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SUPERIOR COURT BERGEN COUNTY
FILED

JUL 13 2015

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[REDACTED]

Laura A. Sivalboni
DEPUTY CLERK

SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, BERGEN COUNTY
DOCKET NO. BER-C- 205-15

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,

Civil Action

Plaintiffs,

v.

ABC CONSTRUCTION NJ INC. a/k/a ABC
CONSTRUCTION a/k/a ABC CONSTRUCTION,
LLC; CHARLESTON J. MASTERSON a/k/a
CHARLES MASTERSON a/k/a CHUCK
MASTERSON a/k/a CHARLESTON MASTERS
a/k/a CHARLES MASTERS a/k/a CHUCK
MASTERS individually and as owner, officer,
director, manager, employee, representative and/or
agent of ABC CONSTRUCTION NJ INC. a/k/a ABC
CONSTRUCTION a/k/a ABC CONSTRUCTION,
LLC; FRANKIE OLANDESI individually and as
owner, officer, director, manager, employee,
representative and/or agent of ABC
CONSTRUCTION NJ INC. a/k/a ABC
CONSTRUCTION a/k/a ABC CONSTRUCTION,
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

COMPLAINT

ABC CONSTRUCTION NJ INC. a/k/a ABC
CONSTRUCTION a/k/a ABC CONSTRUCTION,
LLC; and XYZ CORPORATIONS 1-10,

Defendants.

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

PRELIMINARY STATEMENT

1. At all relevant times, defendants ABC Construction NJ Inc. a/k/a ABC Construction a/k/a ABC Construction, LLC (“ABC Construction”), Charleston J. Masterson a/k/a Charles Masterson a/k/a Chuck Masterson a/k/a Charleston Masters a/k/a Charles Masters a/k/a Chuck Masters (“Masterson”) and Frankie Olandesi (“Olandesi”) (collectively, “Defendants”) were engaged in the advertisement, offering for sale, sale and performance of various home improvements to consumers in the State of New Jersey (“State” or “New Jersey”) and elsewhere.

2. Consumer complaints received by the New Jersey Division of Consumer Affairs (“Division”) regarding Defendants’ home improvement work have 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 the Regulations Governing Contractor Registration, N.J.A.C. 13:45A-17.1 et seq. (“Contractor Registration Regulations”), the Regulations Governing Home Improvement Practices, N.J.A.C. 13:45A-16.1 et seq. (“Home Improvement Regulations”) and the Regulations Governing General Advertising, N.J.A.C. 13:45A-9.1 et seq. (“Advertising Regulations”), among other things, arising

from Defendants' failure to: (a) perform the contracted-for home improvement work; and (b) include required information in or with home improvement contracts.

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, specifically the Contractor Registration Regulations, the Home Improvement Regulations and the Advertising Regulations. The Director is charged with the responsibility of administering the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations and the Advertising Regulations on behalf of the Attorney General.

4. By this action, the Attorney General and Director (collectively, "Plaintiffs") seek injunctive relief and other relief for violations of the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations and the Advertising 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 Bergen 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. On June 21, 2010, ABC Construction was incorporated in the State. Upon information and belief, and at all relevant times, ABC Construction has maintained a business and mailing address of 297 Kinderkamack Road, Suite 281, Oradell, New Jersey 07649 ("297 Kinderkamack Road"). At varying times, ABC Construction has also maintained a principal business address of 20 Westview Drive, Bergenfield, New Jersey 07621 ("20 Westview Drive").

7. ABC Construction's registered agent in the State is Frankie Olandesi ("Olandesi") with a mailing address of 297 Kinderkamack Road.

8. Upon information and belief, Masterson resides [REDACTED]

9. Upon information and belief, and at all relevant times, Masterson has been an owner, Chief Executive Officer, President, officer, manager, director, employee, representative and/or agent of ABC Construction and has controlled, directed and participated in the management and operation of ABC Construction.

