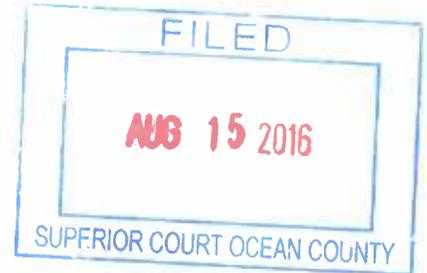


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SUPERIOR COURT OF NEW JERSEY
CHANCERY DIVISION, OCEAN COUNTY
DOCKET NO. 193-16

CHRISTOPHER S. PORRINO, Attorney General of
the State of New Jersey, and STEVE C. LEE,
Director of the New Jersey Division of Consumer
Affairs,

Plaintiffs,

v.

GL CONSTRUCTION LIMITED LIABILITY
COMPANY; GEORGE LAROSA, individually and as
owner, officer, director, member, manager, employee,
representative and/or agent of GL CONSTRUCTION
LIMITED LIABILITY COMPANY; JANE AND
JOHN DOES 1-20, individually and as owners,
officers, directors, shareholders, founders, members,
managers, employees, servants, agents, representatives
and/or independent contractors of GL
CONSTRUCTION LIMITED LIABILITY
COMPANY; and XYZ CORPORATIONS 1-20,

Defendants.

Civil Action

COMPLAINT

Plaintiffs Christopher S. Porrino, 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, 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. In the wake of the devastation caused by Superstorm Sandy, it became necessary for homeowners across the State of New Jersey ("New Jersey" or "State") to reconstruct, repair and/or elevate their existing homes to keep them safe from future storms. The Reconstruction, Rehabilitation, Elevation and Mitigation ("RREM") Program was established by the New Jersey Department of Community Affairs ("DCA") to provide grants to homeowners, among other things, for home elevation, new home construction and/or repairs to existing homes. At all relevant times, GL Construction Limited Liability Company ("GL Construction"), owned and operated by George LaRosa ("LaRosa") (collectively, "Defendants"), were engaged in the advertisement, offer for sale, sale and performance of various home improvements, home elevation work and new home construction. Defendants were among the contractors approved by the RREM Program for use by grant recipients.

2. To date, the New Jersey Division of Consumer Affairs ("Division") has received 16 (sixteen) consumer complaints regarding home improvement, home elevation and/or new home construction to be performed by Defendants. The complaints 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 Home Elevation Contractors, N.J.A.C. 13:45A-17A.1 et seq. ("Home Elevation 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, these

alleged violations arise from Defendants' failure to: (a) include required information in home improvement and home elevation contracts (e.g., the terms and conditions affecting price, including the hourly rate for labor); (b) perform the contracted for home improvement and/or home elevation work after receipt of RREM funds and/or consumer payments; and (c) construct new homes after receipt of consumer payments. The Attorney General and Director commence this action to halt Defendants' 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, specifically the Home Elevation 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 Home Elevation 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 and other relief for violations of the CFA, the Contractors' Registration Act, the Home Elevation 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 Ocean 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 March 25, 2009, GL Construction was established as a Limited Liability Company in the State. At all relevant times, GL Construction has maintained a principal business and mailing address of 568 East Bay Avenue, Manahawkin, New Jersey.

7. GL Construction's registered agent in the State is George LaRosa, with a mailing address of 568 East Bay Avenue, Manahawkin, New Jersey 08050.

8. At all relevant times, LaRosa has been an owner, officer, director, member, manager, employee, representative and/or agent of GL Construction and has controlled, directed and/or participated in the management and operation of GL Construction. LaRosa's current address is 69 Chestnut Way, Barnegat, New Jersey 08005.

9. John and Jane Does 1 through 20 are fictitious individuals meant to represent the owners, officers, directors, shareholders, founders, members, managers, agents, servants, employees and/or representatives of GL 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.

10. XYZ Corporations 1 through 20 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. At all relevant times, GL Construction was designated as an approved contractor for home improvements, home elevation and new home construction with the RREM Program.

12. Since at least November 2009, Defendants have been engaged in the advertisement, offer for sale, sale and performance of home improvements, home elevations and/or construction of new homes for consumers in New Jersey.

A. RREM Program:

17. The RREM Program, administered by DCA, consists of \$1.1 billion in federal funding provided through Community Disaster Block Grant Disaster Recovery funds allocated to New Jersey by the U.S. Department of Housing and Urban Development, to help eligible New Jersey homeowners repair or rebuild their Superstorm Sandy-damaged homes.

