1 2 3 4 5 6 7	CHRISTOPHER J. OLSEN, SBN: 109124 3075 East Thousand Oaks Boulevard Suite 100 Westlake Village, California 91362 (805)557-0660 Attorney for Plaintiffs KENNETH BERGER and THU PHAN SUPERIOR COUR	JAN 28 2007 JAN 28 2007 John A. Clark, Executive Officer/Clerk By D. Gardia T. OF CALIFORNIA T. OF CALIFORNIA D. Gardia D. 78	
8	COUNTY OF LOS ANGELES		
9		D07/F477	
10	KENNETH BERGER, THU PHAN,	BC365437	
11	Plaintiffs,	COMPLAINT FOR DAMAGES, DECLARATORY AND INJUNCTIVE	
12	VS.) RELIEF:	
13 14	VISION REMODELING INC., a California) 1 RESCISSION) 2. FRAUD AND DECEIT) 3. UNFAIR BUSINESS PRACTICES (B & P	
15	corporation, DOES 1 TO 100,	§ 17200, ET SEQ.) A. DECLARATORY RELIEF	
16	Defendants.) 5. BREACH OF CONTRACT) 6. QUANTUM MERUIT) 7. NEGLIGENCE	
17) " NEOLIGENCE"	
18	Plaintiffs KENNETH BERGER and THU PHAN (hereinafter referred to collectively		
19	as "Plaintiffs") complain against the above-named Defendants and for causes of action against said		
20	Defendants, and each of them, alleges as follows:		
21	<u>PARTIES</u>		
22	Plaintiffs 본 개 본 유 인		
23	1. At all times herein mentioned, Plaintiff KENNETH BERGER (herein and a second		
24 25 25	"BERGER") was a natural person residing in the County of Los Angeles, State of California.		
25	2. At all times herein mentioned, Plaintiff THU PHAN (hereinafter "PHAN") was		
26 27	natural person residing in the County of Los Angeles, State of California		
27	Defendants Defendants		
28	3. Plaintiffs are informed and believe and based thereon allege that at all times herein		
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	COMPLAINT FOR DAMAGES, DECL	ARATORY AND INJUNCTIVE RELIEF	

mentioned, Defendant VISION REMODELING INC. (hereinafter "VISION") was a corporation, duly organized under and existing pursuant to the laws of the State of California, that said Defendant was duly licensed as a General Building Contractor pursuant to California law under California contractor license number 859753, and that said Defendant maintained its principal place of business and carried on the business of a General Building Contractor within the county of Los Angeles, State of California. Plaintiffs and Defendants are collectively referred to at times herein as the "Parties." Plaintiffs are informed and believe and based thereon allege that at times herein mentioned, one or more of Defendants DOES 1 through 100, inclusive, were also licensed as Contractors pursuant to California law under California contractor license numbers presently unknown to Plaintiffs and to conform to proof. Plaintiffs are informed and believe and based thereon allege that at times herein mentioned, one or more of Defendants DOES 1 through 100, inclusive, served as the Responsible Managing Officer for VISION, and for one or more of Defendants DOES 4 through 100, inclusive, and/or for other entities the nature and circumstances of which are presently unknown to Plaintiffs.

COMMON ALLEGATIONS

- 4. All allegations in this Complaint are based on information and belief and/or are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery.
- 5. The true names and capacities of Defendants named herein as DOES 1 to 100, and each of them, are unknown to Plaintiffs, who therefore sues said Defendants by such fictitious names. Plaintiffs will amend this Complaint to allege the true names and capacities of said fictitiously named Defendants when the same have been ascertained. Plaintiffs are informed and believe and based thereon allege that each such fictitiously named Defendant is legally responsible for the events and happenings herein described, and for the damages proximately caused thereby.
- 6. At all times herein mentioned, each Defendant was the agent, partner, principal, shareholder, officer, director, and/or employee of each co-defendant, and in doing the acts herein alleged, acted with the express and/or implied consent, authority and ratification of each co-defendant, and within the course and scope of such agency, partnership, employment and/or other

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relationship and/or capacity.

- 7. Plaintiffs are informed and believes and based thereon allege that at all times herein mentioned, Defendants DOES 1 to 100, including but not limited to all agents and employees of said named Defendants, and each of them, were acting at all times and in all respects for and on behalf of said named Defendants, and each of them, and that each and every act thereby as described herein were done with pursuant to the express and/or implied authorization, consent, instruction, and ratification of said named Defendants, and each of them.
- 8. At all times herein mentioned, Plaintiffs BERGER and PHAN were husband and wife, and were the owners of the residential real property located at 3705 Buckingham Road, in the city and county of Los Angeles, California 90016 (hereinafter the "Property").
- 9. Plaintiffs are informed and believes and based thereon allege that at all times herein mentioned, Defendant VISION offered to members of the public, including Plaintiffs, and sold and provided, home improvement services as defined in California <u>Business and Professions</u>

 <u>Code</u> §§ 7150 through 7168, et seq.
- 10. Plaintiffs are informed and believes and based thereon allege that at all times herein mentioned, various individual Defendants included within the fictitiously named Defendants identified herein as DOES 1 through 100, inclusive, including DOE 1 (presently known to Plaintiffs only as "Rachael"), DOE 2 (presently known only to Plaintiffs as "Max"), and DOE 3 (known to Plaintiffs only as VISION's "engineer") engaged in the conduct herein alleged both in their individual capacities for their own personal interest, benefit, and/or enrichment in furtherance of their own financial, employment, business and other goals and purposes, as well as in their representative capacities as agents and/or employees of Defendants VISION and DOES 4 through 100, inclusive, and in doing the acts herein alleged, acted with the express and/or implied consent, authority and ratification of Defendants VISION and 4 through 100, inclusive, and within the course and scope of such agency and/or employment.

FACTUAL BACKGROUND

11. Prior to in or about March, 2006, Plaintiffs determined that they were interested in conducting various remodeling to and upon the Property.

12. On or about March, 2006, Plaintiffs attended the Long Beach Home Show and
thereat met Defendant VISION, by and through its representative, the identity of whom is unknown
to Plaintiffs, which was exhibiting at said Home Show and offering its home improvement service
to the public, including Plaintiffs. Plaintiffs advised VISION's representative that they desired to
remodel the Property, gave said representative their telephone number, whereupon said
representative stated that he would have a representative of VISION contact Plaintiffs to make an
appointment to inspect their residence and provide them with an estimate for their home
improvement project. Thereafter, Defendant DOE 1 (presently known only to Plaintiffs as
"Rachael") contacted Plaintiffs and arranged a meeting for such purpose at the Property with
Plaintiffs.

- 13. Thereafter, on or about April 9, 2006, Plaintiffs met with DOE 1 at the Property.

 During such meeting, DOE 1 conducted an inspection of the Property, and expressly and repeatedly represented to Plaintiffs as follows:
- A. That VISION was a reputable company which was highly experienced in the building industry and specifically in conducting residential remodeling;
- B. That VISION employed highly-skilled, experienced and professional tradesmen to perform all remodeling work;
 - C. That all remodeling work performed by VISION was of top quality;
- D. That if Plaintiffs selected VISION to perform the proposed remodeling of the Property, VISION would perform excellent work of high quality in a timely manner in conducting such proposed remodeling;
- E. That if Plaintiffs selected VISION to perform the proposed remodeling of the Property, VISION would provide highly-skilled, experienced and professional tradesmen to perform such proposed remodeling work;
- F. That if Plaintiffs selected VISION to perform the proposed remodeling of the Property, VISION would use and provide only top-quality materials, fixtures, and supplies for use in such proposed remodeling work;
 - G. That if Plaintiffs selected VISION to perform the proposed remodeling of the

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Property, VISION's charges for said work would be very reasonable, would accurately reflect the true value of the work being performed, and would in fact be less than the average charges for similar work made by the majority of home improvement contractors;

- H. That if Plaintiffs selected VISION to perform the proposed remodeling of the Property, VISION would comply in all respects with all applicable laws, statutes, ordinances and regulations in connection with the performance of the proposed remodeling work, would prepare detailed and accurate work plans and/or blueprints covering said remodeling work and obtain all necessary approvals of such plans from the City of Los Angeles Department of Building and Safety and such other governmental agencies whose approval was required; would obtain all necessary building permits, would conduct all proposed work in conformance with the approved building plans, and would cause all required inspections of the proposed work to be conducted and take such actions as required to assure that the proposed remodeling was performed in such a manner that all necessary approvals thereof were obtained;
- I. That if Plaintiffs selected VISION to perform the proposed remodeling of the Property, VISION would fully and truthfully and in a timely manner keep Plaintiffs advised of all facts, events, and occurrences which materially pertained to or affected the performance of the proposed remodeling work.
- 14. At said meeting on or about April 9, 2006, Defendant DOE 1 further represented to Plaintiffs that if Plaintiffs selected VISION to perform the proposed remodeling of the Property, Plaintiffs would be highly pleased with the nature, quality and timeliness of VISION's work, and with the integrity of VISION and its employees.
- 15. Based upon the trust and confidence of Plaintiffs evoked by DOE 1, acting individually and on behalf of VISION and all other Defendants, Plaintiffs believed that DOE 1 was a person possessed of a high level of business, professional, and personal integrity and honesty, that VISION was a company possessed of a high level of business and professional integrity and honesty, and that the representations of DOE 1 were truthful and that DOE 1 and therefore, VISION, were acting and would continue to act in good faith and in Plaintiffs' best interests in making the aforesaid representations. Based in reasonable and justifiable reliance on the aforesaid

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representations of DOE 1, Plaintiffs agreed to do, and did, the following:

A. Plaintiffs executed the written agreement entitled "Home Improvement Contract" and attached "Additional Description Forms" (referred to collectively herein as the "Initial Home Improvement Contract") hand-completed by DOE 1, a copy of which is attached hereto as Exhibit "A" and made a part hereof; and,

B. Plaintiffs tendered to DOE 1 Plaintiffs' check in the amount of \$1,000.00 which constituted a down payment for VISION's remodeling services.

16. Thereafter, on or about April 16, 2006, DOE 1, DOE 2 (presently known only to Plaintiffs as "Max"), and another individual, DOE 3, the identify of whom is presently unknown to Plaintiffs and who was introduced to Plaintiffs as Vision's "engineer," came to Plaintiffs' Property. DOE 1 introduced DOE 2 to Plaintiffs as "Max," and stated that DOE 2 was someone DOE 1 "worked with," but did not otherwise describe DOE 2's position with or interest in VISION or the role, if any, that DOE 2 would play in conjunction with the contracted-for remodeling work. (Said remodeling work, including without limitation all additional work as described in change orders and otherwise hereafter, is collectively referred to herein as the "Project"). DOE 1 simply introduced DOE 3 as VISION's "engineer," and the identify of said Defendant is presently unknown to Plaintiffs. At said April 16, 2006 meeting, DOE 3 appeared to make notes and drawings on a pad of paper, and commented to Plaintiffs, DOE 1 and DOE 2 that one of Plaintiffs' kitchen windows would have to be removed as part of the contemplated remodeling work. At the request of DOE 1, Plaintiffs tendered to VISION another check in the amount of \$5,000.00, which DOE 1 represented was "to do the blueprints." At said meeting, DOE 1 reaffirmed all of her previous representations to Plaintiffs, and DOE 2 reaffirmed all of DOE 1's representations to Plaintiffs. Further, at said meeting, DOE 3 was witness to such affirmations by DOE 1 and DOE 2, and by failing to correct, qualify, or in any manner dispute any of such representations, joined with his other Defendants in making said representations and in inducing Plaintiffs to rely thereon.

17. Thereafter, a lengthy delay ensued before VISION actually caused work to begin on the Project. In response to Plaintiffs' numerous inquiries regarding said delay and when the Project would actually commence, VISION and DOE 1 advised Plaintiffs that said delays in

commencement of the Project had occurred as a result of difficulties and delays in obtaining the approval of the building plans and blueprints by City of Los Angeles Department of Building and Safety, as well as necessary building permits, and that such delays were not attributable in any manner to Defendants. Plaintiffs were at all times fully accessible and available to Defendants, and each of them, and promptly responded to all telephone calls and other communications from VISION and DOE 1.

18. Plaintiffs are informed and believe and based thereon allege that the building plans for the Project were approved by the City of Los Angeles Department of Building and Safety on or about August 10, 2006.

19. Defendants did not commence work on the Project until September 1, 2006, which such work consisted of demolition of portions of Plaintiffs' Property. Subsequent to the commencement of work on the Project, Plaintiffs learned that the individuals actually performing the work on the Project were not employees of VISION, but were merely subcontractors with no authority to act on behalf of VISION or make decisions with regard to the Project.

20. On or about September 4, 2006, DOE 1 represented to Plaintiffs that VISION had discovered that it was necessary to install a new foundation in a portion of their Property, as well to perform additional electrical re-wiring in the bathroom of the Property, and to install additional insulation and drywall. In response to Plaintiffs' inquiries, DOE 1 represented to Plaintiffs that the necessity of performing such additional work, including said foundation work, had not been discovered until after demolition of the Property had been conducted. Plaintiffs reasonably believed that DOE 1 was being truthful, and in reliance upon her representations, made on behalf of VISION and all other Defendants, assented to such work being performed. In addition, the Parties agreed that VISION would install new entrance and security doors at the Property, as well as flagstone on the small wall near the entrance thereof, and a new roof. DOE 1 advised Plaintiffs that the total price for these modifications to the scope of work was to be \$40,000.00, and DOE 1 prepared and Plaintiffs executed a Change Order (hereinafter referred to as the "First Change Order"), a true and correct copy of which is attached hereto as Exhibit "B" and made a part hereof. Thereafter, on September 4, 2006, Plaintiffs tendered to DOE 1 on behalf of VISION a further

check in the amount of \$21,000.00 which represented the amount of \$20,000.00 which was to have been paid pursuant to the Initial Home Improvement Contract at the time of demolition, and \$1,000.00 as a "deposit" for the additional work as provided in the First Change Order, causing the total then paid to date by Plaintiffs to VISION to be \$27,000.00, even though only creation of the building plans and demolition had been performed to date and the total value of the services then performed by VISION amounted to not more than \$5,000.00.

- 21. On September 27, 2006, Plaintiffs thereafter paid to VISION by check the entirety of the remainder due pursuant to the First Change Order, \$39,000.00, causing the total then paid to date by Plaintiffs to VISION to be \$66,000.00, even though the actual value of the services then performed to date by VISION amounted to only a small fraction of that amount.
- 22. Work on the Project by VISION's subcontractor continued thereafter. Plaintiffs began to notice that certain materials supplied by VISION in connection with the Project, such as French doors and base moldings, appeared to be cheap and of poor quality, and inconsistent with the quality represented by DOE 1 on behalf of VISION. Plaintiffs subsequently complained regarding the apparent quality of these materials to DOE 1 and VISION's subcontractor; however, VISION's subcontractor had no authority to vary the materials selected by VISION for the Project, and DOE 1 simply assured Plaintiffs that the Project was in a relatively early phase of completion and that upon final completion, Plaintiffs would be very happy with the work. Plaintiffs continued to believe DOE 1 and rely upon her apparent expertise, and accepted such representations made by DOE 1 on behalf of VISION and the remaining Defendants and permitted work to continue.
- 23. On or about October 6, 2006, DOE 1, acting on behalf of VISION and all other Defendants, represented to Plaintiffs that it was necessary to install a new gas line at the Property. Plaintiffs believed and relied upon said representation by DOE 1, and assented to Defendants performing such work. DOE 1 advised Plaintiffs that the total price for this modification to the scope of work was to be \$6,250.00, and DOE 1 prepared and Plaintiffs executed a Change Order (hereinafter referred to as the "Second Change Order"), a true and correct copy of which is attached hereto as Exhibit "C" and made a part hereof. Plaintiffs are informed and believe that the charge assessed by Defendants, and each of them, for performing the work described in the Second Change

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Order is so far in excess of that customarily charged by reputable building contractors for similar work as to be unconscionable.

24. On November 28, 2006, DOE 1 and Plaintiffs had a meeting at the Project site. Thereat, DOE 1 advised Plaintiffs that work on the bathrooms of Plaintiffs' residence was about to commence, and that it was necessary for Plaintiffs to pay to VISION an additional \$36,200.00, which purportedly included the amounts of two progress payments described in the Initial Home Improvement Contract of \$10,000.00 and \$20,000.00, respectively, and \$6,200.00 for the replacement of a gas line as described in the Second Change Order. Plaintiff PHAN thereupon gave DOE 1 a check in such amount payable to VISION, but advised DOE 1 that because she had to transfer money into the account on which the check was drawn in order to have sufficient funds on deposit therein to cover the check, it would be necessary for DOE 1 and VISION to refrain from depositing or otherwise negotiating said check until Plaintiff PHAN call DOE 1 and advised that the necessary funds had been transferred to said account. Plaintiffs had previously tendered to Defendants checks under identical circumstances, and Defendants had previously accepted such checks and waited to deposit them until Plaintiffs transferred money into the account on which they were drawn, and such practice was therefore customary as between Plaintiffs and Defendants. In this regard, DOE 1 stated to Plaintiff PHAN that she understood that there would not be sufficient funds in said account to cover said check for several days, and that therefore that she would cause VISION to hold said check and not to deposit or negotiate the same until Plaintiff PHAN had advised DOE 1 that the check could be deposited, as Defendants had previously done in accordance with the custom developed in this respect as between Plaintiffs and Defendants. Notwithstanding the express agreement by DOE 1 on behalf of all remaining Defendants not to deposit said check until told to do so by Plaintiff PHAN, VISION nonetheless attempted to negotiate said check the following day without notifying Plaintiffs thereof, resulting in the check being dishonored by Plaintiffs' bank.