10. Upon information and belief, Olandesi resides at [REDACTED]
[REDACTED]

11. Upon information and belief, and at all relevant times, Olandesi has been an owner, Chief Executive Officer, President, officer, manager, director, employee, representative and/or agent of ABC Construction and has controlled, directed and participated in the management and operation of ABC Construction.

12. John and Jane Does 1 through 10 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, managers, agents, servants, employees, and/or representatives of ABC Construction 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.

13. 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

A. Defendants' Business Practices Generally:

14. Upon information and belief, at least since August 2010, Defendants have been engaged in the advertisement, offering for sale, sale and performance of home improvements in the State including, but not limited to, home renovations.

15. At varying times, Defendants have advertised through magazines and internet websites, namely, www.savewithabc.com and www.BuildABCNJ.com (“ABC Construction Websites”). Such advertisements concerned, among other things, home renovations.

B. Home Improvement Contractor Registration:

16. On or about July 16, 2010, ABC Construction submitted to the Division a Home Improvement Contractor Application for Initial Registration (“HIC Registration Application”) for registration as a home improvement contractor in the State.

17. On the HIC Registration Application, Olandesi was listed as the sole owner.

18. On August 25, 2010, ABC Construction was registered with the Division as a home improvement contractor, and was issued a registration number of 13VH05921300.

19. ABC Construction renewed its home improvement contractor registration on December 6, 2010, January 10, 2012, January 24, 2013 and January 10, 2014.

20. ABC Construction’s home improvement contractor registration expired on March 31, 2015.

C. Defendants’ Advertisement and Sale of Home Improvements:

21. Since approximately January 3, 2015, the ABC Construction Websites have not been active or accessible.

22. Prior to January 3, 2015, the ABC Construction Websites advertised a “ONE-WEEK Complete Bathroom Makeover,” which provided as follows:

ABC Construction Complete Bathroom Makeover \$4,999

Call today & find out how we can serve you!

ABC Construction, LLC is well known for our high quality, ethical, and client-oriented processes. We are your experienced and trusted home renovation company. Let us be your one-stop shop for all your construction needs.



Our Complete Bathroom Makeover Includes:

- Full Demolition of existing walls and removal of Debris
- Installation ½" Moisture and Mold resistant Drywall throughout
- Installation Durock Cement Board around tub surrounds
- Installation Americast American Standard porcelain veneer tub*
- Installation Americast American Standard toilet
- Installation of new Shower Body
- Exotic porcelain wall tile around tub surround 100's choices
- Exotic porcelain floor tile on floor 100's choices

23. Prior to January 3, 2015, the ABC Construction Websites advertised a "Complete Kitchen Makeover," which provided as follows:

ABC Construction Complete Kitchen Makeover \$8,995

Call today & find out how we can serve you!

ABC Construction, LLC is well known for our high quality, ethical, and client-oriented processes. We are your experienced and trusted home renovation company. Let us be your one-stop shop for all your construction needs.

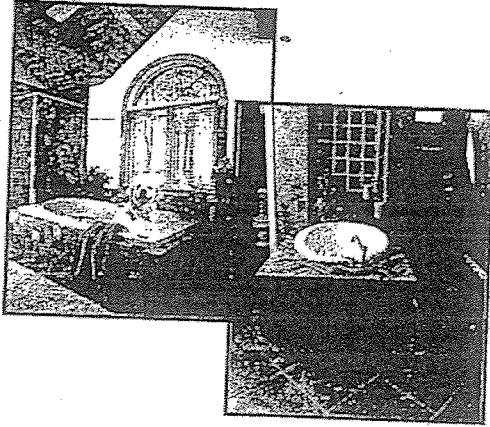


Our Complete Kitchen Makeover Includes:

- 10x10 complete kitchen remodel
- Demolition & haul away of old cabinets & countertops
- Solid 1/2" birch plywood cabinets with self-closing drawers
- 30 sq. ft. granite countertops
- Stainless steel undermount sink
- 20 door styles to choose from

24. At varying times, Defendants advertised a "1-Week Complete Bathroom Makeover" and a "10-Day Complete Kitchen Makeover" in magazines, which provided as follows:

