

MEMORANDUM

To: Utah Residence Lien Recovery Fund Advisory Board
From: Lien Recovery Fund Staff
Date: July 1, 2014
Subject: Information Packet for Upcoming Board Meeting

Enclosed please find the application reports and other documents for the upcoming Board meeting. That meeting is scheduled to begin at **8:15 am** on **Wednesday, July 9, 2014** in the **North Conference Room**, on the first floor of the Heber M. Wells Building - **160 East 300 South, Salt Lake City, Utah**. We anticipate the meeting will last until 9:30 a.m.

We appreciate your service on the Board - see you at the meeting.

Agenda

Utah Residence Lien Recovery Fund Advisory Board

July 9, 2014 8:15 am
North Conference Room, First Floor
Heber M. Wells Building
160 E. 300 S. Salt Lake City, Utah

This agenda is subject to change up to 24 hours prior to the meeting.

ADMINISTRATIVE BUSINESS

1. Review and approve minutes from previous board meeting
2. Travel reimbursement
3. Elect Board Chair & Vice Chair

HOMEOWNER APPLICATIONS APPROVED PRIOR TO BOARD MEETING

- a) Steven & Marinda Gentry v Red Wolf Development Inc

CLAIMS FOR REVIEW

1. Recommended for Approval and Explanation Required
 - a) LRF-2008-0911-02 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Perkins) - Dane
 - b) LRF-2008-0911-03 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Baum) - Dane
 - c) LRF-2008-0911-04 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Barnes) - Dane
 - d) LRF-2008-0911-06 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Andrews) - Dane
 - e) LRF-2008-0911-09 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Weir) - Dane
 - f) LRF-2008-0911-10 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Wilson) - Dane
 - g) LRF-2008-0911-11 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Wood) - Dane
 - h) LRF-2008-0911-12 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Williams) - Dane
 - i) LRF-2008-0911-13 CCAM Enterprises LLC v Rockin R Enterprises LP dba Red Rock Cabinets (Wood) - Dane
1. Recommended for Approval and Explanation Required
 - a) LRF-2012-1019-04 Allred's Inc v Jake's Heating & Air Conditioning Inc (Baldwin) - Dane
 - b) LRF-2012-1019-05 Allred's Inc v Jake's Heating & Air Conditioning Inc (Habitat for Humanity) - Dane
 - c) LRF-2012-1019-06 Allred's Inc v Jake's Heating & Air Conditioning Inc (Hall) - Dane

- d) LRF-2012-1019-07 Allred's Inc v Jake's Heating & Air Conditioning Inc (Schumann) -
Dane
- e) LRF-2012-1019-09 Allred's Inc v Jake's Heating & Air Conditioning Inc (Anderson) -
Dane

NEXT SCHEDULED MEETING:

August 13, 2014

Note: In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify, Dave Taylor, ADA Coordinator, at least three working days prior to the meeting. Division of Occupational & Professional Licensing, 160 East 300 South, Salt Lake City, Utah 84115, 801-530-6628 or toll-free in Utah only 866-275-3675

MINUTES

**UTAH
RESIDENCE LIEN RECOVERY FUND
ADVISORY BOARD
MEETING**

**June 11, 2014
North Conference Room– 8:15 a.m.
Heber Wells Building
Salt Lake City, UT 84111**

CONVENED: 8:28

ADJOURNED : 8:34

Board Members Present:

Bradley Stevens, Chair
Jeff Richards
Jeff Park
Calvin Bowen

Board Members absent:

Patty Fullmer, Vice Chair
Dave McArthur
Douglas Darrington

DOPL Staff Present:

Program Manager, Dane Ishihara
Fund Secretary, Tracy Naff
AG, Tony Patterson

TOPICS FOR DISCUSSION

DECISIONS AND RECOMMENDATIONS

ADMINISTRATIVE BUSINESS:

Review and approve minutes from the April 11, 2014 Board meeting.

Mr Bowen made a motion to approve the April 11, 2014 Board minutes. Mr Park seconded the motion. Motion passed by unanimous vote.

Homeowner applications for Review

1. Recommended for Denial & Explanation Required
 - a) BAIHEI001 Mr Ishihara gave a brief explanation of the application. Mr Richards made a motion to deny the application. Mr Bowen seconded the motion. Motion passed by unanimous vote.

Claims for Review

1. Recommended for Approval & Explanation Required
 - a) LRF-2012-1019-01 Allred's Inc v Jake's Heating and Air Conditioning Inc (Smith) - Mr Ishihara gave a brief explanation of the application. Mr Park made a motion to approve the application. Mr Richards seconded the motion. Motion passed by unanimous vote.

- b) LRF-2012-1019-03 Allred's Inc v Jake's Heating and Air Conditioning Inc (Mortimer) - Mr Ishihara gave a brief explanation of the application. Mr Park made a motion to approve the application. Mr Richards seconded the motion. Motion passed by unanimous vote.
- c) LRF-2013-0815-01 TS Electric Inc v DZ Home Improvement LC (Smith) - Mr Ishihara gave a brief explanation of the application. Mr Park made a motion to approve the application. Mr Richards seconded the motion. Motion passed by unanimous vote.

The Board took a moment to thank Jeff Richards for 8 years of service to the Lien Recovery Fund Advisory Board and the Division. Mr Ishihara expressed that Mr Richards contributions and knowledge could not be overstated. Mr Patterson thanked Mr Richards for coming prepared, with an understanding of the cases and his role as a board member.

ADJOURN:

Meeting adjourned 8:34

Note: These minutes are not intended to be a verbatim transcript but are intended to record the significant features of the business conducted in this meeting. Discussed items are not necessarily shown in the chronological order they occurred.

Date Approved

(ss) Brad Stevens
Chairperson, Residence Lien Recovery Fund Advisory Board

Date Approved

(ss) Dane Ishihara
Program Coordinator, Division of Occupational & Professional Licensing

Applications for Certificate of Compliance Disposition Report

July 1, 2014

Processing Status	Active Pending Action By	Disposition	Number of Apps	
Active	Homeowner		3	0.2%
Active	LRF		52	2.8%
Closed		Approved	1153	62.3%
Closed		Denied	556	30.0%
Closed		Withdrawn	77	4.2%
Prolonged			11	0.6%
Total Applications Filed			1,852	

Claim Disposition Report

July 2, 2014

Processing Status	Active Pending Action By	Disposition	Number of Claims	
Active	Board		14	0.5%
Active	Claimant		1	0.0%
Active	LRF		2	0.1%
Closed		Denied	553	19.7%
Closed		Dismissed	243	8.6%
Closed		Paid	1,990	70.8%
Prolonged			8	0.3%
Total Claims Filed			2,811	

Summary of Payments

Sorted by Claimant Type

July 1, 2014

Claimant Type	Number of Paid Claims	Total Payments	
Contractor	835	4,754,352.52	38.2%
Laborer	10	17,070.17	0.1%
Other	1	3,001.75	0.0%
Supplier	1144	7,666,504.73	61.6%
Total Paymen	1990	\$12,440,929.17	100.0%

Summary of Payments

Sorted by Nonpaying Party Type

July 1, 2014

Nonpaying Party Type	Number of Paid Claims	Total Payments	
Home Builder	1218	7,807,357.19	62.8%
Other	25	179,357.47	1.4%
Real Estate Developer	72	462,183.51	3.7%
Specialty Contractor	675	3,992,031.00	32.1%
Total Payments	1990	\$12,440,929.17	100.0%

APPLICATION FOR PAYMENT

RECOMMENDED FOR APPROVAL

- EXPLANATION REQUIRED-

IN THE MATTER OF THE LIEN
RECOVERY FUND CLAIMS OF CCAM
ENTERPRISES LLC ("CCAM")
REGARDING THE CONSTRUCTION BY
ROCKIN R ENTERPRISES LP DBA RED
ROCK CABINETS ON THE
RESIDENCES OF JASON & NICOLE
BAUM, TERRA LEE BARNES, ELAINE
ANDREWS, TIM & JENIE WEIR, PAUL
& LYNETTE WILSON, ROGER LYNN
WILLIAMS, JIM & CARRIE
MCDONALD, SHANE & TALEASE
PERKINS, BRYAN & MELISSA WOOD

Board Reports regarding

Claim No. LRF-2008-0911-02
Claim No. LRF-2008-0911-03
Claim No. LRF-2008-0911-04
Claim No. LRF-2008-0911-06
Claim No. LRF-2008-0911-09
Claim No. LRF-2008-0911-10
Claim No. LRF-2008-0911-11
Claim No. LRF-2008-0911-12
Claim No. LRF-2008-0911-13

History

- On September 11, 2008 CCAM filed the applications for payment listed above.
- On June 10, 2010 the applications were denied by the Division (*Exhibit A*).
- On July 6, 2010 CCAM filed a request for agency review with the Department of Commerce.
- On April 27, 2011 the Department affirmed the Division's decision (*Exhibit B*).
- On May 10, 2010 CCAM filed an appeal seeking a trial by de novo of the Department's decision in Third District Court, Salt Lake City.
- On August 9, 2012 the Court granted summary judgment in the Department's favor (*Exhibit C*).
- On August 24, 2012 CCAM filed a notice of appeal to the Utah Court of Appeals.
- On April 10, 2014 the Utah Court of Appeals reversed and remanded the case back to District Court (*Exhibit D*).
- On June 19, 2014 the Division and CCAM stipulated to remand the case from District Court to the Division.

