KAMALA D. HARRIS
Attorney General of California
MARC D. GREENBAUM
Supervising Deputy Attorney General
CHRISTINA THOMAS
Deputy Attorney General
State Bar No. 171168
300 So. Spring Street, Suite 1702
Los Angeles, CA 90013
Telephone: (213) 897-
Facsimile: (213) 897-2804
Attorneys for Complainant

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

In the Matter of the Accusation Against: **MEGA POWER ELECTRIC INC,** 8859 Wilbur Avenue Northridge, CA 91324 GERMAN NESTERENKO, Sole Owner Contractor's License No. 876625, C-10 Respondent. **HOME TOP CONSTRUCTION & DESIGN INC,** 6931 Van Nuys Blvd., #307 Van Nuys, CA 91405 GERMAN NESTERENKO, Sole Owner Contractor's License No. 939788, B Affiliated Party.	Case No. N2014-205 **A C C U S A T I O N**

Complainant alleges:

PARTIES

1. Wood Robinson (Complainant) brings this Accusation solely in his official capacity as the Enforcement Supervisor I of the Contractors' State License Board, Department of Consumer Affairs (Board).

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License History

Mega Power Electric Inc

2. On or about April 22, 2006, the Registrar of Contractors (Registrar) issued Contractor's License No. 876625 , Classification C-10 – Electrical, to Mega Power Electric Inc, German Nesterenko, Sole Owner (Respondent). The Contractor's License was in full force and effect at all times relevant to the charges brought herein and will expire on July 31, 2016, unless renewed.

Home Top Construction & Design Inc

3. On or about November 3, 2009, the Registrar issued Contractor's License No. 939788 Classification B – General Building Contractor, to Home Top Construction & Design Inc, German Nesterenko, Sole Owner (Affiliated Party). The Contractor's License was in full force and effect at all times relevant to the charges brought herein and will expire on March 31, 2017, unless renewed.

JURISDICTION

4. This Accusation is brought before the Registrar for Board, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.

5. Section 118, subdivision (b), provides that the expiration of a license shall not deprive the Registrar of jurisdiction to proceed with a disciplinary action during the period within which the license may be renewed, restored, reissued or reinstated. Under section 7076.1, the Registrar may reinstate a cancelled license if the licensee pays all of the fees and meets all of the qualifications and requirements for obtaining an original license.

6. Section 7076.5 provides that the inactive status of a license shall not bar any disciplinary action for violating provisions of the Contractors' State License Law (Bus. & Prof. Code, § 7000, et seq.).

7. Section 7090 provides that the Registrar may suspend or revoke any license or registration if the licensee or registrant is guilty of or commits any one or more of the acts or omissions constituting cause for disciplinary action.

8. Section 7095 states that the Registrar in making her order may:

"(a) Provide for the immediate complete suspension by the licensee of all operations as a contractor during the period fixed by the decision.

"(b) Permit the licensee to complete any or all contracts shown by competent evidence taken at the hearing to be then uncompleted.

"(c) Impose upon the licensee compliance with such specific conditions as may be just in connection with its operations as a contractor disclosed at the hearing, and may further provide that until such conditions are complied with, no application for restoration of the suspended or revoked licensee shall be accepted by the Registrar."

9. Sections 7097 and 7098 provides that when any license has been suspended or revoked following a hearing, the Registrar may suspend or revoke any additional license issued in the name of the licensee or for which the licensee furnished qualifying experience and appearance under the provisions of 7068, without further notice.

10. Section 7106.5 provides that the expiration, cancellation, forfeiture, or suspension of a license by operation of law or by order or decision of the registrar, or a court of law, or the voluntary surrender of the license shall not deprive the registrar of jurisdiction to proceed with any investigation of or action or disciplinary proceeding against the license, or to render a decision suspending or revoking the license.

11. Section 7121 states:

"A person who has been denied a license for a reason other than failure to document sufficient satisfactory experience for a supplemental classification for an existing license, or who has had his or her license revoked, or whose license is under suspension, or who has failed to renew his or her license while it was under suspension, or who has been a partner, officer, director, manager, or associate of any partnership, corporation, limited liability company, firm, or association whose application for a license has been denied for a reason other than failure to document sufficient satisfactory experience for a supplemental classification for an existing license, or whose license has been revoked, or whose license is under suspension, or who has failed to renew a license while it was under suspension, and while acting as a partner, officer,

director, manager, or associate had knowledge of or participated in any of the prohibited acts for which the license was denied, suspended, or revoked, shall be prohibited from serving as an officer, director, associate, partner, manager, qualifying individual, or member of the personnel of record of a licensee, and the employment, election, or association of this type of person by a licensee in any capacity other than as a nonsupervising bona fide employee shall constitute grounds for disciplinary action."

12. Section 7121.5 states:

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

13. Section 7122 states:

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

14. Section 7122.5 states:

"The performance by an individual, partnership, corporation, limited liability company, firm, or association of an act or omission constituting a cause for disciplinary action, likewise constitutes a cause for disciplinary action against a licensee who at the time that the act or omission occurred was the qualifying individual of that individual, partnership, corporation, limited liability company, firm, or association, whether or not he or she had knowledge of or

participated in the prohibited act or omission."

STATUTORY PROVISIONS

15. Section 7112 states that "[o]mission or misrepresentation of a material fact by an applicant or a licensee in obtaining, or renewing a license, or in adding a classification to an existing license constitutes a cause for disciplinary action."