\$4,999 1-Week Complete Bathroom Makeover

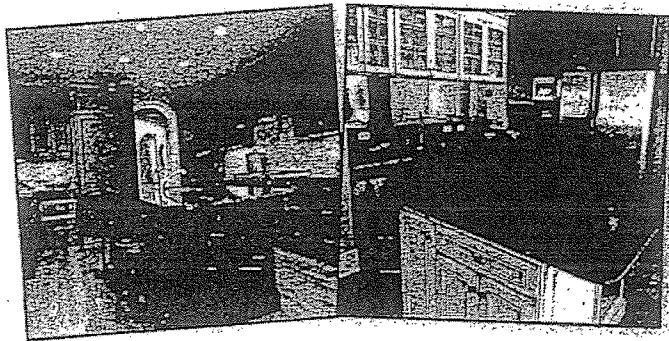


- Full demolition of existing walls and removal of debris
- Installation 1/2" moisture & mold resistant drywall throughout
- Installation Durock cement board around tub surrounds
- Installation Americast American Standard porcelain veneer tub*
- Installation Americast American Standard toilet
- Installation of new Delta or Moen shower head
- Exotic porcelain wall tile around tub surround 100's of choices
- Exotic porcelain floor tile on floor 100's of choices

10-Day Complete Kitchen Makeover

\$8,995

- 10x10 complete kitchen remodel
- Demolition & haul away of old cabinets & countertops
- Solid 1/2" birch plywood cabinets with self closing drawers
- 30 sq. ft. granite countertops
- Stainless steel undermount sink
- 20 door styles to choose from



ABC

Improving Home Improvement

CONSTRUCTION

ABC. The Foundation of our Industry

25. At varying times, Defendants used business cards, which provided as follows:



Charleston Masterson
President / CEO

t. 201.668.6643

c. 201.923.1203

f. 800.591.2551

leadership@BuildABCNJ.com

ABC. The Foundation of our Industry

www.BuildABCNJ.com

297 Kinderkamack Road, Suite 281 | Oradell, NJ 07649

26. Upon information and belief, while Olandesi is listed as the sole owner of ABC Construction on the HIC Registration Application, Masterson managed, controlled and operated ABC Construction and met with all prospective clients.

27. At varying times, after seeing the advertisements in magazines or on the ABC Construction Websites, consumers contacted Defendants.

28. At varying times, Masterson met with consumers at the consumers' home to discuss the home renovations that Defendants would undertake.

29. At varying times, Defendants agreed to perform home renovations to the consumer's specifications, including, among others things, bathroom remodeling and kitchen remodeling.

30. At varying times, Defendants agreed to a one-week bathroom makeover and/or ten-day kitchen makeover, among other things.

31. At varying times, Masterson represented himself as President and CEO of ABC Construction.

32. On at least three occasions, Masterson gave consumers a false last name of "Masters."

D. Defendants' Home Improvement Contracts:

33. In connection with their sale of home improvements, Defendants, at varying times, provided to consumers a contract that bore ABC Construction's name, address and telephone numbers ("ABC Construction Contract").

34. At varying times, the ABC Construction Contract did not include: (a) the legal name and/or address of the sales representative or agent who solicited or negotiated the contracts for Defendants; (b) an accurate description, or any description, of the work to be done and the principal products and materials to be used or installed in performance of the contracts; (c) the terms and conditions affecting contract price, including the cost of materials and the hourly rate for labor; (d) the toll-free telephone number provided by the Director of the Division for consumers making inquiries concerning home improvement contractors; and/or (e) dates for the commencement and/or completion of the home improvement work.

35. At varying times, Defendants provided consumers with home improvement contracts that were not signed on behalf of Defendants and/or the consumers.

36. At varying times, Defendants failed to provide consumers with a copy of their certificate of commercial general liability insurance as well as the telephone number of the insurance company issuing the certificate.

E. Consumer Payments and Defendants' Failure To Complete Contracted-For Home Improvement Work:

37. At varying times, Defendants required up-front deposits that were a portion of the total sales price of the home renovations.

