

May 3, 2022

ATTORNEY GENERAL RAOUL FILES LAWSUIT OVER HOME REPAIR SCAMS DEFRAUDING DOZENS OF ILLINOIS HOMEOWNERS

Lawsuit Alleges Companies Defrauded Homeowners in Need of Roofing Repairs

Chicago — Attorney General Kwame Raoul filed a lawsuit today against two Kane County businesses and their owners over allegedly preying on Illinois homeowners who experienced roofing damage caused by severe weather in Chicagoland and Christian and Winnebago Counties.

[Raoul filed the lawsuit](#) in the Circuit Court of Cook County against G&M Exteriors Pros Inc. (G&M) and Illinois Adjustors Corp. (Illinois Adjustors), as well as their respective owners, Olegario Coyotl and Bryan Tlaczani. Raoul's lawsuit alleges the businesses preyed on more than 40 homeowners in several Illinois counties.

"On top of the stress of dealing with storm damage to their homes, these homeowners were targeted by both G&M Exteriors and Illinois Adjustors, who exploited consumers for profit," Raoul said. "I am committed to continuing to protect Illinoisans who have been victimized by these types of predatory business practices."

According to Raoul's lawsuit, Illinois Adjustors allegedly promised to waive its public adjusting fees for homeowners who agreed to hire G&M to perform roofing repairs. Illinois Adjustors would then allegedly act as a middleman between the homeowner and insurance company, receiving claim checks in the company's name. However, Raoul alleges that once the checks were issued, G&M often failed to begin or complete promised repair work or would perform substandard work. When homeowners attempted to cancel their contracts, G&M often ignored complaints, leaving people with limited options and the fear that Illinois Adjustors would demand payment for the public adjusting fee that was previously waived when the homeowner selected G&M. That fee often equated to over a third of the total insurance proceeds.

Raoul's lawsuit also alleges that when contracting for home repairs, the companies failed to provide homeowners with the Attorney General's informational "[Home Repair: Know Your Consumer Rights](#)" pamphlet and failed to inform homeowners of their cancellation rights or to provide cancellation notices as required under Illinois law. The Home Repair and Remodeling Act requires contractors to provide customers with written contracts for any repair or remodeling work that costs more than \$1,000. A contract must be signed by both the customer and contractor. The law also requires contractors to carry at least the minimum amounts of insurance for property damage, bodily injury and improper home repair.

In the lawsuit, Raoul is seeking restitution for victims, a court-ordered prohibition against both companies and owners from further engaging in similar business practices, and civil penalties for violations of the Consumer Fraud Act.

Although state law does not require general contractors to be licensed, municipalities may require permits or have other local requirements. Attorney General Raoul encourages home and business owners to check with their local governments for more information about permits or other local requirements before hiring anyone. Public adjusters must be licensed by the [Illinois Department of Insurance](#), and roofers must be licensed by the [Illinois Department of Financial and Professional Regulation](#).

Consumers who believe they have been the victim of fraud can file a complaint [on the Attorney General's website](#) or by calling the office's Consumer Fraud Hotline at (800) 243-0618.

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

FILED
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COOK COUNTY, IL
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THE PEOPLE OF THE STATE OF ILLINOIS,

Plaintiff,

v.

G & M EXTERIORS PROS, INC., an Illinois
corporation;

ILLINOIS ADJUSTERS CORP., an Illinois
corporation;

OLEGARIO TLACZANI COYOTL, individually
and as President, Owner, and Agent for G &
M EXTERIORS PROS, INC.; and

BRYAN TLACZANI, individually and as
President, Owner, and Agent for ILLINOIS
ADJUSTERS CORP.,

Defendants.

Case No. 2022CH04190

Calendar

Complaint for Injunctive and Other Relief

The Plaintiff, the People of the State of Illinois, by Kwame Raoul, Attorney General of the State of Illinois, brings this action for injunctive and other relief against Defendants G & M Exteriors Pro Exteriors Pros, Inc. (“G & M Exteriors Pros”), an Illinois corporation; Illinois Adjusters Corp., Inc. (“Illinois Adjusters Corp.”), an Illinois corporation; Olegario Tlaczani Coyotl (“Coyotl”) individually, and as owner, president, and agent for G & M Exteriors Pro; and Bryan Tlaczani (“Tlaczani”), individually and as president, owner, and agent for Illinois Adjusters Corp., for violations of the Consumer Fraud and Deceptive Business Practices Act (“Consumer Fraud Act”), 815 ILCS 505/1 *et seq.*, and the Home Repair and Remodeling Act (“Home Repair Act”), 815 ILCS 513/1 *et seq.*

NATURE OF THE CASE

1. Since 2017, Defendants have engaged in misleading and deceptive business practices when offering home repair, remodeling, roofing, and public adjusting services to Illinois consumers. Defendants accepted payments for promised services, but routinely failed to start or complete the work, or performed the work in a substandard manner while disregarding their obligations to advise consumers of their statutory rights.

2. Defendants have also offered and performed roofing and public adjusting services without the required licenses and continue to perpetuate their fraudulent home repair, remodeling, and public adjusting scheme in violation of the Consumer Fraud Act and the Home Repair Act.

PUBLIC INTEREST

3. The Illinois Attorney General believes this action to be in the public interest of the citizens of the State of Illinois, and brings this lawsuit pursuant to the Consumer Fraud Act, 815 ILCS 505/7(a) and the Home Repair Act, 815 ILCS 513/35(a).

JURISDICTION AND VENUE

4. This action is brought for and on behalf of the People of the State of Illinois, by Kwame Raoul, Attorney General of the State of Illinois, pursuant to the Consumer Fraud Act, 815 ILCS 505/1 *et seq.*, the Home Repair Act, 815 ILCS 513/1 *et seq.*, and his common law authority as Attorney General to represent the People of the State of Illinois.

5. Venue for this action properly lies in Cook County, Illinois, pursuant to Section 2-101 of the Illinois Code of Civil Procedure, 735 ILCS 5/2-101, in that some of the transactions complained of herein, and out of which this action arose, occurred in Cook County.

PARTIES

6. Plaintiff, the People of the State of Illinois, by Kwame Raoul, the Attorney General of the State of Illinois, is authorized to enforce the Consumer Fraud Act, 815 ILCS 505/7 and the Home Repair Act, 815 ILCS 513/35.

Defendant G & M Exteriors Pros

7. Defendant G & M Exteriors Pros, Inc. is an Illinois corporation, incorporated on March 15, 2012, with its principal place of business at 2259 Annandale Court, Elgin, Illinois, 60123.

8. G & M Exteriors Pros lists the same Annadale Court address on its contract and business cards.

9. However, G & M Exteriors Pros also operates out of 2030 Valley Creek Drive, Elgin, Illinois, 60123.

10. G & M Exteriors Pros purports to provide home repair and remodeling services by offering roof, gutter, and siding repair.

11. Through its sales representatives, including both Tlaczani and Coyotl, G & M Exteriors Pros solicits consumers for these repairs via door-to-door sales at the consumers' homes.

12. G & M Exteriors Pros offers to work with the customer's insurance company to pay for the repairs, sometimes offering services on behalf of Illinois Adjusters Corp.

13. In some instances sales representatives for G & M Exteriors Pros sell services provided by both G & M Exteriors Pros as well as Illinois Adjusters Corp. and sometimes provide contracts of both companies to consumers for signature.

14. However, in other instances G & M Exteriors Pros itself also provides public adjusting services.

15. G & M Exteriors Pros is not currently, and has never been, licensed as a public adjuster with the Illinois Department of Insurance.

16. G & M Exteriors Pros has been licensed as a roofing contractor with the Illinois Department of Financial and Professional Regulations since August 12, 2015.

Olegario Coyotl

17. Defendant Coyotl is a resident of Elgin, Illinois and is the president and registered agent of G & M Exteriors Pros.

18. Coyotl is also Tlaczani's father.

19. Coyotl participates in, manages, controls, and has knowledge of the day-to-day activities and operations of G & M Exteriors Pros.

20. In addition to his day-to-day management, Coyotl also acts as a sales representative for G & M Exteriors Pros.

21. After a severe weather event like a hailstorm, Coyotl personally solicits consumers at their homes for roofing, siding, and gutter repair.