25. During in or about November, when visiting the Project, DOE 1 expressed to Plaintiff PHAN that various fixtures to be located in one of the bathrooms at the Property would be located in certain positions in said bathroom. Plaintiff PHAN, neither knowledgeable nor trained in

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reading building plans or blueprints, and believing that DOE 1 possessed the knowledge, training and skill to correctly read and interpret such blueprints, relied on DOE 1's interpretation of said blueprints and therefore concurred that such fixtures would be placed as indicated by DOE 1, and DOE 1 thereafter gave instructions to VISION's subcontractor performing the work that such fixtures should be so located. However, Plaintiffs are informed and believe and based thereon allege that DOE 1 did not in fact possess the necessary knowledge, training and experience necessary to read and interpret the aforesaid plans and blueprints, and that DOE 1 had either read such plans and blueprints incorrectly or had unilaterally elected to make unapproved modifications thereto, resulting in VISION's subcontractor incorrectly locating the plumbing for said fixtures in locations which were not in conformance with the approved building plans. After such plumbing work had already been performed, VISION's subcontractor, apparently having received the building plans and blueprints and realizing that the plumbing work which he had performed pursuant to VISION's instructions were not in conformance therewith, approached Plaintiff PHAN, advised her that the plumbing had not been installed according to plans, and that the Project would not pass inspection without either seeking and obtaining approval from the City of Los Angeles Department of Building and Safety of plans modified to reflect the actual layout of said bathroom, or in the alternative, removing the plumbing work performed thus far and re-installing it so as to correctly conform to the building plans and blueprints. Plaintiff PHAN thereafter instructed VISION's subcontractor to install the plumbing in a manner which conformed to the building plans and blueprints, and contacted DOE 1 and advised her of the aforesaid circumstances. Thereafter, on December 1, 2006, DOE 1 came to the Project and presented Plaintiffs with a further handwritten change order (referred to herein as the "Third Change Order") for execution, a true and correct copy of which is attached hereto as Exhibit "D" and made a part hereof. DOE 1 explained that it was necessary for Plaintiff PHAN to execute the Third Change Order for the work to be corrected, and Plaintiff PHAN relied upon such representation by DOE 1 and therefore executed the same. Later, after DOE 1 had departed, Plaintiff PHAN noticed that the Third Change Order purportedly extended the time for performance of VISION's services by 150 days, although DOE 1 had never advised Plaintiffs that such corrections would extend the completion date of the Project, and that it

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further inaccurately stated "Coustomer decide to go back to the original plan – by blue print [sic]," when in fact VISION had incorrectly performed the work, Plaintiffs had never requested any change to the approved building plans, and had relied on DOE 1 and VISION and presumed that VISION was completing all aspects of the Project in conformance with the approved building plans and blueprints. Plaintiffs are informed and believe and thereon allege that Defendants' unilateral extension of the completion date of the Project in order to correct Defendants' own mistake was unwarranted, contrary to law, custom and practice, and was unconscionable.

26. On or about November 29, 2006, Plaintiffs visited the Project and noticed that several pages of what appeared to be building plans and/or blueprints had been left at the Project site. Plaintiffs had only previously seen one page of building plans, which had previously been presented by DOE 1 for Plaintiffs' approval, and Plaintiffs therefore reasonably assumed that these constituted the entirety of the building plans and/or blueprints for the Project. Upon inspection, Plaintiffs noticed that said building plans clearly contained a section entitled "New Foundation Plan," and that said building plans appeared to contain a stamp bearing the legend "Approved" and dated "8-10-06" from the City of Los Angeles Department of Building and Safety. Given that Plaintiffs had not been advised by anyone, including any Defendant, that additional foundation work would be required or was contemplated, until after Defendants had conducted demolition of Plaintiffs' residence, Plaintiffs became extremely concerned that such additional work had in fact been originally designed by Defendants and approved as part of the Project, and that VISION and DOES 1 through 100, inclusive, had deliberately failed to disclose that such additional work would be required until after work on the Project had commenced, even though such facts had been known to Defendants, and each of them, prior to commencing any work on the Project. Further, given that such work had clearly been designed and included as part of the original building plans before any work had commenced or any change orders had been presented by Defendants or executed by Plaintiffs, Plaintiffs became extremely concerned that Defendants were attempting to assess duplicate charges for the same work that was included within the scope and purview of the Initial Home Improvement Contract and contemplated in said original approve building plans and blueprints. On December 1, 2006, at the aforesaid meeting with DOE 1, Plaintiffs confronted DOE

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1 regarding such facts, but DOE 1 represented that neither she, VISION, nor any other Defendants had become aware of the necessity for such additional foundation work, as well as for the other additional work including drywall, insulation, and re-wiring included in the September 4, 2006, First Change Order, until after demolition was conducted. Plaintiffs demanded that they be immediately refunded the amounts paid to VISION for such foundation work, and that a meeting with the owner of VISION be arranged. DOE 1 represented to Plaintiffs that the owner of VISION was out of the country, and requested that Plaintiffs wait until the following week for such a meeting.

27. Plaintiffs are informed and believe and based thereon allege that between April 9, 2006, and September 1, 2006, Defendants, and each of them, based on their status, knowledge, skill and experience as licensed contractors, were expressly aware that Plaintiffs' home would require modifications and additions to the foundation thereof, and caused the building plans and blueprints for the Project which were prepared by Defendants, and each of them, to contain a section thereof entitled "New Foundation Plan," and that Defendants, and each of them, were expressly aware that the Project would require other additional items of work, including without limitation drywall, insulation, re-wiring, the installation of additional beams, and modifications to the floor of Plaintiffs' bathroom, but deliberately concealed and failed to disclose such material facts to Plaintiffs, or that they intended to later assert that the Initial Home Improvement Contract was not inclusive of such items of work and that such "additional" work as reflected in the First Change Order would be required at additional expense to Plaintiffs, knowing that if Plaintiffs were aware of such concealed and suppressed facts prior to the commencement of demolition and other work on the Project, Plaintiffs would likely choose not to proceed with the Project or would arrange to have a different contractor other than VISION perform the work. Plaintiffs are further informed and believe and based thereon allege that, once the job commenced, Defendants, and each of them, rushed to complete demolition of Plaintiffs' residence so as to prevent or inhibit Plaintiffs from terminating the Agreement or seeking to have the work performed by another contractor, and so as to create a basis upon which to demand additional sums from Plaintiffs for such purported "additional" work.

28. At the aforesaid meeting on December 1, 2006, DOE 1 also advised Plaintiff		
PHAN that VISION had attempted to negotiate Plaintiff PHAN's check in the amount of		
\$36,2000.00 as described in Paragraph 24, above, of this Complaint, but that said check had been		
dishonored. Plaintiff PHAN, surprised that Defendants had attempted to negotiate said check prior		
to being advised by Plaintiffs that sufficient funds to cover said check had been transferred into the		
account on which it was drawn, reminded DOE 1 that DOE 1 had expressly agreed that VISION		
would not attempt to deposit or negotiate said check until Plaintiff PHAN had advised DOE 1 that		
funds sufficient to cover the check had been transferred into the account on which it was drawn, and		
DOE 1 acknowledged that she had so agreed. However, DOE 1 represented that someone at		
VISION had made an error and had mistakenly attempted to negotiate said check without first		
confirming with Plaintiff PHAN that sufficient funds were on deposit in Plaintiff PHAN's account		
to cover said check, but asked Plaintiff PHAN to provide her with a replacement check. Because		
Plaintiffs had by this point only recently discovered the then-suspected fraudulent conduct of		
Defendants as described in this Complaint, Plaintiff PHAN refused to do so and thereafter stopped		
payment on said check.		

29. On or about December 6, 2006, DOE 1 and DOE 2 met with Plaintiffs at their home. Thereat, without specifically stating that DOE 2, known to Plaintiffs only as "Max," was an owner, officer or manager of VISION, both DOE 1 and DOE 2 stated and inferred that DOE 2 had the authority to resolve Plaintiffs' complaints and contractually bind VISION in connection therewith. Thereat, Plaintiffs again confronted DOE 1 and DOE 2 regarding the foregoing facts and that they believed that Defendants, and each of them, had withheld from Plaintiffs that additional foundation work, as well as the additional work including drywall, insulation, and re-wiring included in the September 4, 2006, First Change Order, was required until after demolition was conducted, and that they had been assessed duplicate charges for said work as aforesaid. DOE 1 and DOE did not directly respond to Plaintiffs' assertions, but both appeared distinctly uncomfortable upon being confronted with said assertions by Plaintiffs. Instead of responding to Plaintiffs' assertions, DOE 2 thereupon offered to refund to Plaintiffs by way of a credit at the conclusion of Defendants' work on the Project and not as a cash refund, one-half of the \$21,000.00

charged Plaintiffs by Defendants for the aforesaid foundation work, but Plaintiffs refused to accept such proposed resolution. Thereafter, Defendants continued on several occasions to attempt to condition any resolution of Plaintiffs' complaint and their demand for the refund of all monies which they had been improperly charged by VISION, DOE 1 and DOE 2 upon an agreement by Plaintiffs to purchase additional products and services from VISION. Plaintiffs declined all such offers of resolution, and thereafter sought counsel.

- 30. On December 21, 2006, Plaintiffs, through their counsel, rescinded the Agreement (including all Change Orders) between Plaintiffs and VISION by forwarding written notice of such rescission to VISION.
- 31. The Initial Home Improvement Contract between Plaintiffs and VISION, including without limitation all attachments thereto and all Change Orders executed by Plaintiffs, fail to comply with the express provisions of California Business and Professions Code §§ 7159, 7159.5, and 7191.
- 32. Plaintiffs are informed and believe and based thereon allege that at all times herein mentioned, Defendant VISION did not actually itself perform any construction or home improvement services, but simply engaged in the practice of marketing and selling construction and home improvement services, and thereafter arranging for various subcontractors to perform all of the contracted-for work at a small fraction of the price actually being charged for the work.
- 33. On or about December 28, 2006, Defendants, and each of them, caused to be recorded with the Recorder's office for the County of Los Angeles a Mechanic's Lien, a copy of which is attached hereto as Exhibit "E" and made a part hereof, wherein VISION asserts a line in Plaintiffs' Property and claims to be due the sum of \$36,200.00.
- 34. California Business and Professions Code §§ 7159.5(A)(5) provides that "Except for a downpayment, the contractor may neither request nor accept payment that exceeds the value of the work performed or material delivered." From and after April 9, 2006, through the present, Defendants, and each of them, have consistently and repeatedly acted in violation of California Business and Professions Code §§ 7159.5(A)(5) in the following respects:
 - A. On April 16, 2006, prior to performing any work on the Project of any nature,

including without limitation, the preparation of layouts, designs, plans, or blueprints, and prior to seeking the approval of the same from the City of Los Angeles Department of Building and Safety or any other governmental entity, Defendants, and each of them, requested and accepted a payment of \$5,000.00 from Plaintiffs, even though such amount substantially exceeded the value of the work that Defendants had performed on the Project to date;

- B. On or about September 4, 2006, prior to conducting any demolition or performing any work on the Project, Defendants, and each of them, requested and accepted an additional payment of \$21,000.00 from Plaintiffs, even though such amount substantially exceeded the value of the work that Defendants had performed on the Project to date;
- C. On or about September 27, 2006, Defendants, and each of them, requested and accepted an additional payment of \$39,000.00 from Plaintiffs, even though such amount substantially exceeded the value of the work that Defendants had performed on the Project to date;
- D. On or about November 28, 2006, Defendants, and each of them, requested and accepted an additional payment of \$36,200.00 from Plaintiffs, even though such amount substantially exceeded the value of the work that Defendants had performed on the Project to date;
- E. On or about December 28, 2006, after requesting and accepting from Plaintiffs advance payments totaling \$66,000.00, even though the value of the work that Defendants had performed on the Project to date was substantially less than that amount, Defendants, and each of them, caused to be recorded with the Recorder's office for the County of Los Angeles a Mechanic's Lien, a copy of which is attached hereto as Exhibit "E" and made a part hereof, wherein VISION asserts a lien upon Plaintiffs' Property and claims to be due the sum of \$36,200.00, thereby asserting a right to the total amount of \$102,200.00 for the work performed by Defendants, and each of them, on the Project to date, even though this figure exceeds the actual value of the work performed by not less than \$60,000.00.
- 35. Plaintiffs are informed and believe and based thereon allege that the amounts charged Plaintiffs in the Initial Home Improvement Contract are actually and inherently inclusive of the charges for the foundation work, re-wiring, and installation of insulation and drywall to have been performed by Defendants, and each of them, upon the Property, but were subsequently

separately charged to Plaintiffs a second time in the First Change Order. Plaintiffs are informed and believe and based thereon allege that Defendants, and each of them, attempted to separately assess said charges to Plaintiffs in the First Change Order in an effort to fraudulently and deceptively cause Plaintiffs, based on their trust of Defendants, and each of them, and their lack of experience with the standards, customs and practices in the construction industry, to pay such amounts to Defendants, and each of them, a second time.

36. Plaintiffs have demanded that Defendants, and each of them, refund all monies that said Defendants improperly obtained from Plaintiffs, refund all monies charged to and received from Plaintiffs which are in excess of the actual value of the work performed on the Project by Defendants, and each of them, and/or their subcontractors or agents, and to refrain from improperly encumbering Plaintiffs' Property through recording Mechanic's Liens without just cause or sufficient legal basis. However, Defendants, and each of them, have refused to comply with Plaintiffs' demands, have continued to wrongfully and assert their purported right to collect from Plaintiffs the additional sum of \$36,200.00 even though the value of the work performed by Defendants, and each of them, is far less than the amounts already paid by Plaintiffs to said Defendants, and have persisted in wrongfully, improperly, and without substantial legal basis encumbering Plaintiffs' Property through the recordation of the aforesaid Mechanic's Lien and have failed to release the same despite Plaintiffs' demand.

DEFENDANTS' CORPORATE SCHEME

- 37. By its unlawful, unfair and/or fraudulent business practices, Defendants, and each of them, intended to act collusively so as to increase said Defendants' profits at the expense of Plaintiffs and other California residents,
- 38. In the course of attempting to induce Plaintiffs and other California residents to purchase home improvement services, Defendants, and each of them, systematically, methodically, and generally engaged in the following improper, unfair, fraudulent, unreasonable and/or unconscionable conduct and practices directed at Plaintiffs and other California residents:
- A. Deliberately, unreasonably, and unjustifiably encouraging, ratifying and supporting on the parts of its agents, employees and representatives the use and practice of

deception and misdirection, including, but not limited to, making representations to Plaintiffs and other California residents portraying the following:

- i. That VISION was a reputable company which was highly experienced in the building industry and specifically in conducting residential remodeling;
- ii. That VISION employed highly-skilled, experienced and professional tradesmen to perform all remodeling work;
 - iii. That all remodeling work performed by VISION was of top quality;
- iv. That all remodeling work performed by VISION was performed in a timely manner;
- v. That all remodeling work performed by VISION was performed using only top-quality materials, fixtures and supplies;
- vi. That all charges for remodeling work performed by VISION would be very reasonable, would accurately reflect the true value of the work being performed, and would in fact be less than the average charges for similar work made by the majority of home improvement contractors;
- vii. That all remodeling work performed by VISION would comply in all respects with all applicable laws, statutes, ordinances and regulations;
- viii. That in connection with all remodeling work performed by VISION,
 VISION would prepare detailed and accurate work plans and blueprints covering said
 remodeling work and obtain all necessary approvals of such plans and blueprints from the
 City of Los Angeles Department of Building and Safety and such other government agencies
 whose approval was required, and would thereafter obtain all necessary building permits;
- ix. That in connection with all remodeling work performed by VISION, VISION would conduct all proposed work in conformance with the approved building plans;
- x. That in connection with all remodeling work performed by VISION, VISION would cause all required inspections of the proposed work to be conducted and take such actions as required to assure that the proposed remodeling was performed in such a manner that all necessary approvals thereof were timely obtained; and,

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xi. That in connection with all remodeling work performed by VISION, VISION would fully and truthfully keep all customers, including Plaintiffs, advised of all facts, events, and occurrences which materially pertained to or affected the performance of the proposed remodeling work.

B. Deliberately, unreasonably, and unjustifiably encouraging, ratifying and supporting on the parts of its agents, employees and representatives the use and practice of deception and misdirection, including, but not limited to, making material misrepresentations and representations to Plaintiffs and other California residents which were known to said Defendants to lack factual basis, and making promises to Plaintiffs and other California residents without the intention on the part of Defendants, and each of them, to perform the same, prior to the commencement of home improvement work and as a means to falsely and fraudulently induce Plaintiffs and other California residents to contract with said Defendants, and each of them, for the performance of such home improvement work, concerning, among other matters, the projected scope of the home improvement work desired or requested by Plaintiffs and/or other California residents and knowingly misrepresenting such scope of work to be smaller or lesser than what Defendants, and each of them, knew would be the actual scope of work, and doing the foregoing with the express intention of, once Plaintiffs and other California residents had contracted with said Defendants and such home improvement work had commenced and knowing that it would therefore be difficult, impracticable or impossible for Plaintiffs and/or other California residents to cancel said contracts with Defendants and that Plaintiff and/or other California residents would be in a grossly unequal bargaining position by reason thereof, falsely and fraudulently advising Plaintiffs and/or other California residents that Defendants, and each of them, had "discovered" that "additional" work was needed which would necessitate the execution of Change Orders and the payment of additional funds by Plaintiff and/or other California residents to complete said home improvement work, and doing all of the foregoing in such a manner as to conceal the true facts and said Defendants' true agendas and intentions from Plaintiffs and/or other California residents.

