

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

STATE OF IOWA ex rel.
THOMAS J. MILLER,
ATTORNEY GENERAL OF IOWA

Plaintiff,

v.

JEREMEY DALE LAWSON, D/B/A
STURDY BUILDINGS, STRONG
STRUCTURES, LAWSON BUILDING
COMPONENTS, J & C BUILDINGS,

Defendant.

EQUITY EQCE 077864

CONSENT JUDGMENT

This Court, recognizing that the State of Iowa, by Attorney General Thomas J. Miller and Assistant Attorney General Benjamin E. Bellus, and Jeremey Dale Lawson appearing pro se, have consented to the entry of this judgment, finds as follows:

1. The Court has jurisdiction over the parties and the subject matter of this litigation.
2. Venue is proper in Polk County, Iowa.
3. Plaintiff is the State of Iowa, ex rel. Attorney General Thomas J. Miller, the duly elected Attorney General of Iowa. The Attorney General of Iowa is expressly authorized pursuant to Iowa Code §§ 714.16(7) and 555A.6(2) to file a civil action against any person who has engaged in a practice declared to be unlawful under Iowa Code § 714.16 and/or Iowa Code Chapter 555A.

4. Defendant Jeremey Dale Lawson is the owner, president, operator and managing agent of a home repair and contractor business doing business in Iowa and Missouri under the name of Sturdy Buildings; as well as Strong Structures, Lawson Building Components and J & C Buildings. At the times relevant to this action, the primary business offices for Defendant Lawson were located at 12767 280th Street, Bloomfield, Iowa; and before that time included 29978 Clay Avenue, Bloomfield, 119 North Main Street in Moulton, Iowa, RR 2, Box 89 in Moulton, Iowa, and

205 West 5th Street in Moulton, Iowa. Defendant Lawson is named in his individual capacity as well as his past or present corporate capacities.

5. Defendant Lawson formulated, directed, controlled, was a primary participant in, and had, or should have had, knowledge of the acts and practices of Sturdy Buildings, as well as Strong Structures, Lawson Building Components and J & C Buildings, constituting the violations of Iowa law as alleged herein and at all times relevant hereto was the owner, manager, officer, director, and/or agent of Sturdy Buildings, Strong Structures, Lawson Building Components and J & C Buildings.

6. At no time were Defendant Lawson's business activities incorporated or otherwise registered with the Iowa Secretary of State; nor were the trade names Sturdy Buildings, Lawson Building Components or J & C Buildings registered with any county recorder.

7. The phrase "home repairs or contractor services," as used herein, includes any work on any residential dwelling or other structure; as well as any work on other things commonly found on real property including, but not limited to, garages, outbuildings, pole buildings, basements, interiors, roofs, porches, driveways, sidewalks, patios and fences.

8. Unless otherwise specified, the term "Defendant" as referred to herein includes Jeremy Dale Lawson; as well as any corporate name, trade name or alias under which he operated, or is operating, a business; and also includes his representatives, agents, independent contractors, assigns, successors, or other business entities, whose acts, practices or policies are or were directed, formulated or controlled by Jeremy Dale Lawson.

9. The State alleges that Defendant violated Iowa Code Chapter 555A in a manner including, but not limited to, selling residential home repairs or contractor services at a place other than the Defendant's place of business and:

