BEFORE THE REGISTRAR OF CONTRACTORS CONTRACTORS STATE LICENSE BOARD DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA

In the Matter of the Accusation Against:

MARDINI TILE & REMODELING

17939 Chatsworth Street #393 Granada Hills, CA 91344 GEORGE MARDINI, Sole Owner

License No. 417798, B, C54

E & J TILE

5446 Ponce Avenue Woodland Hills, CA 91367 -and-15460 Bledsoe Street Sylmar, CA 91347 GEORGE MARDINI, Qualify Partner ELIAS MARDINI, General Partner JACK MARDINI, General Partner

License No. 713576, C54

Respondent(s)

CASE NO. N2010-481

OAH NO.

ORDER TO ADOPT STIPULATED SETTLEMENT

The attached Stipulated Settlement is hereby adopted by the Registrar of Contractors as his Decision in the above-entitled matter. The failure to comply with any of the terms and conditions as set forth in the provisions of probation will be deemed a violation of probation.

IT IS FURTHER ORDERED that **MARDINI TILE & REMODELING**, License Number **417798**, on the effective date of this Decision shall have on file a Disciplinary Bond or post a cash deposit in the amount of \$<u>15,000.00</u>, for a period of not less than three years pursuant to Section 7071.8 of the Business and Professions Code. Any suspension for failing to post a disciplinary bond or a cash deposit, or any suspension for any other reason, shall not relieve the Respondent from complying with the terms and conditions of probation. Furthermore, suspension of the license during the period of probation, for any reason under this chapter, will cause the probationary period to be automatically extended in time equal to the length of time that the license is not in a clear and active status.

IT IS FURTHER ORDERED that **E & J TILE**, License Number **713576**, on the effective date of this Decision shall have on file a Disciplinary Bond or post a cash deposit in the amount of \$<u>15,000.00</u>, for a period of not less than <u>three</u> years pursuant to Section 7071.8 of the Business and Professions Code. Any suspension for failing to post a disciplinary bond or a cash deposit, or any suspension for any other reason, shall not relieve the Respondent from complying with the terms and conditions of probation. Furthermore, suspension of the license during the period of probation, for any reason under this chapter, will cause the probationary period to be automatically extended in time equal to the length of time that the license is not in a clear and active status.

IT IS THE responsibility of the respondents, named in this Order, to read and follow the Order. The deadlines for meeting the terms and conditions are based upon the EFFECTIVE DATE of this Decision. No notices or reminders will be sent as to compliance with the terms and conditions. Proof of payments of restitution and payments for the Cost of Investigation and Enforcement if ordered, are to be sent to CSLB, Sacramento Case Management, Post Office Box 26888, Sacramento, CA 95826.

This Decision shall become effective on October 18, 2013.

IT IS SO ORDERED September 16, 2013.

Stephen P. Sands Registrar of Contractors

A15FORM-5/09

1 2 3 4	KAMALA D. HARRIS Attorney General of California ARMANDO ZAMBRANO Supervising Deputy Attorney General KRITHTHIKA VASUDEVAN Deputy Attorney General State Bar No. 247590 200 So. Spring Street Suite 1702
5 6 7	300 So. Spring Street, Suite 1702 Los Angeles, CA 90013 Telephone: (213) 897-2540 Facsimile: (213) 897-2804 Attorneys for Complainant
8 9 10	BEFORE THE REGISTRAR OF CONTRACTORS CONTRACTORS' STATE LICENSE BOARD DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA
11	In the Matter of the Accusation Against: Case No. N2010-481 OAH No. 2012020488
12	MARDINI TILE & REMODELINGSTIPULATED SETTLEMENT17939 Chatsworth Street, #393AND DISCIPLINARY ORDER
13 14	Granada Hills, CA 91344 GEORGE MARDINI, Owner Contractor License No. 417798, C-54, B
15	Respondent.
16	E & J TILE
17 18 19	5446 Ponce Ave Woodland Hills, CA 91367 GEORGE MARDINI, Qualifying Partner Elias Mardini, General Partner Jack Mardini, General Partner Contractor License No. 713576, C-54
20	Affiliated Party.
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22	IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-
23	entitled proceedings that the following matters are true:
24	PARTIES
25	1. Wood Robinson ("Complainant") is the Enforcement Supervisor I of the Contractors'
26	State License Board ("Board"). He brought this action solely in his official capacity and is
27	represented in this matter by Kamala D. Harris, Attorney General of the State of California, by
28	and through Armando Zambrano, Supervising Deputy Attorney General.
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	STIPULATED SETTLEMENT (N2010-481)