C. Deliberately, unreasonably, and unjustifiably encouraging, ratifying and supporting on the parts of its agents, employees and representatives the use and practice of

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deception and misdirection, including, but not limited to, making material misrepresentations and representations to Plaintiffs and other California residents which were known to said Defendants to lack factual basis, prior to the commencement of home improvement work and as a means to falsely and fraudulently induce Plaintiffs and other California residents to contract with said Defendants, and each of them, for the performance of such home improvement work, concerning, among other matters, the projected cost of the home improvement work desired or requested by Plaintiffs and other California residents and knowingly misrepresenting such cost to be smaller or lesser than what Defendants, and each of them, knew would be the actual cost thereof, and doing the foregoing with the express intention of, once Plaintiffs and other California residents had contracted with said Defendants and such home improvement work had commenced and knowing that it would therefore be difficult or impossible for Plaintiffs and/or other California residents to cancel said contracts with Defendants and that Plaintiff and/or other California residents would be in a grossly unequal bargaining position by reason thereof, advising Plaintiffs and/or other California residents that Defendants, and each of them, had "discovered" that "additional" work was needed which would necessitate the execution of Change Orders and the payment of additional funds by Plaintiff and/or other California residents to complete said home improvement work, and doing all of the foregoing in such a manner as to conceal the true facts and said Defendants' true agendas and intentions from Plaintiffs and/or other California residents.

D. The practice, in the event that Plaintiffs and/or other California residents discovered the false nature of said Defendants' fraudulent misrepresentations, failures to disclose material facts, and/or Defendants' secretly-held agendas and intentions, and demanded that said Defendants refund moneys paid, perform work as initially agreed, or demanded other resolutions or remedies, of thereafter refusing to refund all or part of said monies, and/or offering to "credit" portions of said monies to Plaintiffs and/or other California residents at the conclusion of work conditioned upon the additional agreement by Plaintiffs and/or other California residents to purchase additional products, services and/or home improvement work from said Defendants, all with the express but undisclosed intention of offsetting such refunds or credits against the inflated and unreasonable cost of such additional products, services and/or home improvement work, or

against additional work of which said Defendants would thereafter falsely represent to Plaintiffs and/or other California residents to have "discovered" the necessity, thereby increasing the ultimate cost of the contracted-for home improvement work and creating the net result that Defendants, and each of them, would never actually refund to Plaintiffs and/or other California residents any of the ill-gotten monies obtained from them by virtue of said Defendants' fraudulent misrepresentations, failures to disclose material facts, suppression of material facts and information, and other tortious conduct;

- E. The provision of materials, fixture and supplies to be used in connection with home improvement projects and/or work contracted for between Defendants, and each of them, and Plaintiffs and/or other California residents which were of cheap, inferior and substandard quality, and which were not consistent with the representations of Defendants, and each of them, made to Plaintiffs and/or other California residents prior to and as an inducement to entering into the aforesaid agreements for home improvement work and/or services, all in an effort to maximize their own profits at the expense of Plaintiffs and/or other California residents;
- F. The failure of Defendants, and each of them, to fully or adequately identify to Plaintiffs and/or other California residents the principals of VISION and delineate the actual duties and authorities of the agents and/or employees of VISION, including without limitation DOE 1, DOE 2, and DOE 3;
- G. The suppression, concealment, and failure to provide and/or disclose to Plaintiffs and/or other California residents with complete documentation, including without limitation, designs, plans, blueprints, building permits, and/or inspection records relating to home improvement work performed or contracted to have been performed by said Defendants, and each of them;
- H. The failure of Defendants, and each of them, to fully or adequately disclose to Plaintiffs and/or other California residents the actual relationships and/or agreements between said Defendants, and each of them, and the subcontractors, agents and/or employees engaged by said Defendants to perform home improvement upon the residences of Plaintiffs and/or other California residents;

- I. The making and entering into of arrangements and/or agreements with the subcontractors, agents and/or employees engaged by said Defendants to perform home improvement upon the residences of Plaintiffs and/or other California residents which were so disproportionate, unfair and/or unconscionable, and thereafter demanding that said subcontractors, agents and/or employees perform additional work or services and/or provide additional materials without additional compensation, such that said subcontractors, agents and/or employees were not adequately or fairly compensated for their work and/or services so as to assure that said subcontractors, agents and/or employees would perform, or be capable of performing, the agreed-upon home improvement work for Plaintiffs and/or other California residents in a sufficient, adequate and/or workmanlike manner;
- J. The encouragement of the subcontractors, agents and/or employees engaged by said Defendants to perform and complete home improvement work upon the residences of Plaintiffs and/or other California residents without obtaining adequate or required inspections or signoffs by building and safety authorities.
- K. Deliberately, unreasonably, and unjustifiably compelling Plaintiffs and/or other California residents to institute litigation to enforce their rights in an effort to further discourage Plaintiffs and/or other California residents from pursuing said rights and to coerce Plaintiffs and/or other California residents to simply pay to said Defendants money not justly owed;
- L. Plaintiffs are informed and believe and based thereon allege that Defendants, and each of them, have engaged in other improper, unfair and unreasonable conduct and practices directed at Plaintiffs other customers of Defendants, and each of them, and/or other California residents of which Plaintiffs are presently unaware and which will be shown at the time of trial.
- 39. The unlawful, unfair and fraudulent practices of Defendants, and each of them, as enumerated in subparagraphs "A" through "L" of the preceding paragraph and other acts as may be shown at trial are a pervasive part of Defendants' overall business plan. Plaintiffs are informed and believe and based thereon allege that Defendants, and each of them, employed the alleged practices on its other customers. Plaintiffs are informed and believe and based thereon allege that Defendants, and each of them, have victimized numerous other customers, in addition to Plaintiffs,

- 40. Defendants' wrongful conduct as alleged herein constitutes a pattern and practice of conduct amounting to a general business practice designed to defraud customers, including Plaintiffs, by falsely and fraudulently inducing customers, including Plaintiffs, to enter into agreements for the performance of home improvement work and services. The above-described actions of Defendants, and each of them, were done with a callous and conscious disregard of Plaintiffs' and others' rights. These actions constitute conduct that is reprehensible and despicable behavior done with the intent to injure Plaintiff, such to constitute oppression, fraud or malice under California Civil Code section 3294, entitling Plaintiff to exemplary and punitive damages.
- 41. Defendants' conduct in doing the actions described herein in connection with the inducement of Plaintiffs and other California residents to enter into agreements for the performance of home improvement work and services, and said Defendants' conduct subsequent to such inducement, as aforesaid, offends established public policy, is immoral, unethical, oppressive, unscrupulous, and so substantially injurious to consumers such as to constitute an unfair business practice and warrant injunctive relief. Members of the public who have actually contracted or have been solicited to contract with Defendants, and each of them, for the performance of home improvement work and services have been and are likely to continue to be deceived by Defendants' actions. The conduct of Defendants, and each of them, is unlawful and constitutes an unfair business practice forbidden by California law and for which injunctive relief should be issued immediately. Plaintiffs seek injunctive relief to prevent Defendants, and each of them, from continuing to engage in the conduct alleged.
- 42. Defendants' unlawful practices in connection with the inducement of Plaintiffs and other California residents to enter into agreements for the performance of home improvement work and services, and said Defendants' conduct subsequent to such inducement, as aforesaid, have caused Defendants, and each of them, to gain a windfall in the form of monies paid by customers, including Plaintiffs and other California residents, who were falsely and fraudulently induced to enter into agreements for the performance of home improvement work and services, which were procured through the use of the fraudulent and deceptive practices described herein. Plaintiffs

seeks disgorgement of Defendants' ill-gotten gains.

FIRST CAUSE OF ACTION

(Against All Defendants For Rescission)

- 43. Plaintiffs reallege each and every allegation as contained in paragraphs 1 through 42, inclusive, of this complaint, and incorporate the same herein by reference as though set forth at length.
- 44. Beginning on or about March, 2006, and continuing thereafter through on or about September 1, 2006, DOE 1, DOE 2 and DOE 3, acting for and on behalf of VISION and DOES 4 through 100, inclusive, as well as to obtain additional income and to strengthen their respective personal financial positions and their respective positions with VISION, made the representations to Plaintiffs as set forth in Paragraphs 13 and 14 of this Complaint.
- 45. Plaintiffs, in express, reasonable and justifiable reliance on the representations of DOE 1, DOE 2 and DOE 3, acting for and on behalf of VISION and DOES 4 through 100, inclusive, as aforesaid, Plaintiffs took the following actions:
- A. On or about April 9, 2006, Plaintiffs executed the Initial Home Improvement Contract on or about April 9, 2006;
- B. On or about April 9, 2006, Plaintiffs paid VISION a down payment of \$1,000.00, and took such other actions including, without limitation, as described in Paragraph 15 of this Complaint.
- 46. Beginning on or about September 4, 2006, DOE 1 and DOE 2, acting for and on behalf of VISION and DOES 3 through 100, inclusive, as well as to obtain additional income and to strengthen their respective personal financial positions and their respective positions with VISION, made the representations to Plaintiffs as set forth in Paragraph 20 of this Complaint.
- 47. Plaintiffs, in express, reasonable and justifiable reliance on the representations of DOE 1 and DOE 2, acting for and on behalf of VISION and DOES 3 through 100, inclusive, Plaintiffs took the following actions:
 - A. On or about September 4, 2006, Plaintiffs executed the First Change Order;
 - B. On or about September 4, 2006, Plaintiffs tendered to VISION a further check

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the work or the ultimate result to Plaintiffs' Property;

H. That VISION had no actual intention of charging Plaintiffs an amount for the proposed services which was reasonable, or which accurately reflected the true value of the work to be performed, or which was in fact less than the average charges for similar work made by the majority of home improvement contractors, but instead intended to charge Plaintiffs sums which were substantially and unconscionably in excess of the charges generally assessed by reputable contractors in the building industry for top quality work using top quality materials, fixtures and supplies, to render work, services, materials, fixtures and supplies for the absolute minimal possible cost to said Defendants regardless of the inferior quality thereof or the ultimate result to Plaintiffs and their Property, and after the Initial Home Improvement Contract was executed and demolition had begun, to foist upon Plaintiffs the assertion that said Defendants had purportedly "discovered" the necessity for the performance of "additional" work upon the Property, including substantial foundation work and modifications, electrical re-wiring, and the installation of additional insulation and drywall, when in fact Defendants, and each of them, at the time they prepared and executed the Initial Home Improvement Contract on April 9, 2006, and at the time they again visited and inspected the Property on or about April 16, 2006, already knew that such work would be required, and already planned not to disclose the necessity for such "additional" work until after Plaintiffs had executed the Initial Home Improvement Contract, paid money to said Defendants, and said Defendants had commenced and conducted demolition upon the Property when it would be highly unlikely, difficult, impracticable and/or impossible for Plaintiffs to cancel the agreement between Plaintiffs and VISION and Plaintiffs would be in a grossly unequal bargaining position by reason thereof, and intended to thereby induce Plaintiffs to pay for such "additional" work as later described in the First Change Order and subsequent change orders, even though the charges for such work had already been incorporated within the cost of the Project as set forth in the Initial Home Improvement Contract and had already been paid for by Plaintiffs, and to thereby wrongfully, fraudulently, deceitfully, and maliciously extract additional monies therefore from Plaintiffs.

I. That VISION had no actual intention of complying in all or any respects with all applicable laws, statutes, ordinances and regulations in connection with the performance of the

proposed remodeling work, or to prepare detailed and/or accurate work plans covering said remodeling work, and/or obtain all necessary approvals of such plans from the City of Los Angeles Department of Building and Safety and such other government agencies whose approval was required, or to obtain all necessary building permits, or to conduct all proposed work in conformance with the approved building plans, or to cause all required inspections of the proposed work to be conducted and take such actions as required to assure that the proposed remodeling was performed in such a manner that all necessary approvals thereof were obtained, but instead intended to perform and complete such work while avoiding doing any of the foregoing to the maximum extent possible, including without limitation obtaining required inspections, in order to maximize their profits and obtain from Plaintiffs as much money as possible while doing as little as possible in return, as described herein.

- J. That VISION had no actual intention of fully, truthfully, or at all, keeping Plaintiffs advised of any or all facts, events, and occurrences which materially pertained to or affected the performance of the proposed remodeling work, but instead intended to suppress disclosure of the true facts to Plaintiffs, suppress disclosure of the complete building plans, blueprints, inspection records and other communications and notices from governmental entities with authority over the Project (including without limitation the City of Los Angeles Department of Building and Safety) to Plaintiffs, so that Plaintiffs would remain unaware of the true state of the Project and/or Defendants' various failures to comply with laws, regulations, and other orders concerning the Project while at the same time extracting as much money as possible from Plaintiffs.
- 49. Plaintiffs had no knowledge of the falsity of the aforesaid representations and promises of DOE 1, DOE 2, and DOE 3 made for and on behalf of VISION and DOES 4 through 100, inclusive, until on or about November 29, 2006, when Plaintiffs visited the Project and discovered what appeared to be an entire set of building plans and/or blueprints, and that contrary to the representation of DOE 1 that the necessity for the foundation work covered by the First Change Order had only been discovered subsequent to Defendants conducting demolition upon the Property, Defendants, and each of them, had known of the necessity for said foundation work prior to approval of the building plans for the Project, that such modifications and/or additions to the

foundation of the Property had expressly been included therein and approved by the City of Los Angeles Department of Building and Safety weeks prior to the commencement of such demolition or other work on the Project, and that the aforesaid representations and promises of DOE 1, DOE 2, and DOE 3 made for and on behalf of VISION and DOES 4 through 100, inclusive, were in fact false.

- 50. Based on the aforesaid false promises and misrepresentations of DOE 1, DOE 2, and DOE 3 made for and on behalf of VISION and DOES 4 through 100, inclusive, as well as on the other conduct alleged herein by Defendants, and each of them, Plaintiffs rescinded the Initial Home Improvement Contract and all change orders executed by them in their entirety by written notice on December 21, 2006.
- 51. Without waiving, negating or invalidating in any manner Plaintiffs' prior rescission of the Home Improvement Contract and all change orders executed by them, Plaintiffs intend service of this summons and complaint to serve as notice of rescission of the aforementioned Home Improvement Contract and all change orders executed by Plaintiffs, in their entirety, and hereby offer to restore all consideration furnished by Defendants pursuant thereto, if any, on condition that Defendants restore to Plaintiffs all consideration furnished Defendants, and each of them.
- 52. Plaintiffs will suffer irreparable and substantial harm if the aforesaid consideration is not restored, in that Plaintiffs will be required to pursue Defendants through litigation, and will be subject to the assertion of groundless claims, the wrongful and unwarranted encumbrance of the Property, and other tortious actions by Defendants, and each of them, based upon Defendants' false and fraudulent promises and misrepresentations as aforesaid.

SECOND CAUSE OF ACTION

(Against All Defendants For Fraud and Deceit)

- 53. Plaintiff realleges each and every allegation as contained in paragraphs 1 through 42, and in paragraphs 44 through 52, inclusive, of this complaint, and incorporates the same herein by reference as though set forth at length.
 - 54. Beginning on or about March, 2006, and continuing through on or about

December 6, 2006, Defendants DOE 1, DOE 2, and DOE 3, acting for and on behalf of VISION and DOES 4 through 100, inclusive, as well as to obtain additional income, to strengthen their personal financial positions, and in furtherance of their other respective agendas, made the representations to Plaintiffs as set forth in Paragraphs 12, 13, 14, 16, 19, 22, 23, 24, 25, and 26 of this Complaint.

55. Defendants DOE 1, DOE 2, and DOE 3, acting for and on behalf of VISION and DOES 4 through 100, inclusive, as well as to obtain additional income, to strengthen their personal financial positions, and in furtherance of their other respective agendas, made the aforesaid express representations to Plaintiffs in order to induce Plaintiffs to execute the aforesaid Initial Home Improvement Contract, the First Change Order, the Second Change Order, and the Third Change Order, and agree to purchase from Defendants, and each of them, the aforesaid home improvement services.

56. Additionally, beginning prior to on or about March, 2006, and continuing through on or about December 6, 2006, in order to induce Plaintiffs to execute the aforesaid Initial Home Improvement Contract, the First Change Order, the Second Change Order, and the Third Change Order, and agree to purchase from Defendants, and each of them, the aforesaid home improvement services, Defendants, and each of them, impliedly represented to Plaintiffs that the representations, statements, promises and commitments of their employees, agents and/or authorized representatives in the course and scope of their employment and/or agency were truthful in all material respects, that said representations, statements, promises and commitments would be honored in full and in all respects by Defendants, and each of them, and that Defendants, and each of them, would not repudiate, refute or renege upon the promises and commitments made by their employees, agents and/or authorized representatives acting in the course and scope of such employment and/or agency.

57. Defendants, and each of them, made the aforesaid implied representations to Plaintiffs through an institutional effort by Defendants, and each of them, including but not limited to exhibiting and offering said Defendants' home improvement services at various home shows and other events, to attract customers to Defendants' businesses, including Plaintiffs, and obtain profits therefrom at the expense of said customers, including Plaintiffs, all of which was expressly

designed, organized and intended by Defendants, and each of them, to convince said customers and potential customers, including Plaintiffs, among other things, that Defendants, and each of them, were individuals and entities possessed of a high level of business integrity with regard to said Defendants' customers and potential customers, including Plaintiffs, that said Defendants' customers and potential customers, including Plaintiffs, should feel safe, secure and comfortable in relying on the said Defendants' business integrity with regard to said customers and potential customers in all respects, including but not limited to such matters as the making of representations, statements, promises and commitments by the employees, agents and/or authorized representatives of said Defendants acting in the course and scope of their employment and/or agency, and the honoring and/or performance of such representations, statements, promises and commitments by said Defendants, and each of them. Plaintiffs are informed and believe and thereon allege that Defendants, and each of them, knowingly, intelligently and deliberately caused such implied representations to be made by their agents, representatives and employees, and that the decision to do so in each instance was duly made and ratified by the officers and directors of each respective entity Defendant.