38. At varying times, Defendants required installment payments from consumers upon completion of certain tasks (e.g., demolition of a bathroom wall).

39. Upon information and belief, and at varying times, Olandesi endorsed and deposited consumer checks issued to ABC Construction.

40. At varying times, after receiving up-front deposits and/or installment payments from consumers, Defendants failed to complete all the contracted-for home improvement work.

41. At varying times, Defendants failed to provide consumers with timely written notice of any delay in the performance of home improvement work, as well as the dates or time periods within which such would commence or be completed.

42. At varying times, Defendants failed to begin or complete work on the date or within the time period specified in the ABC Construction contract, or as otherwise represented.

43. At varying times, Defendants performed home improvements in a substandard manner and failed to make the necessary corrective repairs (e.g., improper support header in a ceiling).

44. At varying times, Defendants caused damage to consumers' homes while performing home improvements and then failed to fix, clean or compensate the consumer for the damage (e.g., damaged radiator).

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

46. At varying times, Defendants began home improvement work before the requisite permits were issued.

47. At varying times, Defendants represented to consumers that Defendants had obtained permits or that permits were not required, when such was not the case.

48. On at least one occasion, a municipality imposed a fine on a consumer because of Defendants' failure to obtain permits.

49. At varying times, after receiving a complaint from a consumer regarding, among other things, substandard work, Defendants made an appointment to go to a consumer's home and failed to appear at the agreed upon time or at all.

50. At varying times, Defendants failed to remove debris and equipment from consumers' homes and/or clean the jobsite.

51. At varying times, Defendants left kitchens and/or bathrooms partially demolished and/or unusable.

52. At varying times, Defendants failed to perform home improvement work according to the contract specifications and demanded and received payment for said work (e.g., installed shower instead of contracted-for bathtub because Defendants incorrectly measured area).

53. At varying times, Defendants failed to deliver products that consumers had purchased, including, but not limited to, cabinets and tile.

54. At varying times, when consumers called Defendants about the substandard work, Defendants represented that they would return and make the necessary corrective repairs, but then failed to return.

55. At varying times, consumers attempted to contact Defendants by telephone and/or e-mail regarding, among other things, unfinished work, and Defendants failed to return the consumers' inquiries.

56. Upon information and belief, and at varying times, consumers spoke with Olandesi over the telephone regarding, among other things, the contracted-for home improvement work and permit issues.

57. At varying times, consumers attempted to contact Defendants by telephone but Defendants' telephone numbers were disconnected.

58. On at least one occasion, Defendants refused to issue a refund when so requested by consumers after Defendants failed to perform the contracted-for home improvement work.

59. At varying times, Defendants failed to provide consumers with refunds after failing to complete the contracted-for home improvement work.

60. At varying times, consumers hired other contractors to fix the damage caused by Defendants and/or complete the home improvement work that Defendants failed to finish.

COUNT I

VIOLATION OF THE CFA BY DEFENDANTS (UNCONSCIONABLE COMMERCIAL PRACTICES)

61. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 60 above as if more fully set forth herein.

62. 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

63. 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).

64. 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.

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

66. Defendants have engaged in unconscionable commercial practices including, but not limited to, the following:

- a. Failing to begin or complete home improvement work on the agreed upon date or time period specified in the ABC Construction Contract, or as otherwise represented;
- b. Failing to provide timely written notice for any delay in the performance of home improvement work, as well as the dates or time periods within which such work would commence or be completed;
- c. Performing home improvement work in a substandard manner, which required consumers to hire a second contractor to correct Defendants' work;
- d. Failing to perform home improvement work according to the contract specifications and accepting payment for said work;
- e. Beginning home improvement work and never returning to finish;
- f. Leaving bathrooms and/or kitchens partially demolished and/or unusable;
- g. Failing to deliver products that consumers had purchased, including, but not limited to, cabinets and tile;
- h. Performing home improvements of poor or substandard quality and then failing to make the necessary corrective repairs (e.g., improper support header in a ceiling);
- i. Causing damage to consumers' homes while performing home improvement work and then failing to fix, clean or compensate for the damage (e.g., damaged radiator);
- j. After making an appointment in response to a consumer complaint, failing to appear at a consumer's home at the agreed upon time or at all;
- k. Taking consumers' payments and failing to provide the contracted-for home improvement work;
- l. Failing to obtain the requisite permits to perform the contracted-for home improvement work;
- m. Refusing to issue a refund when so requested by consumers after Defendants failed to perform the contracted-for home improvement work;
- n. Failing to provide consumers with refunds after failing to complete the

