability insurance policy that complies with N.J.A.C. 13:45A-17.12 with each annual HIC registration renewal application. N.J.A.C. 13:45A-17.5(d)(2).

86. The Contractor Registration Regulations also require that home improvement contractors prominently display certain information, and provide, in pertinent part:

(f) As of November 4, 2008, any invoice, contract or correspondence given by a registrant to a consumer shall prominently contain the toll-free telephone number provided by the Division pursuant to (b) of N.J.S.A. 56:8-149 and shall be displayed in all caps in at least 10-point bold-face type as follows:  
FOR INFORMATION ABOUT CONTRACTORS AND THE  
CONTRACTORS' REGISTRATION ACT, CONTACT THE NEW JERSEY  
DEPARTMENT OF LAW AND PUBLIC SAFETY, DIVISION OF  
CONSUMER AFFAIRS AT 1-888-656-6225.

[N.J.A.C. 13:45A-17.11(f).]

87. Defendants have engaged in conduct in violation of the Contractor Registration Regulations including, but not limited to, the following:

- a. Using invoices, contracts and/or correspondence that fail to include the informational statement and toll-free telephone number provided by the Director for consumers making inquiries regarding contractors (N.J.A.C. 13:45A-17.11(f)); and
- b. Failing to maintain commercial general liability insurance during the entire term of registration (N.J.A.C. 13:45A-17.12).

88. Defendants' conduct constitutes multiple violations of the Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-1 et seq.

#### COUNT V

#### VIOLATION OF THE HOME IMPROVEMENT PRACTICES REGULATIONS BY DEFENDANTS

89. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 88 above as if more fully set forth herein.

90. The Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., among other things, prohibit certain acts and practices of a seller connected with a sale, advertisement or performance of home improvement contracts.

91. Defendants are "Seller[s]" within the definition of N.J.A.C. 13:45A-16.1.

92. At all relevant times, Defendants entered into "Home Improvement Contract[s]" within the definition of N.J.A.C. 13:45A-16.1.

93. The Home Improvement Regulations prohibit certain practices with regard to the performance of home improvement contracts, as follows:



- a. Without limiting any other practices which may be unlawful under the Consumer Fraud Act, N.J.S.A. 56:8-1 et seq., utilization by a seller of the following acts and practices involving the sale, attempted sale, advertisement or performance of home improvements shall be unlawful hereunder.

.....

3. Bait selling:

.....

- ii. Disparage, degrade or otherwise discourage the purchase of products or materials offered or represented by the seller as being for sale to induce the buyer to purchase other or high priced substitute products or materials;

.....

7. Performance:

- i. Deliver materials, begin work, or use any similar tactic to unduly pressure the buyer into a home improvement contract

...

- ii. Fail to begin or complete work on the date or within the time period specified in the home improvement contract, or as otherwise represented, unless the delay is for reason of labor stoppage; unavailability of supplies of materials, unavoidable casualties, or any other cause beyond the seller's control. Any changes in the dates or time periods stated in a written contract shall be agreed to in writing; or

- iii. Fail to give timely written notice to the buyer of reasons beyond the seller's control for any delay in performance, and when the work will begin or be completed.

8. Competitors:

.....

- ii. Misrepresent that the seller's products, materials or workmanship are equal or better than those of a competitor.

.....

9. Sales representations:

.....

- ii. Knowingly fail to make any material statement of fact,

qualification or explanation if the omission of such statement, qualification or explanation causes an advertisement, announcement, statement or representation to be false, deceptive or misleading; or

- iii. Misrepresent that the customer's present equipment, material, product, home or a part thereof is dangerous or defective, or in need of repair or replacement.

.....

10. Building permits:

- i. No seller contracting for the making of home improvements shall commence work until he is sure that all applicable state or local building and construction permits have been issued as required under state laws or local ordinances;

.....

12. Home improvement contract requirements-writing requirement: All home improvement contracts for a purchase price in excess of \$500.00, and all changes in the terms and conditions thereof shall be in writing. Home improvement contracts which are required by this subsection to be in writing, and all changes in the terms and conditions thereof, shall be signed by all parties thereto, and shall clearly and accurately set forth in legible form and in understandable language all terms and conditions of the contract, including, but not limited to, the following:

- i. The legal name and business address of the seller, including the legal name and business address of the sales representative or agent who solicited or negotiated the contract for the seller;

.....

- iii. The total price or other consideration to be paid by the buyer, including all finance charges. If the contract is one for time and materials, the hourly rate for labor and all other terms and conditions of the contract affecting price shall be clearly stated;

.....

[N.J.A.C. 13:45A-16.2(a)(3)(ii), (7)(i), (7)(ii), (7)(iii), (8)(ii), (9)(ii), (9)(iii), (10)(i), (12)(i), (12)(iii)]

94. Defendants violated the Home Improvement Regulations by engaging in certain conduct including, but not limited to the following:

- a. Disparaging, degrading or otherwise discouraging the purchase of services offered for sale to induce the buyer to purchase other or higher priced substitute services (N.J.A.C. 13:45A-16.2(a)(3)(ii));
- b. Unduly pressuring the buyer into an additional home improvement contract by use of delay and other high pressure sales tactics (N.J.A.C. 13:45A-16.2(a)(7)(i));
- c. Failing to begin or complete work on the date specified in the home improvement contract, or as otherwise represented (N.J.A.C. 13:45A-16.2(a)(7)(ii));
- d. Failing to give timely written notice to the buyer of the reasons beyond Defendants' control for any delay in performance and when the work will begin or be completed (N.J.A.C. 13:45A-16.2(a)(7)(iii));
- e. Misrepresenting that Defendants' workmanship is equal or better than a competitor's (N.J.A.C. 13:45A-16.2(a)(8)(ii));
- f. Knowingly failing to inform consumers that ShorePro did not have commercial general liability insurance (N.J.A.C. 13:45A-16.2(a)(9)(ii));
- g. Misrepresenting that a customer's home was dangerous or defective and in need of immediate repair (N.J.A.C. 13:45A-16.2(a)(9)(iii));
- h. Commencing home improvement work without confirming that the requisite permits had been issued (N.J.A.C. 13:45A-16.2(a)(10)(i));
- i. Failing to include in home improvement contracts the legal name and the business address of the sales representative of agent who solicited or negotiated the contract (N.J.A.C. 13:45A-16.2(12)(i));
- j. Failing to include in home improvement contracts a statement of the terms and conditions affecting the price of the contract, including cost of materials and hourly labor rate (N.J.A.C. 13:45A-16.2(a)(12)(iii));

95. Defendants' conduct constitutes multiple violations of the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-1 et seq.

## COUNT VI

### **VIOLATIONS OF THE CFA, THE CONTRACTORS' REGISTRATION ACT, THE CONTRACTOR REGISTRATION REGULATIONS, AND THE HOME IMPROVEMENT REGULATIONS BY CHRISTOPHER MOLOSSO**

96. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 to 95 above as if more fully set forth herein.

97. At all relevant times, Molosso has been the owner, President, and Managing Member of ShorePro and has controlled, directed and/or participated in the management and operation of that entity, including the conduct alleged in this Complaint.

98. In that capacity, Molosso directed that consumers pay ShorePro by tendering cash or making checks payable to him directly and not to ShorePro and thereby diverted funds paid in connection with the contracted home improvement work.

99. Molosso's conduct makes him personally liable for the violations of the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, and the Home Improvement Regulations committed by ShorePro.


### PRAYER FOR RELIEF

WHEREFORE, based upon the foregoing allegations, Plaintiffs respectfully request that the Court enter judgment against Defendants:

- (a) Finding that the acts and omissions of Defendants constitute multiple instances of unlawful practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq., the Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., and the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq.
- (b) Revoking the HIC registration of ShorePro Contractors, LLC, in accordance with N.J.S.A. 56:8-8;
- (c) Canceling the Certificate of Formation in the State for ShorePro Contractors, LLC, as authorized by the CFA, N.J.S.A. 56:8-8;

- (d) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, managers, agents, members, servants, employees, representatives, independent contractors and all other persons or entities directly under their control, from engaging in, continuing to engage in or doing any acts or practices in violation of the CFA, N.J.S.A. 56:8-1 et seq., the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq., the Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., and the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., including, but not limited to, the acts and practices alleged in this Complaint, as authorized by the CFA, N.J.S.A. 56:8-8;
- (e) Directing Defendants, jointly and severally, to restore to any affected person, whether or not named in this Complaint, any money or real or personal property acquired by means of any alleged practice herein found to be unlawful, as authorized by the CFA, N.J.S.A. 56:8-8;
- (f) Assessing the maximum statutory civil penalties against Defendants, jointly and severally, for each and every violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (g) Directing the assessment of costs and fees, including attorneys' fees, against Defendants, jointly and severally, for the use of the State of New Jersey, as authorized by the CFA, N.J.S.A. 56:8-11 and N.J.S.A. 56:8-19; and
- (h) Granting such other relief as the interests of justice may require.

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

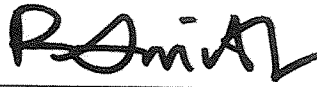
By:   
Russell M. Smith, Jr.  
Deputy Attorney General

Dated: October 14, 2014  
Newark, New Jersey

**RULE 4:5-1 CERTIFICATION**

I certify, to the best of my information and belief, that the matter in this action involving the aforementioned violations of the CFA, N.J.S.A. 56:8-1 et seq., the Contractors' Registration Act, N.J.S.A. 56:8-136 et seq., the Contractor Registration Regulations, N.J.A.C. 13:45A-17.1 et seq., and the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., is not the subject of any other action pending in any other court of this State. I further certify, to the best of my information and belief, that the matter in controversy in this action is not the subject of a pending arbitration proceeding in this State, nor is any other action or arbitration proceeding contemplated. I certify that there is no other party who should be joined in this action at this time.

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs


By:   
Russell M. Smith, Jr.  
Deputy Attorney General

Dated: October 14, 2014  
Newark, New Jersey

**RULE 1:38-7(c) CERTIFICATION OF COMPLIANCE**

I certify that confidential personal identifiers have been redacted from documents now submitted to the court, and will be redacted from all documents submitted in the future in accordance with Rule 1:38-7(b).

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs


By:   
\_\_\_\_\_  
Russell M. Smith, Jr.  
Deputy Attorney General

Dated: October 14, 2014  
Newark, New Jersey

**DESIGNATION OF TRIAL COUNSEL**

Pursuant to R. 4:25-4, Deputy Attorney General Russell M. Smith, Jr. is hereby designated as trial counsel for the Plaintiffs in this action.

JOHN J. HOFFMAN  
ACTING ATTORNEY GENERAL OF NEW JERSEY  
Attorney for Plaintiffs

By:   
\_\_\_\_\_  
Russell M. Smith, Jr.  
Deputy Attorney General

Dated: October 14, 2014  
Newark, New Jersey