- 58. Defendants, and each of them, knew that potential and actual customers of Defendants, and each of them, including Plaintiffs, would reasonably and justifiably believe and rely upon the representations, statements, promises and commitments made by Defendants' employees, agents and authorized representatives acting in the course and scope of such employment and/or agency, and that such reliance would reasonably induce potential and actual customers of Defendants, and each of them, including Plaintiffs, to enter into and conduct business transactions with Defendants, and each of them, including but not limited to, Plaintiffs entering into agreements with Defendants, and each of them, including without limitation the Initial Home Improvement Contract, First Change Order, Second Change Order, and Third Change Order.
- 59. Defendants, and each of them, knew that potential and actual customers of Defendants, and each of them, including Plaintiffs, would believe and rely upon the statements and express and implied representations made and/or disseminated by Defendants, and each of them, designed to convince and induce said customers, including Plaintiffs, to believe, among other

things, that Defendants, and each of them, were companies and/or organizations possessed of a high level of business integrity with regard to said Defendants' customers, that Defendants' customers, including Plaintiffs, could and should feel safe, secure and comfortable in relying on said Defendants' business integrity with regard to said customers, including Plaintiffs, in all matters and respects, including but not limited to such matters as the making of representations, statements, promises and commitments by the employees, agents and/or authorized representatives of said Defendants acting in the course and scope of their employment and/or agency, and the honoring and/or performance by Defendants, and each of them, of such representations, statements, promises and commitments.

other means ever advise, disclose or suggest to Plaintiffs that Defendants, and each of them, were not companies and/or organizations possessed of a high level of business integrity with regard to Defendants' customers, including Plaintiffs, that Defendants' customers, including Plaintiffs, could not and should not feel safe, secure and/or comfortable in relying on Defendants' business integrity with respect to Plaintiffs in any respects, including but not limited to such matters as the making of representations, statements, promises and commitments by the employees, agents and/or authorized representatives of Defendants acting in the course and scope of their employment and/or agency, or the honoring and/or performance by Defendants, and each of them, of such representations, statements, promises and commitments, or that DOE 1, DOE 2, and/or DOE 3, were not persons possessed of a high level of business and personal integrity and honesty, or that Plaintiffs should not believe or rely upon the representations, statements, promises or commitments of DOE 1, DOE 2, and/or DOE 3, or any other employee, agent and/or authorized representative of said Defendants, or any of them, in connection with any transaction involving Plaintiffs and Defendants, or any of them.

61. Thereafter, based in express, reasonable, and justifiable reliance on the aforesaid express representations of DOE 1, DOE 2, and DOE 3, acting for and on behalf of VISION and DOES 4 through 100, inclusive, and on the aforesaid implied representations of said Defendants, and each of them, Plaintiffs executed the Initial Home Improvement Contract, followed by the First

Change Order, Second Change Order, and Third Change Order as aforesaid, and paid money to said Defendants at the times and in the amounts described herein.

- 62. At the time DOE 1, DOE 2, and DOE 3, acting for and on behalf of VISION and DOES 4 through 100, inclusive, and themselves, made the foregoing promises to Plaintiffs, neither DOE 1, DOE 2, DOE 3, VISION nor DOES 4 through 100, inclusive, or any of them, had any intention of performing the same.
- 63. The foregoing promises and representations were made by said Defendants, and each of them, with the intent to induce Plaintiffs to execute the Initial Home Improvement Contract, and thereafter the First Change Order, Second Change Order, and Third Change Order, and agree to purchase from said Defendants, and each of them, the aforesaid home improvement services, and with the intent to induce Plaintiffs to do the acts required of Plaintiffs to be performed pursuant thereto, including the payment of money to said Defendants as aforesaid, and to obtain for said Defendants the benefits and profits thereof.
- 64. The aforesaid representations by DOE 1, DOE 2, and DOE 3 made for and on behalf of VISION and DOES 4 through 100, inclusive, and for their own personal and individual benefit, were in fact false. The true facts were as follows:
 - A. That VISION was not a reputable company;
- B. That VISION was not highly experienced in the building industry and specifically in conducting residential remodeling, and in fact had then possessed a California Contractor's License for less than one year;
- C. That VISION did not employ highly-skilled, experienced and professional tradesmen to perform all remodeling work, and in fact did not use employees of any nature to perform such work;
 - D. That the remodeling work performed by VISION was not of top quality;
- E. That VISION and DOES 1 through 100, inclusive, had no actual intention of performing excellent work of high quality in a timely manner in conducting the proposed remodeling work, but instead intended to cause to be performed shoddy, low-quality workmanship not in conformance with applicable building standards and customs of the building industry, and

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had no intention of causing such work to be performed within the agreed-upon period for completion;

- F. That VISION had no actual intention of providing highly-skilled, experienced and professional tradesmen to perform the proposed remodeling work;
- G. That VISION had no actual intention of providing only top-quality materials for use in the proposed remodeling work, but instead intended to use cheap, inferior, low-quality materials, fixtures and supplies in order to reap the maximum profit without regard to the quality of said materials or the ultimate result to Plaintiffs' Property;
- H. That VISION had no actual intention of charging Plaintiffs an amount for the proposed services which was reasonable, or which accurately reflected the true value of the work to be performed, or which would in fact be less than the average charges for similar work customarily made by reputable home improvement contractors, but instead intended to charge Plaintiffs sums which were substantially and unconscionably in excess of the charges which would have generally been assessed in the building industry by reputable home improvement contractors for top quality work using top quality materials, fixtures and supplies, to render work, services, materials, fixtures and supplies for the absolute minimal possible cost to said Defendants regardless of the inferior quality thereof or the ultimate result to Plaintiffs and their Property, and after the Initial Home Improvement Contract was executed and demolition begun, to foist upon Plaintiffs the assertion that said Defendants had purportedly "discovered" the necessity for the performance of "additional" work upon the Property, including substantial foundation work and modifications, electrical rewiring, and the installation of additional insulation and drywall, when in fact Defendants, and each of them, at the time they prepared and executed the Initial Home Improvement Contract on April 9, 2006, and at the time they again visited and inspected the Property on or about April 16, 2006, already knew that such work would be required, and already planned not to disclose the necessity for such additional work until after Plaintiffs had executed the Initial Home Improvement Contract, paid money to said Defendants, and said Defendants had commenced and conducted demolition upon the Property when it would be highly unlikely, difficult, impracticable and/or impossible for Plaintiffs to cancel the agreement between Plaintiffs and VISION and Plaintiffs would be in a

grossly unequal bargaining position by reason thereof, and intended to thereby induce Plaintiffs to pay for such "additional" work as later described in the First Change Order and subsequent change orders, even though the charges for such work had already been incorporated within the cost of the Project as set forth in the Initial Home Improvement Contract, and to thereby wrongfully, fraudulently, deceitfully, and maliciously extract additional monies therefore from Plaintiffs.

- I. That VISION had no actual intention of complying in all or any respects with all applicable laws, statutes, ordinances and regulations in connection with the performance of the proposed remodeling work, or to prepare detailed and/or accurate work plans covering said remodeling work, and/or obtain all necessary approvals of such plans from the City of Los Angeles Department of Building and Safety and such other government agencies whose approval was required, or to obtain all necessary building permits, or to conduct all proposed work in conformance with the approved building plans, or to cause all required inspections of the proposed work to be conducted and take such actions as required to assure that the proposed remodeling was performed in such a manner that all necessary approvals thereof were obtained, but instead intended to perform and complete such work while avoiding doing any of the foregoing to the maximum extent possible, including without limitation obtaining required inspections, in order to maximize their profits and obtain from Plaintiffs as much money as possible while doing as little as possible in return, as further described herein.
- J. That VISION had no actual intention of fully, truthfully, or at all, keeping Plaintiffs advised of all facts, events, and occurrences which materially pertained to or affected the performance of the proposed remodeling work, but instead intended to suppress disclosure of the true facts to Plaintiffs, suppress disclosure of the complete building plans, blueprints, inspection records and other communications and notices from governmental entities with authority over the Project (including without limitation the City of Los Angeles Department of Building and Safety) to Plaintiffs, so that Plaintiffs would remain unaware of the true state of the Project and/or Defendants' various failures to comply with laws, regulations, and other orders concerning the Project while at the same time extracting as much money as possible from Plaintiffs.
 - K. That the implied representations, statements, promises and commitments of

said Defendants' employees, agents and/or authorized representatives made in the course and scope of their employment and/or agency were false, untruthful and without substance in all material respects, that said representations, statements, promises and commitments would in fact not be honored in full and in all respects by Defendants, and each of them, and that Defendants, and each of them, intended to repudiate, refute or renege upon the promises and commitments made by their employees, agents and/or authorized representatives acting in the course and scope of such employment and/or agency, and intended to later claim and assert that such promises and commitments had either not in fact ever been made by their employees, agents and/or authorized representatives, or that said employees, agents and/or authorized representatives had lacked authority to make such promises and representations, and that such promises and representations were not binding upon said Defendants, and each of them.

- 65. Plaintiffs, at the time the aforesaid promises and representations were made by Defendants, and each of them, and at the time Plaintiffs took the actions herein alleged, were ignorant of Defendants' material misrepresentations of fact, the falsity of such representations, and Defendants' secret intention not to perform said promises, and Plaintiffs could not, in the exercise of reasonable diligence, have discovered Defendants' material misrepresentations of fact, the falsity of such representations, nor Defendants' secret intention not to perform said promises. In express, reasonable and justifiable reliance on the aforesaid promises and representations of Defendants, and each of them, Plaintiffs took the actions described hereinabove.
- 66. Had Plaintiffs been aware of Defendants' true intentions, and the falsity of the aforesaid express and implied promises and representations made by Defendants to Plaintiffs, and of Defendants' secret intention not to perform the aforesaid promises, Plaintiffs would not have executed the aforesaid Initial Home Improvement Contract, or the First Change Order, or the Second Change Order, or the Third Change Order, or agreed to purchase the aforesaid home improvement services from Defendants, and each of them, or entered into any agreement or business relationship of any nature with said Defendants, and each of them, or otherwise taken the actions in reasonable and justifiable reliance thereon as described herein.
 - 67. Plaintiffs are informed and believe and based thereon allege that, thereafter, DOE

1, DOE 2 and DOE 3 personally and individually realized and enjoyed the benefits of having falsely and fraudulently induced Plaintiffs to execute the aforesaid Initial Home Improvement Contract, the First Change Order, the Second Change Order, the Third Change Order, and have received from VISION and DOES 4 through 100, inclusive, benefits deriving therefrom, including but not limited to payments of commissions and/or other income, other benefits of employment, and/or advancements of their personal employment and/or business positions. Further, VISION and DOES 4 through 100, inclusive, have realized, enjoyed, and continue to enjoy the financial and other benefits which they have received as a direct and proximate result of having falsely and fraudulently induced Plaintiffs to execute the aforesaid Initial Home Improvement Contract, the First Change Order, the Second Change Order, the Third Change Order, and to agree to purchase home improvement services from said Defendants, and each of them, and to otherwise take the actions in reasonable and justifiable reliance thereon as described herein, including without limitation the payment of monies to said Defendants, and each of them.

68. Plaintiffs are informed and believe and based thereon allege that, prior to first making the aforesaid false promises and representations to Plaintiffs, Defendants, and each of them, knowingly and willfully conspired and agreed among themselves to make the aforesaid misrepresentations and false promises, and do the acts as described hereinabove so as to deceive and defraud customers and/or potential customers of said Defendants, and each of them, including Plaintiffs, with the expectation of inducing such customers and/or potential customers of said Defendants, and each of them, including Plaintiffs, to act in the manner herein alleged.

69. Defendants, and each of them, acting for and on behalf of themselves and all other Defendants, and each of them, in order to induce Plaintiffs to execute the aforesaid Initial Home Improvement Contract, the First Change Order, the Second Change Order, the Third Change Order, and to agree to purchase home improvement services from said Defendants, and each of them, and to otherwise take the actions in reasonable and justifiable reliance thereon as described herein, including without limitation the payment of monies to said Defendants, and each of them, made the above-described misrepresentations and false promises to Plaintiffs, and represented to Plaintiffs that if Plaintiffs executed such documents and took such actions, Defendants, and each of them,

would perform each and every act required of them to be performed in connection therewith and as otherwise represented to Plaintiffs by DOE 1, DOE 2, and DOE 3, acting for and on behalf of VISION and DOES 4 through 100, inclusive.

- 70. Defendants, and each of them, acting for and on behalf of themselves and all other Defendants, and each of them, made the above-described misrepresentations and false promises to Plaintiffs, and did the acts and things herein alleged pursuant to, and in furtherance of, said conspiracy and the agreement between Defendants, and each of them, as alleged herein.
- 71. Each Defendant, including VISION and DOES 1 through 100, inclusive, and each of them, in making such misrepresentations and false promises and in doing such acts, and in lending aid and cooperation to each of his co-defendants, ratified and adopted each and every misrepresentation, false promise and act made, done and/or performed by each of his co-defendants.
- 72. As a direct and proximate result of the aforesaid fraud and deceit by Defendants, and each of them, Plaintiffs have suffered damages in an amount to conform to proof at trial, but reasonably believed to be in excess of \$25,000.00.
- 73. As a further direct and proximate result of the aforesaid actions, conduct, and violations of law by said Defendants, and each of them, and their agents, Plaintiffs have sustained all of the actual damages alleged herein, and have additionally suffered the unreasonable demolition and loss of use of their home for a protracted period and have therefore been denied the comforts, familiarity and appurtenances thereof, and have been the victims of Defendants' fraud and deceit and thereby been unreasonably deprived of the moneys that they intended to devote to the remodeling of their home which they have thus been unable to devote to such purpose, and have sustained various other damages, losses, inconvenience, and disruption of their lives, and by reason of all of the foregoing, have therefore suffered anxiety, humiliation, embarrassment, and other mental and emotional distress, all to Plaintiffs' general damage in an amount to conform to proof.
- 74. The aforesaid conduct of Defendants, and each of them, constituted reprehensible and despicable behavior which subjected Plaintiffs to cruel and unjust hardship in conscious disregard of Plaintiff's rights, constituted an intentional misrepresentation, deceit, conspiracy, and concealment of material facts known to Defendants with the intention on the part of Defendants,

and each of them, of thereby depriving Plaintiffs of property or legal rights and/or otherwise causing Plaintiffs injury, and was done with the intent to vex, injure, or annoy Plaintiff such as to constitute oppression, fraud and/or malice under California <u>Civil Code</u> section 3294, and as such, justifies an award of exemplary and punitive damages in an amount appropriate to punish and set an example of Defendants, and each of them, and deter future similar conduct.

75. Plaintiffs are entitled to recover their attorneys fees incurred in connection with and ancillary to the prosecution of this action.

76. Plaintiffs are further entitled to incidental and consequential damages, plus prejudgment interest at the prevailing legal rate pursuant to Civil Code §3287 or any other provision of law providing for prejudgment interest, all in a sum according to proof at time of trial.

THIRD CAUSE OF ACTION

(Against All Defendants For Unfair Business Practices [B&P §17200])

77. Plaintiff realleges each and every allegation as contained in paragraphs 1 through 42, and in paragraphs 44 through 52, and in paragraphs 54 through 76, inclusive, of this complaint, and incorporates the same herein by reference as though set forth at length.

78. Each of the Defendants' conduct as described herein constitutes part of each of the Defendants' overall scheme to act collusively so as to increase said Defendants' profits at the expense of Plaintiffs and other California residents, as follows:

A. Deliberately, unreasonably, and unjustifiably encouraging, ratifying and supporting on the parts of its agents, employees and representatives the use and practice of deception and misdirection, including, but not limited to, falsely and fraudulently misrepresenting to Plaintiffs and other California residents, all customers and/or potential customers of Defendants, and each of them, the character of VISION as a reputable company which was highly experienced in the building industry and specifically in conducting residential remodeling; that VISION employed highly-skilled, experienced and professional tradesmen to perform all remodeling work; that all remodeling work performed by VISION was of top quality, that all remodeling work performed by VISION was performed in a timely manner, that all remodeling work performed by VISION was performed using only top-quality materials, fixtures and supplies, that all charges for

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remodeling work performed by VISION would be very reasonable, would accurately reflect the true value of the work being performed, and would in fact be less than the average charges for similar work made by the majority of reputable home improvement contractors in the building industry, that all remodeling work performed by VISION would comply in all respects with all applicable laws, statutes, ordinances and regulations, that in connection with all remodeling work performed by VISION, VISION would prepare detailed and accurate work plans covering said remodeling work and obtain all necessary approvals of such plans from the City of Los Angeles Department of Building and Safety and such other government agencies whose approval was required, and would thereafter obtain all necessary building permits; that in connection with all remodeling work performed by VISION, VISION would conduct all proposed work in conformance with the approved building plans; that in connection with all remodeling work performed by VISION, VISION would cause all required inspections of the proposed work to be conducted and take such actions as required to assure that the proposed remodeling was performed in such a manner that all necessary approvals thereof were obtained; and, that in connection with all remodeling work performed by VISION, VISION would fully and truthfully keep all customers, including Plaintiffs, advised of all facts, events, and occurrences which materially pertained to or affected the performance of the proposed remodeling work;

B. Deliberately, unreasonably, and unjustifiably encouraging, ratifying and supporting on the parts of its agents, employees and representatives the use and practice of deception and misdirection, including, but not limited to, falsely and fraudulently inducing Plaintiffs and other California residents, all customers and/or potential customers of Defendants, and each of them, to purchase home improvement services from said Defendants, and each of them, and then to fail to perform, repudiate, refute and/or renege upon the promises, representations and commitments made by said Defendants and their employees, agents and/or authorized representatives acting in the course and scope of such employment and/or agency, including without limitation DOE 1, DOE 2, and DOE 3, all for the purpose of wrongfully obtaining money and other benefits from said customers and potential customers, including Plaintiffs;

C. Deliberately, unreasonably, and unjustifiably encouraging, ratifying and

supporting on the parts of its agents, employees and representatives the use and practice of deception and misdirection, including, but not limited to, making material misrepresentations and representations to Plaintiffs and other California residents which were known to said Defendants to lack factual basis, prior to the commencement of home improvement work and as a means to falsely and fraudulently induce Plaintiffs and other California residents to contract with said Defendants. and each of them, for the performance of such home improvement work, concerning, among other matters, the projected scope of the home improvement work desired or requested by Plaintiffs and other California residents and knowingly misrepresenting such scope of work to be smaller or lesser than what Defendants, and each of them, knew would be the actual scope of work, and doing the foregoing with the express intention of, once Plaintiffs and other California residents had contracted with said Defendants and such home improvement work had commenced and knowing that it would therefore be difficult, impracticable or impossible for Plaintiffs and/or other California residents to cancel said contracts with Defendants and that Plaintiff and/or other California residents would be in a grossly unequal bargaining position by reason thereof, advising Plaintiffs and/or other California residents that Defendants, and each of them, had "discovered" that "additional" work was required which would necessitate the execution of Change Orders and the payment of additional funds by Plaintiff and/or other California residents to complete said home improvement work, and doing all of the foregoing in such a manner as to conceal the true facts and said Defendants' true agendas and intentions from Plaintiffs and/or other California residents.

