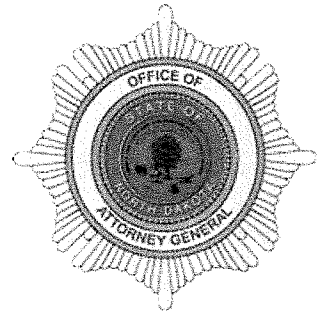




OFFICE OF ATTORNEY GENERAL
 CONSUMER PROTECTION AND ANTITRUST DIVISION
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STATE OF NORTH DAKOTA
 OFFICE OF ATTORNEY GENERAL

STATE OF NORTH DAKOTA EX REL.
 WAYNE STENEHJEM,
 ATTORNEY GENERAL,

Petitioner,

-vs-

WILLIAM WILSON, WILLIAM WILSON
 CONTRACTING, WILLIAM WILSON &
 CHARLES LOVELL PAINTING, JOHN
 LOVELL, CHARLES LOVELL, INDUSTRIAL
 PAVING & COATINGS,

Respondents.

**CEASE AND DESIST ORDER,
 NOTICE OF CIVIL PENALTY
 AND NOTICE OF RIGHT
 TO REQUEST A HEARING**

CPAT 190197.002

To the individuals identified below ("Respondents"):

WILLIAM WILSON
 WILLIAM WILSON CONTRACTING
 387 15TH ST. WEST, # 173
 DICKINSON, ND 58601

WILLIAM WILSON
 WILLIAM WILSON CONTRACTING
 1518 CLEMENT RD.
 LULZ, FL 33549

WILLIAM WILSON
 WILLIAM WILSON CONTRACTING
 313 WESTWIND RD.
 BEAR, DE 19701-1283

JOHN LOVELL
 WILLIAM WILSON & CHARLES LOVELL
 PAINTING
 PO BOX 1316
 LUTZ, FL 33548-1316

CHARLES LOVELL
 PO BOX 1316
 LUTZ, FL 33548-1316

INDUSTRIAL PAVING & COATINGS
 PO BOX 1316
 LUTZ, FL 33548-1316

INDUSTRIAL PAVING & COATINGS
 1518 CLEMENT RD.
 LULZ, FL 33549

INDUSTRIAL PAVING & COATINGS
 387 15TH ST. WEST, # 173
 DICKINSON, ND 58601

BACKGROUND

[¶1] The Attorney General of North Dakota has a reasonable basis to believe Respondents have engaged in, or are engaging in, acts or practices declared unlawful by N.D.C.C. ch. 51-04, commonly referred to as the “Transient Merchant Law,” and N.D.C.C. ch. 51-15, commonly referred to as the “Consumer Fraud Law.” It is necessary and appropriate in the public interest and for the protection of consumers to restrain Respondents’ unlawful acts or practices.

[¶2] Respondents, individually and by and through their agents, are doing business under some or all of the names identified above, and have engaged in violations of North Dakota law by: (1) in violation of N.D.C.C. §§ 51-04-02 and 51-15-02, transacting temporary or transient business in North Dakota, either in one locality, or in traveling from place to place in North Dakota, while not intending to become and not becoming a permanent merchant of such place without first obtaining a license; and (2) in violation of N.D.C.C. § 51-15-02, contracting to perform work as a contractor, within the meaning of N.D.C.C. § 43-07-01(1), and then failing to perform the contracted work as promised.

[¶3] Respondent William Wilson’s (“Wilson”) last known North Dakota address is 387 15th St. West, # 173, Dickinson, ND 58601. This address appears to be the address of a UPS Store. Wilson is also associated with the address 1518 Clement Rd., Luiz, FL 33549.

[¶4] Wilson is associated with other North Dakota business entities (also Respondents) including:

[¶5] William Wilson Contracting, a fictitious partnership name registered with the Secretary of State on June 27, 2017 that is currently active. The partnership has a principal address of 313 Westwind Rd., Bear, DE 19701-1283. William Wilson Contracting was issued a Class C contractor license on June 28, 2017 and its status is currently listed as “Not Good” with the Secretary of State. The mailing address associated with the contractor license is 313 Westwind Rd., Bear, DE 19701-1283.

[¶6] William Wilson & Charles Lovell Painting, a fictitious partnership name registered with the Secretary of State on August 24, 200 that is currently inactive. The partnership had or has a principal address of PO Box 1316, Lutz, FL 33548-1316.

[¶7] Industrial Paving & Coatings, a fictitious partnership name registered with the Secretary of State on August 12, 1997 that is currently inactive. The partnership had or has a principal address of 1940 S. Broadway # 245, Minot, ND 58701-6508. This address appears to be the address of a UPS Store.