Mardini Tile & Remodeling, George Mardini, Owner ("Respondent") is represented
 in this proceeding by defense attorney Oz Tannenbaum, whose business address is Murtaugh
 Meyer Nelson & Treglia LLP, 2603 Main Street, 9th Floor, Irvine, CA 92614. The Respondent
 George Mardini is also the qualifying partner for E & J Tile ("Affiliated Party").

LICENSE HISTORY

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Mardini Tile & Remodeling - License No. 417798

On or about February 4, 1982, the Registrar of Contractors issued Contractor's 3. 7 License No. 417798, Class C-54 Tile (ceramic and mosaic) to Mardini Tile & Remodeling, 8 George Mardini as Owner ("Respondent"). On or about March 14, 1996, the Registrar of 9 Contractors issued a Class B (general building contractor) to Contractor's License No. 417798. 10 The license was in full force and effect at all times relevant to the charges brought in Accusation 11 N2010-481. The license is scheduled to expire on February 28, 2014 but is currently under a 12 contractor's bond suspension. On January 14, 2013, the Office of Administrative Hearings 13 issued an Interim Order of Suspension of Contractor's License No. 417798. The order prohibits 14 the Respondent from performing any act for which a contractor's license is required, pending the 15 issuance of a Decision and Order by the Contractors' State License Board in this case. 16 E & J Tile – License No. 713576 17

On or about October 12, 1995, the Registrar of Contractors issued Contractor's 4. 18 License No. 713576, Class C-54 Tile (ceramic and mosaic) to E & J Tile, George Mardini, 19 Qualifying Partner, Elias Mardini and John Mardini as General Partners ("Affiliated Party"). The 20 Contractor's License was in full force and effect at all times relevant to the charges brought in 21 Accusation N2010-481. The license is scheduled to expire on October 31, 2013. On January 14, 22 2013, the Office of Administrative Hearings issued an Interim Order of Suspension of 23 Contractor's License No. 713576. The order prohibits the Respondent from performing any act 24 for which a contractor's license is required, pending the issuance of a Decision and Order by the 25 Contractors' State License Board in this case. 26

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1	JURISDICTION
2	5. On January 24, 2012, Accusation No. N2010-481 was filed before the Registrar of
3	Contractors ("Registrar"), Contractors' State License Board, Department of Consumer Affairs,
4	and is currently pending against the Respondent. The Accusation and all other statutorily
5	required documents were properly served on Respondent on January 27, 2012, Respondent
6	timely filed a Notice of Defense contesting the Accusation.
7	6. A copy of Accusation No. N2010-481 is attached as exhibit A and incorporated
8	herein by reference.
9	ADVISEMENT AND WAIVERS
10	7. Respondent has carefully read, fully discussed with his counsel, and understands the
11	charges and allegations in Accusation No. N2010-481.
12	8. Respondent has also carefully read, fully discussed with his counsel, and understands
13	the effects of this Stipulated Settlement and Disciplinary Order.
14	9. Respondent is fully aware of his legal rights in this matter, including the right to a
15	hearing on the charges and allegations in the Accusation; the right to be represented by counsel at
16	his own expense; the right to confront and cross-examine the witnesses against him; the right to
17	present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel
18	the attendance of witnesses and the production of documents; the right to reconsideration and
19	court review of an adverse decision; and all other rights accorded by the California
20	Administrative Procedure Act and other applicable laws.
21	10. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
22	every right set forth above.
23	11. <u>Disciplinary Bond</u> . Not later than the effective date of the decision, Respondent and
24	Affiliated Party shall file or have on file a disciplinary contractor's bond in a sum of fifteen
25	thousand dollars (\$15,000). The disciplinary bond is in addition to, may not be combined with,
26	and does not replace any other type of contractor's bond. The disciplinary bond shall remain on
27	file with the registrar for a period of at least two years and for such additional time as the
28	Registrar may determine, as required by Business and Professions Code section 7071.8.
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	STIPULATED SETTLEMENT (N2010-481)