22. Coyotl also responds to consumer inquiries at the phone number listed on G & M Exteriors Pros business cards and flyers.

23. In addition to soliciting consumers for services through G & M Exteriors Pros, Coyotl also solicits consumers for Illinois Adjusters Corp., a business run by his son Tlaczani.

24. In some instances, Coyotl tells consumers that he will personally work with the consumer's insurance company to get a consumer's claim approved.

25. Coyotl is not licensed as a public adjuster with the Illinois Department of Insurance.

Illinois Adjusters Corp.

26. Defendant Illinois Adjusters Corp. is an Illinois corporation, incorporated on February 17, 2017, with its principal place of business at 2259 Annandale Court, Elgin, Illinois, 60123.

27. Illinois Adjusters Corp. operates out of the same office at 2259 Annandale Court as G & M Exteriors Pros.

28. Illinois Adjusters Corp. operates as a public adjuster, purporting to assist consumers with estimating and filing claims with their insurance company for needed home repairs.

29. Illinois Adjusters Corp. became licensed as a public adjuster with the Illinois Department of Insurance on or about March 20, 2019.

30. However, Illinois Adjusters Corp.'s public adjuster license was cancelled on or about July 13, 2020. *See* Illinois Adjusters Corp. license lookup on the National Association of Insurance Commissioners' website, <https://sbs.naic.org/solar-external-lookup/lookup/licensee/summary/3000506241?jurisdiction=IL&entityType=BE&licenseType=PAD>, last visited April 11, 2022.

31. Nevertheless, Illinois Adjusters Corp. has continued to provide public adjusting services since that time.

32. Illinois Adjusters Corp. sells its services through door-to-door sales with consumers, often after a hailstorm or other severe weather event.

33. However, Illinois Adjusters Corp. also operates interchangeably with G & M Exteriors Pros in terms of offering roofing repair services.

34. In addition, in some instances sales representatives for G & M Exteriors Pros contract with consumers on Illinois Adjusters Corp.'s behalf.

Bryan Tlaczani

35. Bryan Tlaczani is a resident of Elgin, Illinois and is the president and registered agent of Illinois Adjuster Corp.

36. Tlaczani participates in, manages, controls, and has knowledge of the day-to-day activities and operations of Illinois Adjusters Corp.

37. Tlaczani acts as a sales representative for Illinois Adjusters Corp. and personally acts as the public adjuster during consumer transactions.

38. Tlaczani held an active public adjuster license with the Illinois Department of Insurance from on or about January 31, 2017 until on or about July 13, 2020, when the Illinois Department of Insurance cancelled his license. *See* Tlaczani license lookup on the National Association of Insurance Commissioners' website, <https://sbs.naic.org/solar-external-lookup/lookup/licensee/summary/18300591?jurisdiction=IL&entityType=IND&licenseType=PAD>, last visited April 11, 2022.

39. Nevertheless, Tlaczani continues to offer public adjusting services to Illinois consumers despite the cancellation of his license.

40. Further, Tlaczani also effectively operates as a sales representative for G & M Exteriors Pros, selling home repair and remodeling services on its behalf.

41. Tlaczani is also involved in the day-to-day business of G & M Exteriors Pros outside of the initial sale.

42. Tlaczani responds to consumer complaints concerning G & M Exteriors Pros' failure to begin or finish work, and Tlaczani submits permit applications to local municipalities on behalf of G & M Exteriors Pros.

43. Additionally, in at least one instance, Illinois Adjusters Corp. and Tlaczani ordered roofing materials for G & M Exteriors Pros to use in its repair of a consumer's home.

Defendants' Common Enterprise

44. For purposes of this Complaint, any references to the acts and practices of "Defendants" shall mean that such acts and practices were implemented, executed, performed, accomplished, or carried out by and through the acts of Coyotl, Tlaczani, G & M Exteriors Pros, or Illinois Adjusters Corp., including through their owners, officers, directors, members, managers, employees, salespersons, representatives, and agents, as well as all persons or entities directly or indirectly under Defendants' control and all persons or entities acting in concert or in active participation with Defendants, as a single enterprise in furtherance of the unlawful business scheme described in this Complaint.

45. G & M Exteriors Pros, Illinois Adjusters Corp., Coyotl, and Tlaczani act in concert and participation with one another to coordinate their unlawful conduct in furtherance of Defendants' fraudulent home repair and public adjuster business enterprises.

46. Treating G & M Exteriors Pros, Illinois Adjusters Corp., Coyotl, and Tlaczani as distinct from one another when in fact they operate as a common home repair and public adjuster business would serve to sanction fraud and promote injustice.

TRADE AND COMMERCE

47. Subsection 1(f) of the Consumer Fraud Act defines "trade" and "commerce" as follows:

The terms ‘trade’ and ‘commerce’ mean the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible, real, personal, or mixed, and any other article, commodity, or thing of value wherever situated, and shall include any trade or commerce directly or indirectly affecting the People of this State.

815 ILCS 505/1.

48. Defendants were, at all material times, engaged in trade and commerce in the State of Illinois by selling home repair services and public adjusting services to the general public of the State of Illinois.

49. Defendants engaged in the business of home repair as defined in Section 10 of the Home Repair Act, 815 ILCS 513/10, and public adjusting as defined in Section 1510 of the Public Adjusters Law, 215 ILCS 5/1510.

FACTUAL BACKGROUND

50. Defendants are storm chasers – primarily soliciting consumers whose homes have been damaged by severe weather for home repair and public adjusting services.

The Storm and the Sale

51. In a typical transaction, Coyotl, Tlaczani, or another representative from G & M Exteriors Pros or Illinois Adjusters Corp., will arrive unannounced and uninvited to the consumer’s home, often after a severe weather event like a hailstorm and suggest that the consumer’s roof may have been damaged in the recent storm.

52. Defendants then offer to perform a free roof inspection.

53. Defendants may present consumers with a public adjuster contract either on a tablet computer or in paper form at this time.

54. Defendants often misrepresent to consumers that the contract is only to allow the Defendants to climb onto the consumer’s roof or contact the consumer’s insurance company for

a free estimate with no further obligation from the consumer when, in fact, the consumer is contracting with the business as a public adjuster and will be charged for Defendants' services.

55. Defendants frequently fail to present the consumer with the entire public adjuster contract before requesting a signature and in some instances only show the consumer the last page of the contract, which does not contain all key terms. Specifically, Defendants do not show consumers the page of the contract that grants Illinois Adjusters Corp. 35% of the insurance proceeds if the consumer does not choose G & M Exteriors Pros as the repair company.

56. Defendants also do not tell consumers of this key term, which means the public adjuster contract not only makes Tlaczani or Illinois Adjusters Corp. the consumer's public adjuster but also effectively binds the consumer to using G & M Exteriors Pros as their roofing contractor.

57. As such, consumers have essentially no option but to proceed with G & M Exteriors Pros for their repairs once they have contracted with Illinois Adjusters Corp., as they will lose 35% of their insurance claim otherwise—a loss that would leave them without sufficient insurance funds to complete the repair with another contractor.

58. As the consumer's public adjuster, Defendants then submit a claim to the consumer's insurance company and coordinate the receipt of the consumer's insurance proceeds.

59. In many instances, Tlaczani requests consumers endorse the check or checks from their insurance companies to Tlaczani or Illinois Adjusters Corp.

60. After Tlaczani takes the check from the consumer, G & M Exteriors Pros begins or promises to begin work on the consumer's home.

61. G & M Exteriors Pros typically does not request payment directly from the consumer in these instances.

62. In some instances G & M Exteriors Pros fails to start work, fails to complete work, or fails to complete work properly.

63. But, based on the terms of the Illinois Adjusters Corp. contract, if the consumer becomes dissatisfied with G & M Exteriors Pros's performance, the consumer is obligated to pay 35% of their insurance proceeds to Illinois Adjusters Corp. if they attempt to obtain a different roofing repair business – even if G & M Exteriors has failed to start or complete the work as promised.

64. Further, even if consumers were willing to lose 35% of their insurance proceeds, Defendants frequently fail to respond to consumers' requests to be released from their contracts, keeping consumers from using any insurance funds to hire a different roofing repair company.

Adjusting Services

65. Coyotl often tells consumers that he personally will contact the consumer's insurance company to get the repairs approved by the insurance company.

66. Alternatively, Coyotl will also tell consumers that his son, Tlaczani, is a public adjuster and can work with the consumers' insurance company to get the necessary repairs approved by the insurance company.

67. Once a consumer contracts with Tlaczani or Illinois Adjusters Corp., Defendants are often slow to contact the consumer's insurance company.

68. Similarly, when a consumer's insurance company requests additional information from Defendants, Defendants do not respond in timely manner.

69. In some instances, Defendants will be late to, or miss completely, appointments at the consumer's home, that they themselves scheduled, to meet with the consumer's insurance company's adjuster.

70. Once a consumer notifies Tlaczani that the consumer has received the insurance check, Defendants will typically be quick to pick up the check from the consumer.

71. Usually, Defendants will also quickly cash the check.

72. However, in some instances, despite having possession of the check, Defendants fail to cash the check at all.

73. Despite having their licensed cancelled on or about July 13, 2020, Defendants Tlaczani and Illinois Adjusters Corp. continue to offer public adjusting services and enter into contracts for public adjusting services. *See* Illinois Adjusters Corp. contracts entered into on October 17, 2020 and May 1, 2021 attached as group Exhibit A.

74. Further, Defendants continue to maintain and update their Illinois Adjusters Corp. website (<https://www.illinoisadjusterscorp.com>), advertising public adjuster services they are no longer licensed to perform. *See* screen shot of www.illinoisadjusterscorp.com website, last visited April 11, 2022, attached as Exhibit B.

75. Defendants also continue to market their public adjusting services through Illinois Adjusters Corp.'s Facebook and Instagram pages. *See* screen shot of Defendant's Facebook page (<https://www.facebook.com/iilinoisadjusterscorp/>), last visited April 11, 2022 attached as Exhibit C; *See* screen shot of Defendants Instagram page (<https://www.instagram.com/illinoisadjusterscorp/?igshid=1e1zm03ta28dw>) last visited April 11, 2022, attached as Exhibit D.

76. For instance, on March 10, 2021, Illinois Adjusters Corp. advertised on its Facebook page:



Illinois Adjusters Corp. is in Mount Prospect, Illinois.

March 10 · 🌐

Roof Replacement | Paid by Insurance

A team of experts helping homeowners in the negotiations, settlement, and reconstruction of their properties from the recent storms damaging roofing, siding, and gutters.

Call now to schedule a FREE drone inspection, policy review, or if you have been denied by your insurance!

Bryan T.

847-239-4705.

See Exhibit C, Illinois Adjusters Corp., Facebook (Mar. 10, 2021), <https://www.facebook.com/iilinoisadjusterscorp/>.

Failure to Repair

77. In their initial meeting with consumers, Defendants often also provide consumers with a G & M Exteriors Pros contract purportedly for the work to be performed.

78. These contracts often lack specificity, failing to specify the total cost of the project or materials to be used, but assuring customers that their insurance company will cover the costs.

79. After Defendants submit a claim to the consumer's insurance company and receive a check from the consumer, Defendants rarely start the home repair work within nine days of receiving insurance approval as outlined in the G & M Exteriors Pros contract.

80. In fact, Defendants routinely fail to begin or complete the work at all, much less by a date agreed upon with the consumer.

81. In the instances when G & M Exteriors Pros does perform work, the work is done shoddily or improper materials are used.

82. When Defendants fail to begin the work, consumers will call both Tlaczani and Coyotl to learn when Defendants will begin the work.

83. Often, Coyotl and Tlaczani only respond to a consumer if the consumer is calling from a phone number that Defendants do not associate with the consumer.

84. When Defendants do answer, Defendants frequently tell consumers that the work will begin soon or that the Defendants are just waiting for a warm day to start repairs.

85. When work actually begins, Defendants frequently fail to complete all of the work, such as fixing damaged siding, gutters, sheds or fences.

86. Consumers frequently cancel, or attempt to cancel, the projects and demand refunds.

87. However, Defendants do not respond to consumers' outreach attempts.

88. Despite failing to initiate or complete the repairs in a workmanlike manner, Defendants fail to provide refunds to affected consumers, even when consumers demand refunds from Defendants.

89. And when Defendant receive written demands for refunds, Defendants fail to issue the refunds within ten days of the demand, as required by Section 2Q(c) of the Consumer Fraud Act. In some instances, Defendants have failed to ever provide these consumers with refunds.

90. As such, consumers are left with few options: work has not been commenced or completed, but they are unable to hire a new contractor as they would stand to lose 35% of their insurance proceeds to Defendants if they switched roofing companies per the Illinois Adjusters contract.

91. Defendants' conduct is ongoing and has the potential to impact any Illinois consumers who purchase Defendants' services.

Contract Issues

92. Defendants utilize contracts that are deficient in several important respects.

93. When contracting for sale of merchandise over twenty-five dollars at consumers' homes, Defendants, in their G & M Exteriors Pros contract, do not provide a "Notice of Cancellation" form to consumers informing consumers of their right to cancel the contract within three days, as required by the Consumer Fraud Act, 815 ILCS 505/2B.

94. When soliciting consumers for repairs following damaging weather, Defendants, in their G & M Exteriors Pros contract, do not notify consumers in 10-point boldface font, and in substantially the following form as required by Section 18 of the Home Repair Act, that:

"You may cancel this contract at any time before midnight on the earlier of the fifth business day after you have received written notification from your insurer that all or any part of the claim or contract is not a covered loss under the insurance policy or the thirtieth business day after your insurer has received properly executed proof(s) of loss from you. See attached notice of cancellation form for an explanation of this right."

815 ILCS 513/18(f).

95. Further when soliciting consumers for repairs following damaging weather, Defendants fail to attach to their G & M Exteriors Pros contract an easily-detachable "Notice of Cancellation" notifying the consumer of their right to cancel as required by the Home Repair Act, 815 ILCS 513/18(g).

96. In fact, Defendants do not inform consumers of their five and thirty day right to cancel in any manner in their G & M Exteriors Pros contract.

97. Defendants also fail to provide the "Home Repair: Know Your Consumer Rights" brochure to consumers purchasing home repair services in transactions exceeding \$1,000, as required by the Home Repair Act, 815 ILCS 513/20.

98. Defendants fail to collect a form acknowledging receipt of this brochure, much less leave a copy of such acknowledgment form with consumers as required by as required by the Home Repair Act, 815 ILCS 513/20.

99. Defendants often fail to specify the total cost of the home repair project in the G & M Exteriors Pros contract, including the parts and materials listed with reasonable particularity, as required by the Home Repair, 815 ILCS 513/15.

100. Instead, per the G & M Exteriors Pros contract, Defendants try to have the price be whatever the insurance company approves, with consumers paying nothing but their deductible. Specifically the contract states:

PRICE AGREEMENT NOTE. Pricing is separated by trade and subject to insurance co. approval on an individual basis.... By signing this agreement the homeowner authorizes G&M Ext.Pro. to pursue the homeowners best interests for a roof/ siding replacement or repair at a "price agreeable" to the insurance co and G&M Ext.Pro. with no additional out of pocket costs to the homeowner except the deductible. Upon approval or confirmation by my insurance company on the scope of damage and/or agreed price listed on this agreement, I Authorize G&M Ext. Pro. To obtain labor and material in accordance with this "price Agreement" and the specification set out herein ad the reverse side hereof to accomplish the replacement or repair.

See as exemplar Patel G & M Exteriors Pros Contract attached as Exhibit E (emphasis added).

101. Frequently, Defendants write "TBD" or fill in no amount where dollar amounts should be listed on the G & M Exteriors Pros contract. *Id.*

102. Defendants further blur the line between public adjuster and contractor by including in the G & M Exteriors Pros contract:

INSURANCE/ MORTGAGE NOTE: I Hereby authorize any insurance company, mortgage company or lender involved with the property address listed above to issue payments jointly and release all documentation to G&M Exteriors Pro. to assist in expediting the claim process.

Id.

103. Further, Defendants' G & M Exteriors Pros contract penalizes consumers if a consumer cancels the contract after three days. Specifically, it states:

IF CONTRACT IS CANCELLED BY CUSTOMER IN WRITING LATER THAN 3 DAYS from execution, customer shall pay the Co. fifteen percent (15%) of the contract price as liquidated damages, not as a penalty, and the Co. agrees to accept such as a reasonable and just compensation for said cancellation.

Id.

104. Defendants' G & M Exteriors Pros contract further states, "If material has to be reordered or restocked because of cancellation by the customer, there will be a restocking fee equal to 15% of the contract price." *Id.*

105. However, since these contracts are to be paid from insurance proceeds, consumers are actually entitled to cancel with no restocking fee or liquidated damages fees up to five days after receiving notice from their insurance company that the whole claim is not covered or thirty day after receipt of a proof of loss.

106. Defendants have used two different versions of their public adjuster contract.

107. Defendants used the contract entitled "Bryan Tlaczani, Public Adjuster" from approximately February 2017 to July 2019. *See* exemplar of the 2017 Public Adjuster Contract, attached as Exhibit F.

108. Defendants updated this contract on or about March 29, 2019 after Illinois Adjusters Corp. became licensed as a public adjuster.

109. Defendants included the Illinois Adjusters Corp. license information and logo on this updated contract. *See* exemplar of the 2019 Public Adjuster Contract, attached as Exhibit G.

110. Defendants used the 2019 Public Adjuster Contract from April 2019 onward.

111. As such, Defendants used both the 2017 Public Adjuster Contract and the 2019 Public Adjuster Contract interchangeably for a period of four months in 2019.

112. Defendants include the following provision in their 2017 Public Adjuster Contract: “By its signature, the Insured acknowledges receipt of the Consumer Rights pamphlet and the Disclosure to the Insured document which are attached to and made part of this contract.”

113. However, despite this recitation, Defendants failed to provide consumers with a separate signed and dated disclosure regarding the insurance claims process or written notice of the insured’s rights as a consumer under Illinois law as required by the Public Adjusters Law, 215 ILCS 1575(f) and 1575(i).

114. Further, Defendants often fail to execute their public adjuster contracts in duplicate and present an original to the consumer that is signed by both the consumer and the public adjuster, as required by the Public Adjusters Law, 215 ILCS 1575(g).

115. Defendants also fail to include the date and time the public adjuster contract was signed by both the consumer and the adjuster on the contract, as required by the Public Adjusters Law, 215 ILCS 5/1575(a).

CONSUMER ILLUSTRATIONS

116. The Office of the Illinois Attorney General has received written complaints from consumers relating to the business practices of Defendants. The following illustrations are pled as examples of Defendants’ unlawful business practices and are not meant to be exhaustive.

Marsha Dearmond

117. Marsha Dearmond is a senior citizen residing in Cook County, Illinois.

118. On or about August 28, 2018, Dearmond's residence was damaged during a storm.

119. On or about January 4, 2019, Coyotl came to Dearmond's home unsolicited and uninvited.

120. On January 4, 2019, Coyotl told Dearmond and her husband that Coyotl was the owner of G & M Exteriors Pros and that homes in her area had been damaged by hail.

121. While walking around the outside of Dearmond's home with Dearmond and her husband, Coyotl pointed out hail damage to the home and garage.

122. On January 4, 2019, Coyotl told Dearmond he could go through her insurance company and have her roof replaced, including new shingles and boards, and have her windows rewrapped and capped, all to be completed by the summer.

123. That day, January 4, 2019, Dearmond signed a contract with G & M Exteriors Pros, for her complete roof replacement, including new shingles and boards. *See* Dearmond G & M Exteriors Pros Contract, attached and incorporated hereto as Exhibit H.

124. Coyotl did not include any price in the G & M Exteriors Pros contract with Dearmond. *Id.*

125. In addition to the G & M Exteriors Pros contract, Coyotl presented Dearmond with another document to sign on January 4, 2019. *See* Dearmond 2017 Public Adjuster Contract, attached and incorporated hereto as Exhibit I.

126. Coyotl claimed this document would allow G & M Exteriors Pros to contact her insurance company and get the roofing work approved by her insurance company.

127. In fact, on January 4, 2019, Coyotl actually presented Dearmond with the last page of the 2017 Public Adjuster Contract to sign. *Id.*

128. Coyotl did not tell Dearmond that this second document she was signing was the last page of the Illinois Adjusters Corp. contract or was with a different company. *Id.*

129. Coyotl did not show Dearmond the entire 2017 Public Adjuster Contract, and he did not provide her with a copy of the contract.

130. Coyotl did not provide Dearmond with the five and thirty-day right-to-cancel disclosure required under the Home Repair Act, 815 ILCS 513/18(f) when she signed the G & M Exteriors Pros contract, nor the five-day disclosure requirement under the Public Adjusters Law, 215 ILCS 5/1575(j) when she signed the 2017 Public Adjuster Contract.

131. Coyotl did not provide Dearmond with a copy of the “Home Repair: Know Your Consumer Rights” pamphlet prior to the execution of the home repair and remodeling contract as required by the Home Repair Act, 815 ILCS 513/20.

132. Coyotl also failed to provide Dearmond with a separate signed and dated disclosure regarding the insurance claims process or written notice of Dearmond’s rights as a consumer under Illinois law as required by the Public Adjusters Law, 215 ILCS 1575(f) and 1575(i).

133. Further, although contracting for sale of merchandise involving \$25 or more at Dearmond’s home, Coyotl failed to provide Dearmond with the “Notice of Cancellation” information, a detachable “Notice of Cancellation” form, or any notification of Dearmond’s right to cancel, as required by the Consumer Fraud Act, 815 ILCS 505/2B.

134. Defendants did not sign the contract for public adjusting services at Dearmond’s home.

135. When Dearmond signed and dated the last page of the contract for public adjusting services on or about January 4, 2019, hers was the only signature on the document.

136. However, Defendants later inserted a signature from Tlaczani onto the agreement.

137. Defendants also changed the date of the contract for public adjusting services to February 4, 2019 by inserting a “2” on top of the date Dearmond had handwritten onto the agreement before submitting it to the insurance company. *Id.*

138. Although she met Coyotl, Tlaczani’s father, on January 4, 2019, Dearmond had not met nor spoken with Tlaczani at any point prior to or on February 4, 2019.

139. Defendants also wrote February 4, 2019 in fillable spaces in other parts of the document. *Id.*

140. In or around February 2019, Coyotl came to Dearmond’s home and placed blue tarps on damaged spots on her roof.

141. Coyotl did not ask Dearmond to sign any documents that day.

142. In or around April 2019, Tlaczani called Dearmond and said that he was Coyotl’s public adjuster and would be coming to her home to inspect her roof with her insurance adjuster.

143. Within one to two weeks following that phone call, in or around April 2019, Tlaczani came to Dearmond’s home and inspected the roof with her insurance company’s adjuster.

144. Tlaczani had not met Dearmond before this inspection.

145. On or about April 23, 2019, Dearmond’s insurance company issued a check to Dearmond and Tlaczani in the amount of \$2,048.91.

146. On or about May 8, 2019, Dearmond’s insurance company issued a second check to Dearmond and Tlaczani in the amount of \$3,226.15.

147. Tlaczani asked Dearmond to endorse the checks to Illinois Adjusters Corp. and give them to him.

148. Shortly thereafter, in or around mid-May, Dearmond endorsed the checks to Illinois Adjusters Corp. and provided them to Tlaczani.

149. Defendants cashed or deposited the checks on or about May 29, 2019.

150. G & M Exteriors Pros commenced work on Dearmond's roof or about June 4, 2019.

151. While the shingles were replaced, Defendants did not replace the boards underneath the shingles and did not place aluminum wrap on the windows or garage, contrary to what Dearmond and Coyotl agreed upon.

152. In or around the week of June 4, 2019, Defendants' employees, while working on Dearmond's roof, cracked a roof beam.

153. Coyotl was not present when the roof beam cracked, but in or around the week of June 4, 2019, Dearmond's husband called Coyotl, who said he would come to fix or brace the beam.

154. On or around June 4, 2019, Coyotl also said that he would come and complete the aluminum wrap on the windows and garage.

155. Coyotl never came to complete the repairs he promised.

156. Over the next several months, Illinois Adjusters Corp., Tlaczani, Coyotl, and G & M Exteriors Pros did not respond to multiple calls and messages left by Dearmond, her husband, and her daughter.

157. On or about September 12, 2019, Dearmond's insurance company issued a third check to Dearmond and Tlaczani in the amount of \$1,221.23.

158. Dearmond did not give this third check to Tlaczani as work had not been completed on her home.

159. Because the check was made out to Dearmond and Tlaczani, Dearmond could not cash it herself.

160. Later that month, at the end of September, 2019, following the issuance of the third check and no response from Defendants about completing the work on her home, Dearmond filed complaints against Defendants with the Office of the Illinois Attorney General and Illinois Department of Insurance.

161. On or about October 15, 2019, the Illinois Department of Insurance sent Tlaczani a letter informing him that the contract between Illinois Adjusters Corp. and Dearmond appeared to be in violation of Sections 1575(a) and 1515(c)(2) of the Public Adjusters Law and was therefore void as against public policy. *See* 10/15/19 Illinois Department of Insurance Letter attached as Exhibit J.

162. Following the issuance of said letter, Tlaczani informed the Illinois Department of Insurance in writing that he released Dearmond's contract with Illinois Adjusters Corp.

163. The Illinois Department of Insurance sent a follow-up letter to Tlaczani on or about October 30, 2019 requiring he refund Dearmond's \$5,275.42. *See* 10/30/19 Illinois Department of Insurance Letter attached as Exhibit K.

164. To date, Defendants have not refunded Dearmond's money.

165. To date, Defendants have failed to complete the work on Dearmond's home.

166. Further, without the refund of the money owed her by Defendants, Dearmond has been unable to complete the roofing work on her home.

Pamela Hartnell

167. Pamela Hartnell resides in Cook County, Illinois.

168. On or about July 21, 2017, Hartnell's roof sustained damage due to hail and high winds.

169. In or around early March 2018, Hartnell saw workers at a neighbor's home and asked for more information about their business.

170. That day, the workers gave Hartnell a flyer for G & M Exteriors Pros and went on her roof to view the damage.

171. In or around early March 2018, Hartnell called the phone number on the G & M Exteriors Pros flyer and spoke to Coyotl, who told her he could come to her home to inspect the damage.

172. On or about March 7, 2018, Coyotl came to Hartnell's home and went on her roof.

173. Coyotl told Hartnell the roof was a "tear down" and needed to be totally replaced.

174. On or about March 7, 2018, Coyotl presented Hartnell with the G & M Exteriors Pros contract to replace the entirety of her roof with her insurance proceeds.

175. On or about March 7, 2018, Hartnell signed the contract.

176. Coyotl did not provide Hartnell with the five and thirty day right-to-cancel disclosure required under the Home Repair Act, 815 ILCS 513/18(f).

177. Coyotl did not provide Hartnell with a copy of the "Home Repair: Know Your Consumer Rights" pamphlet prior to the execution of the home repair and remodeling contract as required by the Home Repair Act, 815 ILCS 513/20.

178. Although contracting for sale of merchandise at Hartnell's home that involved \$25 or more, Coyotl failed to provide Hartnell with the "Notice of Cancellation" information, a

detachable “Notice of Cancellation” form, or any notification of Hartnell’s right to cancel as required by the Consumer Fraud Act, 815 ILCS 505/2B.

179. Coyotl further failed to attach to Hartnell’s contract an easily detachable “Notice of Cancellation” as required by the Home Repair Act, 815 ILCS 513/18(g).

180. That same day, on or about March 7, 2018, Coyotl also presented Hartnell with the 2017 Public Adjuster Contract to sign.

181. On or about March 7, 2018, Hartnell signed this contract as well. *See* Hartnell 2017 Public Adjuster Contract, attached and incorporated hereto as Exhibit L.

182. Coyotl did not show Hartnell the first page of the public adjusting contract, which includes language that Tlaczani will earn 35% of the insurance proceeds if the homeowner fails to use G & M Exteriors Pros to perform the work.

183. Coyotl failed to provide Hartnell with a separate signed and dated disclosure regarding the insurance claims process or written notice of Hartnell’s rights as a consumer under Illinois law as required by the Public Adjusters Law, 215 ILCS 1575(f) and 1575(i).

184. Defendants never provided Hartnell with an original, signed copy of the public adjuster contract.

185. In fact, Hartnell did not receive a copy of her public adjusting contract until she requested it from her insurance company.

186. Tlaczani was not present when Hartnell signed the public adjusting contract.

187. Tlaczani did not meet Hartnell until roughly two weeks later when he came to her home to inspect her roof with adjusters from Hartnell’s insurance company.

188. After this inspection, Hartnell’s insurance company issued the initial check for her insurance proceeds on or about March 28, 2018 for \$4,269.15.

189. The check was made out to Hartnell and Tlaczani.

190. Defendants had not told Hartnell that Tlaczani would be on the insurance check.

191. On or about April 6, 2018, Tlaczani came to Hartnell's home, and requested Hartnell endorse the insurance check.

192. On that date, Hartnell signed the check and gave it to Tlaczani.

193. At this meeting, Tlaczani also discussed roofing specifications, including the color of the roof, with Hartnell.

194. Tlaczani assured Hartnell that her roof would be completed "right away."

195. Defendants cashed the check on or about April 10, 2018.

196. On or about April 17, 2018, after Hartnell texted Tlaczani requesting work updates, he responded confirming that the check had been cashed and that they were scheduling the work. *See* 4/17/18 Text Message Exchange attached as Exhibit M.

197. In his response text on April 17, 2018, Tlaczani speaks for both Defendants, saying "the funds are available to order material! And we're looking for a day that is going to be warm so we can start the build." (emphasis added). *Id.*

198. Despite this representation, Defendants never provided Hartnell a start date for the work.

199. Defendants never began the work on Hartnell's home.

200. From in or around late-April 2018 to in or around late-May 2018, Hartnell called and texted Defendants to learn when work would start on her home.

201. Defendants never responded to these calls or texts.

202. On or about May 21, 2018, having received no responses to her requests for information from Defendants, Hartnell sent a letter via certified mail to Defendants at the

Annandale Court and Valley Creek Road addresses seeking to cancel her contract and demanding a refund within ten days. *See* Hartnell Demand Letter attached as Exhibit N.

203. On or about May 30, 2018, having received no response to her demand letters, Hartnell called Defendants again to learn when her work would be completed or money refunded.

204. This time, Coyotl actually answered Hartnell's call.

205. On May 30, 2018, Coyotl told Hartnell that Tlaczani was in Mexico attending to family matters, but that Coyotl would come to Hartnell's home the next day, May 31, 2018, to refund her insurance money, minus what was owed to Tlaczani for the public adjusting services he provided.

206. Defendants did not appear at Hartnell's home at any point on May 31, 2018.

207. On or about May 31, 2018, Coyotl texted Hartnell that he had a family emergency and requested they meet the following day. *See* 5/31/18 text message exchange attached as Exhibit O.

208. Hartnell was unable to meet with Defendants on the following day, and Defendants did not respond to Hartnell's subsequent attempts to reschedule.

209. In or around June 2018, Hartnell filed consumer complaints against Defendants with the Office of the Illinois Attorney General and the Illinois Department of Insurance.

210. On or about July 24, 2018, Hartnell filed a lawsuit against Tlaczani and G & M Exteriors Pros, in the First Municipal division of the Circuit Court of Cook County (Case No. 18 M1 125575).

211. Following her consumer complaints and the filing of the lawsuit, in or around late July or early August, Tlaczani contacted Hartnell to resolve the matter and refund her money.

212. Around late July or early August, 2018, Tlaczani blamed G & M Exteriors Pros's failure to start roof repair work on his being out of the country dealing with family problems.

213. In or around late July or early August, Tlaczani met Hartnell at her bank and gave her a partial refund of \$4,219.15 – short \$50 of what Hartnell paid Defendants.

214. On or about August 27, 2018, the Illinois Department of Insurance demanded that Defendants refund the additional \$50 to Hartnell. *See* 8/27/18 Email from the Illinois Department of Insurance attached as Exhibit P.

215. Finally, after this additional prompting, Tlaczani refunded Hartnell the final \$50 he owed her on or about August 27, 2018.

216. During the months between when she contracted with Defendants and when her money ultimately refunded, Hartnell's home continued to experience damage, including water leaking into the home, due to the lack of repairs.

217. Defendants never performed any work on Hartnell's home.

Vishal Patel

218. Vishal Patel is a resident of Cook County, Illinois.

219. On or about July 21, 2017, Patel's home sustained wind and hail damage in a storm.

220. Following that storm, in or about late July or early August 2017, Coyotl and a representative of G & M Exteriors Pros named Jack came to Patel's home, presented him with a flyer for G & M Exteriors Pros and offered him a free roof inspection.

221. Patel accepted the free roof inspection, and Coyotl and Jack went onto Patel's roof and took photos.

222. Coyotl told Patel that Patel's insurance policy should cover an entire replacement of Patel's roof.

223. On that same day, Coyotl asked Patel to sign a document.

224. Patel does not remember what Defendants told him the document was.

225. Neither Coyotl nor Jack gave Patel a copy of this document, as they said that they did not have extra forms.

226. Coyotl told Patel they would mail him a copy of the document.

227. Despite that promise, Defendants never mailed Patel a copy of the document he signed.

228. That day, on or around late July or early August 2017, Coyotl told Patel that his son, Tlaczani, was a public adjuster and would come to Patel's home to file an insurance claim on Patel's behalf.

229. On or about August 25, 2017, Tlaczani came to Patel's home and had Patel sign a 2017 Public Adjuster Contract. *See* Patel 2017 Public Adjuster Contract, attached and incorporated hereto as Exhibit Q.

230. Tlaczani failed to provide Patel with a separate signed and dated disclosure regarding the insurance claims process or written notice of Patel's rights as a consumer under Illinois law, as required by the Public Adjusters Law, 215 ILCS 1575(f) and 1575(i).

231. On or about August 25, 2017, Defendants submitted Patel's claim to Patel's insurance company.

232. On or about September 7, 2017, Coyotl met with an adjuster from Patel's insurance company, and Coyotl and the insurance company adjuster inspected Patel's roof together.

233. Tlaczani did not come to the Patel's home to meet with the insurance company adjuster.

234. On or about September 7, 2017, Coyotl presented Patel with the G & M Exteriors Pros contract for a roof "tear off" and replacement, which Patel signed. *See* Patel G & M Exteriors Pros contract, attached and incorporated hereto as Exhibit E.

235. Coyotl did not include the price of the work to be completed in the G & M Exteriors Pros contract, instead writing "TBD."

236. Coyotl told Patel work would begin on the roof as soon as possible after Defendants received the check.

237. Although contracting for sale of merchandise involving \$25 or more at Patel's home, Coyotl failed to provide Patel with the "Notice of Cancellation" information, a detachable "Notice of Cancellation" form, or any notification of Patel's right to cancel as required by the Consumer Fraud Act, 815 ILCS 505/2B.

238. Defendants failed to provide Patel with the five and thirty day right-to-cancel disclosure required under the Home Repair Act, 815 ILCS 513/18(f).

239. Defendants further failed to attach to Patel's contract an easily detachable "Notice of Cancellation" as required by the Home Repair Act, 815 ILCS 513/18(g).

240. Defendants failed to provide Patel with a copy of the "Home Repair: Know Your Consumer Rights" pamphlet prior to the execution of the home repair and remodeling contract as required by the Home Repair Act, 815 ILCS 513/20.

241. On or about September 14, 2017, Patel's insurance company issued a check in the amount of \$5,303.44 to Patel.

242. At Tlaczani's request, Patel endorsed the insurance check and gave it to Tlaczani, in or around October 2017.

243. Defendants did not cash or deposit the check until on or about December 15, 2017.

244. After Patel gave the insurance check to Tlaczani in or around October 2017, he called Defendants asking when work would begin.

245. The next month, in or around November, Coyotl eventually responded and told Patel the weather was too cold to complete the roof, but he promised Patel the work would be completed in early April 2018.

246. On or about October 30, 2017 Defendants applied for a building permit with the Village of Bartlett for the roofing work to be done on Patel's home. *See* Village of Bartlett Permit Application attached as Exhibit R.

247. Defendants listed Tlaczani as the building permit applicant and provided the phone number for G & M Exteriors Pros and the email address for Coyotl. *Id.*

248. Despite Defendants' earlier representation to Patel, Defendants did not begin, much less complete, the work on Patel's home at any point in April 2018.

249. Moreover, throughout April 2018, Patel called Defendants repeatedly, but Defendants never answered Patel's calls or responded to Patel's voicemails.

250. On or about May 12, 2018, Patel and his wife went to the address listed on Defendants' respective business cards.

251. Tlaczani answered the door and spoke to Patel.

252. Patel requested Defendants provide an itemized description of the work to be done, the cost, and a date for when the work would be completed.

253. During his conversation with Patel, Tlaczani told Patel he would call Coyotl for answers to Patel's questions.

254. At this time on May 12, 2018, in Patel's presence, Tlaczani made the phone call to someone he purported to be Coyotl.

255. On May 12, 2018, Tlaczani told Patel that Coyotl would go to Patel's home the following day and provide Patel with a timeline of when the work would be completed.

256. On May 12, 2018, Tlaczani also said that Coyotl would bring an updated copy of the G & M Exteriors Pros contract that would include an itemization of costs and the final price for the roof repairs.

257. Coyotl did not come to Patel's home as scheduled on May 13, 2018.

258. On or about May 13, 2018, Defendants did not answer Patel's phone calls.

259. On our about May 23, 2018, Patel emailed Tlaczani requesting a face-to-face meeting, but Tlaczani never responded to this email.

260. Patel filed an incident report with the Bartlett Police Department on or about May 30, 2018.

261. On or about June 1, 2018, Patel sent ten day demand letters to G & M Exteriors Pros at the Annandale Road and the Valley Creek Drive addresses via certified mail demanding his roofing work be completed or his money be returned.

262. Defendants did not respond to Patel's demand letters, complete the work, or provide Patel a refund.

263. On or about June 1, 2018, Patel filed a consumer complaint against Defendants with the Illinois Attorney General's office.

264. On or about June 5 and June 12, 2018, Bartlett Police Officer Christopher Meade left messages for Coyotl to contact him to discuss Patel's complaint.

265. Coyotl did not respond to Officer Meade's requests.

266. On or about June 14, 2018, Home Depot attempted to deliver roofing materials to Patel's home. *See* Home Depot Deliver Confirmation attached as Exhibit S

267. Tlaczani and Illinois Adjusters Corp. are listed on the Home Depot's Delivery Confirmation form as the "Customer." *Id.*

268. Tlaczani and Illinois Adjusters Corp. did not inform Patel that these materials were being delivered and did not have Patel's approval to make the delivery.

269. On or about July 3, 2018, Patel filed a complaint against Defendants with the Cook County State's Attorney Office.

270. On or about July 10, 2018, Patel's attorney sent letters via certified mail to Defendants demanding the return of Patel's funds within ten days.

271. Defendants did not respond to the demand letters sent by Patel's attorney.

272. On or about July 30, 2018, Patel filed a consumer complaint against Tlaczani with the Illinois Department of Insurance.

273. On or about August 30, 2018, the Illinois Department of Insurance informed Tlaczani that the 2017 Public Adjuster Contract with Patel was void as it did not include the date and time that the contract was signed as required by the Public Adjusters Law, 215 ILCS 5/1575(a). *See* 8/30/18 Illinois Department of Insurance Letter attached as Exhibit T

274. The Illinois Department of Insurance's August 30, 2018 letter further stated that, by September 6, 2018, Tlaczani must refund Patel his payment. *Id.*

275. On or about October 26, 2018, Tlaczani refunded Patel by mailing Patel a cashier's check for \$5,303.44.

276. Since that time, Patel hired a contractor to complete the repairs to his roof.

277. The delay in repairing Patel's roof resulted in additional damage and new leaks occurred in Patel's bedroom and bathroom.

278. Defendants never performed any repair work on Patel's home.

VIOLATIONS OF LAW

COUNT I: CONSUMER FRAUD ACT

279. The People re-allege and incorporate by reference the allegations of Paragraphs 1-278.

280. Defendants Coyotl, G & M Exteriors Pro, Tlaczani, and Illinois Adjusters Corp. have committed deceptive acts or practices in the conduct of trade or commerce declared unlawful under Section 2 of the Consumer Fraud Act, 815 ILCS 505/2 by:

- a. Misrepresenting, with the intent that consumers rely on such misrepresentation, that Illinois Adjusters Corp. contracts that the consumers signed were not contracts, but instead were to allow Defendants to provide a free inspection of the consumer's roof or to allow Defendants to speak to the consumer's insurance company without further obligation by the consumer;
- b. Misrepresenting, with the intent that consumers rely on such misrepresentations, that Defendants will fully complete home repair work and then failing to commence or fully complete said work;
- c. Misrepresenting, with the intent that consumers rely on such misrepresentations, that Defendants will complete home repair to the

specifications and quality Defendants agreed upon with the consumers and then failing to do so;

- d. Misrepresenting, with the intent that consumers rely on such misrepresentations, that Defendants will begin or complete home repair projects within a specific period of time and then failing to do so;
- e. Misrepresenting, with the intent that consumers rely on such misrepresentations, that Defendants could perform public adjusting services when they did not have public adjuster licenses as required by 215 ILCS 5/1515;
- f. Misrepresenting, with the intent that consumers rely on such misrepresentations, consumers' ability to receive a complete refund within the applicable statutory right to cancel period, including, but not limited to, representing that consumers must pay 15% of the contract price if the contract is cancelled at any time by the consumer;
- g. Accepting payment from consumers, failing to commence or complete the promised work, and then failing to refund consumers' money upon request.

281. Defendants Coyotl, G & M Exteriors Pro, Tlaczani, and Illinois Adjusters Corp. have committed unfair acts or practices in the conduct of trade or commerce declared unlawful under Section 2 of the Consumer Fraud Act, 815 ILCS 505/2 by:

- a. Acting contrary to public policy by violating the standard of conduct contained in the Public Adjusters Law, 215 ILCS 5/1501 *et seq.*, by:
 - i. Failing to provide consumers with a separate signed and dated disclosure document regarding the claim process before consumers

- sign a public adjuster contract as required by Section 1575(f)(1) of the Public Adjusters Law, 215 ILCS 1575(f)(1);
- ii. Failing to execute contracts for public adjuster services in duplicate and to provide an original contract to consumers at the time it is executed as required by Section 1575(g) of the Public Adjusters Law, 215 ILCS 1575(g);
 - iii. Failing to give the consumer written notice of the insured's rights as a consumer under the law as required by Section 1575(i) of the Public Adjuster Law, 215 ILCS 1575(i); and
 - iv. Entering into contracts with consumers that vests in Defendants the effective authority to choose the persons who shall perform the home repair work as prohibited by Section 1590(j)(5) of the Public Adjusters Law, 215 ILCS 1590(j)(5).
- b. Acting in an immoral, unethical, oppressive, or unscrupulous manner by entering into public adjuster contracts with consumers that effectively force consumers to hire Defendants to perform the home repair work and do not allow consumers to hire another contractor to perform the work without facing a financial loss, even when Defendants perform no work or shoddy work; and/or
- c. Causing substantial injury to consumers by prohibiting them from hiring another contractor to perform work that Defendants failed to perform without incurring a substantial financial loss.

282. While engaged in trade or commerce, Defendants committed deceptive and unfair acts and practices declared unlawful by Section 2B of the Consumer Fraud Act by entering into contracts for the sale of public adjusting or home repair services of \$25 or more while physically present at the consumer's residence and:

- a. Failing to inform each consumer orally of the consumer's right to cancel the transaction within three days;
- b. Failing to furnish the consumer with a fully completed contract pertaining to the transaction that contains a "Notice of Cancellation" section informing the consumer that the consumer may cancel the transaction at any time within three days in immediate proximity to the space reserved in the contract for the consumer's signature; and
- c. Failing to attach to the contract a "Notice of Cancellation" form that contains the information required by Section 2B of the Consumer Fraud Act.

283. While engaged in trade or commerce, Defendants committed deceptive and unfair acts and practices declared unlawful by Section 2Q(c) of the Consumer Fraud Act by failing to return the down payments and any additional payments made to Defendants by consumers within ten days after a written demand was sent to Defendants by certified mail by the consumer, the consumer's legal representative, or a law enforcement agency when Defendants failed or refused to commence or complete work under a contract or an agreement for home repair.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff prays that this honorable Court enter an Order:

- A. Finding that Defendants engaged in trade or commerce within the meaning of Section 1(f) of the Consumer Fraud Act;

B. Finding that Defendants violated Section 2, 2B and 2Q(c) of the Consumer Fraud Act, by engaging in the unlawful acts and practices alleged herein;

C. Finding that Defendants violated the Consumer Fraud Act by virtue of Defendants' violations of Sections 15, 18, and 20 of the Home Repair Act;

D. Permanently enjoining Defendants from engaging in the deceptive acts and practices alleged in this complaint, including a permanent injunction barring Defendants from engaging in the business of soliciting, offering for sale, and selling home repair, home remodeling, and public adjusting services in the State of Illinois;

E. Revoking any and all licenses, certificates or other evidence of authority of the Defendants related to the business of home repair and remodeling services, as well as public adjusting services, in the State of Illinois;

F. Declaring that all contracts entered into between Defendants and Illinois consumers, by the use of practices declared unlawful, are rescinded and requiring that appropriate restitution be made by Defendants to said consumers;

G. Assessing a civil penalty up to \$50,000 per deceptive act or practice and an additional amount of \$50,000 for each act or practice found to have been committed with intent to defraud, as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7;

H. Assessing an additional civil penalty in the amount of \$10,000 per violation of the Consumer Fraud Act found by the Court to have been committed by Defendants against a person 65 years of age and older, as provided in Section 7(c) of the Consumer Fraud Act;

I. Requiring Defendants to pay all costs for the prosecution and investigation of this action; and

J. Providing such other relief as this Honorable Court deems just and proper.

COUNT II: HOME REPAIR AND REMODELING ACT

284. The People re-allege and incorporate by reference the allegations of Paragraphs 1-278.

285. Defendants offer “home repair and remodeling services” as that term is defined in Section 10 of the Home Repair Act, 815 ILCS 513/10, by advertising, offering for sale, selling, and providing home repair and remodeling services, and Defendants accept money from Illinois consumers for the same.

286. Defendants have engaged in unlawful practices in violation of Section 15 of the Home Repair Act, 815 ILCS 513/15, by failing to state the total cost of home repair work, including parts and materials listed with reasonable particularity, on written contracts for home repair or remodeling work.

287. Defendants have violated Section 18(f) of the Home Repair Act, 815 ILCS 513/18(f), by entering into contracts with consumers for goods and home repair services that contemplate that the goods and home repair services to be provided by Defendants are to be paid from the proceeds of a homeowner’s property and casualty insurance policy, and failing to include in Defendants’ contracts for goods and home repair services a statement of consumers’ right to cancel in at least 10 point boldface, in substantially the form as required by Section 18(f) of the Home Repair Act.

288. Defendants have violated Section 18(g) of the Home Repair Act, 815 ILCS 513/18(g), by entering into contracts with consumers for goods and home repair services that contemplate that the goods and home repair services to be provided are to be paid from the proceeds of a homeowner’s property and casualty insurance policy, and failing to furnish each insured consumer a fully completed form in duplicate, titled “NOTICE OF CANCELLATION,”

attached to but easily detachable from the contract in the form required by Section 18(g) of the Home Repair Act.

289. Defendants engaged in unlawful practices in violation of Section 20 of the Home Repair Act, when contracting with consumers for repairs over \$1,000, by:

- a. Failing to provide consumers with a copy of the “Home Repair” Know your Consumer Rights” pamphlet prior to the execution of the contract;
- b. Failing to obtain from the consumers a signed a dated acknowledgment entitled “Consumer Rights Acknowledgement Form”; and

Failing to sign and date the acknowledgment form, retain the original, and provide a duplicate copy to the consumer.