18. The RREM Program provides grants to homeowners with an income of \$250,000.00 or less, for activities necessary to restore their storm-damaged primary residences, including reconstruction, rehabilitation, elevation and/or other mitigation activities.

19. The RREM Program is open to homeowners whose primary residence is located in one of nine New Jersey counties (Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean or Union) and whose homes suffered a loss of at least \$8,000.00 or one foot of water on the first floor, as verified by the Federal Emergency Management Agency ("FEMA") or its affiliates.

20. The RREM Program is intended to function as a bridge between the total cost of repairs and other funding the homeowner has received to repair or rebuild his/her home. The calculation of the RREM grant takes into consideration the cost of the repair or rebuilding and funds the homeowner has received from other sources, such as insurance, FEMA, and non-profit organizations. The RREM grant may not exceed \$150,000.00.

21. The RREM Program Pathway B ("Pathway B") is a program that allows eligible homeowners to select their own general contractor to repair or rebuild their home. The general

contractor must be licensed and/or registered with the State, and compliant with all State and Federal regulations applicable to the RREM Program.

22. To date, the Division has identified six (6) consumers who contracted with GL Construction as Pathway B Homeowners. These consumers paid GL Construction the aggregate amount of \$431,091.00 in RREM funds for home improvements and home elevations, which were not performed in whole or in part. The identified RREM consumers as well as the funds each paid to GL Construction is as follows:

Consumer	Amount of RREM Funds Disbursed to Consumer	Total RREM Funds Paid to GL	Restitution Sought	Contracted-For Work
Doody	\$146,880.63	\$49,975.00	\$44,975.00	Elevation & Renovation
Gainfort	\$150,000.00	\$144,075.00	\$80,000.00	Elevation & Renovation
Lacamera	\$132,361.86	\$52,000.00	\$17,950.00	Elevation & Renovation
Mara	\$150,000.00	\$57,516.00	\$27,800.00	Elevation & Renovation
Minetti	\$74,160.94	\$74,575.00	\$57,075.00	Elevation & Renovation
Toft	\$137,500.00	\$52,950.00	\$52,950.00	Elevation & Renovation
Total	\$790,903.43	\$431,091.00	\$280,750.00	

B. Defendants' Website:

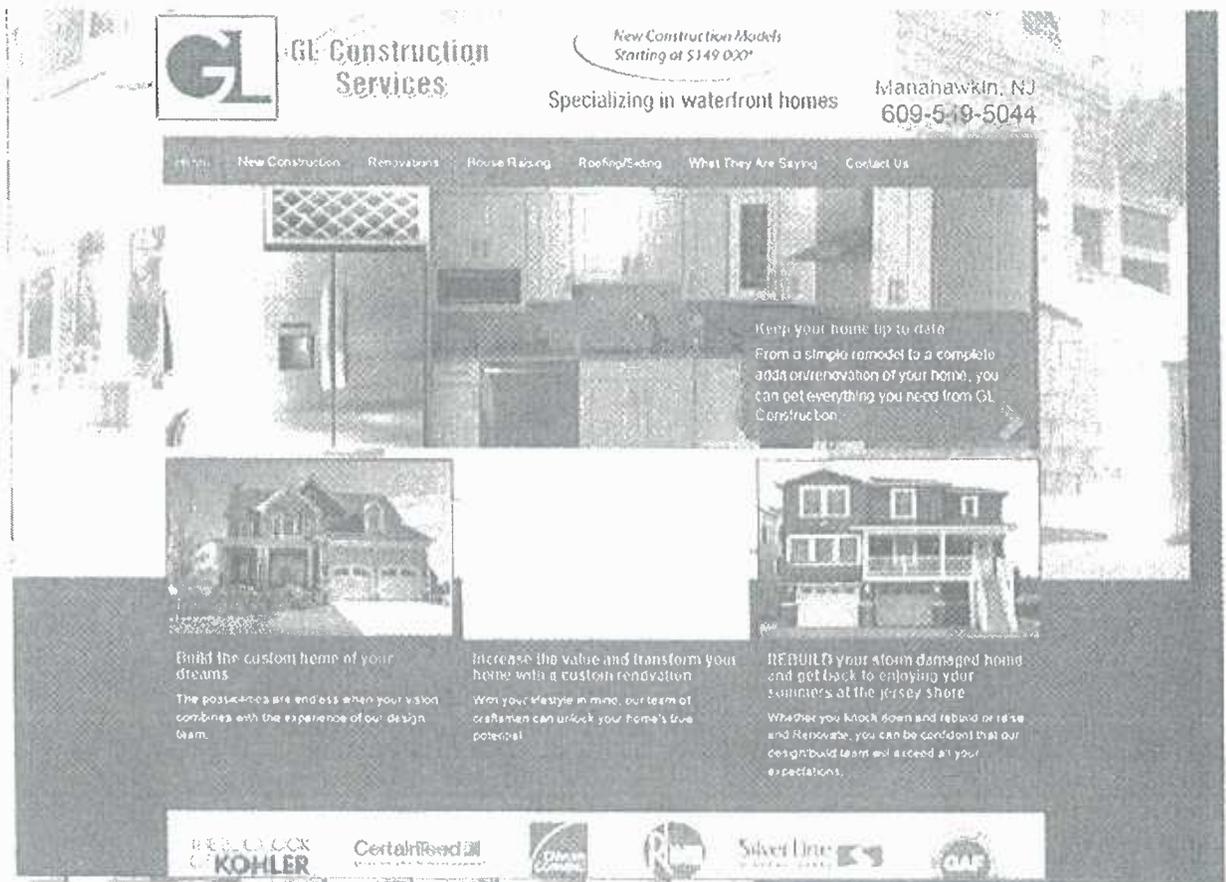
23. At all relevant times, Defendants advertised their services through an internet website, namely www.glconstructionservices.com ("GL Construction Website"). The GL Construction Website is no longer active.