Recommendation

Based on the Utah Court of Appeals' opinion the Division recommends that the applications be approved, as per, the attached board reports (*Exhibit E*).

Exhibit A

BEFORE THE DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING
OF THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH

IN THE MATTER OF THE LIEN
RECOVERY FUND CLAIMS OF **CCAM
ENTERPRISES LLC** ("CCAM")
REGARDING THE CONSTRUCTION BY
**ROCKIN R ENTERPRISES LP DBA RED
ROCK CABINETS** ("RED ROCK") ON
THE RESIDENCES OF **JASON &
NICOLE BAUM** ("BAUM"), **TERRA LEE
BARNES** ("BARNES"), **ELAINE
ANDREWS** ("ANDREWS"), **TIM &
JENIE WEIR** ("WEIR"), **PAUL &
LYNETTE WILSON** ("WILSON"),
ROGER LYNN WILLIAMS
("WILLIAMS"), **JIM & CARRIE
MCDONALD** ("MCDONALD")

ORDER

Claim No. LRF-2008-0911-03
Claim No. LRF-2008-0911-04
Claim No. LRF-2008-0911-06
Claim No. LRF-2008-0911-09
Claim No. LRF-2008-0911-10
Claim No. LRF-2008-0911-12
Claim No. LRF-2008-0911-13

CCAM Enterprises LLC ("CCAM") filed applications for claim against the Residence Lien Recovery Fund ("Fund") under UTAH CODE ANN. § 38-11-203 (3). CCAM was afforded the opportunity to submit supporting arguments and evidence before the claims were reviewed by Division of Occupational and Professional Licensing ("Division") staff and presented to the Residence Lien Recovery Fund Advisory Board ("Board"). After allowing the presentation of arguments, the Board recommended to the Division Director that the claims be denied because CCAM failed to meet its burden of proof and failed to satisfy all requirements imposed by law. Being informed of the facts and law, the Division Director denies the claims and finds that CCAM failed to meet its burden of proof and failed to satisfy all of the requirements found in UTAH CODE ANN. § 38-11-204 (1) and (4).

7. Between March 2, 2007 and March 23, 2007 Classic provided qualified services to Red Rock for construction on the owner-occupied residence of Elaine Andrews located at 2812 Canyon View, Santa Clara, Utah.

8. On or about March 2, 2007, CCAM was first organized as a Limited Liability Company.

9. On or about June 11, 2007, Red Rock signed a settlement agreement and confession of judgment acknowledging indebtedness to Classic.

10. On or about July 19, 2007, Classic assigned its accounts receivable, credit agreements, account agreements, all contract rights, causes of action and claims arising therefrom, to CCAM. After the assignment, Classic ceased doing business.

11. On or about September 12, 2007, CCAM filed the June 11, 2007 settlement agreement and confession of judgment with the court.

12. On or about September 17, 2007 CCAM obtained judgment against Red Rock.

13. On or about November 21, 2007 CCAM was first registered as a qualified beneficiary with the Fund and on the same date was first licensed with the Division as a contractor.

APPLICATION OF LAW

A. CCAM was not a qualified beneficiary during construction as required by law and is prohibited by law from recovering from the Fund.

UTAH CODE ANN. § 38-11-203 (1) states: A payment of any claim upon the fund by a qualified beneficiary shall be made only upon and order issued by the Director

overcome the fact that it was not a qualified beneficiary during construction as required by UTAH CODE ANN. § 38-11-203 (1) and UTAH CODE ANN. § 38-11-204 (1) (c) (ii).

Based on the forgoing findings and lack of contesting evidence, the Division finds that CCAM was not a qualified beneficiary during the construction on the residence. Therefore, CCAM fails to meet the requirement of UTAH CODE ANN. § 38-11-203 (1) and UTAH CODE ANN. § 38-11-204 (1) (c) (ii) as it was not a qualified beneficiary during construction on the residences for purposes of the claims.

UTAH CODE ANN. § 38-11-301 (3) (b) provides that a person who does not register with the Fund “shall be prohibited from recovering” from the Fund as a qualified beneficiary for qualified services performed while not registered with the Fund. As found earlier, CCAM was not registered with the Fund under UTAH CODES ANN. § 38-11-301 (1) (2) or (3) (a) when services were provided between October 27, 2006 and April 6, 2007. CCAM did not become registered with the Fund until November 21, 2007. Therefore, by operation of law, CCAM is “prohibited” from recovery from the Fund as a qualified beneficiary for qualified services performed prior to November 21, 2007, the date it first became a qualified beneficiary.

B. Classic’s private contract which assigned its accounts receivable to CCAM does not alter Utah law nor negate the requirements imposed by law.

CCAM seems to argue that the assignment of accounts from Classic included an assignment of Classic’s claim against the Fund. However, CCAM did not provide authority or evidence to support its position that the assignment overcomes its failure to be a qualified beneficiary during construction or registered with the Fund during the

The Division finds that CCAM was a legal entity that did not exist prior to March 2, 2007. CCAM admits the actual business conducted by Classic and Advantage were merged into CCAM and that the owners of Classic and Advantage are now doing business as CCAM. CCAM is a separate and distinct business entity from Classic or Advantage as reflected by a different business entity registration, tax identification number, name, contractor license, fund registration, and ownership. Classic was merged, acquired, or assumed into another entity and it no longer conducts business.

Based on these facts, the Division finds that the change from Classic to CCAM is a change of entity status by a registrant that required a new Fund registration by UTAH ADMIN. CODE § R156-38a-301b.

The policy behind UTAH ADMIN. CODE § R156-38a-301b is consistent with UTAH ADMIN. CODE § R156-55a-311 which requires a reorganized business entity to obtain a new contractor license under the new form of organization or business entity.

Based on the findings above, the Division also finds that CCAM is attempting to use the registration of Classic, a separate and distinct business entity, to qualify for reimbursement from the Fund. The Division also finds that UTAH ADMIN. CODE § R156-38a-301b prohibits the use of another business entity's registration.

Furthermore, UTAH ADMIN. CODE § R156-38a-301b (4) provides that a "registration shall not be transferred, lent, borrowed, sold, exchanged for consideration, assigned, or made available for use by any entity other than the registrant for any reason." The Division finds UTAH ADMIN. CODE § R156-38a-301b (4) prohibits CCAM

MAILING CERTIFICATE

I hereby certify that on the 10th day of June, 2010 a true and correct copy of the foregoing Order was sent first class mail, postage prepaid, to the following:

BARBARA MILES
CCAM ENTERPRISES LLC
PO BOX 70629
WEST VALLEY CITY UT 84170-0629
Claimant

CHRIS L SCHMUTZ
SCHMUTZ & MOHLMAN
533 W 2600 S #200
BOUNTIFUL UT 84010-0000
Counsel for Claimant

JOE REESE
ROCKIN R ENTERPRISES LP DBA RED ROCK CABINETS
3175 TRUMAN DR
SANTA CLARA UT 84765-5352
Nonpaying Party

ROBERT M JENSEN
JENKINS JENSEN & BAYLES, LLP
1240 E 100 S STE 9
ST GEORGE UT 84790-3072
Counsel for Nonpaying Party



Fund Manager



INFORMATION ABOUT AGENCY REVIEW

Department of Commerce
166 East 300 South, Box 146791
Salt Lake City, UT 84114-6791

If you have been denied a license, received disciplinary action on your license, lost a citation hearing, or have otherwise been adversely impacted by a decision from one of the Divisions at the Department of Commerce, please be aware that you may request agency review of that decision by the Department's Executive Director. Upon review, the Executive Director could uphold, reverse, or modify the Division's decision, or might return the case to the Division for further consideration.

If you choose to file a request for agency review, please keep in mind all of the following:

- **Written Request and Due date:** Your request for agency review ("Request") must be received **no later than 30 days** from the date of the Division order that you wish reviewed. The Request must be in writing and must be addressed to the **Executive Director, Utah Department of Commerce**, at the above address;
- **Copy of Order:** You must include with your Request a copy of the letter or order you wish reviewed;
- **Transcript of Hearing:** If a hearing was held in your case, and you are challenging the order on the grounds that the evidence presented at the hearing did not support the order, you must, at your expense, order a transcript of the hearing and file it with the Department. You must also file with the Department your certification verifying that you have ordered a transcript of the proceeding and stating the date by which you expect to file the transcript with this Department. (You may use the form titled "Certification Regarding Transcript," accessed at: <http://www.commerce.utah.gov/CertificationRegardingTranscript.pdf>) For instructions on how to order a transcript, you may contact the hearing officer or administrative law judge who conducted the hearing. However if the hearing involved a DOPL Citation, contact Kim Lesh at 530-6628; if the hearing was before the Division of Real Estate, contact Renda Christensen at 530-6747;
- **Memorandum in Support of Your Request:** You may file a memorandum to support your Request. If you are required to file a transcript of the hearing with the Department, your memorandum must be filed no later than fifteen (15) days after the filing of the transcript. Otherwise, your memorandum must be filed at the time you file your Request;
- **Reply Memorandum:** If the Division files a response, you may file a final reply memorandum no later than five (5) days after service of any response from the Division;
- **Basis for Request:** In order to succeed on agency review, you must be able to show that you were substantially prejudiced as a result of any of the grounds identified in Utah Code Ann. § 63G-4-403; and
- **Copies to Division:** You must provide the Division copies of all documents that you file with the Department.