CULPABILITY 1 12. Respondent admits the truth of each and every charge and allegation in Accusation 2 No. N2010-481. 3 13. Respondent agrees that his contractor's license is subject to discipline and he agrees to 4 be bound by the Registrar of Contractors' probationary terms as set forth in the Disciplinary Order 5 below. 6 **CIRCUMSTANCES IN MITIGATION** 7 Respondent has not been the subject of a previous disciplinary action. Furthermore, 14. 8 on March 11, 2013, the Respondent entered into a "Settlement Agreement and Mutual Release" 9 with Lorraine Townhomes Homeowners Association. As part of the settlement agreement the 10 Respondent, through its insurer Navigators Specialty Insurance Company ("NSIC"), agreed to 11 pay Two Hundred Twenty Thousand Dollars (\$220,000.00) to Lorraine Townhomes 12 Homeowners Association as restitution. 13 Respondent George Ibrahim Mardini filed for bankruptcy in the United States 15. 14 Bankruptcy Court, Central District of California. The bankruptcy was discharged on June 16, 15 2011 (Bankruptcy Case No. 1:11-bk-13070-GM). 16 CONTINGENCY 17 This stipulation shall be subject to approval by the Registrar of Contractors or his 16. 18 designee. Respondent understands and agrees that counsel for Complainant and the staff of the 19 Contractors' State License Board may communicate directly with the Registrar of Contractors 20 regarding this stipulation and settlement, without notice to or participation by Respondent. By 21 signing the stipulation, Respondent understands and agrees that he may not withdraw his 22 agreement or seek to rescind the stipulation prior to the time the Registrar considers and acts upon 23 it. If the Registrar fails to adopt this stipulation as its Decision and Order, the stipulation shall be 24 of no force or effect, except for this paragraph, it shall be inadmissible in any legal action 25 between the parties, and the Registrar of Contractors shall not be disqualified from further action 26 by having considered this matter. 27 The parties understand and agree that facsimile copies of this Stipulated Settlement 17. 28 4

STIPULATED SETTLEMENT (N2010-481)

and Disciplinary Order, including facsimile signatures thereto, shall have the same force and
 effect as the originals.

18. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an
integrated writing representing the complete, final, and exclusive embodiment of their agreement.
It supersedes any and all prior or contemporaneous agreements, understandings, discussions,
negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary
Order may not be altered, amended, modified, supplemented, or otherwise changed except by a
writing executed by an authorized representative of each of the parties.

9 19. In consideration of the foregoing admissions and stipulations, the parties agree that
10 the Registrar of Contractors may without further notice or formal proceeding, issue and enter the
11 following Disciplinary Order:

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DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Contractor's License No. 417798, Class B and Class C-54
issued to Respondent Mardini Tile & Remodeling is revoked. However, the revocation is stayed
and Respondent Mardini Tile & Remodeling is placed on probation for three (3) years with the
following terms and conditions indicated below.

In addition, Contractor's License No. 713576, Class C-54 issued to Affiliated Party E & J
Tile is revoked. However, the revocation is stayed and Affiliated Party E & J Tile is placed on
probation for three (3) years with the following terms and conditions indicated below.

<u>Obey All Laws</u>. Respondent shall comply with all federal, state, and local laws,
 including all building laws and uniform codes, governing the activities of a licensed contractor in
 California.

23 2. <u>Interview with Case Management Representative</u>. Respondent shall appear in person
 24 for interview with the Case Management Representative for the Contractors' State License Board,
 25 upon request and reasonable notice.

26 3. <u>Completion of Probation</u>. Upon successful completion of probation, the contractor's
27 license will be fully restored.

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4. Violation of Probation. If Respondent violates probation in any respect, the Registrar

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of Contractors, after giving notice and opportunity to be heard, may revoke probation and impose the disciplinary order that is stayed.

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5. <u>Failure to Pay Restitution or Costs</u>. If the Decision contains an order that requires the Respondent to pay restitution or cost recovery and the Respondent fails to comply with the order to pay restitution or cost recovery, then the Registrar may immediately lift the stay and re-impose the Disciplinary Order without giving the Respondent an opportunity to be heard.

6. <u>Continuing Jurisdiction</u>. If an Accusation or a Petition to Revoke Probation is filed
against the Respondent during the probationary period, then the Registrar of Contractors shall
have continuing jurisdiction of this matter until the subsequent matter is final, and the period of
probation and all the conditions of probation shall be extended until the subsequent matter is
final.

Restitution to Homeowners. Respondent Mardini Tile & Remodeling, through its
 insurer Navigators Specialty Insurance Company ("NSIC"), agreed to pay Two Hundred Twenty
 Thousand Dollars (\$220,000.00) to Lorraine Townhomes Homeowners Association as restitution.
 The restitution is for damages suffered by Lorraine Townhomes Homeowners Association as a
 direct result of Respondent Mardini Tile & Remodeling conduct or omissions as a licensed
 contractor. The Board is not requesting any additional restitution or costs.

8. <u>Production of Contract Documents</u>. Respondent shall submit copies of documents
 directly related to the construction operations to the Registrar upon demand during the
 probation period. This will include a list of any and all contracting projects, change orders, and
 the anticipated completion date of each.

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9. <u>Contractors License Exam</u>. Respondent George Mardini shall re-take and successfully pass the Contractors' State License Board examination including the "Law" portion and "Trade" portion for the Class B license within 120 days from the effective date of the disciplinary order.

10. <u>Respond in Writing</u>. Respondent shall respond in writing within twenty (20) calendar
days of any written inquiry or demand from the Registrar or authorized designee (Probation
Monitor) during the probation period. Failure to respond within the allotted time frame shall be
considered a violation of the terms of probation.

11. <u>Maintain Active and Clear Licenses</u>. Respondent shall maintain the disciplined
 license in an active and clear status for the duration of the probation period.

12. <u>Restriction on Individual Contract Price</u>: Respondent shall not enter into an individual
contract for home improvement that includes, but not limited to work described in Business and
Professions Code section(s) 7026.1, 7026.2, 7151, and 7151.2, 7159, where the aggregate sum of
the contract price for the labor, materials, and all other items of that contract or project exceeds
fifteen thousand dollars (\$15,000), which includes any and all change orders and extras.

8 13. <u>Cap on the Aggregate Sum of all Contracts Price</u>: The aggregate sum of <u>all</u>
9 Respondent's outstanding contracts, including labor, materials, change orders, and extras, shall
10 not exceed \$27,500.

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STIPULATED SETTLEMENT (N2010-481)

ACCEPTANCE 1 I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully 2 discussed it with my defense attorney Oz Tannenbaum. I understand the stipulation and the effect 3 it will have on my contractor's license. I enter into this Stipulated Settlement and Disciplinary 4 Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order 5 of the Registrar of Contractors, Contractors' State License Board. I approve its form and content. 6 7 DATED: August 27, 2013 8 TILE & REMODELING MARDIN 9 Contractor License No. 417798, C-54, B; **GEORGE MARDINI** 10 Respondent 11 12 DATED: August 27, 2013 13 E&JTILE 14 Contractor License No. 713576, C-54 GEORGE MARDINI, Qualifying Partner 15 Affiliated Party 16 I have read and fully discussed with Respondent the terms and conditions and other matters 17 contained in the above Stipulated Settlement and Disciplinary Order. I approve its form. 18 19 August 27, 2013 DATED: 20 **OZ TANNENBAUM** Attorney for Respondent George Mardini 21 11 22 11 23 24 11 25 11 11 26 27 11 11 28 8 STIPULATED SETTLEMENT (N2010-481)

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1	ENDORSEMENT
2	The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully
3	submitted for consideration by the Registrar of Contractors, Contractors' State License Board.
4	DATED: August 29, 2013 Respectfully submitted,
5	Kamala D. Harris
6	Attorney General of California ARMANDO ZAMBRANO
7	Supervising Deputy Attorney General
8	(Aguderana)
9	KRITHTHIKA VASUDEVAN Deputy Attorney General
10	Attorneys for Complainant
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