[¶8] As described herein, Respondent Wilson and his business entities appear to be associated with individuals named, or using the names, Charles Lovell and/or John Lovell.

[¶9] Respondents are or were in the business of soliciting and selling merchandise, including in the capacity of a contractor, within the meaning of N.D.C.C. § 43-07-01(1), and while also engaging in business as a transient merchant, within the meaning of N.D.C.C. § 51-04-01(2). Respondents, or Respondents’ agents on Respondents’ behalf, solicited North Dakota customers.

[¶10] Under N.D.C.C. § 51-04-10, an act in violation of N.D.C.C. § 51-04-02 constitutes a violation of N.D.C.C. ch. 51-15, and subjects a person to all provisions, procedures, remedies, and penalties provided for in N.D.C.C. ch. 51-15.

[¶11] On November 7, 2019, the Attorney General received a Consumer Complaint Form from consumers who contracted with Respondents. According to the consumers, they were solicited by individuals, including Respondent John Lovell (“Lovell”), driving a vehicle bearing the name “Industrial Paving.” Lovell represented to the consumers that Respondents would install a new asphalt driveway for a total price of \$5,500.00. At the time of contracting with the consumers, Respondents did not possess a transient merchant license and did not intend and did not become permanent merchants in North Dakota. Respondents do not maintain a permanent business address anywhere in North Dakota, and, instead, use addresses associated with UPS stores.

[¶12] After contracting with the consumers, Respondents performed work toward the installation of the new asphalt driveway. Respondents promised they would return on October 14, 2019 to complete the work.

[¶13] On October 9, 2019, Respondent Wilson contacted the consumers and requested an advance payment of \$4,500.00. The \$4,500.00 was the full payment for completion of the asphalt installation project after Wilson promised to reduce the price by \$500.00 and seal the asphalt for free. Wilson issued an invoice for \$4,500.00 bearing the name “WM. Wilson.” Wilson’s invoice promised that the driveway would be three inches thick, have a 10-year warranty, and be sealed for free. Wilson requested that the consumers issue payment to him in his name. The consumers paid Wilson by check that he cashed at their bank on the day he received it.

[¶14] On Friday October 11, 2019, while removing snow from their driveway, the consumers discovered that the new asphalt was as thin as one inch in places and was easily broken. When the consumers contacted Wilson about the poor workmanship that was not performed as promised by Respondents, he promised that the work would be completed properly. Despite Respondents' promises, no one showed up on October 14, 2019 to perform the necessary work to fix and complete the work on the consumers' driveway.

[¶15] After the consumers arranged to obtain materials to have the work completed properly, Wilson represented to the consumers that he would issue a refund to them, but did not do so until late November of 2019 after the Attorney General intervened.

[¶16] Under N.D.C.C. § 51-04-02, transacting temporary or transient business in North Dakota, either in one locality, or in traveling from place to place in North Dakota, while not intending to become and not becoming a permanent merchant of such place without first obtaining a license is a violation of 51-04-02.

[¶17] Under N.D.C.C. § 51-15-02, the act, use, or employment by any person of any deceptive act or practice, fraud, false pretense, false promise, or misrepresentation, with the intent that others rely thereon in connection with the sale or advertisement of any merchandise, whether or not any person has in fact been misled, deceived, or damaged thereby, is an unlawful practice.

[¶18] Under N.D.C.C. § 51-04-10, violation of N.D.C.C. § 51-04-02 constitutes a violation of N.D.C.C. ch. 51-15. It is a violation of N.D.C.C. § 51-15-02 for a contractor to fail to complete work for which they received an advance payment or to fail to

complete work as promised, and it is a violation for a person to expressly or impliedly represent they are properly licensed. Therefore, based on the above facts, it appears to the Attorney General that Respondents are or were engaged in violations of N.D.C.C. ch. 51-15.

[¶19] Appearing to the Attorney General that Respondents are or were engaged in violations of N.D.C.C. chs. 51-04 and 51-15, the Attorney General offered to resolve Wilson's violations of law, pursuant to N.D.C.C. § 51-15-06, by Assurance of Voluntary Compliance. The Assurance of Voluntary Compliance proffered to Wilson by the Attorney General required Wilson to agree that he would obtain a license before engaging in the business or acting in the capacity of a transient merchant if required.

[¶20] The Attorney General offered Wilson the opportunity to resolve his violations of law by Assurance of Voluntary Compliance on November 25, 2019 and January 6, 2020. Wilson has failed to accept the terms of the Assurance of Voluntary Compliance though he represented that intended to do so.