D. Deliberately, unreasonably, and unjustifiably encouraging, ratifying and supporting on the parts of its agents, employees and representatives the use and practice of deception and misdirection, including, but not limited to, making material misrepresentations and representations to Plaintiffs and other California residents which were known to said Defendants to lack factual basis, prior to the commencement of home improvement work and as a means to falsely and fraudulently induce Plaintiffs and other California residents to contract with said Defendants, and each of them, for the performance of such home improvement work, concerning, among other matters, the projected cost of the home improvement work desired or requested by Plaintiffs and other California residents and knowingly misrepresenting such cost to be smaller or lesser than

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what Defendants, and each of them, knew would be the actual cost thereof, and doing the foregoing with the express intention of, once Plaintiffs and other California residents had contracted with said Defendants and such home improvement work had commenced and knowing that it would therefore be difficult, impracticable or impossible for Plaintiffs and/or other California residents to cancel said contracts with Defendants and that Plaintiff and/or other California residents would be in a grossly unequal bargaining position by reason thereof, advising Plaintiffs and/or other California residents that Defendants, and each of them, had "discovered" that "additional" work was needed which would necessitate the execution of Change Orders and the payment of additional funds by Plaintiff and/or other California residents to complete said home improvement work, and doing all of the foregoing in such a manner as to conceal the true facts and said Defendants' true agendas and intentions from Plaintiffs and/or other California residents.

E. Engaging in the practice, in the event that Plaintiffs and/or other California residents discovered the untruth of said Defendants' fraudulent misrepresentations and failures to disclose material facts and/or Defendants' secretly-held agendas and intentions and demanded that said Defendants refund moneys paid, perform work as initially agreed, or demanded other resolutions or remedies, of thereafter refusing to refund all or part of said monies, and/or offering to "credit" portions of said monies to Plaintiffs and/or other California residents at the conclusion of work conditioned upon the additional agreement by Plaintiffs and/or other California residents to purchase additional products, services and/or home improvement work from said Defendants, all with the express intention of offsetting such refunds or credits against the inflated and unreasonable cost of such additional products, services and/or home improvement work, or against additional work of which said Defendants would thereafter falsely represent to Plaintiffs and/or other California residents to have "discovered" the necessity, thereby increasing the ultimate cost of the contracted-for home improvement work and creating the net result that Defendants, and each of them, would never actually refund to Plaintiffs and/or other California residents any of the ill-gotten monies obtained from them by virtue of said Defendants' fraudulent misrepresentations and other tortious conduct;

F. Providing materials, fixture and supplies to be used in connection with home

improvement projects and/or work contracted for between Defendants, and each of them, and Plaintiffs and/or other California residents which were of cheap, inferior and substandard quality, and which were not consistent with the representations of Defendants, and each of them, made to Plaintiffs and/or other California residents prior to and as an inducement to entering into the aforesaid agreements for home improvement work and/or services, all in an effort to maximize their own profits at the expense of Plaintiffs and/or other California residents;

- G. Failing to fully or adequately identify to Plaintiffs and/or other California residents the principals of VISION and delineate the actual duties and authorities of the agents and/or employees of VISION, including without limitation DOE 1, DOE 2, DOE 3, and DOE 4;
- H. Suppressing, concealing, and/or failing to provide and/or disclose to Plaintiffs and/or other California residents complete documentation, including without limitation, designs, plans, blueprints, building permits, and/or inspection records relating to home improvement work performed or contracted to have been performed by said Defendants, and each of them;
- I. Failing to fully or adequately disclose to Plaintiffs and/or other California residents the actual relationships and/or agreements between said Defendants, and each of them, and the subcontractors, agents and/or employees engaged by said Defendants to perform home improvement upon the residences of Plaintiffs and/or other California residents;
- J. Engaging in the practice of making and entering into arrangements and/or agreements with the subcontractors, agents and/or employees engaged by said Defendants to perform home improvement upon the residences of Plaintiffs and/or other California residents which were so disproportionate, unfair and/or unconscionable, and thereafter demanding that said subcontractors, agents and/or employees perform additional work or services and/or provide additional materials without additional compensation, such that said subcontractors, agents and/or employees were not adequately or fairly compensated for their work and/or services so as to assure that said subcontractors, agents and/or employees would perform, or be capable of performing, the agreed-upon home improvement work for Plaintiffs and/or other California residents in a sufficient, adequate and/or workmanlike manner;
 - K. Engaging in the practice of encouraging the subcontractors, agents and/or

employees engaged by said Defendants to perform home improvement upon the residences of Plaintiffs and/or other California residents to perform and complete work without obtaining adequate or required inspections or signoffs by building and safety authorities.

- L. Deliberately, unreasonably, and unjustifiably compelling Plaintiffs and/or other California residents to institute litigation to enforce their rights in an effort to further discourage Plaintiffs and/or other California residents from pursuing said rights and to coerce Plaintiffs and/or other California residents to simply pay to said Defendants money not justly owed;
- M. Engaging in the practice of wrongfully and improperly recording mechanics' liens against real property belonging to Plaintiffs and/or other California residents who became customers of said Defendants, and each of them, in order to wrongfully coerce and induce said Plaintiffs and/or other California residents to pay to Defendants, and each of them, money not justly due said Defendants, and each of them;
- N. On information and belief, engaging in other improper, unfair and unreasonable conduct and practices directed at Plaintiffs and/or other California residents of which Plaintiffs are presently unaware and which will be shown at the time of trial.
- 79. Each of the Defendants' conduct as described herein constitutes an illegal pattern and practice so pervasive as to form a general business practice which is forbidden by <u>California</u>

 <u>Business and Professions Code §17200</u>, et seq.
- 80. Plaintiffs seek injunctive relief prohibiting each of the Defendants' continued commission of the above-described unlawful conduct which constitutes an unfair business practice. Plaintiffs seek restitutionary relief in the form of each Defendants' disgorgement of profits gained through their unlawful and unfair business practices. Members of the public have been, continue to be, and are likely to be deceived by each of the Defendants' unlawful conduct as described herein.
- 81. Plaintiffs and numerous other California residents who are falsely and fraudulently induced to enter into agreements with Defendants, and each of them, for the performance of home improvement services have no adequate remedy at law to protect themselves from each of the Defendants' unfair and unlawful business practices. A remedy at law is inadequate because such customers, including Plaintiff, must initiate litigation after Defendants' unlawful conduct has

occurred. Once a remedy at law matures, each of the Defendants' actions will have already violated California law by compelling such California residents, including Plaintiffs, to initiate litigation to rescind such falsely and fraudulently obtained agreements to purchase home improvement services, to obtain declaratory relief with respect to their respective rights and obligations, and to otherwise enforce their rights.

- 82. Granting injunctive relief will protect Plaintiffs and numerous other California residents who enter into agreements to purchase home improvement services from Defendants, and each of them. Each of the Defendants, by their conduct as described herein, has treated Plaintiffs and other California residents unfairly and will continue to do so unless so enjoined therefrom. Each of the Defendants, by their conduct as described herein, has engaged in unfair, unlawful and fraudulent business practices intended to deceive such customers, including Plaintiffs. Injunctive relief will bar each of the Defendants from future exploitation of Plaintiffs and other customers and future violations of California law.
- 83. Plaintiffs are entitled to recover their attorneys fees incurred in connection with and ancillary to the prosecution of this action.
- 84. Plaintiff is further entitled to incidental and consequential damages, plus prejudgment interest on the foregoing sums, pursuant to Civil Code §§3287, 3288 and/or any other provision of law providing for prejudgment interest, all in a sum according to proof at time of trial.

FOURTH CAUSE OF ACTION

(Against All Defendants For Declaratory Relief)

- 85. Plaintiff realleges each and every allegation as contained in paragraphs 1 through 42, and in paragraphs 44 through 52, and in paragraphs 54 through 76, and in paragraphs 78 through 84, inclusive, of this complaint, and incorporates the same herein by reference as though set forth at length.
- 86. An actual controversy has arisen and now exists between Plaintiffs and Defendants, and each of them, concerning their respective rights and duties in that Plaintiffs contend (A) that Defendants, and each of them, made numerous misrepresentations, false promises, and promises without the intention of performing the same to Plaintiffs so as to falsely and

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fraudulently induce Plaintiffs to purchase home improvement services from Defendants, and each of them, as described hereinabove; (B) that Defendants, and each of them, wrongfully concealed and withheld from Plaintiffs material facts prior to and during the course of the Project which, if known to Plaintiffs, would have materially affected their decision to purchase home improvement services from Defendants, and each of them, or to permit Defendants, and each of them, to continue to perform the same; (C) that Plaintiffs reasonably and justifiably relied on the aforesaid misrepresentations, false promises, and promises without the intention of performing the same by Defendants, and each of them, to their detriment; (D) that Defendants, and each of them, wrongfully failed to perform, repudiated, refuted and reneged upon the representations, promises and commitments made by Defendants, and each of them, and their employees, agents and/or authorized representatives acting in the course and scope of such employment and/or agency, including but not limited to DOE 1, DOE 2, and DOE 3, acting for and on behalf of VISION and DOES 4 through 100, inclusive; (E) that Defendants, and each of them, have thereafter wrongfully, falsely and improperly asserted and continue to assert that said Defendants are due money from Plaintiffs; (F) that Defendants, and each of them, have thereafter wrongfully, falsely and improperly recorded mechanics' liens against the real property of Plaintiffs and that such mechanics' liens are void, invalid, constitute a wrongful and improper encumbrance upon said real property and should therefore be expunged and released in their entirety; (G) that the representations made by DOE 1, DOE 2, and DOE 3, inclusive, were made in the course and scope of their agency, employment and/or other relationship and/or capacity with Defendants VISION and DOES 4 through 100, and each of them, and are therefore binding upon said Defendants, and each of them, (H) that Plaintiffs are not obligated to Defendants, or any of them, for payment of any charges or in any other manner whatsoever in connection with said agreement to purchase home improvement services from Defendants, and each of them; and, (I) that Defendants, and each of them, are legally obligated to pay to Plaintiffs all damages proximately resulting from the acts and conduct of Defendants, and each of them, as described herein, and such other relief available at law and in equity; whereas Defendants, and each of them, dispute these contentions in their entirety.

87. Plaintiffs desire a judicial determination of their rights and duties, and the rights

88. A judicial declaration is necessary and appropriate at this time under the circumstances in order that Plaintiffs may ascertain their rights and duties, and the rights and duties of Defendants, and each of them. Plaintiffs are, and have been, subjected to hardship as a result of 89. As a direct and proximate result of the conduct by Defendants, and each of them, as herein alleged, Plaintiffs have suffered damages in an amount to conform to proof at trial, but 90. Plaintiffs are entitled to recover their attorneys fees incurred in connection with 91. Plaintiffs are further entitled to incidental and consequential damages, plus prejudgment interest at the prevailing legal rate pursuant to Civil Code §3287 or any other provision of law providing for prejudgment interest, all in a sum according to proof at time of trial. (Against Defendants VISION REMODELING INC. and DOES 4 through 100, inclusive, for Breach of Contract) 92. Plaintiff realleges each and every allegation as contained in paragraphs 1 through 42, and in paragraphs 44 through 52, and in paragraphs 54 through 76, and in paragraphs 78 through 84, and in paragraphs 86 through 91, inclusive, of this complaint, and incorporates the 93. On or about April 9, 2006, Plaintiffs on the one hand, and VISION, for itself and on behalf of all other Defendants on the other hand, entered into a written agreement, the Initial Home Improvement Contract, a true and correct copy of which is attached hereto as Exhibit "A" 94. Thereafter, on or about September 4, 2006, Plaintiffs on the one hand, and

95. Thereafter, on or about November 28, 2006, Plaintiffs on the one hand, and VISION, for itself and on behalf of all other Defendants on the other hand, entered into the Second Change Order, a true and correct copy of which is attached hereto as Exhibit "C" and made a part hereof, and which became a part of the written agreement between the Parties.

96. Thereafter, on or about December 1, 2006, Plaintiffs on the one hand, and VISION, for itself and on behalf of all other Defendants on the other hand, entered into the Third Change Order, a true and correct copy of which is attached hereto as Exhibit "D" and made a part hereof, and which became a part of the written agreement between the Parties.

97. The aforesaid written agreement between the Parties, in addition to terms expressly contained therein, contained implied promises and covenants by Defendants, and each of them, to promptly, fully and adequately disclose to Plaintiffs all facts known to Defendants, and each of them, at the time they became know of should have become known, which were likely to materially affect Plaintiffs' decision to purchase home improvement services from Defendants, and each of them, to enter into the aforesaid agreement with Defendants, and each of them, to agree for the performance of further home improvement services by Defendants, and each of them, or to cancel the Project. The aforesaid written agreement between the Parties additionally contained an implied covenant of good faith and fair dealing as between the Parties.

98. On or about April 9, 2006, and continuing to the present, Defendants, and each of them, breached the aforesaid written agreement in numerous material respects, including without limitation the following:

- A. Unreasonably delaying the commencement of work;
- B. Unreasonably failing to create and develop job plans and/or blueprints which were in conformance with applicable laws, regulations, ordinances, and standards, and/or which met with the standards and requirements of the City of Los Angeles Department of Building and Safety;
- C. Unreasonably failing to promptly, fully or adequately disclose to Plaintiffs all facts known to Defendants, and each of them, at the time they became know of should have become known, which were likely to materially affect Plaintiffs' decision to purchase home improvement

COMPLAINT FOR DAMAGES, DECLARATORY AND INJUNCTIVE RELIEF

conform to proof at trial, but reasonably believed to be in excess of \$25,000.00.

101. Plaintiffs are entitled to recover their attorneys fees incurred in connection with and ancillary to the prosecution of this action.

102. Plaintiffs are further entitled to incidental and consequential damages, plus prejudgment interest at the prevailing legal rate pursuant to Civil Code §3287 or any other provision of law providing for prejudgment interest, all in a sum according to proof at time of trial.

SIXTH CAUSE OF ACTION

(Against Defendants VISION REMODELING INC. and DOES 4 through 100, inclusive, for Money Had and Received – Quantum Meruit)

103. Plaintiff realleges each and every allegation as contained in paragraphs 1 through 42, and in paragraphs 44 through 52, and in paragraphs 54 through 76, and in paragraphs 78 through 84, and in paragraphs 86 through 91, and in paragraphs 93 through 102, inclusive, of this complaint, and incorporates the same herein by reference as though set forth at length.

104. Within the last four years, at the County of Los Angeles, California, Defendants VISION REMODELING INC. and DOES 4 through 100, inclusive, and each of them, became indebted to Plaintiffs in a sum to conform to proof at trial, but which is reasonably believed to be not less than \$66,000.00, for money paid, laid out and expended to Defendants, and each of them, at said Defendants' special instance and request in connection with the home improvement services at the Property contracted for between Plaintiffs and said Defendants, and each of them as aforesaid.

105. Neither the whole nor any part of the above sum has been paid, and there remains due and owing to Plaintiffs a sum to conform to proof at trial, but which is reasonably believed to be not less than \$66,000.00;

106. Plaintiffs are entitled to recover their attorneys fees incurred in connection with and ancillary to the prosecution of this action.

107. Plaintiffs are further entitled to incidental and consequential damages, plus prejudgment interest at the prevailing legal rate pursuant to Civil Code §3287 or any other provision of law providing for prejudgment interest, all in a sum according to proof at time of trial.

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SEVENTH CAUSE OF ACTION

(Against All Defendants for Negligence)

108. Plaintiff realleges each and every allegation as contained in paragraphs 1 through 42, and in paragraphs 44 through 52, and in paragraphs 54 through 76, and in paragraphs 78 through 84, and in paragraphs 86 through 91, and in paragraphs 93 through 102, and in paragraphs 104 through 107, inclusive, of this complaint, and incorporates the same herein by reference as though set forth at length.