Please note that you should not rely on this letter alone for instructions regarding agency review proceedings. The Utah Administrative Procedures Act (UAPA), Utah Code Ann. Sections 63G-4 *et seq.*, and the Department's UAPA Rules, Utah Admin. Code R151-46b *et seq.*, generally govern requests for agency review. You may access these laws and rules at your local library or on the Department of Commerce web site: <http://www.commerce.utah.gov/agencyrev.html>.

If you have any questions about how to proceed, you are encouraged to seek legal advice from an attorney. You may contact Masuda Medcalf, Administrative Law Judge, at (801) 530-7663, with any technical or procedural questions, but the merits of the case cannot be discussed.

Exhibit B

**BEFORE THE DEPARTMENT OF COMMERCE
OF THE STATE OF UTAH**

IN THE MATTER OF THE REQUEST
FOR AGENCY REVIEW OF

CCAM Enterprises, LLC,

PETITIONER

**FINDINGS OF FACT,
CONCLUSIONS OF LAW and
ORDER ON REVIEW**

DOPL LRF-2008-0911-02
DOPL LRF-2008-0911-03
DOPL LRF-2008-0911-04
DOPL LRF-2008-0911-06
DOPL LRF-2008-0911-09
DOPL LRF-2008-0911-10
DOPL LRF-2008-0911-11
DOPL LRF-2008-0911-12
DOPL LRF-2008-0911-13

INTRODUCTION

This matter came before the Department of Commerce upon a request for agency review filed by CCAM Enterprises, LLC ("Petitioner"), challenging adverse decisions by the Division of Occupational and Professional Licensing ("Division").

STATUTES OR RULES PERMITTING OR REQUIRING REVIEW

Agency review of the Division's decision is conducted pursuant to Utah Code Annotated, Section 63G-4-301, and Utah Administrative Code, R151-46b-12.

ISSUES REVIEWED

1. Whether the Division correctly interpreted the applicable law in concluding that claims for recovery from the Residence Lien Recovery Fund ("Fund") are not assignable.

2. Whether issues raised for the first time in an appeal reply brief may be disregarded.

FINDINGS OF FACT

1. Petitioner filed several claims for payment from the Fund. Nine of these claims were denied. Petitioner filed requests for agency review.

2. During a conference call with counsel on September 27, 2010, the parties agreed that these cases shared a principal legal issue and they stipulated to a consolidation of the cases.

3. On October 14, 2010, an Order of Consolidation and Scheduling was entered, subsequent to which the parties filed their legal briefs.

4. Petitioner's Memorandum in Support of Agency Review stated that Petitioner "does not dispute the Relevant Facts set forth in the [Division] Order."¹ Therefore, the facts stated in this paragraph are a compilation of the facts stated in Division Orders with respect to Petitioner's claims.

- a. From February 9, 2007 to March 2, 2007, Classic Cabinets, Inc. ("Classic") provided qualified services to Rocking R. Enterprises dba Red Rock Cabinets ("Red Rock") for construction on the owner-occupied residence of Shane and Talease Perkins located at 81 East 700 North, La Verkin, Utah. Claim No. LRF-2008-0911-02.
- b. From October 27, 2006 to January 5, 2007, Classic provided qualified services to Red Rock for construction on the owner-occupied residence of Roger Lynn Williams located at 2255 S. Hill Road, St. George, Utah. Claim No. LRF-2008-0911-10.
- c. From October 30, 2006 to November 22, 2006, Classic provided qualified services to Red Rock Construction on the owner-occupied residence of Jim and Carrie McDonald located at 2166 E. 430 N., St. George, Utah. Claim No. LRF-2008-0911-13.

¹ Memorandum in Support of Agency Review, p. 1.

- d. From December 19, 2006 to April 6, 2007, Classic provided qualified services to Red Rock Construction on the owner-occupied residence of Tim and Jennie Weir located at 1849 S. 2740 E., St. George, Utah. Claim No. LRF-2008-0911-09.
- e. From January 24, 2007 to February 16, 2007, Classic provided qualified services to Red Rock for construction on the owner-occupied residence of Paul and Lynette Wilson located at 1752 W. 3550 S., St. George, Utah. Claim No. LRF-2008-0911-12.
- f. From January 25, 2007 to February 16, 2007, Classic provided qualified services to Red Rock for construction on the owner-occupied residence of Jason and Nicole Baum located at 930 East Desert Shrub, Washington, Utah. Claim No. LRF-2008-0911-03.
- g. From January 30, 2007 to February 15, 2007, Classic provided qualified services to Red Rock for construction on the owner-occupied residence of Terra Lee Barnes located at 2185 S. Arabian Way, Washington, Utah. Claim No. LRF-2008-0911-04.
- h. From May 23, 2007 to July 13, 2007, Classic provided qualified services to Red Rock for construction on the owner-occupied residence of Bryan and Melissa Wood located at 1302 N. Parkside Drive, Cedar City, Utah. Claim No. LRF-2008-0911-11. The Woods did not enter into a written contract with a licensed contractor.
- i. From March 2, 2007 to March 23, 2007 Classic provided qualified services to Red Rock for construction on the owner-occupied residence of Elaine Andrews located at 2812 Canyon View, Santa Clara, Utah. Claim No. LRF-2008-0911-06.
- j. On March 2, 2007, Petitioner was first organized as a Limited Liability Company.
- k. On June 11, 2007, Red Rock signed a settlement agreement and confession of judgment acknowledging indebtedness to Classic.
- 5. On July 19, 2007, Classic executed a document titled "Assignment of

Accounts and Credit Agreements," which states in pertinent part:

For good and valuable consideration, the receipt and sufficiency of which are acknowledged, Assignor unconditionally and irrevocably sells, transfers and assigns to Assignee, effective August 1, 2007, all of

Assignor's right, title and interest in and to all of Assignor's accounts receivable, credit agreements, and account agreements, together with all contract rights, causes of action, and claims arising therefrom (collectively the "Accounts").

On or after August 1, 2007, Assignee shall hold title and have immediate possession of the Accounts, together with all documents, agreements, guaranties [sic], securities, collateral, and records related to or evidencing the same; and Assignee shall be entitled in its own name to enforce and collect the Accounts; to institute legal action in furtherance of such enforcement or collection; and to take all and any actions it deems necessary or advisable as to the owner of the property assigned hereby.

6. On or about September 12, 2007, Petitioner filed the June 11, 2007 Settlement Agreement and Confession of Judgment with Third District Court, Case No. 070913124.

7. On or about September 17, 2007, the Court entered Judgment in Petitioner's favor against Red Rock in the amount of \$286,287.00.

8. On or about November 21, 2007, Petitioner became registered as a qualified beneficiary with the Fund and also became a contractor licensee with the Division.

9. Petitioner's agency review request and opening memorandum did not challenge the Division's finding in LRF-2008-0911-11 that homeowners Bryan and Melissa Wood did not enter into a written contract with a licensed contractor as required by the Residence Lien Restriction and Recovery Fund Act ("LRFA"). Petitioner addressed this issue for the first time on agency review in its Reply Brief in Support of Agency Review ("Reply").

10. In addition, Petitioner's agency review request and opening memorandum did not include an argument later raised in its Reply that the Division had previously approved the payment of a similar claim by Petitioner.

CONCLUSIONS OF LAW

A. Standard of Review and Applicable Law

1. The standards for agency review within the Department of Commerce correspond to those established by Utah Code Annotated Section 63G-4-403(4). Utah Admin. Code R151-46b-12 (7).

2. The Department applies the correction-of-error standard when reviewing the Division's interpretation of general questions of law, granting no deference to the Division's decisions. *Associated Gen. Contrs. v. Bd. of Oil, Gas & Mining*, 2001 UT 112, ¶ 18, 38 P.3d 291. Where the Division is granted explicit discretion by statute or where the Division possesses expertise concerning the operative provisions at issue, an abuse of discretion standard is applied. *Id.*

3. The Utah State Legislature charged the Division with the responsibility and authority to enforce the LRFA and to administer the Fund created by the LRFA. Utah Code Ann. §§ 38-11-103 and 38-11-201. The LRFA provides that the payment of any claim upon the Fund can only be made upon an order issued by the director finding that:

- (a) the claimant was a qualified beneficiary *during the construction on a residence*;
- (b) the claimant complied with the requirements of Section 38-11-204;²
and
- (c) there is adequate money in the fund to pay the amount ordered.

Subsection 38-11-203(1) (emphasis added).

² Under Section 38-11-204, to claim recovery from the Fund, a claimant must establish that the owner of the owner-occupied residence entered into a written contract with an original contractor or a real estate developer, and the owner has paid that contract in full.

4. A qualified beneficiary is a person who provides qualified services, pays necessary fees or assessments into the Fund, and registers with the Division. Subsection 38-11-102(19).

5. The Division argues that because its Director is expressly charged with determining whether a claimant was a qualified beneficiary during construction on the residences in question, and whether a claimant meets the requirements of Section 38-11-204, the reasonableness standard applies in reviewing the Division's interpretations of law. As Petitioner does not challenge the findings and does not argue that it was a qualified beneficiary at the time of construction on the residences, this case turns not so much on whether Petitioner met the requirements of the LRFA, but on whether a Fund claim may be legally assigned by an entity that meets the Fund requirements. That general question of law will be reviewed under the correction-of-error standard, and the Division's expertise is not relevant to such determination. *Associated Gen. Contrs.* at ¶ 18.

B. A Fund Claim Is Not Legally Assignable

6. Classic assigned its "accounts receivable, credit agreements, account agreements, all contract rights, causes of action and claims arising therefrom, to CCAM." Division Order, ¶ 10. However, the assignment did not expressly include Fund claim rights, and even if it had, such assignment could not be enforced under the LRFA.

7. Statutes are to be construed according to their plain meaning. *LKL Associates, Inc. v. Farley*, 2004 UT 51, ¶ 7, 94 P.3d 279. Meaning must be given to all parts of a statute, and it must be interpreted so as to avoid rendering any parts of the statute superfluous or meaningless. *Id.*; *Lyon v. Burton*, 2000 UT 19, ¶ 17, 5 P.3d 616.

The plain language of a statute is to be read as a whole, and its provisions interpreted in harmony with other provisions in the same statute and with other statutes under the same and related chapters. *Sill v. Hart*, 2007 UT 45, ¶ 7, 162 P.3d 1099; *Lyon v. Burton*, at ¶ 17.

8. The Executive Director finds the Division's methodical review of the LRFA requirements and the Division rules adopted in furtherance of the LRFA compelling and hereby adopts that analysis. Division Memorandum in Opposition, pp. 5-11. A registration with the Fund at the time that qualified services are performed is crucial. "A qualified beneficiary whose registration expires loses all rights to make a claim upon the fund or receive compensation from the fund resulting from providing qualified services during the period of expiration." Subsection 38-11-302(6)(a). A new registration with the Fund is required in event of a change in entity status, such as a merger, and a Fund registration may not be transferred or assigned. Subsection R156-38a-301b. Here, although Classic was registered at the time it provided services, Classic is not the claimant requesting payment from the Fund. Petitioner is the claimant and Petitioner was not registered with the Fund and did not provide the qualified services on the subject residences.

9. The LRFA does not include a provision allowing a Fund claimant to assign its rights to another entity. The LRFA's only assignment provision allows the Fund to pursue an action against the non-paying party after the Fund has paid a claim to a subcontractor, supplier or laborer. Subsection 38-11-205(1)(a)(ii). Petitioner argues that if the LRFA is read in conjunction with Utah Code Ann. § 38-1-26 in Mechanics' Lien Act, which provides that "[a]ll liens under this chapter shall be assignable as other choses

in action, and the assignee may commence and prosecute actions thereon in his own name in the manner herein provided," a right to assign a Fund claim is apparent. The Executive Director disagrees.

10. A reading of the LRFA in harmony with the Mechanics' Lien Act does not lead to a conclusion that a Fund claim may be assigned. As a recovery fund law, the protections of the LRFA apply in limited situations. While the Mechanics' Lien Act is broadly construed towards the purpose of protecting those who provide labor and furnish materials on a construction project, the LRFA provides narrow protection to homeowners in limited circumstances. *Sill v. Hart*, at ¶¶ 8, 12. In *Sill*, the Utah Supreme Court read the notice requirement of Section 38-1-11(4)(a)³ in the Mechanics' Lien Act in harmony and conjunction with the LRFA, and held that the notice requirement was not intended to be applied when a subcontractor seeks to enforce its lien through a counterclaim filed in response to the homeowner's lawsuit, but only where a subcontractor seeks its lien through filing of a complaint in the courts. *Id.* ¶ 15. The Court emphasized the Legislature's intent to create narrowly defined circumstances for the application of the LRFA and the protections that it provides.

While the use of the word "complaint" may be broadly interpreted to include counterclaims in some situations, a statutory interpretation construing the language of section 38-1-11(4)(a) to include liens enforced by counterclaim is too expansive because such an interpretation runs counter to the purpose and context of the Mechanics' Lien Act, the plain language of section 38-1-11(4)(a), and the narrow scope of protection LRFA was intended to provide.

Id., ¶ 13 (foot note omitted, emphasis added). See also *Farley*, at ¶ 8 (holding that the condominium units at issue located in a building containing ten units did not qualify for

³ Subsection 38-1-11(4)(a) required a party seeking to execute a lien against a residence to include with the service of the complaint upon the homeowner instructions regarding the protections of the LRFA.

protections of the LRFA, as these individual units were not single-family dwellings or multifamily dwellings up to two units.)

11. Under the LRFA, where either the homeowner or the claimant fails to meet established requirements, there is no remedy. The provisions of the LRFA must be applied pursuant to the plain meaning of the statute to give proper effect to the narrowly crafted protections established by the Legislature. If the Executive Director were to accept Petitioner's arguments that a Fund claim is assignable, such that CCAM could obtain payment of its claims against the Fund, she would in effect render Fund claim provisions meaningless, including the requirements that a claimant be a qualified beneficiary that has paid the necessary fees or assessments and that is properly registered with the Division during the construction on the residence.⁴

12. Finally, Petitioner relies on case law in arguing that the Fund claim is assignable. *Spiller v. Atchison, T. & S. F. R. Co.*, 253 U.S. 117 (U.S. 1920) (A claim for damages resulting from unreasonable freight charges was held to be a property interest that could be assigned); *Sunridge Development Corporation v. RB&G Engineering, Inc.*, 2001 UT 6, ¶15, 230 P.3d 1000 (Holding that assignment is not characterized as a form of privity, but rather as a continuation of the rights and liabilities of the assignor as evidenced by the assigned agreements and any further limitations stated in the assignment itself). However, such cases fail to change the statutory framework of the LRFA noted above, particularly in light of the Utah Supreme Court's analysis of the LRFA so as to preserve the narrowly crafted protections in the Act.

. . . [W]here a conflict arises between the common law and a statute or constitutional law, the common law must yield, because the common law cannot be an authority in opposition to our positive enactments." *Gottling*

⁴ Subsections 38-11-102(19) and 38-11-203(1)(a).

v. P.R. Inc., 2002 UT 95, P7, 61 P.3d 989 (internal quotations and citations omitted).

Anderson v. UPS, 2004 UT 57, ¶ 12, 906 P.3d 903.

C. Arguments Raised for First Time in Appeal Reply Brief

13. Pursuant to Utah Administrative Code R151-46b-12(3)(c), “[a]A party challenging the facts bears the burden to marshal or gather all of the evidence in support of a finding and to show that despite such evidence, the finding is not supported by substantial evidence.” On agency review, Petitioner failed to mention any challenges to the Division’s finding in Claim No. LRF-2008-0911-11 that the homeowners had not entered into a written contract with an original contractor.

14. Petitioner agreed to the consolidation of the various claims into one agency review filing, and submitted one memorandum that addressed the legal issue of whether a Fund claim could be legally assigned. In filing its Memorandum in Opposition, the Division noted Petitioner’s failure to challenge the finding in Claim No. LRF-2008-0911-11, and it was only then that Petitioner addressed the finding. In the Reply, Petitioner’s explanation was that the Division had only provided odd numbered pages of its Order in that matter, and Petitioner had not received a complete copy at the time it filed the request for agency review.

15. Even though it was not complete, the odd numbered pages of the Order that Petitioner attached to its agency review request contained sufficient notice to Petitioner of the Division’s finding (that Petitioner had not established a written contract between the Woods and the original contractor.) Petitioner was thus on notice and could have raised the issue in its agency review request, and could have requested a full copy of the Order and an

opportunity to further brief the issue. Having failed to do so, Petitioner has lost the opportunity to challenge that finding and it is deemed conclusive. The Executive Director will not consider matters raised for the first time in a reply brief. *Grindstaff v. Grindstaff*, 2010 UT App 261, ¶ 5, FN 4; *Coleman v. Stevens*, 2000 UT 98, ¶ 9, 17 P.3d 1122. See also R151-46b-12(3)(c) (the failure to marshal the evidence permits the Executive Director to accept a division's findings of fact as conclusive).

16. Petitioner similarly mentioned for the first time in its Reply brief that the Division issued a prior decision that purportedly paid a claim by Petitioner as assignee of Classic. According to Petitioner, it preserved the issue for agency review by raising it at the meeting before the LRF Board. Even if it were thus “preserved,” it appears Petitioner then forgot about the issue and failed to raise it in its initial request for agency review, and again in its opening brief on agency review. Thus, the Executive Director will disregard it.

ORDER ON REVIEW

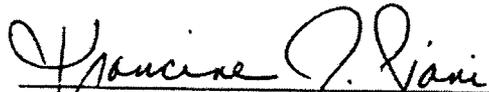
Interpreting the narrowly crafted requirements in the LRFA, it is clear that a Fund claim is not assignable. Petitioner’s claims against the Fund were thus properly denied by the Division. Moreover, the Executive Director will not consider arguments raised for the first time in an appeal reply brief. Therefore, the Division’s decisions denying Petitioner’s claims are affirmed.

NOTICE OF RIGHT TO APPEAL

Judicial Review of this Order may be obtained by filing a Petition for Review with the District Court within 30 days after the issuance of this Order. Any

Petition for Review must comply with the requirements of Sections 63G-4-401 and 63G-4-402, Utah Code Annotated. In the alternative, but not required in order to exhaust administrative remedies, reconsideration may be requested pursuant to *Bourgeois v. Department of Commerce, et al.*, 981 P.2d 414 (Utah App. 1999) within 20 days after the date of this Order pursuant to Section 63G-4-302.

Dated this 27th of April, 2011.


Francine A. Giani, Executive Director
Utah Department of Commerce

CERTIFICATE OF MAILING

I certify that on the 27 day of April, 2011, the undersigned mailed a true and correct copy of the foregoing Findings of Fact, Conclusions of Law and Order on Review by first class and certified mail to:

Chris L. Schmutz, Esq.
Schmutz & Mohlman, LLC
533 West 2600 South, #200
Bountiful, UT 84010

and caused a copy to be hand-delivered to:

Mark B. Steinagel, Director
Division of Occupational and Professional Licensing
160 East 300 South
Salt Lake City, UT 84111

Tony Patterson, Assistant Attorney General
Office of the Attorney General
160 East 300 South – Box 140872
Salt Lake City, UT 84114-0872


Rebekah Conner
Administrative Assistant

Exhibit C

AUG - 9 2012

SALT LAKE COUNTY

By 

Deputy Clerk

**IN THE THIRD JUDICIAL DISTRICT, SALT LAKE COUNTY
STATE OF UTAH**

CCAM ENTERPRISES, LLC,

Plaintiff,

vs.

UTAH DEPARTMENT OF COMMERCE;
DIVISION OF OCCUPATIONAL AND
PROFESSIONAL LICENSING; and MARK
STEINAGLE, Director of the Division,

Defendants.

**MEMORANDUM DECISION AND
ORDER**

Case No. 110911222

This matter is before the Court on the Plaintiff's Motion for Summary Judgment, filed March 28, 2012 and the Defendants' Cross-Motion for Summary Judgment, filed April 16, 2012. Oral argument was held July 9. The motions are now ready for decision.

BACKGROUND

This is a de novo review of the Utah Department of Commerce's denial of Plaintiff CCAM's claims brought under the Utah Residence Lien Restriction and Lien Recovery Fund Act ("Fund" or "LRFA"), Utah Code Ann. § 38-11-101, *et seq.* In an order dated April 27, 2011, the Department of Commerce ("Department") upheld the denial of the claims by the Division of Occupational and Professional Licensing ("Division").

Classic Cabinets, CCAM's predecessor-in-interest, performed cabinetry work for Rockin R Enterprises ("Red Rock"). Red Rock failed to pay Classic, and the parties eventually executed a settlement agreement. Red Rock failed to make good on the settlement terms, and Classic's successor, CCAM, brought claims under the LRFA for the unpaid work. The purpose of the

LRFA is two-fold. First, it protects homeowners from having to pay twice on a mechanics' lien for the same work; that is, when a homeowner pays a general contractor for a construction project, but the general contractor does not pay his or her subcontractors, the homeowner has some protection against a mechanics' lien filed by the subcontractor for non-payment. Second, the LRFA allows a subcontractor who was not paid by the general contractor to recover funds from the Lien Recovery Fund. However, to recovery from the Fund, a subcontractor must be a "qualified beneficiary," which is defined as one who (a) provides certain specified services, (b) pays fees into the Fund, and (c) registers with the Division as a qualified beneficiary. Utah Code Ann. § 38-11-102(19).

A claimant under the LRFA is entitled to payments from the Fund only if:

- (a) the claimant was a qualified beneficiary during the construction on a residence;
- (b) the claimant complied with the requirements of Section 38-11-204; and
- (c) there is adequate money in the fund to pay the amount ordered.

Id. at § 38-11-203(1). Section 204, in turn, requires the qualified beneficiary to demonstrate the following: (a) the residential owner signed a written contract with the original contractor (here, Red Rock), (b) the owner paid the contractor in full, (c) the contractor failed to pay the qualified beneficiary as provided by contract, (d) the qualified beneficiary filed a timely claim, (e) the qualified beneficiary is not entitled to reimbursement from another party, and (f) the qualified beneficiary provided qualified services. *Id.* at § 38-11-204(4).

Classic became a qualified beneficiary in 1995. Classic entered into contracts with Red Rock for work performed between October 2006 and July 2007. In August 2007, Classic merged with Advantage Mill & Cabinets, and both operated a new business through CCAM, which had been created several months earlier. On July 19, Classic executed an "Assignment

of Accounts and Credit Agreements," in which Classic conveyed to CCAM its "right, title and interest in and to all of [Classic's] accounts receivable, credit agreements and account agreements, together with all contract rights, causes of action, and claims arising therefrom."

In September 2008, CCAM filed twelve claims against the Fund for Red Rock's failure to pay Classic.¹ The Division of Occupational and Professional Licensing, which administers Fund claims, denied CCAM's claims, and the reviewing agency, the Department of Commerce, affirmed the decision. The Division and Department determined that Classic – not CCAM – performed the work for Red Rock; claims under the Fund are not assignable; and CCAM was not a qualified beneficiary when the work was performed.

DISCUSSION

Both parties move the Court for summary judgment. Summary judgment "shall be rendered if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to judgment as a matter of law." Utah R. Civ. P. 56(c). "A trial court is not authorized to weigh facts in deciding a summary judgment motion, but is only to determine whether a dispute of material fact exists, viewing the facts and all reasonable inferences to be drawn therefrom in a light most favorable to the nonmoving party." *Pigs Gun Club, Inc. v. Sanpete County*, 2002 UT 17, ¶ 24, 42 P.3d 379 (citation omitted). "A genuine issue of fact exists where, on the basis of the facts in the record, reasonable minds could differ on any material issue." *Ron Shepherd Ins. Inc. v. Shields*, 882 P.2d 650, 655 (Utah 1994)

¹ CCAM concedes that three claims were improper, leaving the nine claims at issue here.

(citation omitted).

The central issue is whether CCAM, as Classic's assignee and successor-in-interest, is entitled to enforce Classic's claims against the Fund. The LRFA does not contain a provision expressly allowing or prohibiting assignment of claims. CCAM notes that its officers, directors and owners are substantially the same as Classic's, and as Classic's assignee, "the common law puts the assignee in the assignor's shoes." *Sunridge Dev. Corp. v. RB&G Eng'g, Inc.*, 2010 UT 6, ¶ 13, 230 P.3d 1000 (citation omitted). CCAM points to a Supreme Court case holding that property rights generally are assignable unless specifically prohibited. *Spiller v. Atchison, T & S.F. Ry. Co.*, 253 U.S. 117 (1920). However, where a statute conflicts with the common law, the more specific statute governs. *Anderson v. UPS*, 2004 UT 57, § 12, 906 P.3d 903. As discussed below, the LRFA and the administrative rules implementing the LRFA lean more heavily toward the conclusion that under the LRFA, a qualified beneficiary may not assign its right to make claims from the Fund.

CCAM argues that the LRFA should be read in conformity with Utah's Mechanics' Lien Act, which specifically allows the assignment of claims. Utah Code Ann. § 38-1-26. CCAM argues that both the LRFA and the Mechanics' Lien Act are intended to provide remedies to unpaid subcontractors, and statutes should be interpreted "with other statutes under the same and related chapters." *Lyon v. Burton*, 2000 UT 55, ¶ 17, 5 P.3d 616 (citation omitted). The Defendants counter that the inclusion of the assignment provision for mechanics' liens and the absence of a similar provision in the LRFA is telling and deliberate. "Where congress includes particular language in one section of the statute but omits it in another statute of the same act, it is generally presumed that Congress acts intentionally and purposely in this disparate inclusion

or exclusion.” *Duncan v. Walker*, 533 U.S. 167, 187 (2001). Moreover, the purpose of the two acts is different. The Mechanics’ Lien Act is broadly construed to protect contractors who provide labor and materials, while the LRFA provides narrow protection to homeowners and subcontractor claimants. *Sill v. Hart*, 2007 UT 45, ¶¶ 8, 12, 162 P.3d 1099 (noting the Mechanics’ Lien Act has “broad remedial powers,” but the LRFA has a “narrow scope of protection”). Therefore, the Court cannot infer an intention by the drafters of the LRFA to allow the assignment of claims from the Fund.

Because the LRFA is silent as to whether claims are assignable, the Court looks to other provisions in the LRFA to determine legislative intent. “We presume that the legislature used each word advisedly and give effect to each term according to its ordinary and accepted meaning.” *State v. Holm*, 2006 UT 31, ¶ 16, 137 P.3d 726 (citation omitted). The goal is to give effect to the legislative intent behind the statute. *Id.* Read as a whole, and in conjunction with the associated provisions of the Utah Administrative Code, the Court determines that the LRFA prohibits any entity other than a qualified beneficiary from recovery under the Fund, including assignees of a qualified beneficiary. The LRFA makes clear that to recover, a qualified beneficiary must strictly adhere to the its requirements. For example, a qualified beneficiary whose registration with the Fund expires “loses all rights to make a claim upon the fund.” Utah Code Ann. § 38-11-302(6)(a). Several other sections of the LRFA reiterate the importance of a claimant’s status as a qualified beneficiary. See e.g., § 38-11-203(1) (payment to a qualified beneficiary shall be made “only upon an order issued by the director finding” that the claimant was a qualified beneficiary during the construction period); § 38-11-301(3)(b) (“A person who does not register [as a qualified beneficiary] shall be prohibited from recovering under the fund

as a qualified beneficiary”); and § 38-11-204(1) (recovery under the Fund is limited to claimants who meet the requirements conferring qualified beneficiary status).

Perhaps more informative than the language of the LRFA itself is the Administrative Code adopted “to enable the Division to administer” the LRFA. Utah Admin. Code R156-38a-103a(1).² Subsection 301b addresses name changes of qualified beneficiaries and transferability of registration as a qualified beneficiary. In particular, “[a]ny change in entity status by a registrant requires registration with the Fund by the new or surviving entity before that entity is a qualified beneficiary.” *Id.* at R156-38a-301b(1). A change in entity status includes the creation of a new legal entity as successor. *Id.* at R156-38a-301b(2)(a). Although CCAM argues that Classic and CCAM are virtually the same entity with mostly the same members, the switch can be considered a “change of entity” requiring new registration with the Fund. Yet CCAM did not register, and Classic did not notify the Division of a change in entity.³ The administrative rules also require a qualified beneficiary to notify the Division of a name change within 30 days. *Id.* at R156-38-301b(3).

The Court finds two provisions in the Administrative Rules particularly strong evidence that the Fund is unavailable to a party who is not the *exact same party* as that which registered as a qualified beneficiary. First, a registration as qualified beneficiary “shall not be transferred, lent, borrowed, sold, exchanged for consideration, *assigned*, or made available for use by any entity other than the registrant for any reason.” *Id.* at R156-38a-301b(4) (emphasis added).

² An agency’s rules are enforceable and have the effect of law. Utah Code Ann. § 63G-3-202.

³ CCAM has since registered as a qualified beneficiary, but had not done so at the time of the construction services rendered.

Second, a claimant “shall not be considered a qualified beneficiary registration merely by virtue of owning or being owned by an entity that is a qualified beneficiary.” *Id.* at R156-38a-301b(5). The legislature and agency, in promulgating the LRFA and administrative rules, set strict parameters in defining “qualified beneficiary.” The Court concludes that they intended to limit who could access the Fund to those who paid into the Fund and registered as beneficiaries.

The reviewing agency refers to the LRFA as a “pay-to-play” program, and this Court adopts the metaphor. The Fund is subsidized in large part by payments made by the qualified beneficiaries into the Fund. Utah Code Ann. § 38-11-202. The agency administering the Fund and the other beneficiaries who have paid into the Fund have an interest in limiting who may use the monies. Although the drafters could have been clearer in prohibiting the assignment of claims to a non-qualifying beneficiary, the intention was to limit claimants under the Fund.

Lastly, CCAM argues that the Defendants should be estopped from denying CCAM's claims because the Division accepted a similar claim from CCAM in 2007, prior to the claims at issue here. However, the 2007 claim was understood by the Division to be a claim by Classic. Although CCAM's name was listed on the claim form, CCAM used Classic's Fund registration number, documents contained Classic's name, and the Division's payment from the Fund was made out to Classic.

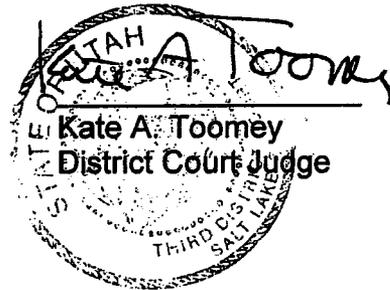
In sum, the Court concludes as a matter of law that CCAM is not a qualified beneficiary, but rather a successor and assignee fo Classic. A qualified beneficiary must be registered as such during the time it provided services, and CCAM was not registered and did not provide the construction services. The Court recognizes the hardship to CCAM, and it is unfortunate that Red Rock did not meet its obligations. The prohibition on accessing the Fund by any party other

than a qualified beneficiary clearly did not anticipate a situation such as the instant case where an assignee making a claim under the Fund is, to a large extent, the same entity as the qualified beneficiary. Nonetheless, the LRFA and Administrative Code sought to narrowly circumscribe who may use the Fund, and CCAM falls outside that delineation.

CONCLUSION

For the foregoing reasons, the Court DENIES the Plaintiff's Motion for Summary Judgment and GRANTS the Defendants' Motion for Summary Judgment.

Dated this 29 day of August, 2012:



Misc.

- 1. Board held informal proceeding 5/12/10. Claim -11 denied. No written contract.
 - a. July 13, 2010 Order from Division

Claim LRF-2008-0911-11 - May 23 through July 13, 2007 - Classic provided services to Red Rock (value \$11,264) for Bryan and Melissa Wood. - Failed to preserve for agency review, and Court has lack of jurisdiction. No written docs provided.

- 2. CCAM hasn't produced the nine contracts. Schmutz's affidavit not based on personal knowledge. No evidence contracts paid in full
- 3. Must preserve issue for agency review, must exhaust admin remedies. 63G-4-401(2)
- 4. Property rights
 - a. property rights under statute don't exist until vested. Must satisfy elements for conditions precedent. 131 p.3d 208, 215
 - i. Classic did not have a "right" to payments from the Fund b/c Division hasn't approved claims when assigned.

5. Spiller: based on common law. But where there's a statute, statutory law trumps.

6. "Compliance with a statute is required before a party is entitled to the benefits created by the statute." *AAA Fencing v. Raintree Development and Energy Co.*, 714 P.2d 289, 291 (Utah 1996)

7. [REDACTED]

8. [REDACTED]

9. [REDACTED]

10. [REDACTED]

11. [REDACTED]

12. [REDACTED]

13. [REDACTED]

CERTIFICATE OF NOTIFICATION

I certify that a copy of the attached document was sent to the following people for case 110911222 by the method and on the date specified.

MAIL: TONY R PATTERSON 160 E 300 S FIFTH FLR POB 140872 SALT LAKE CITY, UT 84114-0872

MAIL: CHRIS L SCHMUTZ 533 W 2600 S STE 200 BOUNTIFUL UT 84010

Date: 08/09/2012

/s/ PAT A JONES

Deputy Court Clerk

Exhibit D

APR 10 2014

THE UTAH COURT OF APPEALS

CCAM ENTERPRISES, LLC,
Petitioner and Appellant,

v.

DEPARTMENT OF COMMERCE, DIVISION OF OCCUPATIONAL AND
PROFESSIONAL LICENSING; AND MARK STEINAGEL,
Respondents and Appellees.

Opinion

No. 20121020-CA

Filed April 10, 2014

Third District Court, Salt Lake Department
The Honorable Kate A. Toomey
No. 110911222

Chris L. Schmutz, Attorney for Appellant
Sean D. Reyes, Brent A. Burnett, and Tony R.
Patterson, Attorneys for Appellees

JUDGE J. FREDERIC VOROS JR. authored this Opinion, in which
JUDGES GREGORY K. ORME and JAMES Z. DAVIS concurred.

VOROS, Judge:

¶1 This case arises from a dispute over claims for more than \$110,000 of cabinetry work. The district court ruled on summary judgment that the assignee of these claims could not collect from the Residence Lien Recovery Fund because, under the statutory scheme, claims are not assignable. We reverse and remand.

BACKGROUND

¶2 Classic Cabinets performed cabinetry services for Rockin R Enterprises, a general contractor. Classic later merged with another company to form CCAM Enterprises. With few exceptions, Classic's employees, directors, officers, and owners became CCAM's employees, directors, officers, and owners. As part of the merger, Classic assigned to CCAM its "accounts receivable, credit agreements, and account agreements, together with all contract rights, causes of action, and claims arising therefrom."

¶3 Rockin R failed to pay Classic for some of the work it performed. CCAM, as Classic's assignee, filed twelve claims for payment from the Residence Lien Recovery Fund (the Fund). The Fund was created by the Lien Recovery Fund Act (LRFA). LRFA serves two purposes. First, it "protects homeowners from having to pay twice for the same improvements. It does so by providing that once the homeowner has paid the general contractor in full, the homeowner and the home are then free from claims and liens of subcontractors who also worked on the home." *Sill v. Hart*, 2007 UT 45, ¶ 14, 162 P.3d 1099 (citing Utah Code Ann. § 38-11-102(14), -107(1), -204(3)(b)(LexisNexis Supp. 2007). Second, LRFA protects subcontractors by making reimbursements from the Fund available to eligible subcontractors who never received payment from their general contractors. Utah Code Ann. §§ 38-11-203, -204. The Division of Occupational and Professional Licensing (DOPL), a division of the Utah Department of Commerce (the Department), administers the Fund.

¶4 DOPL denied CCAM's claims for reimbursement from the Fund.¹ After DOPL denied CCAM's claims, CCAM sought agency review by the Department. The Department also denied the claims. CCAM then filed a complaint in district court. The district court

1. DOPL denied three of the claims for reasons unrelated to this appeal.

CCAM Enterprises v. Department of Commerce

granted summary judgment in DOPL's favor. It concluded that CCAM could not recover on the assigned claims, because CCAM was not a qualified beneficiary under LRFA but merely the assignee of a qualified beneficiary.

ISSUE AND STANDARD OF REVIEW

¶5 This appeal asks whether the assignee of a qualified beneficiary may make a claim on the Fund. "An appellate court reviews a trial court's legal conclusions and ultimate grant or denial of summary judgment for correctness, and views the facts and all reasonable inferences drawn therefrom in the light most favorable to the nonmoving party." *Orvis v. Johnson*, 2008 UT 2, ¶ 6, 177 P.3d 600 (citations and internal quotation marks omitted). Additionally, the Utah Supreme Court has "consistently held that the proper interpretation of a statute is a question of law that should be reviewed for correctness." *State v. Barrett*, 2005 UT 88, ¶ 14, 127 P.3d 682.

ANALYSIS

¶6 CCAM contends that LRFA permits the assignee of a qualified beneficiary to make a claim on the Fund. CCAM reasons that such claims are assignable because (1) their compensatory nature makes them "property rights and it is presumed that they are assignable, unless the statute contains an explicit and unambiguous expression of legislative intent to prohibit assignment"; (2) the common law generally allows for assignment of claims; and (3) the Fund's provisions and rules "do not explicitly and unambiguously prohibit assignment."

¶7 DOPL responds that claims on the Fund are not assignable, because the statute requires that the claimant be a qualified beneficiary and CCAM is not itself a qualified beneficiary but the assignee of a qualified beneficiary. DOPL also asserts that LRFA's

CCAM Enterprises v. Department of Commerce

rules illustrate that an assignee may not make a claim on the Fund. The district court concluded that, as a matter of law, “CCAM is not a qualified beneficiary, but rather a successor and assignee of Classic,” and thus may not make a claim on the Fund.

¶8 At common law, “an assignee stands in the shoes of its assignor. . . . [T]he purpose behind the rule is that an assignee has rights and liabilities identical to those of its assignor.” *Sunridge Dev. Corp. v. RB&G Eng’g, Inc.*, 2010 UT 6, ¶¶ 11, 15, 230 P.3d 1000. Furthermore, statutory claims are assignable unless the statute dictates otherwise. See *Westgate Resorts, Ltd. v. Consumer Prot. Group, LLC*, 2012 UT 55, ¶ 35, 285 P.3d 1219. But where a statute conflicts with the common law, the common law must yield. *Anderson v. United Parcel Serv.*, 2004 UT 57, ¶ 12, 906 P.3d 903.

¶9 To interpret a statute, we begin by looking to the plain language. *In re Adoption of Baby E.Z.*, 2011 UT 38, ¶ 15, 266 P.3d 702. We give effect to the “purpose the statute was meant to achieve” as evidenced by its plain language. *Id.* (citation and internal quotation marks omitted). Nevertheless, “[s]tatutes are not to be construed as effecting any change in the common law beyond that which is clearly indicated.” *Horne v. Horne*, 737 P.2d 244, 248 (Utah 1987).

¶10 LRFA does not mention assignment. See generally Utah Code Ann. § 38-11-203 (LexisNexis Supp. 2007). It states that a claimant may receive payments from the Fund only if “the claimant was a qualified beneficiary during the construction of a residence.” *Id.* § 38-11-203(1)(a). But it does not contain a statutory instruction barring assignment. Under these circumstances, the Utah Supreme Court’s decision in *Westgate Resorts, Ltd. v. Consumer Protection Group, LLC*, permits the assignee to make the claim. See 2012 UT 55, 285 P.3d 1219.

¶11 In *Westgate*, the Utah Supreme Court held that because the Utah Consumer Sales Practices Act (the UCSPA) does not specifically bar assignment of claims, claims under the UCSPA are

CCAM Enterprises v. Department of Commerce

assignable. *Id.* ¶ 35. The UCSPA authorizes a “consumer” to bring a claim for “[a] deceptive act or practice by a supplier in connection with a consumer transaction.” Utah Code Ann. § 13-11-4(1) (LexisNexis Supp. 2012). Additionally, it provides that “[a] consumer who suffers loss as a result of a violation of this chapter may recover.” *Id.* § 13-11-19(2) (emphasis added). Consumer Protection Group did not qualify as a consumer but held assigned consumer claims. *See Westgate*, 2012 UT 55, ¶ 4. Based on the assigned claims, Consumer Protection Group brought an action for fraud against Westgate under the UCSPA. *Id.* ¶¶ 4–5. The district court ruled that because Consumer Protection Group did not qualify as a “consumer,” it could not bring the claims under the UCSPA. *Id.* ¶ 30. The Utah Supreme Court reversed. *Id.* ¶ 36. The court held that “[w]here property is sought to be recovered, claims for fraud are assignable. This would not be true where there is a statutory instruction to the contrary. But the UCSPA does not bar assignability. We therefore see no reason that UCSPA claims should not be assignable.” *Id.* ¶ 35.

¶12 Likewise, we see no reason that LRFA claims should not be assignable. Like the Consumer Protection Group, CCAM, though not itself a qualified claimant, holds claims assigned by one. And like the UCSPA, LRFA specifies who may make claims, but contains no statutory instruction prohibiting assignment. *See id.* Accordingly, under *Westgate*, CCAM may pursue its assigned claims against the Fund.

¶13 This reading of LRFA reinforces its twofold purpose of protecting both homeowners and subcontractors. Subcontractors are protected because they may assign their claims if they change their form of business, close their doors, or for some other reason need to assign their claims. And homeowners are protected because LRFA still provides them protection from subcontractor liens.

¶14 DOPL argues that because LRFA creates a “pay-to-play” program, it does not permit CCAM to make a claim on the Fund.

CCAM Enterprises v. Department of Commerce

But DOPL has not established that the pay-to-play program would be undermined by allowing CCAM to make a claim on the Fund. Classic paid into the fund and met the statutory requirements for a qualified beneficiary. Classic could have made a claim on the Fund but instead assigned its claims to CCAM. So Classic paid, and following assignment, CCAM can now play. Allowing CCAM to pursue the assigned claims neither expands nor shrinks the pool of claimants nor the amount needed to satisfy their claims.

¶15 DOPL also asserts that LRFA's rules prohibit an assignee from claiming against the Fund. LRFA's rules state that a *registration* cannot be "transferred, lent, borrowed, sold, exchanged for consideration, assigned, or made available for use by an entity other than the registrant for any reason." Utah Admin. Code R156-38a-301b(4). LRFA's rules also state that "[a]ny change in entity status by a registrant requires registration with the Fund by the new or surviving entity before that entity is a qualified beneficiary." *Id.* R156-38a-301b(1). Finally, LRFA's rules provide that a claimant "shall not be considered a qualified beneficiary registrant merely by virtue of owning or being owned by an entity that is a qualified beneficiary." *Id.* R156-38a-301b(5). But none of these rules prohibits assignment of the claim, and this omission is dispositive under *Westgate*.

CONCLUSION

¶16 For the foregoing reasons, the judgment of the district court is reversed and the case remanded for further proceedings.