contracted-for home improvement work;

- o. Failing to remove debris and equipment from consumers' homes and/or clean the jobsite; and
- p. Failing to respond to consumers' telephone calls, inquiries and/or complaints in a timely manner or at all.

67. Each unconscionable commercial 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 (DECEPTION, FALSE PROMISES, MISREPRESENTATIONS)

68. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 67 above as if more fully set forth herein.

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

- a. Representing to consumers that Defendants had obtained permits or that permits were not required, when such was not the case;
- b. Representing to consumers that Defendants could complete a bathroom makeover in one week, when such was not the case;
- c. Representing to consumers that Defendants could complete a kitchen makeover in ten days, when such was not the case; and
- d. Use of a false last name by Masterson.

70. Each act of deception, 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

71. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 70 above as if set forth more fully herein.

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

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

74. 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.

75. 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.

76. 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).]

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

78. The Contractors' Registration Act further provides that "[t]he Director shall provide a toll-free telephone number for consumers making inquiries regarding contractors." N.J.S.A. 56:8-149(b).

79. Additionally, the Contractors' Registration Act requires that home improvement contractors prominently display certain information and provides:

a. All registrants shall prominently display their registration numbers within their places of business, in all advertisements distributed within this State, on business documents, contracts and correspondence with consumers

of home improvement services in this State, and on all commercial vehicles registered in this State and leased or owned by registrants and used by registrants for the purpose of providing home improvements, except for vehicles leased or rented to customers of registrants by a registrant or any agent or representative thereof.

b. Any invoice, contract or correspondence given by a registrant to a consumer shall prominently contain the toll-free telephone number provided pursuant to [N.J.S.A. 56:8-149].

[N.J.S.A. 56:8-144.]

80. Moreover, the Contractors' Registration Act includes a writing requirement for contracts priced in excess of \$500.00 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 [N.J.S.A. 56:8-142] and the telephone number of the insurance company issuing the certificate; . .

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

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

- a. Failing to set forth the signatures of both parties to the home improvement contract (N.J.S.A. 56:8-151(a));
- b. Failing to display their registration number on business cards (N.J.S.A. 56:8-144(a));
- c. Failing to include on invoices and home improvement contracts the toll-free telephone number provided by the Director for consumers to call with

inquiries or complaints concerning home improvement contractors (N.J.S.A. 56:8-144(b)); and

- d. 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)).

82. 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

83. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 82 above as if more fully set forth herein.

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

85. 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.

86. 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.

87. 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.

88. 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.

89. 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).]

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

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

- (d) A registered home improvement contractor shall prominently display:

....

2. The contractor's registration number on all advertisements distributed within this State, on business documents, contracts and correspondence with consumers of home improvement services in this State.

....

- (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(d)(2), (f).]

92. Additionally, the Contractor Registration Regulations provide that:

In addition to the requirements of a home improvement contract pursuant to N.J.A.C. 13:45A-16.2, every home improvement contract in which a person required to be registered as a home improvement contractor is a party shall comply with the provisions of N.J.S.A. 56:8-151.

[N.J.A.C. 13:45A-17.13.]

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

- a. Entering into home improvement contracts that did not comply with the requirements of N.J.S.A. 56:8-151 (e.g., failing to set forth the signatures of both parties) (N.J.A.C. 13:45A-17.13);
- b. Failing to display the contractor's registration number on business cards (N.J.A.C. 13:45A-17.11(d)(2)); and
- c. Using invoices, contracts and/or correspondence which are given to consumers 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)).