24. The GL Construction Website advertised as follows:

REBUILD your storm damaged home and get back to enjoying your summers at the jersey shore

Whether you knock down and rebuild or raise and Renovate, you can be confident that our design/build team will exceed all your expectations.

25. The GL Construction Website's homepage appeared as follows:



26. The GL Construction Website advertised new construction, renovations, house raising and roofing and siding.

27. The GL Construction Website featured a section titled “Keep Your Home Safe From Rising Waters”, which contained the following information:

Due to Hurricane Sandy and new FEMA requirements, many homeowners at the Jersey shore are looking into house raising to prevent any future damage to their home. When it is time to raise your home you want to make sure you are working with a company that is not only qualified but experienced in the process. GL specializes in waterfront properties and has the experience and expertise you are looking for. We are experts in current FEMA and local building requirements.

Raising your home is not as troublesome or complicated as it may sound. Very little if any work is needed on your part during the process. In most cases your home can be raised without moving your furniture. We will handle everything from permitting to the raising and lowering of your home.

28. The GL Construction Website did not include GL Construction’s HIC registration number or its New Home Builder Registration number.

C. Home Improvement Contractor, Home Elevation and New Home Builder Registrations:

29. On November 8, 2009, GL Construction submitted to the Division a Home Improvement Contractor Application for Initial Registration (“HIC Registration Application”) for registration as a home improvement contractor (“HIC”) in the State.

30. In the HIC Registration Application, LaRosa was identified as the sole owner of GL Construction.

31. On or about January 15, 2010, the Division registered GL Construction as an HIC and issued it registration number 13VH05512800.

32. GL Construction renewed its home improvement contractor registration on January 27, 2012, December 10, 2012, December 12, 2013 and February 3, 2015.

33. GL Construction's home improvement contractor registration with the Division expired on March 31, 2016 and has not been renewed.

34. At no time was GL Construction registered with the Division as a home elevation contractor.

35. At all relevant times, GL Construction was registered with the New Jersey Department of Community Affairs as a new home builder, builder registration number 45635.

D. Defendants' Business Practices Generally:

36. At all relevant times, Defendants utilized a contract for home improvement and home elevations ("GL HE Contract") that did not include: (a) a copy of the certificate of commercial general liability insurance; (b) the toll-free telephone number provided by the Director of the Division for consumers to make inquiries concerning home improvement contractors; (c) the required "Notice to Consumer" cancellation language; and (d) the terms and conditions affecting price, including the hourly rate for labor. Upon information and belief, Defendants did not otherwise provide this information to consumers who entered into GL HE Contracts.