- a. failing to disclose the consumers' right to cancel in 10 point boldface type on the front of the contract or receipt, as required by Iowa Code § 555A.2;
 - b. failing to provide the consumer with a "Notice of Cancellation" drafted in the required form and content required by Iowa Code § 555A.3;
 - c. failing to furnish to the consumer two copies of the notice of cancellation which included the correct date by which the consumers must give the notice of cancellation to the Defendant, as required by Iowa Code § 555A.4(1); and
 - d. failing to honor a valid notice of cancellation by consumers and within ten business days after the receipt of notice refund all payments made under the contract or sale. Iowa Code § 555A.4(5).
10. The State further alleges that Defendant violated Iowa Code § 714.16(2)(a) by:
- a. pursuant to Iowa Code § 555A.6(2), committing the violations of Iowa Code Chapter 555A referenced in paragraph 9, above;
 - b. representing to consumers that Defendant would begin home repairs or contractor services within a promised time period, without a reasonable basis for such representations;
 - c. representing to consumers that Defendant would complete home repairs or contractor services within a promised time period, without a reasonable basis for such representations;
 - d. representing to consumers that Defendant would complete home repair or contractor services in a specific manner and then failing to provide said services to the agreed specifications;
 - e. representing to consumers that Defendant could provide home repair or contractor services in Iowa when Defendant was legally prohibited from providing such services because Defendant was not properly registered with the Iowa Department of Workforce Development;
 - f. contracting with consumers to provide home repair and contractor services, and then failing to provide labor, materials or reimbursement of the consumers' down payment;
 - g. accepting a down payment for the delivery of home repair and contractor services and then failing to provide labor or materials, and then failing to reimburse consumers for their down payment;
 - h. doing business and advertising under false names and/or pseudonyms without providing Defendant's legal name or addresses, without registering his name or his businesses as a "construction contractor" with Iowa Workforce

Development, without registering his businesses as a Trade Name with the County Recorder or incorporating his businesses with Iowa Secretary of State; or taking any other step so that a dissatisfied consumer could readily identify and contact the Defendant; or so that any consumer performing due diligence could identify Defendant before signing a home repair or construction contract and/or making a down payment;

- i. contracting with consumers to provide home repair and contractor services and then failing to perform the home repair and contractor services in a workmanlike manner or within industry standards and/or in a manner that complied with manufacturer standards and/or building codes, thus placing the consumers at risk of physical and/or financial harm;
- j. failing to disclose to consumers at any time before entering into a contract for home repair or contractor services that the Defendant failed to complete multiple contracts for home repair or contractor services in the past, has multiple civil judgments against Defendant for breach of contract and other claims relating to the failure to perform home repair or contractor services, and has multiple criminal convictions for accepting payment and failing to deliver home repair or contractor services; and
- k. refusing to respond to consumer inquiries, or responding to consumer inquiries in a manner that delayed, or otherwise prevented, consumers from limiting their loss.

11. Defendant denies the State's allegations but agrees to entry of this Consent Judgment.

12. Defendant waives the right to a judicial or administrative hearing on any issue of fact or law set forth in the Petition filed by the State herein.

13. It is in the public interest that permanent injunctive relief be issued herein to protect the people of the State of Iowa from any further losses from any similar conduct by the Defendant in Iowa in the future.

14. The Court finds that an Order should be entered in this matter.

WHEREFORE, IT IS ORDERED, ADJUDGED AND DECREED that, pursuant to Iowa Code § 714.16(7):

15. Defendant Jeremey Dale Lawson; and his employees, agents, successors, assigns and all other persons acting in concert with or participating with Defendant, who have actual or constructive notice of this order, are hereby permanently RESTRAINED and ENJOINED from:

- a. failing to comply with all provisions of the Iowa Door-To-Door Sales Act, Iowa Code Chapter 555A, and as that chapter is subsequently amended;
- b. requesting or accepting any payments for labor from any consumer until the work for which Defendants contracted with that specific consumer is fully completed;
- c. requesting or accepting advance payments for materials or other contracting expenses from any consumer for payment to Defendant until that contract is fully completed;

Alternative to direct payment: However, Defendant may request that a consumer make payment for materials or other contracting expenses directly to an independent third supplier, or via a check supplied to Defendant which is made directly payable to only the third party supplier for the exact cost of materials or contracting expenses, so long as Defendant has no ownership interest in the third party supplier and does not in any manner direct or control the business or sales practices of the third party supplier.