109. By virtue of the status of Defendants as licensed Contractors within the State of California, Defendants, and each of them, owed to Plaintiffs a duty to exercise due care in the performance of all contracting services, including home improvement services, contracted for as between Plaintiffs and Defendants, and each of them, and in connection with the conducting of all business matters, including the safekeeping and management of monies paid to Defendants by Plaintiffs, so as not to expose Plaintiffs to an unreasonable risk of harm arising therefrom.

110. Beginning on or about April 9, 2006, and continuing through the present, Defendants have so negligently performed such home improvement services, including without limitation the design and layout of the Project and actions taken by Defendants with respect to the design, creation and development of building plans and blueprints, the obtaining of necessary approvals and permits, the management of the Project so as to assure that the Project conformed to the approved building plans and/or blueprints, the establishment and development of a budget for the Project, and the selection of materials, fixtures, and supplies for use in connection with the Project, so negligently supervised its agents, employees and subcontractors, and so negligently handled and maintained monies paid and entrusted to said Defendants by Plaintiffs, as described hereinabove.

- 111. As a direct and proximate result of the aforesaid negligence of Defendants, and each of them. Plaintiffs have sustained damages as herein alleged in an amount to conform to proof at trial, but reasonably believed to be in excess of \$25,000.00.
- 112. Plaintiffs are entitled to recover their attorneys fees incurred in connection with and ancillary to the prosecution of this action.

COMPLAINT FOR DAMAGES, DECLARATORY AND INJUNCTIVE RELIEF

1	6. For costs of suit incurred herein; and,
2	7. For such other and further relief as the Court may deem proper.
3	ON THE THIRD CAUSE OF ACTION
4	1. For a permanent injunction prohibiting and enjoining Defendants, and each of
5	them, from engaging in the conduct alleged;
6	2. For an order requiring Defendants, and each of them, to disgorge the profits they
7	wrongfully obtained through the use of their unfair and illegal practices;
8	3. For exemplary and punitive damages in an amount sufficient to punish Defendant
9	and deter future similar conduct;
10	4. For prejudgment interest on the foregoing sum, according to proof;
11	5. For attorneys fees as allowed by law and according to proof;
12	6. For costs of suit incurred herein; and,
13	7. For such other and further relief as the Court may deem proper.
14	ON THE FOURTH CAUSE OF ACTION
15	1. For a declaration as follows:
16	A. That Defendants, and each of them, made numerous misrepresentations, false
17	promises, and promises without the intention of performing the same to Plaintiffs so as to falsely
18	and fraudulently induce Plaintiffs to purchase home improvement services from Defendants, and
19	each of them, as described hereinabove;
20	B. That Defendants, and each of them, wrongfully concealed and withheld from
21	Plaintiffs material facts prior to and during the course of the Project which, if known to Plaintiffs,
22	would have materially affected their decision to purchase home improvement services from
23	Defendants, and each of them, or to permit Defendants, and each of them, to continue to perform
24 25 25	the same;
	C. That Plaintiffs reasonably and justifiably relied on the aforesaid
25	misrepresentations, false promises, and promises without the intention of performing the same by
29	Defendants, and each of them, to their detriment;
28	D. That Defendants, and each of them, wrongfully failed to perform, repudiated
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COMPLAINT FOR DAMAGES, DECLARATORY AND INJUNCTIVE RELIEF

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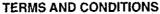
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HOME IMPROVEMENT CONTRACT Lic.# 859755

Ph. 818-989-3220 - Fax: 818-989-3240 14416 Hamlin st. #103, Van Nuys, CA 91401

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be	referr	ed to the	Registra	, Contracto	ors' State	License I	Board, PO.	Box 26	000, Sacr	amento	, California	ı 95826.
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(OWNERS SIGN HERE)



§1. Plans, Specifications, and Permits. The project will be constructed according to the description on the reverse side and any plans and specifications which have been examined by the owner and which have been or may be signed by the parties hereto. Contractor will obtain and pay for all required building permits, but owner will pay assessments and charges required by public bodies and utilities for sewers, storm drains, water service and other utilities, including revolving fund charges, hook-up charges and the like. Unless stated otherwise, Owner shall not perform any construction work related to Contractor's work.

§2. Labor and Material. Contractor shall pay all valid charges for labor and material incurred by contractor and used in the construction of the project, but is excused by owner from this obligation for bills received in any period during which owner is in arrears in making progress payments to contractor. Should contractor fail to make any payments required under this paragraph, owner may make such payments on behalf of contractor; and contractor shall reimburse owner for the amount actually paid on demand; but owner shall not, by means of assignment or otherwise, be entitled to collect any greater amount from contractor than the amount actually paid for labor or material under this paragraph. No waiver or release of mechanic's lien given by contractor shall be binding until all payments due to contractor when the release was executed have actually been made.

§3. Contract, Plans and Specifications. The contract, plans and specifications, if any, are intended to supplement each other. In case of conflict, however, the plans shall control over the specifications, and the provisions of this contract shall control both.

\$4. Extra Work, Should owner, construction lender or any public body or inspector direct any modification or addition to the work covered by this contract, the cost shall be added to the contract price. For the purpose of this paragraph, "cost" is defined as the cost of extra subcontracts, labor and materials, plus 10% of "cost" for overhead, plus 10% of the sum of "cost and overhead" for profit. Requests for extra work should be made in writing, but contractor is entitled to be paid for extra work whether reduced to writing or not. Expense incurred because of unusual or unanticipated ground conditions (such as fill, hard solid, rock or ground water) shall be paid for by owner as extra work. No extra or change-order work shall be required to be performed without prior written authorization of the person contracting for the construction of the home improvement. Any change-order forms for changes or extra work shall be incorporated in; and become a part of the contract.

§5. Allowances. If the contract price includes allowances, and the cost of performing the work covered by the allowance is greater or less than the allowance, then the contract price shall be increased or decreased accordingly. Unless otherwise requested by owner in writing, contractor shall use his own judgment in accomplishing work covered by an allowance. If owner requests that work covered by an allowance be accomplished in such a way that the cost will exceed the allowance, contractor shall comply with owner's request, provided that owner pays the additional cost in advance.

56. Delay. Contractor shall be excused for any delay in completion of the contract caused by acts of God, acts of owner or owner's agent, stormy weather, labor trouble, acts of public utilities, public bodies or inspectors, extra work, failure of owner to make progress payment promptly, or other contingencies unforeseen by contractor and beyond the reasonable control of contractor. In the event Owner delays the job for 30 days or more, Contractor shall be entitled to a price escalation. Overdue payments will bear interest at the maximum legally permissible rate. In the event Owner prevents Contractor from completing the work under this Agreement, the entire contract price shall immediately become all due and payable.

§7. Excluded Work. Contractor is not responsible for any existing illegal conditions. Contractor is not responsible for any unlawful or abnormal concrete footings, foundations, retaining walls or piers required, or any unusual depth required for same. Conditions caused by poor soil, lack of compaction, hillside or other slope conditions, and is not obligated to correct same. Any and all such work, if required by public bodies shall constitute an Extra. Unless specifically included herein, any plumbing, gas, waste and water lines within the foundations of existing structures, and any work involving cesspools or septic tanks, are excluded. Rerouting, relocation or replacement of vents, pipes, ducts or conduits not shown, or encountered in areas of alteration or excavation is also excluded. Changes to existing electrical service or service panels, other than addition of circuit breakers or fuse blocks is also excluded. The existing electrical wiring system is represented by Owner to be adequate and properly functioning. Contractor will endeavor to match existing plaster color and texture, but plaster patches may not be invisible.

§8, Completion and Occupancy. Owner agrees to sign and record a Notice of Completion within five days after completion of the project. If the project passes final inspection by the public body but owner falls to record Notice of Completion, then owner hereby appoints contractor as owner's agent to sign and record a Notice to Completion on behalf of owner. This agency is irrevocable and is an agency coupled with an interest. Contractor may use such force as is necessary to deny occupancy of the project by owner or anyone else until contractor has received all payments, excluding the retention payment, due under this contract, and until Notice of Completion has

§9. Damage to Project and Insurance. Owner will procure at his own expense and before the commencement of any work hereunder, fire insurance with course of construction, vandalism and malicious mischief clauses attached; such insurance to be in a sum at least equal to the contract price with loss, if any, payable to any beneficiary under any deed of trust covering the project; such insurance to name contractor as an additional insured, and to protect owner; contractor and construction lender as their interests may appear, should owner fail so to do, contractor may procure such insurance as agent for and at expense of owner, but is not required to do so. If the project is destroyed or damaged by an accident; disaster or calamity such as fire, storm, flood, landslide, subsidence or earthquake, or by theft or vandalism, any work done by contractor in rebuilding or restoring the project shall be paid for by owner as extra work under

§10. Right to Stop Work. Contractor shall have the right to stop work if any payment shall not be made to contractor under this agreement; contractor may keep the job idle until all payments due are received.

§11. Limitations. No action arising from or related to the contract, or the performance thereof, shall be commenced by either party against the other more than two years after the completion or cessation of work under this contract. This limitation applies to all actions of any character whether at law or in equity, and whether sounding in contract tort or otherwise. This limitation shall not be extended by any negligent misrepresentation or unintentional concealment, but shall be extended as provided by law for wilful fraud, concealment or misrepresentation.

§12. Property Lines. Owner shall locate and point out property lines to contractor. Contractor may, at his option, require owner to provide a licensed land surveyor's map of property.

\$13. Clean-Up. Upon completion of the work, contractor will remove debris and surplus material from owner's property and leave it in a neat and broom-clean condition.

§14. Taxes and Assessments. Taxes and special assessments of all descriptions will be paid by owner.

§15. Notice. Any notice required or permitted under this contract may be given by ordinary mail at the address contained in this contract, but such address may be changed by written notice given by one party to the other from time to time. After a notice is deposited in the mail, postage prepaid, it shall be deemed received in the ordinary course of the mails.

§16. Prohibition of Assignment. Owner may not assign this contract or payment due under this contract to any other party without the written consent of contractor.

§17. Bankruptcy. If either party becomes bankrupt, or makes an assignment for the benefit of creditors, the other party has the right to cancel this contract.

§18. Arbitration. Any controversy arising out of the construction of the project referred to in this contract or regarding the interpretation of this contract shall be subject to arbitration by and in accordance with the applicable Construction Industry Arbitration Rules of the American Arbitration Association which are in effect at the time the demand for arbitration is filed. Should any party refuse or neglect to appear or participate in arbitration proceedings, the arbitrator is empowered to decide the controversy in accordance with whatever evidence is presented. Inc. the time, expense and trouble of arbitration. whatever evidence is presented. The arbitrator is authorized to award any party or parties such sums as he or she shall deem proper for

\$19. Entire Agreement and Integration Clause. This instrument contains the entire agreement between the parties. There are no representations, understandings or agreements, oral or written, which are not included herein. Seller's failure to exercise any right hereunder, or to take any action permitted on a breach by Purchaser, will not be deemed a waiver thereof or of other rights or breaches. No waiver will be effective unless specifically made in writing, and signed by a duly authorized representative of the party making such a waiver. This Agreement may not be altered or assigned except upon written agreement of the parties hereto.

§20. Section 7159 of the California Business and Professions Code as reproduced on the last page of this form, is incorporated hereby in these Terms and Conditions.

Under the California Mechanics Lien Law, any contractor, subcontractor, laborer, supplier, or other person or entity who helps to improve your property, but is not paid for his or her work or supplies, has a right to place a lien on your home, land, or property where the work was performed and to sue you in court to obtain payment.

This means that after a court hearing, your home, land, and property could be sold by a court officer and the proceeds of the sale used to satisfy what you owe. This can happen even if you have paid your contractor in full if the contractor's subcontractors, laborers, or suppliers remain unpaid.

To preserve their rights to file a claim or lien against your property, certain claimants such as subcontractors or material suppliers are each required to provide you with a document called a "Preliminary Notice." Contractors and laborers who contract with owners directly do not have to provide such notice since you are aware of their existence as an owner. A preliminary notice is not a lien against your property. Its purpose is to notify you of persons or entities that may have a right to file a lien against your property if they are not paid. In order to perfect their lien rights, a contractor, subcontractor, supplier, or laborer must file a mechanics' lien with the county recorder which then becomes a recorded lien against your property. Generally, the maximum time allowed for filing a mechanics' lien against your property is 90 days after substantial completion of your project.

TO INSURE EXTRA PROTECTION FOR YOURSELF AND YOUR PROPERTY, YOU MAY WISH TO TAKE ONE OR MORE OF THE **FOLLOWING STEPS:**

- (1) Require that your contractor supply you with a payment and performance bond (not a license bond), which provides that the bonding company will either complete the project or pay damages up to the amount of the bond. This payment and performance bond as well as a copy of the construction contract should be filed with the county recorder for your further protection. The payment and performance bond will usually cost from 1 to 5 percent of the contract amount depending on the contractor's bonding ability. If a contractor cannot obtain such bonding, it may indicate his or her financial incapacity.
- (2) Require that payments be made directly to subcontractors and material suppliers through a joint control. Funding services may be available, for a fee, in your area which will establish voucher or other means of payment to your contractor. These services may also provide you with lien waivers and other forms of protection. Any joint control agreement should include the addendum approved by the registrar.

(3) Issue joint checks for payment, made out to both your contractor and subcontractors or material suppliers involved in the project. The joint checks should be made payable to the persons or entities which send preliminary notices to you. Those persons or entities have indicated that they may have lien rights on your property, therefore you need to protect yourself. This will help to insure that all persons due payment are actually paid...

(4) Upon making payment on any completed phase of the project, and before making any further payments, require your contractor to provide you with unconditional "Waiver and Release" forms signed by each material supplier, subcontractor, and laborer involved in that portion of the work for which payment was made. The statutory lien releases are set forth in exact language in Section 3262 of the Civil Code. Most stationery stores will sell the "Waiver and Release" forms if your contractor does not have them. The material suppliers, subcontractors, and laborers that you obtain releases from are those persons or entities who have filed preliminary notices with you. If you are not certain of the material suppliers, subcontractors, and laborers working on your project, you may obtain a list from your contractor. On projects involving improvements to a single-family residence or a duplex owned by individuals, the persons signing these releases lose the right to file a mechanics lien claim against your property. In other types of construction, this protection may still be important, but may not be as complete.

rportant, but may not be as complete.

To protect yourself under this option, you must be certain that all material suppliers, subcontractors, and laborers have signed the "Waiver and Release" form. If a mechanics' lien has been filed against your property, it can only be voluntarily released by a recorded "Release of Mechanics' Lien" signed by the person or entity that filed the mechanics' lien against your property unless the lawsuit to enforce the lien was not timely filed. You should not make any final payments until any and all such liens are removed. You should consult an attorney if a lien is filed against your property. Section 7018.5 of the State of California Contractor's License Law - Added State 1992 ch 788 @ 2 (AB 2736) 10 (2013)

NOTICE TO OWNER

Failure by the contractor without lawful excuse to substantially commence work within twenty (20) days from the approximate date specified in the contract when work will begin is a violation of the Contractors License Law.

NOTICE OF CANCELLATION

COPY TO BE SENT TO SELLER

17 100

You may cancel this transaction, without any penalty or obligation, within three business days from the date of this Agreement. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notices to

Thereby caricel	this transaction,	(Date)	(Buyer's Signature)	
Suyer's Record of Cano	ellation: Written cancellation		(odyer a oldustrate)	
Hand Delivered	First Class Mail	Certified Mail	Registered Mail	
This Notice to Over the Court of Contract.	vner and Notice of	Cancellation read and	acknowledged by owner pri	or to sign

Section 7159 of the State of California Contractor's License Law—Amended Stats 1991 ch 1160 @ 45 (AB 2190) Requirements for home improvement contracts:

This section shall apply only to home improvement contracts, as defined in Section 7151.2, between a contractor, whether a general contractor or a specialty contractor, who is licensed or subject to be licensed pursuant to this chapter with regard to the transaction and who contracts with an owner or tenant for work upon a residential building or structure, or upon land adjacent thereto, for proposed repairing, remodeling, altering, converting, modernizing, or adding to the residential building or structure or land adjacent thereto, and where the aggregate contract price specified in one or more improvement contracts, including all labor, services and materials to be furnished by the contractor, exceeds five hundred dollars (\$500).

Every home improvement contract and every contract the primary purpose of which is the construction of a swimming pool, shall be subject to the provisions of this section. Every contract and any changes in the contract subject to the provisions of this section shall be evidenced by a writing and shall be signed by all the parties to the contract thereto. The writing shall contain the following:

(a) The name, address, and license number of the contractor, and the name and registration number of any salesperson who solicited or negotiated the contract.

(b) The approximate dates when the work will begin and on which all construction is to be completed.

(c) A plan and scale drawing showing the shape, size dimensions, and construction and equipment specifications for a swimming pool and for other home improvements, a description of the work to be done and description of the materials to be used and the equipment to be used or installed, and the agreed consideration for the work.

(d) If the payment schedule contained in the contract provides for a downpayment to be paid to the contractor by the owner or the tenant before the commencement of work, the downpayment shall not exceed two hundred dollars (\$200) or 2 percent of the contract price for swimming pools, or one thousand dollars (\$1,000) or 10 percent of the contract price for other home improvements, excluding finance charges, whichever is the lesser.

(e) A schedule of payments showing the amount of each payment as a sum in dollars and cents. In no event shall the payment schedule provide for the contractor to receive, or shall the contractor actually receive, payments in excess of 100 percent of the value of the work performed on the project at any time, excluding finance charges, except that the contractor may receive an initial downpayment authorized by subdivision (d). With respect to a swimming pool contract the final payment may be made at the completion of the final plastering phase of construction provided that any installation or construction of equipment, decking, or fencing required by the contract is also completed. A failure by the contractor without lawful excuse to substantially commence work within twenty (20) days of the approximate date specified in the contract when work will begin shall postpone the next succeeding payment to the contractor for that period of time equivalent to the time between when substantial commencement was to have occurred and when it did occur. The schedule of payments shall be stated in dollars and cents, and shall be specifically referenced to the amount of work or services to be performed and to any materials and equipment to be supplied. With respect to a contract which provides for a schedule of monthly payments to be made by the owner or tenant and for a schedule of payments to be disbursed to the contractor by a person or entity to whom the contractor intends to assign the right to receive the owner's or tenant's monthly payments, the payments referred to in this subdivision mean the payments to be disbursed by the assignee and not those payments to be made by the owner or tenant.