37. At all relevant times, Defendants utilized a contract for the elevation and installation of new construction homes ("GL NC Contract") that did not include: (a) a copy of the certificate of commercial general liability insurance; (b) the toll-free telephone number provided by the Director of the Division for consumers to make inquiries concerning home improvement contractors; (c) the required "Notice to Consumer" cancellation language; and (d) the terms and conditions affecting price, including the hourly rate for labor. Upon information and belief, Defendants did not otherwise provide this information to consumers who entered into GL NC Contracts.

40. At varying times, LaRosa personally engaged in communications with consumers regarding the work promised to be performed for them. Specifically, LaRosa informed consumers that he had no funds to complete their project;

41. On at least one (1) occasion, LaRosa met with a consumer to discuss the progress of the work.

42. LaRosa's GL Construction business card identifies him as "Owner/Sr. Project Manager".

43. On at least one (1) occasion, LaRosa told a consumer he would refund the monies paid to him because he had not started working on her house. LaRosa signed a note promising to return the monies, yet failed to do so.

44. At varying times, Defendants failed to begin and/or complete the home improvement and/or home elevation work specified in the GL HE Contract.

45. At varying times, Defendants failed to complete the new home construction specified in the GL NC Contract.

46. At varying times, Defendants accepted consumer payments, which included RREM funds, and commenced home improvement work, home elevation work and/or new home construction, only to abandon the project and not return to the consumers' homes for weeks, months or at all.

47. At varying times, Defendants failed to give notice to consumers regarding delays in home improvement work, home elevation work and/or construction of new homes.

48. At varying times, Defendants failed to respond to consumers' calls, e-mails and/or texts inquiring into when Defendants would continue home improvement work, home elevation work and/or construction of a new home that had been commenced, but then had been abandoned.

49. At varying times, Defendants required consumers to make significant initial payments, which included RREM funds, but then failed to perform the contracted-for home improvement work, home elevation work and/or new construction.

50. At varying times, Defendants performed home elevation in a substandard manner including, but not limited to: (a) installing a foundation that failed the municipal inspection; (b) incorrectly framing a house; (c) failing to install the required fire-resistant sheetrock; (d) incorrectly framing a doorway so the door did not fit; and (e) incorrectly installing flooring, necessitating reinstallation, and then failed to make the necessary corrective repairs.

51. On at least one (1) occasion, Defendants misrepresented to a consumer that a building inspection had been conducted, when such was not the case.

52. On at least one (1) occasion, Defendants failed to elevate a home to the height required by building codes.

53. At varying times, consumers had to pay other home improvement contractors to perform work Defendants had been paid to perform, and had failed to perform.

54. At varying times, Defendants failed to pay subcontractors who performed home improvement work, home elevation work and/or new home construction, resulting in subcontractors seeking payment from consumers and/or threatening to place construction liens on the consumers' homes.

55. On at least one (1) occasion, Defendants failed to provide the upgraded items paid for by the consumer.

56. On at least one (1) occasion, Defendants removed doors and fixtures from a home in preparation for home elevation, and failed to return the doors and fixtures to the consumer.

57. On at least one (1) occasion, Defendants promised to refund the amount paid to a consumer, then failed to do so.

COUNT 1

**VIOLATION OF THE CFA BY DEFENDANTS
(UNCONSCIONABLE COMMERCIAL PRACTICES)**

58. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 57 above as if more fully set forth herein.

59. 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...

60. 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).

61. 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), including, but not limited to, home improvements, home elevations and new home construction.

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

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

- a. Advertising, offering for sale, selling and/or performing home elevations without being registered as a Home Elevation Contractor with the Division;

- b. Entering into GL HE Contracts, accepting consumer payments and/or RREM funds and then failing to begin or complete home improvements and/or home elevations;
- c. Entering into GL NC Contracts, accepting consumer payments and then failing to begin or complete the construction of new homes;
- d. Failing to provide timely written notice for any delay in the performance of home improvement work, home elevation work and/or new home construction;
- e. Accepting consumer payments and/or RREM funds and then commencing home improvement work, home elevation work and/or new home construction, only to abandon the project and fail to return to the consumer's home for weeks, months or at all;
- f. Failing to respond to consumers' calls, e-mails and/or texts inquiring when Defendants would commence, continue and/or complete the home improvement work, home elevation work and/or new home construction;
- g. Failing to secure the necessary building inspection, despite indicating to the consumer that such inspection had occurred;
- h. Failing to advise consumers, whether through the GL NC Contract or otherwise, of the terms and conditions affecting price, including the hourly rate for labor;
- i. Failing to advise consumers, whether through the GL HE Contract or otherwise, of the terms and conditions affecting price, including the hourly rate for labor;
- j. Failing to perform work for which Defendants had been paid, requiring consumers to pay other home improvement contractors to perform the work;
- k. Failing to pay subcontractors who performed home improvements on consumers' homes, causing the subcontractors to seek payment from consumers and/or threatening to place construction liens on the consumers' homes;
- l. Failing to provide the upgraded items paid for by a consumer;
- m. Failing to return doors and fixtures removed to facilitate a house elevation; and

- n. Performing home improvements in a substandard manner (e.g. installing a foundation that failed the municipal inspection, incorrectly framing a house, failing to install the required fire-resistant sheetrock; incorrectly framing a doorway so the door did not fit, incorrectly installing flooring, necessitating reinstallation) and then failing to make the necessary corrective repairs.

64. 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 (FALSE PROMISES, MISREPRESENTATIONS)

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

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

- a. Representing on the GL Construction Website that Defendants were experts in local building requirements, then failing to raise a house to the required level;
- b. Representing on the GL Construction Website that Defendants will handle all aspects of home elevation, when such was not the case;
- c. Representing that a building inspection had occurred, when such was not the case; and
- d. Failing to advise consumers, whether through the GL NC Contract or otherwise, of the terms and conditions affecting price, including the hourly rate for labor.

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

- a. Representing to a consumer that he would repay funds for home improvements not completed, then failing to do so.

68. Each 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

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

70. The Contractors' Registration Act is applicable to Home Elevation Contractors, pursuant to N.J.S.A. 56:8-138.2.

71. The Contractors' Registration Act, specifically N.J.S.A. 56:8-138.2(a), provides as follows:

In addition to complying with the other requirements of the ['Contractors' Registration Act,'] no person shall offer to perform, or engage, or attempt to engage in the business of home elevation unless registered with the division as a home elevation contractor.

72. The Contractors' Registration Act further provides that "[a]ll registrants shall prominently display their registration numbers within their places of business, in all advertisements distributed within this State[...]" N.J.S.A. 56:8-144(a).

73. 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). At all relevant times, the Director established and has published a toll-free telephone number.

74. In this regard, the Contractors' Registration Act requires that:

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] of this Act."

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

75. 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:

.....

(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).]

76. 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).

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

- a. Advertising, offering for sale, selling and/or performing home elevations without being registered with the Division as a Home Elevation Contractor (N.J.S.A. 56:8-132.2(a));
- b. Failing to include GL Construction's HIC registration number on the GL Construction Website (N.J.S.A. 56:8-144(a));
- c. Failing to include on invoices and GL HE Contracts and GL NC 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));
- d. Failing to include in the GL HE Contract and GL NC Contracts all of the terms and conditions affecting price (e.g., hourly rate for labor) (N.J.S.A. 56:8-151(a));
- e. Failing to include with the GL HE Contracts and GL NC 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
- f. Providing consumers with a "Notice of Cancellation" that included language contrary to the Notice to Consumer cancellation language (e.g. providing that refund be made within thirty (30) business days rather than thirty (30) days) (N.J.S.A. 56:8-151(b)).

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

COUNT IV

**VIOLATION OF THE HOME ELEVATION
REGULATIONS BY DEFENDANTS**

79. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 78 above as if more fully set forth herein.

80. The Home Elevation Contractor Regulations, specifically N.J.A.C. 13:45A-17A.3(a) provide that:

On or after October 1, 2014, no person shall engage in the business of making or selling home elevations in this State unless registered with the Division in accordance with this subchapter, except as provided in (a)1 below:

81. The exceptions provided in N.J.A.C. 13:45A-17A.3(a)1 do not apply to Defendants.

82. The Home Elevation Contractor Regulations, specifically N.J.A.C. 13:45A-17A.12

provides that:

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

83. Defendants have engaged in conduct in violation of the Home Elevation Regulations including, but not limited to:

- a. Advertising, offering for sale, selling and/or performing home elevations without being registered as a Home Elevation Contractor with the Division (N.J.S.A. 13:45A-17A.3(a)); and
- b. Failing to include in the GL HE Contract and GL NC Contract all of the terms and conditions affecting price (e.g., hourly rate for labor) (N.J.S.A. 56:8-151(a)).