- d. unless a third party supplier is to deliver the materials, failing to deliver the materials purchased with each consumer's payment to the site where the work is to be performed within five (5) calendar days after payment by the consumer;
- e. applying any funds received from consumers to any use other than that directly attributable to their contract or project;
- f. misrepresenting to consumers the time period in which Defendant will begin home repairs or contractor services;
- g. misrepresenting to consumers the time period in which Defendant will complete home repairs or contractor services;
- h. failing to complete all contracts for home repairs or contractor services in a timely manner;

Definition of "timely manner:" For purposes of this subparagraph only, there shall be a rebuttable presumption that any contract not completed within thirty (30) calendar days after a contract was signed was not completed in a timely manner and the Defendant is in violation of this Consent Judgment. If Defendant provided the consumer with a written completion date in the contract, there shall be a rebuttable presumption that any contract not

completed within fifteen (15) calendar days of the written completion date contained in the contract was not completed in a timely manner and Defendant is in violation of this Consent Judgment.

- i. failing to perform any work in connection with home repairs or contractor services in a professional, competent and workmanlike manner including, but not limited to, complying with all applicable laws, regulations, ordinances, building codes, professional standards, manufacturer guidelines, etc.;
- j. failing to comply, in all respects, with the requirements of Iowa Code Chapter 91C (Construction Contractors);
- k. failing to comply, in all respects, with the requirements of Iowa Code Chapter 547 (Trade Names), and as that chapter is subsequently amended; including but not limited to, doing business under any trade name or any other name of a character other than Defendant's true surname and failing to record said name with the county recorder in the county in which Defendant does business;
- l. entering into any contract without first disclosing Defendant's true legal name, physical street address and telephone number; and failing to conspicuously disclose Defendant's true legal name, physical street address and telephone number in all advertising or telemarketing calls and on all contracts, agreements, receipts or other documents provided to consumers;
- m. misrepresenting the Defendant's history of consumer complaints or civil litigation with consumers, as well as criminal actions or any other action taken by the State against Defendant, arising from the Defendant's activities as a seller of home repairs or contractor services;
- n. employing deception, fraud, false pretense, false promise, misrepresentation or omitting material facts when offering or selling home repairs or contractor services to consumers; and
- o. failing to respond to a consumer complaint, or an inquiry from the Attorney General's office or any other governmental entity, in a prompt, timely, truthful and informative manner when requested to do so in connection with a consumer complaint or inquiry.

Definition of "prompt and timely:" For purposes of this subparagraph only, a response will be deemed "prompt and timely" if the consumer, Attorney General or other governmental entity receives the Defendant's written response within ten (10) days from the date on which the Defendant received the complaint, either by telephone, U.S. mail or any other generally used medium.

16. The following shall apply should the Court find that Defendant violated this Consent Judgment:

- a. Defendant shall be permanently restrained and enjoined from owning, operating, controlling, directing, or otherwise profiting from any business in the State of Iowa that in any manner offers or provides home repairs or contractor services;
- b. Defendant shall also be ordered not to advertise or offer any home repairs or contractor services to Iowa consumers nor enter into any contracts to provide home repairs or contractor services to Iowa consumers;
- c. Defendant shall be ordered not to advise, control, direct, or otherwise exercise any authority to any extent regarding a business which, in part or in whole, provides home repairs or contractor services, including, but not limited to business practices, hiring decisions, or the like;
- d. Defendant may also be found guilty of contempt of this Court, pursuant to Iowa Code Chapter 665, and as that chapter is subsequently amended; and
- e. The Order under this paragraph shall be in addition to other remedies the Court may order in the event of Defendant's non-compliance with this Consent Judgment.

17. Pursuant to Iowa Code § 714.16(7), the Court may impose a civil penalty of not more than \$5,000 for each day of intentional violation of this Consent Judgment in addition to any other remedy allowed by law.