(f) The contract shall state that upon satisfactory payment being made for any portion of the work performed, the contractor shall, prior to any further payment being made, furnish to the person contracting for the home improvement or swimming pool a full and unconditional release from any claim or mechanic's lien pursuant to Section 3114 of the Civil Code, for that portion of the work for which payment has been made.

(g) The requirements of subdivisions (d), (e), and (f) shall not apply when the contract provides for the contractor to furnish a performance and payment bond, lien and completion bond, bond equivalent, or joint control approved by the Registrar of Contractors covering full performance and completion of the contract and the bonds or joint control is or are furnished by the contractor, or when the parties agree for full payment to be made upon or for a schedule of payments to commence after satisfactory completion of the project. The contract shall contain in close proximity to the signatures of the owner and contractor a notice in at least 10-point type stating that the owner or tenant has the right to require the contractor to have a performance and payment bond.

(h) No extra or change-order work shall be required to be performed without prior written authorization of the person contracting for the construction of the home improvement or swimming pool. Any change-order forms for changes or extra work shall be incorporated in, and become a part of the contract.

(i) If the contract provides for a payment of a salesperson's commission out of the contract price, that payment shall be made on a prorata basis in proportion to the schedule of payments made to the contractor by the disbursing party in accordance with subdivision (e).

(j) The language of the notice required pursuant to Section 7018,5.

(k) What constitutes substantial commencement of work pursuant to the contract.

(I) A notice that failure by the contractor without lawful excuse to substantially commence work within twenty (20) days from the approximate date specified in the contract when work will begin is a violation of the Contractors License Law.

(m) If the contract provides for a contractor to furnish joint control, the contractor shall not have any financial or other interest in the joint control.

A failure by the contractor without lawful excuse to substantially commence work within 20 days from the approximate date specified in the contract when work will begin is a violation of this section.

This section shall not be construed to prohibit the parties to a home improvement contract from agreeing to a contract or account subject to Chapter 1 (commencing with Section 1801) of Title 2 of Part 4 of Division 3 of the Civil Code.

The writing may also contain other matters agreed to be the parties to the contract.

The writing shall be legible and shall be in a form that clearly describes any other document which is to be incorporated into the contract, and before any work is done, the owner shall be furnished a copy of the written agreement, signed by the contractor.

For purposes of this section, the board shall, by regulation, determine what constitutes "without lawful excuse."

The provisions of this section are not exclusive and do not relieve the contractor or any contract subject to it from compliance with all other applicable provisions of law.

A violation of this section by a licensee, or a person subject to be licensed, under this chapter, his or her agent, or salesperson is a misdemeanor punishable by a fine of not less than one hundred dollars (\$100) nor more than five thousand dollars (\$5,000) or by imprisonment in the county jail not exceeding one year, or by both fine and imprisonment.

Limited Warranty—Contractor guarantees that all materials furnished by him will be of standard quality, free from defects, and will be installed in a good and workmanlike manner. All equipment, assemblies or units purchased by Contractor under this contract are sold and installed subject to the manufacturer's guaranty or warranty, only, and Contractor does not warrant same. Labor and materials is guaranteed for a period of 1 year when subjected to normal use and care, and provided Owner has fully complied with the terms of payment and other conditions of this contract. The liability of the Contractor for defective materials or installation under this limited warranty is hereby limited to the replacement or correction of said defective materials or installation, and no other claims, including claims for consequential damages, shall be allowed.

ADDITIONAL DESCRIPTION FORM



(TO BE USED WITH FORMS 201, 202, 203, AND 204)

Contractor: Disioh Remodeloine RE-PROJECT: Lepno H & The Berger 14416 Henricots Name # 103 37cx By Leinghan Rd Van - Nuc A 91401 Los Page 6 CA 90016
(Pflone) ((FAX) (City, State And Zip) This is an additional description of that certain contract between the above named parties dated
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Install cabinet cherry-stein courton made - melmin white from inside. Install an highland ux pullout shelf Build a pentry with pullout shelf Install crown moulding or the sciphe. Install counter-granit with buck flash.
Install Appliances as: sink store, Dw. ref, how-
Install 6 resis light April 7
Contractor Owner or Agent: (Signature)

ADDITIONAL DESCRIPTION FORM



(TO BE USED WITH FORMS 201, 202, 203, AND 204)

Contractor: Disjon Ranodeling In RE-PROJECT: Kenneth & Thu Bergor
14516 Handin SE #102 3708 Buckinghan Rd
UGn-Ned Grand 9/40/ LOS PANSALES POOLO. (City, State And Zip)
This is an additional description of that certain contract between the above named parties dated,
(Proceed Contract Provisions Here)
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countractor supply tile Ha allowing for ag.
plyming in the bothroom will be cogner.
That Buil a new Shower + apply Hot hop.
Install Shower door - Coustom.
Install jack 29: 16ch 79: forces benite-
Instell Aixures as Galitai touccess benite-
(destonit) Suffry the
Trestell 1-5 recie billed it tell compinsion.
Bathroon Romodeling Smally
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apply hot mop
Joseph Tile on the flooring + walls
This tell Tollet venity - Contopper Supply fixues
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Tratal 2.3 resis light.
-Tactall Shower door - conton
x garge
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Install dry wall walls + cailing.
Contractor Owner or Agent: (Signature) (Signature)

ADDITIONAL DESCRIPTION FORM (TO BE USED WITH FORMS 201, 202, 203, AND 204)



Contractor: Dision Remodeline (RE-PROJECT: Kenne & Thy Berger
14416 Handin State 102 3765 Buckinghan Ru
Contractor: Dision Remodeline In RE-PROJECT: Kenne & Thy Briggy 14416 Handin (Contractor's Name) # 102 3765 Buckinghan Rd 10416 Nuy = (Owner Name) 911101 109 Angles A 900/6 (FAX)
This is an additional description of that certain contract between the above named parties dated
(Proceed Contract Provisions Here)
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Install 1:10 floory - Contractor supply "10 \$2 100
Sg. allowas
* Install moulding - wood in all the house.
* Install 5 minterial door + framing.
*Install from L door.
X Install Tile at the entrance - Contractor Signs
* Install App. 30-35 resis light in GA. The house finely litehen and bethrough
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* Install file Place - marbel + paint the makel
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Gener St. well \$5,000
10 1000 1.50 n 1 B11,000
Contractor Owner or Agent: (Signature)



<u>Vision Remodeling Inc.</u>

Lic.# 859753

800-956-3220 • Fax: 818-989-3240 14416 Hamlin st. #103, Van Nuys CA 91401

CONTRACT CHANGE ORDER PROJECT: (Phone) (Phone) (Fax) This contract change order modifies and amends the contract between the above named parties dated It mutually agreed that the contract price is increased/decreased by \$ payable/deductible immediately upon completion of the work called for in this change order. As a result of this change order, the time for completion of the above-mentioned contract is hereby extended/reduced by days. This change order is incorporated into and governed by the above-mentioned contract and is incorporated therein.



Vision Remodeling Inc. Lic.# 859753

800-956-3220 • Fax: 818-989-3240 14416 Hamlin st. #103, Van Nuys CA 91401

CONTRACT CHANGE ORDER

PROJECT:	CHANGE ORDER#	DATE: 12/04/VA
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3705 Buckeing	han Road Los (City,	Angelos CA God C
(Phone)	(Fax) (Phone)	(FeX)
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* Apply in 5/15	sion inside Hu	e efic +
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±en .	he contract price is increased/decreased by	y \$
~ ~	upon completion of the work called for in	T I
hereby extended/reduced by	order, the time for completion of the above	e-mentioned contract is
- / A	rporated into and governed by the above-r	mentioned contract and is:
incorporated therein.	A TIME	alouly.
(Contractor/Oriner)	(Owner/Subcontractor)	(Date)



800-956-5220 • Rat: 818-989-3240 14416 Hamlin st. #103, Van Nuys CA 91401

CONTRACT CHANGE ORDER

PROJECT:		CHANGE ORDER#	DATE: LO/W/Y
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hereby extended/	•	days.	
		to and governed by the above-n	nentioned contract and is
incorporated ther	cii.	() () () () () () () () () ()	10/10/m
(6	stra tor/Owner)	(Owner/Subcountractor)	1000



Vision Remodeling Inc. Lic.# 859753

800-956-3220 • Fax: 818-989-3240 14416 Hamlin st. #103, Van Nuys CA 91401

CONTRACT CHANGE ORDER

PROJECT:	CHANGE ORDER#	DATE! 2/04/06
Thu Break		
3705 Ruck ha ha	who Is Apport	10 0H 90000
(Address)	(City)	State and Zip)
(Phone) (Fa	(Phone)	(Fax)
This contract change order mo	difies and amends the contract between the	e above named parties dated
1200	12 02 19	1 -10 16
- Ous Jower	- by blue print	
162402 : 6000	r = 10 st 5: 10 bc	Ine whidely.
100 AU : 10 A	side of Extreol	·
Shower W by	60	
Who right so	0	
promoting will	to change	
)		
The job will	the dole- beec	we the
Mang 10 Hed	has been con-	
<u> </u>		6
	he contract price is increased/decreased b	
payable/deductible immediately	upon completion of the work called for in order, the time for completion of the abo	ve-mentioned contract is
**************************************	order, the time for completion of the about	VC-Michilolica contract is
here by extended/reduced by	porated into and governed by the above-	mentioned contract and is
incorporated therein.	Potatod litto and Bovornod of and above	*1
incorporated increm.		1W
(Contractor/Owner)	(Owner/Subconfractor)	(Date)

RECORDING REQUESTED BY:	
	2
AND WHEN RECORDED MAIL TO:	
Vision removeling inc	06 2884962
14416 Hamlin 5+# 103	
van mys cA 91401	
	SPACE ABOVE THIS LINE FOR RECORDER'S USD
CALIFOR	NIA MECHANIC'S LIEN
The undersigned \checkmark	STON REMODE ING INC , claimant,
	the following described real property:
* 3705 Buckingha	M ROAD LOS Angeles CA 90016
The	200 65
The sum of \$ <u>36</u>	, 200 - together with interest thereon at
the highest legal rate per annu	s and offsets) for the following work, equipment, and material
	exal Construction and
	le property
Claimant furnished th	c work and materials at the request of, or under contract with
Kenneth Berger an	o the Phan Berger
The owners and repute	of Easter (1) We Control to Colore the West of Manus 15th Country ed owners of the property is/are:
* THE Phan Berg	TOTAL THE SOLETH CONTROL OF THE CONT
SEE RÉVERSE SIDE	OR Firm Name: VISION REMODE ING ING
MECHANIC'S LIEN	I See Favorages (In Harmonia Sole For Parper Sugary
ADDITIONAL INSTRUC	TIONS By: ASAU ATAS - President
A	VERIFICATION
II. the undersigned, say: I am to	ne claimant or agent of the foregoing Mechanic's Lien claimant; hanic's Lien and know the contents thereof; the same is true of
	horized to execute this Claim of Lien.

It is undersigned, say: I am the claimant or agent of the foregoing Mechanic's Lien claimant; I have read said claim of mechanic's Lien and know the contents thereof; the same is true of my own knowledge. I am authorized to execute this Claim of Lien.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 12-28-06, at Van Mark (for where Speed)

Compared in the laterable We works that the Compared to the Compared to the contents are true.

FORM 205-1 - 01998 BY BUILDER'S BOOK, INC. - BOOKSTORE - PUBLISHER - 8001 CANOGA AVE. - CANOGA PARE, CA 91304



COUNTY OF LOS ANGELES REGISTRAR-RECORDER/COUNTY CLERK P.O. BOX 53115, LOS ANGELES, CALIFORNIA 90053-0115 / (562) 462-2125

NOTICE OF INVOLUNTARY LIEN

California Government Code Section 27297.5 requires the County Recorder to notify persons against whom an involuntary lien has been recorded.

You are hereby notified that the enclosed document <u>may</u> constitute a lien against your real property.

California law provides that a lien cannot be released without a signed release from the claimant.

You may wish to contact the lien claimant or your attorney regarding this matter. This department has no involvement with the placement of the lien on your property. This is merely a notification, as required by State Law, to assure that you are aware of the lien.

- > PLEASE DO NOT TELEPHONE THE RECORDER'S OFFICE.
- > WE HAVE NO ADDITIONAL INFORMATION REGARDING THIS MATTER.
- > CONTACT THE PERSON CLAIMING THIS LIEN AGAINST YOU.

This page is part of your document - DO NOT DISCARD

06 2884962

RECORDED/FILED IN OFFICIAL RECORDS RECORDER'S OFFICE LOS ANGELES COUNTY CALIFORNIA

12/29/06 AT 03:21PM

D.T. f.

-1-37

TITLE(S): MECHANICS LIEN



Code M003 - 001

FEE

Code 01 - 07.00

Code 20 - 02.00 Code 04 - 09.00

CODE

CODE

19

CODE

Grand Total = \$18.00.

Page Count = 1

Assessor's Identification Number (AIN)

To be completed by Examiner OR Title Company in black ink. Number of AIN's Shown

THIS FORM IS NOT TO BE DUPLICATED

			CM-010
ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, State Bar n		FOR COURT	USE ONLY
CHRISTOPHER J. OLSEN, SBN: 10912 LAW OFFICES OF CHRISTOPHER J. (25. 15. 15. 15. 15. 15. 15. 15. 15. 15. 1	## ##
3075 EAST THOUSAND OAKS BOUL			ED
SUITE 100	EVARD	LOS ANGELES SU	PERION COURT
WESTLAKE VILLAGE, CALIFORNIA	91362	SOUTH WARRENCE WAY	. 274.044.
TELEPHONE NO.: (805)557-0660	FAX NO.: (805)491-8324	JAN 28	דחחס ו
	BERGER and THU PHAN	UAIN LO	7907
SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS		John & Clark Evan	A TOTAL AND A COLOR
STREET ADDRESS: 111 NORTH HILL STRI		John A. Clark, Exec	UTIVE UTICER/Clerk
MAILING ADDRESS:		By A Charles	, Deputy
CITY AND ZIP CODE: LOS ANGELES, CALIF	ORNIA 90012	U. Garon	, , , , , ,
BRANCH NAME: CENTRAL DISTRICT			
CASE NAME: PHAN v. VISION REMOI	DELING, INC., ET AL.		
CIVIL CASE COVER SHEET	Complex Case Designation	CASE NUMBER:	
CIVIL CASE COVER SHEET X Unlimited Limited	Counter Joinder		l
(Amount (Amount		BC36	55437
demanded demanded is	Filed with first appearance by defendar (Cai. Rules of Court, rule 1811)		3437
exceeds \$25,000) \$25,000 or less)		DEPT:	
	nust be completed (see instructions on p	age 2)	
1. Check one box below for the case type that			Į.
Auto Tort	Contract	Provisionally Complex Ci	
Auto (22)	Breach of contract/warranty (06)	(Cal. Rules of Court, rules	s 1800–1812)
Uninsured motorist (46)	Collections (09)	Antitrust/Trade regula	' '
Other PI/PD/WD (Personal Injury/Property	Insurance coverage (18)	Construction defect (10)
Damage/Wrongful Death) Tort	Other contract (37)	Mass tort (40)	
Asbestos (04)	Real Property	Securities litigation (2	28)
Product liability (24)	Eminent domain/Inverse	Environmental/Toxic	tort (30)
Medical malpractice (45)	condemnation (14)	Insurance coverage of	claims arising from the
Other PI/PD/WD (23)	Wrongful eviction (33)	above listed provision	
Non-PI/PD/WD (Other) Tort	Other real property (26)	types (41)	
X Business tort/unfair business practice (07)	Unlawful Detainer	Enforcement of Judgmen	. +
Civil rights (08)	Commercial (31)		i i
I ——		Miscellaneous Civil Comp	
Defamation (13)	Residential (32)		nairit
Fraud (16)	Drugs (38)	RICO (27)	
Intellectual property (19)	Judicial Review		specified above) (42)
Professional negligence (25)	Asset forfeiture (05)	Miscellaneous Civil Petiti	ion
Other non-PI/PD/WD tort (35)	Petition re: arbitration award (11)	Partnership and corp	oorate governance (21)
Employment	Writ of mandate (02)	Other petition (not sp	ecified above) (43)
Wrongful termination (36)	Other judicial review (39)		
Other employment (15)			
2. This case is x is not comp	lex under rule 1800 of the California Rule	es of Court. If the case is	complex, mark the
factors requiring exceptional judicial manage			ooniprosi, mani ino
a. Large number of separately repres		of witnesses	
b. Extensive motion practice raising of	difficult or novel e. Coordination w	ith related actions pending	g in one or more courts
issues that will be time-consuming		es, states, or countries, of	=
c. Substantial amount of documental		stjudgment judicial supen	
Type of remedies sought (check all that applications)	•	y	=
	y; declaratory or injunctive relief c. x	punitive	
4. Number a causes of action (specify): 7	y, accountably of injurious of tollor of LA	_ haimin	
	ss action suit.	$\alpha \wedge \alpha$	
£~.	/ . / /)	1 De Lhiche	
6. If there are any known related cases, file ar	to serve a notice of related case. (Yourn	ayjusejiorm/CM-07/0).	
Date: January 26, 2007	b (9/	12+41 ///	
CHRISTOPHER J. OLSEN			/ FOR RAPTY
(TYPE OR PRINT NAME)		WATURE OF PARTY OR ATTORNEY	FUR PAKIY)
Plaintiff must file this cover sheet with the fit	NOTICE Virginia in the action or proceeding	(ayont small claims	ses or cases filed
under the Probate Code, Family Code, or V	Velfare and Institutions Code)(Cal. Rule	s of Court. rule 201 8)	ailure to file may
result in sanctions.	Tanalo and mondatorio obdoj. (odi. Pale	2 3. 200.11 10.0 BO 1.0.) 1	
 File this cover sheet in addition to any cover 			
If this case is complex under rule 1800 et s	eq. of the California Rules of Court, you i	nust serve a copy of this	cover sheet on all
other parties to the action or proceeding. • Unless this is a complex case, this cover st	neet will be used for statistical nurnoses	nniv.	Page 1 of 2



INSTRUCTIONS ON HOW TO COMPLETE THE COVER SHEET

To Plaintiffs and Others Filing First Papers

If you are filing a first paper (for example, a complaint) in a civil case, you **must** complete and file, along with your first paper, the *Civil Case Cover Sheet* contained on page 1. This information will be used to compile statistics about the types and numbers of cases filed. You must complete items 1 through 5 on the sheet. In item 1, you must check **one** box for the case type that best describes the case. If the case fits both a general and a more specific type of case listed in item 1, check the more specific one. If the case has multiple causes of action, check the box that best indicates the **primary** cause of action. To assist you in completing the sheet, examples of the cases that belong under each case type in item 1 are provided below. A cover sheet must be filed only with your initial paper. You do not need to submit a cover sheet with amended papers. Failure to file a cover sheet with the first paper filed in a civil case may subject a party, its counsel, or both to sanctions under rules 201.8(c) and 227 of the California Rules of Court.