84. Defendants' conduct constitutes multiple violations of the Home Elevation Regulations, N.J.A.C. 13:45A-17A.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
REGULATIONS BY DEFENDANTS

85. Plaintiffs repeat and reallege the allegations contained in paragraphs 1 through 84 above as if more fully set forth herein.

86. As set forth above, the Home Elevation Contractor Regulations, specifically N.J.A.C. 13:45A-17A.12, provide that the requirements of a home improvement contract pursuant to the elevation contract.

87. 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, unless the delay is for the reason of labor stoppage; unavailability of supplies or 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;

. . . .

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.

. . . .

- (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)(7)(ii), (12)(iii).]

88. 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 home improvement contract (N.J.A.C. 13:45A-16.2(a)(7)(ii)); and
- b. Failing to include in the GL HE Contract and the GL NC Contract the cost of labor (N.J.A.C. 13:45A-16.2(a)(12)(iii)).

89. 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

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

91. The Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq., address, among other issues, general advertising practices.

92. Specifically, the Advertising Regulations governing general advertising practices provide, in relevant 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.]

93. Defendants violated the Advertising Regulations by engaging in certain conduct including, but not limited to:

- a. Representing on the GL Construction Website that Defendants are “qualified and experienced” in home elevation when GL Construction is not registered with the Division as a Home Elevation Contractor.

94. Defendants’ conduct constitutes multiple violations of the Advertising Regulations, specifically N.J.A.C. 13:45A-9.2(a)9, each of which constitutes a per se violation of the CFA.

COUNT VII

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

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

96. At all relevant times, LaRosa has been the sole owner, officer, director, member, manager, employee, representative and/or agent of GL Construction and has controlled, directed and/or participated in the management and operation of that entity, including the conduct alleged in this Complaint.

97. The conduct of LaRosa makes him personally liable for the violations of the CFA, the Contractors’ Registration Act, the Home Elevation Regulations, the Home Improvement Regulations and/or the Advertising Regulations committed by GL Construction.

PRAYER FOR RELIEF

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

- (a) Finding that Defendants' acts and practices 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 Home Elevation Regulations, N.J.A.C. 13:45A-17A.1 et seq., the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., and/or the Advertising Regulations, N.J.A.C. 13:45A-9.1 et seq.;
- (b) Permanently enjoining Defendants and their owners, officers, directors, shareholders, founders, members, managers, agents, 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 Home Elevation Regulations, N.J.A.C. 13:45A-17A.1 et seq., the Home Improvement Regulations, N.J.A.C. 13:45A-16.1 et seq., and/or the Advertising Regulations, N.J.A.C. 13:45A-9.1 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;
- (c) Permanently enjoining Defendants from owning, operating or otherwise managing any business or other entity in the State, whether registered with the Division or not, that advertises, offers for sale, sells and/or performs home improvements, home elevations and/or the installation and new home building within the State;
- (d) Permanently enjoining Defendants from the advertisement, offer for sale, sale and performance of home improvements, including home elevation, and new home building within the State;
- (e) Cancelling the Certificate of Formation in the State of GL Construction, Limited Liability Company;
- (f) Permanently revoking the HIC and new home builder registrations issued to GL Construction;
- (g) Directing Defendants, jointly and severally, to pay restitution 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 N.J.S.A. 56:8-8;
- (h) Directing Defendants, jointly and severally, to disgorge RREM Program

funds unlawfully acquired or retained to the New Jersey Department of Community Affairs by Defendants, as authorized by N.J.S.A. 56:8-8;

- (i) Directing Defendants, jointly and severally, to pay the maximum statutory civil penalties for each and every violation of the CFA, in accordance with N.J.S.A. 56:8-13;
- (j) Directing Defendants, jointly and severally, to pay costs and fees, including attorneys' fees, 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
- (k) Granting such other relief as the interests of justice may require.

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: Alina Wells
Alina Wells
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: August 15, 2016
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 Home Elevation Regulations, N.J.A.C. 13:45A-17A.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 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.

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: 
Alina Wells
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: August 15, 2016
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).

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: Alina Wells
Alina Wells
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: August 15, 2016
Newark, New Jersey

DESIGNATION OF TRIAL COUNSEL

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

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for Plaintiffs

By: Alina Wells
Alina Wells
Deputy Attorney General
Consumer Fraud Prosecution Section

Dated: August 15, 2016
Newark, New Jersey