PRAYER FOR RELIEF

WHEREFORE, the Plaintiff prays that this honorable Court enter an Order:

A. Finding that Defendants engaged in home repair and remodeling services, as defined by Section 10 of the Home Repair Act.

B. Finding that Defendants violated the Consumer Fraud Act by virtue of Defendants’ violations of Sections 15, 18, and 20 of the Home Repair Act;

C. Permanently enjoining Defendants from engaging in the deceptive acts and practices alleged in this complaint, including a permanent injunction barring Defendants from engaging in the business of soliciting, offering for sale, and selling home repair, home remodeling, and public adjusting services in the State of Illinois;

D. Declaring that all contracts entered into between Defendants and Illinois consumers, by the use of practices declared unlawful, are rescinded and requiring that

appropriate restitution be made by Defendants to said consumers;

E. Revoking any and all licenses, certificates or other evidence of authority of the Defendants related to the business of home repair and remodeling services in the State of Illinois;

F. Assessing a civil penalty up to \$50,000 per deceptive act or practice and an additional amount of \$50,000 for each act or practice found to have been committed with intent to defraud, as provided in Section 7 of the Consumer Fraud Act, 815 ILCS 505/7;

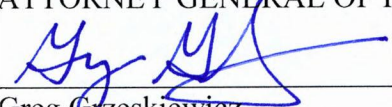
G. Assessing an additional civil penalty in the amount of \$10,000 per violation of the Consumer Fraud Act found by the Court to have been committed by Defendants against a person 65 years of age and older, as provided in Section 7(c) of the Consumer Fraud Act;

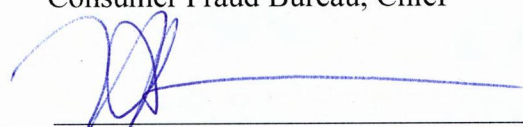
H. Requiring Defendants to pay all costs for the prosecution and investigation of this action; and

I. Providing such other relief as this Honorable Court deems just and proper.

Respectfully Submitted,

THE PEOPLE OF THE STATE OF ILLINOIS, by KWAME RAOUL ATTORNEY GENERAL OF ILLINOIS

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Consumer Fraud Bureau, Chief

By: 
Margaret E. McWhorter
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As you plan for your home repair or improvement project, it is important to ask the right questions in order to protect your investment. The tips in this fact sheet should allow you to protect yourself and minimize the possibility that a misunderstanding may occur.

If you think you have been defrauded by a contractor or have any questions, please bring your concerns to the attention of your state's attorney or the Illinois Attorney General's Office.

Consumer Fraud Hotlines

Springfield	Chicago	Carbondale
1-800-243-0618	1-800-386-5438	1-800-243-0607
TTY: 1-877-844-5461	TTY: 1-800-964-3013	

www.IllinoisAttorneyGeneral.gov

CONTRACT TIPS

1. Get all estimates in writing.
2. Do not be induced into signing a contract by high-pressure sales tactics.
3. Never sign a contract with blank spaces or one you do not fully understand. If you are taking out a loan to finance the work, do not sign the contract before your lender approves the loan.
4. You have three business days from the time you sign your contract to cancel any contract if the sale is made at your home. Homeowners age 65 or older have up to 15 business days if they signed a contract with an uninvited solicitor in the home. The contractor cannot deprive you of this right by initiating work, selling your contract to a lender or any other tactic. If you are planning to file a claim with your insurance company to pay for the work, you may cancel the contract in one of two ways, whichever occurs first: (1) within five business days after receiving written notice from the insurance company denying your claim; or (2) within 30 days after you sent a claim to the insurance company.
5. If the contractor does business under a name other than the contractor's real name, the business must either be incorporated or registered under the Assumed Business Name Act. Check with the Secretary of State to see if the business is incorporated or with the county clerk to see if the business has registered under the Act.
6. Homeowners should check with local and county units of government to determine if permits or inspections are required.
7. Determine whether the contractor will guarantee his or her work and products.
8. Determine whether the contractor has the proper insurance.
9. Do not sign a certificate of completion or make final payment until the work is done to your satisfaction.
10. Ask for lien waivers for any and all subcontractors.

Protect Yourself with Lien Waivers for all Subcontractors

Before you pay your contractor, understand that the Mechanics Lien Act requires that you shall request and the contractor shall give you a signed and notarized written statement (known as a "Sworn Statement") that lists all the persons or companies your contractor hired to work on your home, their addresses along with the amounts about to be paid, and the total amount owed after the payment to those persons or companies.

Suppliers and subcontractors have a right to file a lien against your home if they do not get paid for their labor or materials. To protect yourself against liens, you should demand that your contractor provide you with a Sworn Statement before you pay the contractor.

You should also obtain lien waivers from all contractors and subcontractors if appropriate. You should consult with an attorney to learn more about your rights and obligations under the Mechanics Lien Act.*

*Disclaimer: The contents of this paragraph are required to be placed in the pamphlet for consumer guidance and information only. The contents of this paragraph are not substantive enforceable provisions of the Home Repair and Remodeling Act and are not intended to affect the substantive law of the Mechanics Lien Act.



Consumer Rights Acknowledgement Form

HOMEOWNER: Keep This Part And The Pamphlet

I, the homeowner, have received from the contractor a copy of the document titled "Home Repair: Know Your Consumer Rights."

Signature (Homeowner) Date

Signature (Contractor or Representative) Date

Name of Contractor's Business

Address of Contractor's Business

Consumer Rights Acknowledgement Form

CONTRACTOR: Keep This Part Only

I, the contractor, have given the homeowner a copy of the document titled "Home Repair: Know Your Consumer Rights."

Signature (Homeowner) Date

Signature (Contractor or Representative) Date

Name of Contractor's Business

Address of Contractor's Business

BASIC TERMS TO BE INCLUDED IN A CONTRACT

- Contractor's full name, address and telephone number. Illinois law requires that those selling home repair and improvement services provide their customers with notice of any change to their business name or address that comes about prior to the agreed dates for beginning or completing the work.
- Description of the work to be performed.
- Starting and estimated completion dates.
- Total cost of work to be performed.
- Schedule and method of payment, including down payment, subsequent payments and final payment.
- Provision stating the grounds for termination of the contract by either party. However, the homeowner must pay the contractor for work completed. If the contractor fails to commence or complete work within the contracted time period, the homeowner may cancel and may be entitled to a refund of any down payment or other payments made towards the work upon written demand by certified mail.
- Illinois law also requires contractors who offer roofing work to include their Illinois state roofing license name and number on contracts and bids.
- Provision stating the grounds for termination of the

contract if you are notified by your insurer that all or any part of the claim or contract is not a covered loss under the insurance policy, you may cancel the contract by mailing or delivering written notice to (name of contractor) at (address of contractor's place of business) at any time prior to the earlier of midnight on the fifth business day after you have received such notice from your insurer or the thirtieth business day after receipt of a properly executed proof of loss by the insurer from the insured.

If you cancel, any payments made by you under the contract will be returned to you within 10 business days following receipt by the contractor of your cancellation notice. If, however, the contractor has provided any goods or services related to a catastrophe, acknowledged and agreed to by the insured homeowner in writing to be necessary to prevent damage to the premises, the contractor is entitled to the reasonable value of such goods and services.

To file a complaint against a roofing contractor, contact the Illinois Department of Financial and Professional Regulation at 312-814-6910 or file a complaint directly on its website. **Keep a copy of the signed contract in a safe place for reference as needed.**

AVOIDING HOME REPAIR FRAUD

Please use extreme caution when confronted with the following warning signs of a potential scam:

1. Door-to-door salespeople with no local connections who offer to do home repair work for substantially less than the market price.
2. Solicitations for repair work from a company that lists only a telephone number or a post office box number to contact, particularly if it is an out-of-state company.
3. Contractors who fail to provide references when requested.
4. People who offer to inspect your home for free.

5. Contractors who demand cash payment for a job or ask you to make a check payable to a person other than the owner or company name.
6. Offers from a contractor to drive you to the bank to withdraw funds to pay for the work.