94. 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

95. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 94 above as if more fully set forth herein.

96. 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 the sale, advertisement or performance of home improvement contracts.

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

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

99. 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.

....

7. Performance:

....

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

....

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;
- ii. A description of the work to be done and the principal products and materials to be used or installed in performance

of the contract. The description shall include, where applicable, the name, make, size, capacity, model, and model year of principal products or fixtures to be installed, and the type, grade, quality, size or quantity of principal building or construction materials to be used. Where specific representations are made that certain types of products or materials will be used, or the buyer has specified that certain types of products are to be used, a description of such products or materials shall be clearly set forth in the contract;

- 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;
- iv. The dates or time period on or within which the work is to begin and be completed by the seller

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

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

- a. Failing to begin or complete work on the date or within the time period specified in the ABC Construction contract, or as otherwise represented (N.J.A.C. 13:45A-16.2(a)(7)(ii));
- b. Failing to give timely written notice to the buyer for reasons, beyond the seller's control, for any delay in the performance and when work will begin or be completed (N.J.A.C. 13:45A-16.2(a)(7)(iii));
- c. Commencing home improvement work without obtaining the requisite permits (N.J.A.C. 13:45A-16.2(a)(10)(i));
- d. Failing to include in home improvement contracts the signatures of all parties (N.J.A.C. 13:45A-16.2(a)(12));
- e. Failing to include in home improvement contracts the legal name and the business address of the sales representative or agent who solicited or negotiated the contract (N.J.A.C. 13:45A-16.2(a)(12)(i));
- f. Failing to include in home improvement contracts a description of the work to be done and the principal products and materials to be used or installed in performance of the contract (N.J.A.C. 13:45A-16.2(a)(12)(ii));

- g. 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));
- h. Failing to include in home improvement contracts the dates or time periods within which work is to be commenced (N.J.A.C. 13:45A-16.2(a)(12)(iv)); and
- i. Failing to include in home improvement contracts the dates or time periods within which work is to be completed (N.J.A.C. 13:45A-16.2(a)(12)(iv)).

101. 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

VIOLATION OF THE ADVERTISING REGULATIONS BY DEFENDANTS

102. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 101 above as if more fully set forth herein.

103. The Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., promulgated pursuant to the CFA, among other things, address advertising practices.

104. The Advertising Regulations define "Advertisement" as:

any attempt by an advertiser . . . to directly or indirectly induce the purchase or rental of merchandise at retail, appearing in any newspaper, magazine, periodical, catalog, circular, in-store or out-of-store sign or other written matter placed before the consuming public, or in any radio broadcast, television broadcast, electronic medium or delivered to or through any computer.

[N.J.S.A. 13:45A-9.1.]

105. Among other things, the Advertising Regulations prohibit certain advertising practices and provide, in pertinent part:

(a) Without limiting the application of N.J.S.A. 56:8-1 et seq., the following practices shall be unlawful with respect to all advertisements:

9. The making of false or misleading representations of facts concerning the reasons for, existence or amounts of price reductions, the nature of an offering or the quantity of advertised merchandise available for sale.

[N.J.A.C. 13:45A-9.2(a)(9).]

106. Defendants have engaged in conduct in violation of the Advertising Regulations including, but not limited to, the following:

- a. Representing to consumers on the ABC Construction Website and in magazine advertisements that Defendants can finish a “Complete Bathroom Makeover” in one week, when such is not the case (N.J.A.C. 13:45A-9.2(a)(9)); and
- b. Representing to consumers in magazine advertisements that Defendants can finish a “Complete Kitchen Makeover” in ten days, when such is not the case (N.J.A.C. 13:45A-9.2(a)(9)).

107. Defendants’ conduct constitutes multiple violations of the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., each of which constitutes a per se violation of the CFA, N.J.S.A. 56:8-1 et seq.