COST RECOVERY / RESTITUTION

16. Section 125.3 provides that the Registrar may request the administrative law judge to direct a licentiate found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

CAUSE FOR DISCIPLINE

(Misrepresentation on License Application)

17. Respondent is subject to disciplinary action under section 7112, in that Respondent filed with the Board applications and renewals for its license that misrepresented material facts. The applications and renewals were signed under penalty of perjury to the truth and accuracy of all statements, answers, and representations made in the application and its supplements. The circumstances are as follows:

a. On or about April 10, 2008, on its Application for Original Contractor's License, German Nesterenko signed the application identifying himself as 100% owner when the only officer or director identified with the California Secretary of State for the corporation is Marine Nersisyan aka Sonya Nersisyan, German Nesterenko's wife. On or about July 18, 2008, the Board re-issued German Nesterenko's individual license No. 876625 to Respondent.

b. On or about June 21, 2010, on its license Renewal Application, Respondent identified Marine Nersisyan as its Owner, Partner, or Officer, and German Nesterenko as its Qualifying Individual. On or about June 28, 2010, the Board informed Respondent that Marine Nersisyan is not an authorized individual with the Board for Respondent. On or about July 21, 2010, Respondent re-filed its Renewal Application identifying German Nesterenko as Respondent's sole Owner, Partner, or Officer, and its Qualifying Individual. The only officer or director identified for Respondent with the California Secretary of State is Marine Nersisyan. The Board renewed

Respondent's license with an expiration date of July 31, 2012.

c. On or about June 25, 2012, on its license Renewal Application, Respondent identified no changes. German Nesterenko signed the application for Respondent. The Board renewed Respondent's license with an expiration date of July 31, 2014.

d. On or about November 25, 2013, on an Application to Change Business Name or Address, Respondent informed the Board of an address change with the signature of Sonya Nersisyan as its Owner, Partner, or Officer. Respondent's address business change was from 22738 Sylvan Street, Woodland Hills, CA 91367 to a new mailing address of 14707 Oxnard Street, Van Nuys, CA 91411. On or about December 4, 2013, the Board informed Respondent that an officer of the corporation as listed on the Board's records sign and date the application and return it for processing.

e. On or about December 18, 2013, on an Application to Change Business Name or Address, Respondent informed the Board of an address change with the signature of German Nesterenko as its Owner, Partner, or Officer. Respondent's address change was from a business address of 14707 Oxnard Street, Van Nuys, CA 91411 to a new business mailing address of 14707 Oxnard Street, Van Nuys, CA 91411.

f. On or about June 21, 2014, on its license Renewal Application, Respondent noted a new business mailing address and no other changes. Address change from 14707 Oxnard Street, Van Nuys, CA 91411 to a new address of 8859 Wilbur Avenue Northridge, CA 91324. German Nesterenko signed the application for Respondent. The Board renewed Respondent's license with an expiration date of July 31, 2016.

g. Respondent misrepresented the identities of its true corporate officers on all Board applications filed. Further, Respondent misrepresented that German Nesterenko was the sole owner of Respondent when on corporate records filed with the California Secretary of State, he is not an officer or director of the corporation.

OTHER MATTERS

18. Pursuant to sections 7097 and 7098, if license No. 876625 issued to Respondent is suspended or revoked, the Registrar may suspend or revoke, without notice, any other license

issued in the name of German Nesterenko or for which German Nesterenko furnished the qualifying experience and appearance.

19. Pursuant to sections 7121, 7121.5, 7122 and/or 7122.5, if discipline is imposed on license No. 876625 issued to Respondent, German Nesterenko shall be prohibited from serving as an officer, director, associate, partner, manager, or qualifying individual, or member of the personnel of record of a licensee of any licensee during the time the discipline is imposed, and any licensee which employs, elects, or associates German Nesterenko shall be subject to disciplinary action.

PRAYER

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

As to Mega Power Electric Inc

1. Revoking or suspending Contractor's License No. 876625 issued to Mega Power Electric Inc, German Nesterenko, Sole Owner;

2. Prohibiting German Nesterenko from serving as an officer, director, associate, partner, or qualifying individual of any licensee during the period that discipline is imposed on license No. 876625, issued to Mega Power Electric Inc, German Nesterenko, Sole Owner;

3. Revoking or suspending any other license for which German Nesterenko is furnishing the qualifying experience or appearance;

4. Ordering Mega Power Electric Inc, German Nesterenko, Sole Owner to pay the Registrar her costs in the investigation and enforcement of the case according to proof at the hearing, pursuant to section 125.3;

5. Ordering Mega Power Electric Inc, German Nesterenko, Sole Owner to provide the Registrar with a listing of all contracting projects in progress and the anticipated completion date of each;

As to Home Top Construction & Design Inc

6. Revoking or suspending Contractor's License No. 939788 issued to Home Top Construction & Design Inc, German Nesterenko, Sole Owner;

7. Prohibiting German Nesterenko from serving as an officer, director, associate, partner, or qualifying individual of any licensee during the period that discipline is imposed on license No. 939788, issued to Home Top Construction & Design Inc, German Nesterenko, Sole Owner;

8. Revoking or suspending any other license for which German Nesterenko is furnishing the qualifying experience or appearance;

9. Ordering Mega Power Electric Inc, German Nesterenko, Sole Owner to pay the Registrar her costs in the investigation and enforcement of the case according to proof at the hearing, pursuant to section 125.3;

10. Ordering Home Top Construction & Design Inc, German Nesterenko, Sole Owner to provide the Registrar with a listing of all contracting projects in progress and the anticipated completion date of each; and,

As to All

9. Taking such other and further action as deemed necessary and proper.

DATED: July 16, 2015

for

WOOD ROBINSON
Enforcement Supervisor I
Contractors' State License Board
Department of Consumer Affairs
State of California
Complainant

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