18. Pursuant to Iowa Code § 714.16(7), judgment in the amount of \$102,162.47 is hereby entered jointly and severally against Defendant for reimbursement of Iowa consumers listed in the attached Exhibit "A."¹ Said reimbursement shall be provided in the following manner:

- a. All payments shall be delivered to:
Susan Kerr, Investigator, (or her successor)
Iowa Department of Justice
Consumer Protection Division

¹ The Court recognizes that some consumers may independently obtain judgments or refunds against the Defendant. It is not the Court's intention to obtain duplicate recoveries for consumers for the same transactions and the final payment due under this Judgment shall be reduced in the amount of any payment(s) actually made to consumers arising from the same transactions.

1305 East Walnut Street, Second Floor
Des Moines, IA 50319

- b. Defendant shall make payments of \$500.00 per month, beginning on April 15, 2015, and continue to pay said installment on or before the fifteenth (15th) day of each consecutive month until the full restitution amount has been paid. The State may claim interest at the rate of 10% per annum on any payments not received by the Consumer Protection Division by the twenty-fifth (25th) day of the month in which that payment is due. The provisions of this Consent Judgment do not preclude Defendant from paying restitution in advance of this payment schedule if Defendants so chooses.

19. This Consent Judgment shall not bar the State or any other governmental entity from enforcing other laws or rules against Defendant relating to any of Defendant's practices, including those alleged in the petition.

20. This Consent Judgment shall not be construed so as to affect the legal or equitable rights of any individual citizen to initiate court proceedings against Defendant and to obtain any relief authorized by law or regulation.

21. Pursuant to Iowa Code § 714.16(11), Defendant shall pay any and all court costs incurred in this action.

22. The Court reserves jurisdiction over this action in order to take any further action deemed necessary to enforce this judgment and to award the State judgment for any costs, including attorney fees, it incurs in the event of noncompliance by Defendant. Such costs may include court costs in excess of those authorized by paragraph 21, above.

23. The mailing of a copy of this signed and filed Consent Judgment to Defendant shall constitute notice and acceptance by Defendant of all the terms of this Consent Judgment; Defendant has waived the necessity of having the Consent Judgment served upon him.

SO ORDERED.

Agreed and approved as to form and content:

Date: February 17, 2015

/s/ Jeremy Dale Lawson
Jeremey Dale Lawson, Individually
Defendant

Subscribed and sworn to before me this _____ day of February, 2015.

Notary Public in and for the State of Iowa

Date: February 17, 2015

/s/ Benjamin E. Bellus
Benjamin E. Bellus
Attorney for the State of Iowa
Iowa Department of Justice
Consumer Protection Division

Copies to:

Jeremey Dale Lawson
12767 280th Street
Bloomfield, IA 52537

Benjamin E. Bellus
IOWA DEPARTMENT OF JUSTICE
Consumer Protection Division
1305 East Walnut, Second Floor
Des Moines, IA 50319

EXHIBIT A

1. Arley Breese	\$3,050.00
2. Cindy Dyer	3,330.00
3. Robby Gilbert	3,380.00
4. Darin and Sherry Glenney	2,600.00
5. Jeffrey Hall	3,850.00
6. Steven Hesslink	2,880.00
7. Robert Hillyer	3,050.00
8. Gary Holmes	2,300.00
9. David and Kathleen Johnson	5,500.00
10. Dale Kehoe	4,500.00
11. John and Anita Martin	2,870.00
12. David Muhlena	1,950.00
13. Stan and Elizabeth Pasley	2,511.00
14. Jerry Prokes	7,619.84
15. James and Deb Sampson	7,741.97
16. Timothy Shell	2,700.00
17. Jim Shemanski	2,700.00
18. Patricia Sieren	17,562.46
19. Curt Strawser	1,860.00
20. Joel Thies	2,567.20
21. Damon Tripp	2,500.00
22. Joe Wanninger	5,200.00
23. Dennis Watts	3,120.00
24. Rory Welcher	5,000.00
25. Timothy Zinger	1,820.00



State of Iowa Courts

Type: ORDER FOR CONSENT DECREE

Case Number EQCE077864
Case Title STATE OF IOWA V. JEREMEY DALE LAWSON

So Ordered

Douglas F. Staskal, District Court Judge,
Fifth Judicial District of Iowa