[¶21] After Wilson failed to resolve violations of law by Assurance of Voluntary Compliance, on February 10, 2020, pursuant to N.D.C.C. §§ 51-15-4 and 51-15-05, the Attorney General issued a Civil Investigative Demand to Wilson that required him to submit written responses and documentation to the Attorney General on or before February 25, 2020. The Attorney General repeatedly requested that Wilson comply with the February 10, 2020 Civil Investigative Demand, including on March 5, 2020, March 20, 2020, and April 23, 2020. The Attorney General warned Wilson that failure to comply could result in issuance of a Cease and Desist Order. Wilson has failed to comply with the February 10, 2020 Civil Investigative Demand.

[¶22] It appears to the Attorney General that Respondents, or Respondents' agents on Respondents' behalf, are or were engaged in violations of N.D.C.C. chs. 51-04 and 51-15 by: (1) in violation of N.D.C.C. §§ 51-04-02 and 51-15-02, transacting temporary or transient business in North Dakota, either in one locality, or in traveling from place to place in North Dakota, while not intending to become and not becoming a permanent merchant of such place without first obtaining a license; and (2) in violation of N.D.C.C. § 51-15-02, contracting to perform work as a contractor, within the meaning of N.D.C.C. § 43-07-01(1), and then failing to perform the contracted work as promised and by expressly or impliedly representing that they were properly licensed

[¶23] It appears to the Attorney General that issuance of this Cease and Desist Order is necessary and appropriate in the public interest.

ORDER

[¶24] Based upon the foregoing information, it appears to the Attorney General that Respondents have engaged in, or are engaged in, violations of N.D.C.C. chs. 51-04 and 51-15; **NOW, THEREFORE, IT IS ORDERED** pursuant to N.D.C.C. § 51-15-07 that Respondents immediately **CEASE AND DESIST** from: 1) soliciting or selling services and/or merchandise, as defined by N.D.C.C. § 51-15-01(3), to North Dakota consumers, including while engaged in the business of, or acting in the capacity of a contractor within the meaning of N.C.C.C. § 43-07-01(1); 2) engaging in the business or acting in the capacity of a transient merchant without first having a license provided in accordance with N.D.C.C. ch. 43-07; and 3) soliciting consumers using untrue, deceptive, or misleading representations or engaging in deceptive acts or practices, fraud, false pretenses, false promises or misrepresentations with the intent that

consumers rely thereon, in violation of N.D.C.C. § 51-15-02. Respondents also shall immediately **CEASE AND DESIST** from issuing any invoices or bills to North Dakota consumers for any services or merchandise and **CEASE AND DESIST** from taking any payments from North Dakota consumers including, but not limited to, direct debits or withdrawals from North Dakota consumers' bank accounts, cash, checks, or credit card payments for the sale of merchandise as defined in N.D.C.C. § 51-15-01(3).

[¶25] **YOU ARE NOTIFIED** that pursuant to N.D.C.C. § 12.1-09-03 a person is guilty of a criminal offense if he or she intentionally "alters, destroys, mutilates, conceals, or removes a record, document, or thing with intent to impair its verity or availability" in an official proceeding. As such, intentional destruction of any documents related to this matter may result in criminal prosecution.

NOTICE OF CIVIL PENALTIES

[¶26] **YOU ARE FURTHER NOTIFIED** that pursuant to N.D.C.C. § 51-15-07 any violation of this Cease and Desist Order is subject to civil penalties not to exceed \$1,000.00 per violation. Any violation of this Order that also is a violation of N.D.C.C. ch. 51-15 may result in additional civil penalties of not more than \$5,000.00 per violation. Such penalties are separate and in addition to any civil penalties, costs, expenses, investigation fees, and attorney fees pursuant to N.D.C.C. ch. 51-15 or any other applicable statute. Nothing in this Order is intended to limit or waive any rights and remedies available to the State of North Dakota or consumers.

NOTICE OF RIGHT TO REQUEST A HEARING

[¶27] **YOU ARE NOTIFIED** that pursuant to N.D.C.C. § 51-15-07 you may request a hearing before the Attorney General if such a request is made in writing WITHIN TEN (10) DAYS AFTER RECEIPT OF THIS ORDER. Respondent has the right to be represented by legal counsel at the hearing at Respondents' expense.

Dated this 5th day of June, 2020.

STATE OF NORTH DAKOTA
Wayne Stenehjem
Attorney General

BY: /s/ Parrell D. Grossman
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