COUNT VII

VIOLATIONS OF THE CFA, THE CONTRACTORS’ REGISTRATION ACT, THE CONTRACTOR REGISTRATION REGULATIONS, THE HOME IMPROVEMENT REGULATIONS, AND/OR THE ADVERTISING REGULATIONS BY MASTERSON

108. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 107 above as if more fully set forth herein.

109. At all relevant times, Masterson has been an owner, Chief Executive Officer, President, officer, manager, director, employee, representative and/or agent of ABC Construction, and has controlled, directed and/or participated in the management and operation of those entities, including the conduct alleged in this Complaint.

110. In that capacity, Masterson, among other things, met with consumers to discuss the home renovations Defendants would undertake, represented himself as President and CEO of ABC Construction, managed the home improvements, and left homes partially demolished and/or unusable.

111. The conduct of Masterson makes him personally liable for the violations of the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations, and/or the Advertising Regulations committed by ABC Construction.

COUNT VIII

**VIOLATIONS OF THE CFA, THE CONTRACTORS'
REGISTRATION ACT, THE CONTRACTOR
REGISTRATION REGULATIONS,
THE HOME IMPROVEMENT REGULATIONS,
AND/OR THE ADVERTISING REGULATIONS
BY OLANDESI**

112. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 111 above as if more fully set forth herein.

113. At all relevant times, Olandesi has been an owner, Chief Executive Officer, President, officer, manager, director, employee, representative and/or agent of ABC Construction, and has controlled, directed and/or participated in the management and operation of those entities, including the conduct alleged in this Complaint.

114. In that capacity, Olandesi, among other things, endorsed and deposited consumer checks issued to ABC Construction and also interacted with consumers over the telephone.

115. The conduct of Olandesi makes her personally liable for the violations of the CFA, the Contractors' Registration Act, the Contractor Registration Regulations, the Home Improvement Regulations, and/or the Advertising Regulations committed by ABC Construction.


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., the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., and the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq.;
- (b) 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., the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., and the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq.; and 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;
- (c) Permanently enjoining Masterson and Olandesi from owning, operating or otherwise managing any business or other entity in the State that advertises, offers for sale, sells and/or performs home improvements within the State, as authorized by the CFA, N.J.S.A. 56:8-8;
- (d) Permanently enjoining Masterson from the advertisement, offer for sale, sale and/or performance of home improvements within the State;
- (e) Permanently vacating and/or annulling the corporate charter in the State of ABC Construction, as authorized by the CFA, N.J.S.A. 56:8-8;
- (f) 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 to be unlawful and found to be unlawful, as authorized by the CFA, N.J.S.A. 56:8-8;

- (g) 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;
- (h) 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
- (i) Granting such other relief as the interests of justice may require.

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

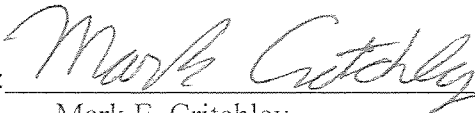
By: 
Mark E. Critchley
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: July 14, 2015
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., the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., and the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., is not the subject of any other action pending in any other court of this State. I am aware that private contract and other actions have been brought against Defendants, including at least one action involving consumer fraud allegations, entitled Jamie Ponce v. Charleston Masterson, Lindsay Palefsky and ABC Construction NJ Inc., SSX-L-327-14. I am aware that some consumers who filed consumer complaints with the Division of Consumer Affairs previously filed civil actions against Defendants, primarily in the Special Civil Part, which have resulted in judgments for only compensatory damages against Defendants and not injunctive and civil penalty relief as sought by the Attorney General in this action. 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: 
Mark E. Critchley
Deputy Attorney General
Consumer Fraud Prosecution

Dated: July 14, 2015
Newark, New Jersey

RULE 1:38-7(e) 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: Mark E. Critchley
Mark E. Critchley
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: July 14, 2015
Newark, New Jersey

DESIGNATION OF TRIAL COUNSEL

Pursuant to R. 4:25-4, Deputy Attorney General Mark E. Critchley 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: Mark E. Critchley
Mark E. Critchley
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: July 14, 2015
Newark, New Jersey