To Parties in Complex Cases

In complex cases only, parties must also use the *Civil Case Cover Sheet* to designate whether the case is complex. If a plaintiff believes the case is complex under rule 1800 of the California Rules of Court, this must be indicated by completing the appropriate boxes in items 1 and 2. If a plaintiff designates a case as complex, the cover sheet must be served with the complaint on all parties to the action. A defendant may file and serve no later than the time of its first appearance a joinder in the plaintiff's designation, a counter-designation that the case is not complex, or, if the plaintiff has made no designation, a designation that the case is complex.

Auto Tort

Auto (22)-Personal Injury/Property Damage/Wrongful Death Uninsured Motorist (46) (if the case involves an uninsured motorist claim subject to arbitration, check this item instead of Auto)

Other Pi/PD/WD (Personal Injury/ Property Damage/Wrongful Death)

Asbestos (04) Asbestos Property Damage Asbestos Personal Injury/ Wrongful Death Product Liability (not asbestos or toxic/environmental) (24) Medical Malpractice (45) Medical Malpractice-Physicians & Surgeons Other Professional Health Care Malpractice Other PI/PD/WD (23) Premises Liability (e.g., slip and fall) Intentional Bodily Injury/PD/WD (e.g., assault, vandalism) Intentional Infliction of **Emotional Distress** Negligent Infliction of **Emotional Distress** Other PI/PD/WD

Non-PI/PD/WD (Other) Tort

Business Tort/Unfair Business
Practice (07)
Civil Rights (e.g., discrimination,
false arrest) (not civil
harassment) (08)
Defamation (e.g., slander, libel)
(13)
Fraud (16)
Intellectual Property (19)
Professional Negligence (25)
Legal Malpractice
Other Professional Malpractice
(not medical or legal)
Other Non-PI/PD/WD Tort (35)

Employment

Wrongful Termination (36) Other Employment (15)

CASE TYPES AND EXAMPLES

Contract
Breach of Contract/Warranty (06)
Breach of Rental/Lease
Contract (not unlawful detainer or wrongful eviction)
Contract/Warranty Breach-Seller
Plaintiff (not fraud or negligence)
Negligent Breach of Contract/

Warranty
Other Breach of Contract/Warranty
Collections (e.g., money owed, open
book accounts) (09)
Collection Case-Seller Plaintiff

Other Promissory Note/Collections
Case

Insurance Coverage (not provisionally complex) (18)
Auto Subrogation
Other Coverage
Other Contract (37)
Contractual Fraud
Other Contract Dispute

Real Property

Eminent Domain/Inverse
Condemnation (14)
Wrongful Eviction (33)
Other Real Property (e.g., quiet title) (26)
Writ of Possession of Real Property
Mortgage Foreclosure
Quiet Title
Other Real Property (not eminent
domain, landlord/tenant, or
foreclosure)

Unlawful Detainer

Commercial (31)
Residential (32)
Drugs (38) (if the case involves illegal drugs, check this item; otherwise, report as Commercial or Residential.)

Judicial Review

Asset Forfeiture (05)
Petition Re: Arbitration Award (11)
Writ of Mandate (02)
Writ–Administrative Mandamus
Writ–Mandamus on Limited Court
Case Matter
Writ–Other Limited Court Case
Review
Other Judicial Review (39)
Review of Health Officer Order
Notice of Appeal–Labor
Commissioner Appeals

Provisionally Complex Civil Litigation (Cal. Rules of Court Rule 1800-1812)

Antitrust/Trade Regulation (03)
Construction Defect (10)
Claims Involving Mass Tort (40)
Securities Litigation (28)
Environmental/Toxic Tort (30)
Insurance Coverage Claims
(arising from provisionally
complex case type listed above)
(41)

Enforcement of Judgment

Enforcement of Judgment (20)
Abstract of Judgment (Out of County)
Confession of Judgment (nondomestic relations)
Sister State Judgment
Administrative Agency Award (not unpaid taxes)
Petition/Certification of Entry of Judgment on Unpaid Taxes
Other Enforcement of Judgment Case

Miscellaneous Civil Complaint RICO (27)

Other Complaint (not specified above) (42)
Declaratory Relief Only Injunctive Relief Only (non-harassment)
Mechanics Lien
Other Commercial Complaint
Case (non-tort/non-complex)
Other Civil Complaint
(non-tort/non-complex)

Miscellaneous Civil Petition

Partnership and Corporate
Governance (21)
Other Petition (not specified above)
(43)
Civil Harassment
Workplace Violence
Elder/Dependent Adult
Abuse
Election Contest
Petition for Name Change
Petition for Relief from Late
Claim
Other Civil Petition

CASE NUMBER

BC365437

CIVIL CASE COVER SHEET ADDENDUM AND STATEMENT OF LOCATION (CERTIFICATE OF GROUNDS FOR ASSIGNMENT TO COURTHOUSE LOCATION)

This form is required pursuant to LA	C Local Rule 2.0 in all new civil	l case filings in the Los	Angeles Superior Court.
			· · · · · · · · · · · · · · · · · · ·

tem I. Check	the types	s of hearing and	fill in the	estimated length	n of hearir	ng expected for this case:	
JURY TRIAL?	X YES	CLASS ACTION?	YE	S LIMITED CASE?	YES	TIME ESTIMATED FOR TRIAL 10	HOURS/ X

JURY TRIAL? X YES CLASS ACTION? YES LIMITED CASE? YES TIME ESTIMATED FOR TRIAL 10 HOURS/ X DAYS. Item II. Select the correct district and courthouse location (4 steps – If you checked "Limited Case", skip to Item III, Pg. 4):

Step 1: After first completing the Civil Case Cover Sheet Form, find the main civil case cover sheet heading for your case in the left margin below, and, to the right in Column **A**, the Civil Case Cover Sheet case type you selected.

Step 2: Check one Superior Court type of action in Column B below which best describes the nature of this case.

Step 3: In Column **C**, circle the reason for the court location choice that applies to the type of action you have checked. For any exception to the court location, see Los Angeles Superior Court Local Rule 2.0.

Applicable Reasons for Choosing Courthouse Location (See Column C below)

- 1. Class Actions must be filed in the County Courthouse, Central District.
- May be filed in Central (Other county, or no Bodily Injury/Property Damage).
- 3. Location where cause of action arose.
- 4. Location where bodily injury, death or damage occurred.
- 5. Location where performance required or defendant resides.
- 6. Location of property or permanently garaged vehicle.
- Location where petitioner resides.
- 8. Location wherein defendant/respondent functions wholly.
- 9. Location where one or more of the parties reside.
- 10. Location of Labor Commissioner Office.

Step 4: Fill in the information requested on page 4 in Item III; complete Item IV. Sign the declaration.

ŀ	A	В	C
	Civil Case Cover Sheet Category No.	Type of Action (Check only one)	Applicable Reasons - See Step 3 Above
-	Auto (22)	A7100 Motor Vehicle - Personal Injury/Property Damage/Wrongful Death	1., 2., 4.
	Uninsured Motorist (46)	A7110 Personal Injury/Property Damage/Wrongful Death – Uninsured Motorist	1., 2., 4.
,	Asbestos (04)	4) A6070 Asbestos Property Damage A7221 Asbestos - Personal Injury/Wrongful Death	
	Product Liability (24)	A7260 Product Liability (not asbestos or toxic/environmental)	1., 2., 3., 4., 8.
	Medical Malpractice (45)	A7210 Medical Malpractice - Physicians & Surgeons A7240 Other Professional Health Care Malpractice	1., 2., 4. 1., 2., 4.
Califage/ Wioligius Death	Other Personal Injury Property Damage Wrongful Death	A7250 Premises Liability (e.g., slip and fall) A7230 Intentional Bodily Injury/Property Damage/Wrongful Death (e.g., assault, vandalism, etc.)	1., 2., 4. 1., 2., 4.
2	(23)	A7270 Intentional Infliction of Emotional Distress A7220 Other Personal Injury/Property Damage/Wrongful Death	1., 2., 3. 1., 2., 4.
	Business Tort (07)	A6029 Other Commercial/Business Tort (not fraud/breach of contract)	1., 2., 3.
•	Civing ights (08)	A6005 Civil Rights/Discrimination	1., 2., 3.
2	Defaulation (13)	A6010 Defamation (slander/libel)	1., 2., 3.
nijai yir iopei ty	Fraud (16)	A6013 Fraud (no contract)	1., 2., 3.
-	Intellectual Property (19)	A6016 Intellectual Property	2., 3.

LA-4B1

Ţ,				В		
Wrongful Death Tort (Cont'd.)	A Civil Case Cover Sheet Category No.		C Applicable Reasons - See Step 3 Above			
ath]	Professional Negligence		A6017	Legal Malpractice		1., 2., 3.
Š	(25)		A6050	Other Professional Malpractice (not medical or leg	gal)	1., 2., 3.
Wrong	Other (35)	Other (35) A6025 Other Non-Personal Injury/Property Damage tort			2., 3.	
Employment	Wrongful Termination (36)		A6037	Wrongful Termination		1., 2., 3.
oid li	Other Employment		A6024	Other Employment Complaint Case	1., 2., 3.	
ij	(15)		A6109	Labor Commissioner Appeals		10.
	Breach of Contract/		A6004	Breach of Rental/Lease Contract (not Unlawful Det	etainer or wrongful eviction)	0.5
	Warranty		A6008	2., 5. 2., 5.		
	(06) (not insurance)		A6019	Negligent Breach of Contract/Warranty (no fraud)	1., 2., 5.	
			A6028	Other Breach of Contract/Warranty (not fraud or ne	egligence)	1., 2., 5.
_	Collections		A6002	Collections Case-Seller Plaintiff		2., 5., 6.
Contract	(09)		A6012	Other Promissory Note/Collections Case		2., 5.
ပိ	Insurance Coverage (18)					1., 2., 5., 8.
	Other Contract	x	A6009	Contractual Fraud		1(2)3., 5.
	(37)		A6031	Tortious Interference		1., 2., 3., 5.
			A6027	Other Contract Dispute (not breach/insurance/frau	ıd/negligence)	1., 2., 3., 8.
₹	Eminent Domain/Inverse Condemnation (14)		A7300	Eminent Domain/Condemnation Number of parce	els	2.
Proper	Wrongful Eviction A6023 Wrong (33)		Wrongful Eviction Case	2., 6.		
<u>ਲ</u> ਹੁ			A6018	Mortgage Foreclosure		2., 6.
Kea	Other Real Property (26)		A6032	Quiet Title		2. ,6
•			A6060	Other Real Property (not eminent domain, landlord	d/tenant, foreclosure)	2., 6.
ainer	Unlawful Detainer - Commercial (31)		A6021	Unlawful Detainer-Commercial (not drugs or wrong	gful eviction)	2., 6.
Unlawful Detainer	Unlawful Detainer - Residential (32)		A6020	Unlawful Detainer-Residential (not drugs or wrongf	2., 6.	
Unla	Unlawful Detainer - Drugs (38)		A6022	Unlawful Detainer-Drugs		2., 6.
Keview	Asset Forfeiture (05)		A6108	Asset Forfeiture Case	2., 6.	
	Petition re Arbitration (11)	Petition re Arbitration (11) A6115 Petition to Compel/Confirm/Vacate Arbitration				2., 5.

	SHORT TITLE: PHAN V	. VISION REMODELING, INC., ET AL. CASE NUMBER				
	A Civil Case Cover Sheet Category No.	B Type of Action (Check only one)	C Applicable Reasons - See Step 3 Above			
Judicial Keview (Conf. d.)	Writ of Mandate (02)	A6151 Writ - Administrative Mandamus A6152 Writ - Mandamus on Limited Court Case Matter A6153 Writ - Other Limited Court Case Review	2., 8. 2. 2.			
Judica	Other Judicial Review (39)	A6150 Other Writ / Judicial Review	2., 8.			
	Antitrust/Trade Regulation (03)	A6003 Antitrust/Trade Regulation	1., 2., 8.			
	Construction Defect (10)	nstruction Defect (10) A6007 Construction defect				
Litigation	Claims Involving Mass Tort (40)	A6006 Claims Involving Mass Tort	1., 2., 8.			
	Securities Litigation (28)	A6035 Securities Litigation Case	1., 2., 8.			
-	Toxic Tort Environmental (30)	A6036 Toxic Tort/Environmental	1., 2., 3., 8.			
	Insurance Coverage Claims from Complex Case (41)	A6014 Insurance Coverage/Subrogation (complex case only)	1., 2., 5., 8.			
ant		A6141 Sister State Judgment	2., 9.			
Judgment	Enforcement of Judgment	A6160 Abstract of Judgment	2., 6.			
Jud	(20)	A6107 Confession of Judgment (non-domestic relations)	2., 9.			
4	(20)	A6140 Administrative Agency Award (not unpaid taxes)	2., 8.			
		A6114 Petition/Certificate for Entry of Judgment on Unpaid Tax	2., 8.			
		A6112 Other Enforcement of Judgment Case	2., 8., 9.			
Ø	RICO (27)	A6033 Racketeering (RICO) Case	1., 2., 8.			
Complaints		A6030 Declaratory Relief Only	1., 2., 8.			
dmo	Other Complaints (Not Specified Above)	A6040 Injunctive Relief Only (not domestic/harassment)	2., 8.			
ర	(Mut Specified Above)	A6011 Other Commercial Complaint Case (non-tort/non-complex)	1., 2., 8.			
	(42)	A6000 Other Civil Complaint (non-tort/non-complex)	1., 2., 8.			
2	Partnership/Corporation Governance (21)	A6113 Partnership and Corporate Governance Case	2., 8.			
aneous Civii reuuons	HNOO	A6121 Civil Harassment	2., 3., 9.			
i. Ş	<u> </u>	A6123 Workplace Harassment	2., 3., 9.			
5	Other Petitions	A6124 Elder/Dependent Adult Abuse Case	2., 3., 9.			
200	(Not Sperified Above)	A6190 Election Contest	2.			
ē	3 3)	46110 Petition for Change of Name	2 7			

A6170 Petition for Relief from Late Claim Law

A6100 Other Civil Petition

2., 3., 4., 8.

2., 9.

SHORT TITLE: PHAN v. VISION REMODELING, INC., ET AL.				CASE NUMBER	
				esidence or place of business, performance, or ason for filing in the court location you selected.	
REASON: CHECK THE NUMBER UNDER COLUMN C WHICH APPLIES IN THIS CASE				ADDRESS: 3705 Buckingham Road	
1. <u></u>	<u></u>	8 910.	5100 Bushingham Roug		
CITY: Los Angeles	STATE: CA	ZIP CODE: 90016			
foregoing is true and correct ar	nd that the ab house in the	ove-entitled matter CENTRAL	is properly f	r the laws of the State of California that the illed for assignment to the STANLEY MOSK District of the Los Angeles Superior Court	
(Code of Civ. Proc., § 392 et so	eq., and LAS	Ç Local Rule 2.0, st	1	(SIGNATURE OF CORNEY) EILING PARTY) COPHER J. QLSEN	
PLEASE HAVE THE FOI	LOWING DO	OCUMENTS COMP	PLETED AN	D READY TO BE FILED IN ORDER TO	

- Original Complaint or Petition.
- 2. If filing a Complaint, a completed Summons form for issuance by the Clerk.
- 3. Civil Case Cover Sheet form CM-010.
- 4. Complete Addendum to Civil Case Cover Sheet form CIV 109, 03-04 (use latest revision)
- 5. Payment in full of the filing fee, unless fees have been waived.
- 6. Signed order appointing the Guardian ad Litem, JC form 982(a)(27), if the plaintiff or petitioner is a minor under 18 years of age, or if required by Court.
- 7. Additional copies of documents to be conformed by the Clerk. Copies of the cover sheet and this addendum must be served along with the summons and complaint, or other initiating pleading in the case.

PROPERLY COMMENCE YOUR NEW COURT CASE: