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		RE THE
8	REGISTRAR OF CONTRACTORS CONTRACTORS' STATE LICENSE BOARD	
9	DEPARTMENT OF C	CONSUMER AFFAIRS CALIFORNIA
10		ZALIFORNIA
11	In the Matter of the Accusation Against:	   Case No. N2015-270
12	AKHOIAN ENTERPRISES INC dba MR ROOTER,	
13	PO Box 8657	
	Mission Hills, CA 91346 JOHN AKHOIAN aka OGANES JOHN	ACCUSATION
14	AKHOIAN, RMO/CEO/PRES, TAMAR KESHISHIAN AKHOIAN, Officer	
15	,	
16	Contractor's License No. 705233,	
17	Respondent.	
18	TATS INC dba MR ROOTER PLUMBING,	
19	PO Box 8657	
	Mission Hills, CA 91346 JOHN AKHOIAN, RMO/CEO/PRES,	
20	TAMAR KESHISHIAN AKHOIAN, Officer	
21	Contractor's License No. 867625,	
22	and	
23	TAACINC	,
24	dba MR ROOTER PLUMBING, PO Box 8657	
25	Mission Hills, CA 91346	'
	WILLIAM JOHN BEYERMANN, RMO, JOHN AKHOIAN, CEO/PRESIDENT,	
26	TAMAR KESHISHIAN AKHOIAN, Officer	
27	Contractor's License No. 923906,	
28	Affiliated Parties.	

(AKHOIAN ENTERPRISES INC dba MR ROOTER) ACCUSATION Case No. N2015-270

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otherwise indicated.

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Section 118, subdivision (b), provides that the expiration of a license shall not deprive 6.

This Accusation is brought before the Registrar for the Board, under the authority of

the Registrar of jurisdiction to proceed with a disciplinary action during the period within which

the following laws. All section references are to the Business and Professions Code unless

the license may be renewed, restored, reissued or reinstated. Under Code section 7076.1, the Registrar may reinstate a cancelled license if the licensee pays all of the fees and meets all of the qualifications and requirements for obtaining an original license.

- 7. Section 7076.5 provides that the inactive status of a license shall not bar any disciplinary action for violating provisions of the Contractors' State License Law (Bus. & Prof. Code, § 7000, et seq.).
- 8. Section 7090 provides that the Registrar may suspend or revoke any license or registration if the licensee or registrant is guilty of or commits any one or more of the acts or omissions constituting cause for disciplinary action.
  - 9. Section 7095 states that the Registrar in making his order may:
- "(a) Provide for the immediate complete suspension by the licensee of all operations as a contractor during the period fixed by the decision.
- "(b) Permit the licensee to complete any or all contracts shown by competent evidence taken at the hearing to be then uncompleted.
- "(c) Impose upon the licensee compliance with such specific conditions as may be just in connection with its operations as a contractor disclosed at the hearing, and may further provide that until such conditions are complied with, no application for restoration of the suspended or revoked licensee shall be accepted by the Registrar."
- 10. Section 7106.5 provides that the expiration, cancellation, forfeiture, or suspension of a license by operation of law or by order or decision of the registrar, or a court of law, or the voluntary surrender of the license shall not deprive the registrar of jurisdiction to proceed with any investigation of or action or disciplinary proceeding against the license, or to render a decision suspending or revoking the license.

#### 11. Section 7121 states:

"A person who has been denied a license for a reason other than failure to document sufficient satisfactory experience for a supplemental classification for an existing license, or who has had his or her license revoked, or whose license is under suspension, or who has failed to renew his or her license while it was under suspension, or who has been a partner, officer, director,

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manager, or associate of any partnership, corporation, limited liability company, firm, or association whose application for a license has been denied for a reason other than failure to document sufficient satisfactory experience for a supplemental classification for an existing license, or whose license has been revoked, or whose license is under suspension, or who has failed to renew a license while it was under suspension, and while acting as a partner, officer, director, manager, or associate had knowledge of or participated in any of the prohibited acts for which the license was denied, suspended, or revoked, shall be prohibited from serving as an officer, director, associate, partner, manager, qualifying individual, or member of the personnel of record of a licensee, and the employment, election, or association of this type of person by a licensee in any capacity other than as a nonsupervising bona fide employee shall constitute grounds for disciplinary action."

#### 12. Section 7121.5 states:

"A person who was the qualifying individual on a revoked license, or of a license under suspension, or of a license that was not renewed while it was under suspension, shall be prohibited from serving as an officer, director, associate, partner, manager, or qualifying individual of a licensee, whether or not the individual had knowledge of or participated in the prohibited acts or omissions for which the license was revoked, or suspended, and the employment, election, or association of that person by a licensee shall constitute grounds for disciplinary action."

#### 13. Section 7122 states:

"The performance by an individual, partnership, corporation, limited liability company, firm, or association of an act or omission constituting a cause for disciplinary action, likewise constitutes a cause for disciplinary action against a licensee other than the individual qualifying on behalf of the individual or entity, if the licensee was a partner, officer, director, manager, or associate of that individual, partnership, corporation, limited liability company, firm, or association at the time the act or omission occurred, and had knowledge of or participated in the prohibited act or omission."

#### 14. Section 7122.5 states:

"The performance by an individual, partnership, corporation, limited liability company, firm, or association of an act or omission constituting a cause for disciplinary action, likewise constitutes

a cause for disciplinary action against a licensee who at the time that the act or omission occurred was the qualifying individual of that individual, partnership, corporation, limited liability company, firm, or association, whether or not he or she had knowledge of or participated in the prohibited act or omission."

- 15. Section 7141 of the Code states:
- "(a) Except as otherwise provided in this chapter, a license that has expired may be renewed at any time within five years after its expiration by filing an application for renewal on a form prescribed by the registrar and payment of the appropriate renewal fee. Renewal under this section shall be effective on the date an acceptable renewal application is filed with the board. The licensee shall be considered unlicensed and there will be a break in the licensing time between the expiration date and the date the renewal becomes effective. Except as provided in subdivision (b), if the license is renewed after the expiration date, the licensee shall also pay the delinquency fee prescribed by this chapter.

"(d) If a license is not renewed within five years, the licensee shall make an application for a license pursuant to Section 7066."

#### **STATUTORY PROVISIONS**

16: Section 7090.5 states:

"In the event a licensee commits a fraudulent act which is a ground for disciplinary action under Section 7116 of this article, the correction of any condition resulting from such act shall not in and of itself preclude the registrar from taking disciplinary action under this article.

"If the registrar finds a licensee has engaged in repeated acts which would be grounds for disciplinary action under this article, and if by correction of conditions resulting from those acts the licensee avoided disciplinary action as to each individual act, the correction of those conditions shall not in and of itself preclude the registrar from taking disciplinary action under this article."

17. Section 7109, subdivision (a), states that "[a] willful departure in any material respect from accepted trade standards for good and workmanlike construction constitutes a cause for

disciplinary action, unless the departure was in accordance with plans and specifications prepared by or under the direct supervision of an architect."

- 18. Section 7154 states, in pertinent part:
- "(a) A home improvement contractor licensed under this chapter shall notify the registrar in writing, on a form prescribed by the registrar, about the employment of a registered home improvement salesperson, pursuant to the terms of this article. This notification requirement shall include, but not be limited to, the name and registration number of the home improvement salesperson who is employed by the contractor. The form shall be submitted prior to the home improvement salesperson beginning work for the contractor.

. . . .

- "(c) A home improvement contractor who employs a registered home improvement salesperson to sell home improvement contracts, but who fails to report to the registrar pursuant to subdivision (a) or (b), is subject to disciplinary action by the registrar.
- "(d) A home improvement contractor who employs a person to sell home improvement contracts while that person is not registered by the registrar as a home improvement salesperson as provided in this article, is subject to disciplinary action by the registrar."
  - 19. Section 7159 states, in pertinent part:
- "(a)(1) This section identifies the projects for which a home improvement contract is required, outlines the contract requirements, and lists the items that shall be included in the contract, or may be provided as an attachment.

- "(5) Failure by the licensee, his or her agent or salesperson, or by a person subject to be licensed under this chapter, to provide the specified information, notices, and disclosure in the contract, or to otherwise fail to comply with any provision of this section, is cause for discipline.
- "(b) For purposes of this section, "home improvement contract" means an agreement, whether oral or written, or contained in one or more documents, between a contractor and an owner or between a contractor and a tenant, regardless of the number of residence or dwelling units contained in the building in which the tenant resides, if the work is to be performed in, to, or

upon the residence or dwelling unit of the tenant, for the performance of a home improvement, as defined in Section 7151, and includes all labor, services, and materials to be furnished and performed thereunder, if 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). "Home improvement contract" also means an agreement, whether oral or written, or contained in one or more documents, between a salesperson, whether or not he or she is a home improvement salesperson, and an owner or a tenant, regardless of the number of residence or dwelling units contained in the building in which the tenant resides, which provides for the sale, installation, or furnishing of home improvement goods or services.

. . .

"(d) A home improvement contract and any changes to the contract shall be in writing and signed by the parties to the contract prior to the commencement of any work covered by the contract or applicable change order and, except as provided in paragraph (8) of subdivision (a) of Section 7159.5, shall include or comply with all of the following:

"(10) The contract shall address the commencement of work to be performed in substantially the following form:

- "(C) The approximate date on which work will be commenced.
- "(11) The estimated completion date of the work shall be referenced in the contract in substantially the following form:
  - "(B) The approximate date of completion.

"(e) Except as provided in paragraph (8) of subdivision (a) of Section 7159.5, all of the following notices shall be provided to the owner as part of the contract form as specified or, if otherwise authorized under this subdivision, may be provided as an attachment to the contract:

## THIRD CAUSE FOR DISCIPLINE

# (Employ of Unregistered Salesperson)

25. Respondent is subject to disciplinary action under section 7154, in that on the West 9<sup>th</sup> Street Project, Respondent's home improvement salesperson C.B. was not registered with the Board.

### **DISCIPLINE CONSIDERATIONS**

- 26. To determine the degree of discipline, Complainant alleges that:
- a. Respondent Prior Accusation: On or about November 8, 2011, effective date, pursuant to an Order to Adopt Stipulated Settlement in a disciplinary action entitled *In the Matter of the Accusation Against Akhoian Enterprises Inc dba Mr Rooter*, Case No. S2008-290, License No. 705233 was revoked, revocation immediately stayed, and placed on three years probation, pursuant to certain terms and conditions, to include maintaining with the Board a \$25,000.00 Disciplinary bond or cash deposit. The Accusation alleged violations of sections 7029.1 (failed to secure a joint venture license), 7068.1 (duty of qualifier), 7109(a) (departure from accepted trade standards), 7110 (failed to obtain building permit), and 7154 (unregistered home improvement salesperson). The matter is final and incorporated by reference as if fully set forth.

### b. Respondent Prior Citations:

- 1) On or about April 12, 2005, the Registrar issued Citation No. 2-2004-2760, alleging that Respondent violated sections 7110 (failed to obtain permit as required by building code); 7154 (employed unregistered home improvement salesperson); and 7159 (failed to comply with multiple provisions of law regarding home improvement contracts). On or around December 5, 2005, the Board and Respondent entered into a settlement and modification agreement, modifying Citation No. 2-2004-2760 with withdrawal of section 7110 violation. On or about December 20, 2005, the Board issued a Notice to Modify the citation reducing the Civil Penalty to \$650.00. The matter is final and incorporated by reference as if fully set forth.
- 2) On or about April 12, 2005, the Registrar issued Citation No. 2-2004-2761, alleging that Respondent violated sections 7110 (failed to obtain permit as required by building code); 7154 (employed unregistered home improvement salesperson); and 7159 (failed to comply with multiple

provisions of law regarding home improvement contracts). On or around December 5, 2005, the Board and Respondent entered into a settlement and modification agreement, modifying Citation No. 2-2004-2761 with withdrawal of section 7110 violation. On or about December 20, 2005, the Board issued a Notice to Modify the citation reducing the Civil Penalty to \$650.00. The matter is final and incorporated by reference as if fully set forth.

- 3) On or about November 9, 2006, the Registrar issued Citation No. 2-2006-1887, alleging that Respondent violated sections 7071.13 (contract or advertisement referred to a bond required to be filed by Contractor's License Law); 7109.a (willful departure in a material respect from accepted trade standards for good and workmanlike construction); 7110 (failed to obtain permit as required by building code); 7154 (employed unregistered home improvement salesperson); 7159 (failed to comply with multiple provisions of law regarding home improvement contracts); and 7161.b (made a substantial misrepresentation in procuring a work of improvement contract). On or around March 7, 2007, the Board issued Respondent a Settlement of Citation and Modification Order, Citation No. 2-2006-1887, with a \$1,350.00 civil penalty, wherein the amount of some of the violations were reduced, and the violation of sections 7159 and 7161.b were stricken. The matter is final and incorporated by reference as if fully set forth.
- 4) On or about April 12, 2005, the Registrar issued Citation No. 2-2004-2759, alleging that Respondent violated sections 7154 (employed unregistered home improvement salesperson); and 7159 (failed to comply with multiple provisions of law regarding home improvement contracts). The matter is final and incorporated by reference as if fully set forth.
- c. <u>Service Heroes, John Akhoian expired license, Prior Accusation:</u> On or about December 29, 2006, the Registrar issued Contractor's License No. 888824 to Service Heroes, John Akhoian, CEO/President, Tamar Keshishian Akhoian, Officer. The Contractor's License expired on December 31, 2010, and has not been renewed.
- 1) On or about November 8, 2011, effective date, pursuant to an Order to Adopt
  Stipulated Settlement in a disciplinary action entitled *In the Matter of the Accusation Against Service*Heroes, Respondent, and Akhoian Enterprises Inc dba Mr. Rooter, Affiliated Party, Case
  No. N2010-251, License No. 888824 was revoked, revocation immediately stayed, and placed on three

years probation, pursuant to certain terms and conditions. Licensees Service Heroes and Akhoian Enterprises Inc dba Mr. Rooter were ordered to maintain with the Board a \$25,000.00 Disciplinary bond or cash deposit for three years. The Accusation alleged violations of sections 7107 [abandonment], 7109(a) [poor workmanship and departure from accepted trade standards], 7113 [failure to complete the project for the price stated in contract], 7159 [violations of home improvement contract provisions], and 7154 [unregistered home improvement salesperson]. The matter is final and incorporated by reference as if fully set forth.

# d. Affiliated Party, TATS Inc dba Mr Rooter Plumbing Prior Accusation:

1) On or about November 8, 2011, effective date, pursuant to an Order to Adopt
Stipulated Settlement in a disciplinary action entitled *In the Matter of the Accusation Against TATS Inc*dba Mr Rooter Plumbing, Case No. N2008-507, License No. 867625 was revoked, revocation
immediately stayed, and placed on three years probation, pursuant to certain terms and conditions, to
include the maintaining with the Board a \$25,000.00 Disciplinary bond or cash deposit. The Accusation
alleged violations of sections 7029.1 (failed to secure a joint venture license), 7068.1 (duty of qualifier),
7109(a) (departure from accepted trade standards), and 7110 (failed to obtain building permit). The
matter is final and incorporated by reference as if fully set forth.

#### OTHER MATTERS

- 27. Pursuant to sections 7097 and 7098, if license No. 705233 issued to Respondent is suspended or revoked, the Registrar may suspend or revoke, without notice, any other license issued in the name of John Akhoian aka Oganes John Akhoian or for which John Akhoian aka Oganes John Akhoian furnished the qualifying experience and appearance.
- 28. Pursuant to sections 7121, 7121.5, 7122 and / or 7122.5, if discipline is imposed on license No. 705233 issued to Respondent, John Akhoian aka Oganes John Akhoian shall be prohibited from serving as an officer, director, associate, partner, manager, or qualifying individual, or member of the personnel of record of any licensee during the time the discipline is imposed, and any licensee which employs, elects, or associates John Akhoian aka Oganes John Akhoian shall be subject to disciplinary action.

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### PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Registrar of Contractors issue a decision:

### As to Akhoian Enterprises Inc dba Mr Rooter

- Revoking or suspending Contractor's License No. 705233 issued to Akhoian
   Enterprises Inc dba Mr Rooter, John Akhoian aka Oganes John Akhoian, RMO/CEO/PRES,
   Tamar Keshishian Akhoian, Officer;
- 2. Prohibiting John Akhoian aka Oganes John Akhoian from serving as an officer, director, associate, partner, or qualifying individual of any licensee during the period that discipline is imposed on license No. 705233, issued to Akhoian Enterprises Inc dba Mr Rooter, John Akhoian aka Oganes John Akhoian, RMO/CEO/PRES, Tamar Keshishian Akhoian, Officer;
- 3. Revoking or suspending any other license for which John Akhoian aka Oganes John Akhoian is furnishing the qualifying experience or appearance;
- 4. Ordering Akhoian Enterprises Inc dba Mr Rooter, John Akhoian aka Oganes John Akhoian, RMO/CEO/PRES, Tamar Keshishian Akhoian, Officer to pay the Registrar of Contractors her costs in the investigation and enforcement of the case according to proof at the hearing, pursuant to Business and Professions Code section 125.3;
- 5. Ordering Akhoian Enterprises Inc dba Mr Rooter, John Akhoian aka Oganes John Akhoian, RMO/CEO/PRES, Tamar Keshishian Akhoian, Officer to provide the Registrar with a listing of all contracting projects in progress and the anticipated completion date of each;

# As to TATS Inc dba Mr Rooter Plumbing

- 6. Revoking or suspending Contractor's License No. 867625 issued to TATS Inc dba Mr Rooter Plumbing, John Akhoian, RMO/CEO/PRES, Tamar Keshishian Akhoian, Officer;
- 7. Prohibiting John Akhoian from serving as an officer, director, associate, partner, or qualifying individual of any licensee during the period that discipline is imposed on license No. 867625, issued to TATS Inc dba Mr Rooter Plumbing, John Akhoian, RMO/CEO/PRES, Tamar Keshishian Akhoian, Officer;

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1	As to All
2	15. Taking such other and further action as deemed necessary and proper.
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