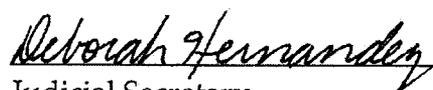
CERTIFICATE OF MAILING

I hereby certify that on the 10th day of April, 2014, a true and correct copy of the attached DECISION was sent by electronic mail to be delivered to:

SEAN D REYES
ATTORNEY GENERAL
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THIRD DISTRICT, SALT LAKE
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Judicial Secretary

TRIAL COURT: THIRD DISTRICT, SALT LAKE, 110911222
APPEALS CASE NO.: 20121020-CA

Exhibit E

	<u>Qualified Services</u>	<u>Interest*</u>	<u>Ratio*</u>	<u>Costs</u>	<u>Fees*</u>	<u>Total Payment</u>
2008-0911-02	\$5,024.76	\$2,466.82	1.76%	\$88.97	\$0.00	\$7,580.55
2008-0911-03	\$9,748.00	\$4,785.60	3.40%	\$171.00	\$0.00	\$14,704.60
2008-0911-04	\$8,833.60	\$4,352.67	3.09%	\$156.21	\$0.00	\$13,342.48
2008-0911-06	\$3,163.00	\$1,605.72	1.10%	\$55.61	\$0.00	\$4,824.33
2008-0911-09	\$12,037.81	\$6,123.79	4.20%	\$212.32	\$0.00	\$18,373.92
2008-0911-10	\$8,757.19	\$4,445.66	3.06%	\$154.69	\$0.00	\$13,357.54
2008-0911-11	\$11,264.00	\$5,186.15	3.93%	\$198.67	\$0.00	\$16,648.82
2008-0911-12	\$18,261.33	\$9,076.50	6.38%	\$322.53	\$0.00	\$27,660.36
2008-0911-13	\$11,566.00	\$5,389.60	4.04%	\$204.24	\$0.00	\$17,159.84
	<u>\$88,655.69</u>	<u>\$43,432.51</u>		<u>\$1,564.24</u>	<u>\$0.00</u>	<u>\$133,652.44</u>

Interest* calculated from the date payment was due to the date the application was submitted and then from the date the application was completed to the date the division director authorizes payment - calculation attached

Ratio* calculated as per R156-38a-204c (2)

Fees* the judgment did not state a sum for attorneys' fees thus no attorneys' fees will be paid
See U.C.A 38-11-203 (3) (f)

Claim Report

Informal Claim

Claim: LRF-2008-0911-02

July 1, 2014

Claim Examined by: Dane

Claimant: CCAM Enterprises LLC

Contractor License #: 6750658

Issue Date: 11/21/2007

Expiration Date: 11/30/2011

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911

NPP Classification: Home Builder

Original Contractor: Wadman Homes LLC

Type: Licensed Contractor

Contractor License #: 5119071

License Issuance Date: 07/29/2003

License End Date: 11/30/2010

Homeowners: Shane & Talease Perkins

Abstract and Recommendation

Division's recommended disposition: Approve Full Payment

Detailed Analysis and Findings of Facts

Date of Final Completion of Contract

4/3/2007

Evidence in support of date: Certificate of Occupancy

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 161

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/12/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>		<u>Approved</u>		<u>Difference*</u>
Qualified Services:	\$ 5,025.00	\$	5,024.76	\$	-0.24
Pre-judgment Atty Fees:	0.00		0.00		0.00
Pre-judgment Costs:	0.00		0.00		0.00
Post-judgment Atty Fees:	121.00		0.00		-121.00
Post-judgment Costs:	25.00		88.97		63.97
Interest:	332.00		2,466.82		2,134.82
Totals	\$ 5,503.00	\$	7,580.55	\$	2,077.55

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Evidence of pre-judgment costs: Other (see comments)

None Claimed

Explanation of post-judgment costs: Billing Information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-02**

Terms of Sale: N30
Claim Filing Date: 9/11/2008
Payment Due Date: 4/2/2007
Interest Rate per UCA 38-11-203(3)(c) 8.250%
Daily Interest Rate 0.02226%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 2,466.82

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
4/2/2007	N	Payment due	\$5,024.76	5,024.76	0	\$ -
9/11/2008	Y	Application submitted		5,024.76	528	599.67
1/7/2010	N	Application completed		5,024.76	483	-
7/9/2014	N	Division director authorizes payment		5,024.76	1644	1,867.15

Claim Report

Informal Claim

Claim: LRF-2008-0911-03

July 1, 2014

Claim Examined by: Dane

Claimant: CCAM Enterprises LLC

Contractor License #: 6750658

Issue Date: 11/21/2007

Expiration Date: 11/30/2013

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911

NPP Classification: Specialty Contractor

Original Contractor: Dreamworks Development LLC

Type: Real Estate Developer

Homeowners: Jason & Nicole Baum

Abstract and Recommendation

Division's recommended disposition: Approve Full Payment

Detailed Analysis and Findings of Facts

Date of Final Completion of Contract 8/16/2007

Evidence in support of date: C of O

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 26

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/17/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in full? Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>	<u>Approved</u>	<u>Difference*</u>
Qualified Services: \$	9,748.00 \$	9,748.00 \$	0.00
Pre-judgment Atty Fees:	0.00	0.00	0.00
Pre-judgment Costs:	0.00	0.00	0.00
Post-judgment Atty Fees:	234.00	0.00	-234.00
Post-judgment Costs:	49.00	171.00	122.00
Interest:	643.00	4,785.60	4,142.60
Totals \$	10,674.00 \$	14,704.60 \$	4,030.60

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Explanation of post-judgment costs: Billing Information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-03**

Terms of Sale:
Claim Filing Date: N30
Payment Due Date: 9/11/2008
Interest Rate per UCA 38-11-203(3)(c): 4/2/2007
Daily Interest Rate: 8.250%
 0.0226%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 4,785.60

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
4/2/2007	N	Payment due	\$9,748.00	9,748.00	0	\$ -
9/11/2008	Y	Application submitted		9,748.00	528	1,163.35
1/7/2010	N	Application Complete		9,748.00	483	-
7/9/2014	N	Division director authorizes payment		9,748.00	1644	3,622.25

Claim Report

Informal Claim

Claim: LRF-2008-0911-04

July 1, 2014

Claim Examined by: Dane

Claimant: CCAM Enterprises LLC

Contractor License #: 6750658 Issue Date: 11/21/2007 Expiration Date: 11/30/2013

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911 NPP Classification: Home Builder

Original Contractor: Topalian Construction Inc

Type: Licensed Contractor Contractor License #: 367295

License Issuance Date: 01/06/1999 License End Date: 11/30/2011

Homeowner: Terra Lee Barnes

Abstract and Recommendation

Division's recommended disposition: Approve Full Payment

Detailed Analysis and Findings of Facts

Date of Final Completion of Contract 3/21/2007

Evidence in support of date: C of O

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 174

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 12/18/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in full: Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>		<u>Approved</u>		<u>Difference*</u>
Qualified Services:	\$ 8,834.00	\$	8,833.60	\$	-0.40
Pre-judgment Atty Fees:	0.00		0.00		0.00
Pre-judgment Costs:	0.00		0.00		0.00
Post-judgment Atty Fees:	211.00		0.00		-211.00
Post-judgment Costs:	45.00		156.21		111.21
Interest:	581.00		4,352.67		3,771.67
Totals	\$ 9,671.00	\$	13,342.48	\$	3,671.48

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Evidence of pre-judgment costs: Other (see comments)

None Claimed

Explanation of post-judgment costs:

Billing Information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-04

Terms of Sale: N30
 Claim Filing Date: 9/11/2008
 Payment Due Date: 3/25/2007
 Interest Rate per UCA 38-11-203(3)(c) 8.250%
 Daily Interest Rate 0.0226%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 4,352.67

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
3/25/2007	N	Payment due	\$8,833.60	8,833.60	0	\$ -
9/11/2008	Y	Application submitted		8,833.60	536	1,070.20
1/7/2010	N	Application complete		8,833.60	483	-
7/9/2014	N	Division director authorizes payment		8,833.60	1644	3,282.47

Claim Report

Informal Claim

Claim: LRF-2008-0911-06

July 1, 2014

Claim Examined by: Dane

Claimant: CCAM Enterprises LLC

Contractor License #: 6750658

Issue Date: 11/21/2007

Expiration Date: 11/30/2013

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911

NPP Classification: Home Builder

Original Contractor: Rockin R Enterprises Lp

Type: Licensed Contractor

Contractor License #: 5742911

License Issuance Date: 11/02/2004

License End Date:

Homeowner: Elaine Andrews

Abstract and Recommendation

Division's recommended disposition: Approve Partial Payment

Detailed Analysis and Findings of Facts

Text166:Date of Final Completion of Contract

4/26/2007

Evidence in support of date: Cert. of Occupancy

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 138

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/13/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in full? Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>	<u>Approved</u>	<u>Difference*</u>
Qualified Services:	\$ 6,327.00	\$ 3,163.00	\$ -3,164.00
Pre-judgment Atty Fees:	0.00	0.00	0.00
Pre-judgment Costs:	0.00	0.00	0.00
Post-judgment Atty Fees:	151.00	0.00	-151.00
Post-judgment Costs:	32.00	55.61	23.61
Interest:	415.00	1,605.72	1,190.72
Totals	\$ 6,925.00	\$ 4,824.33	\$ -2,100.67

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00 _____

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Evidence of pre-judgment costs: Other (see comments)

None claimed

Explanation of post-judgment costs:

Billing Information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-06**

Terms of Sale: N30
 Claim Filing Date: 9/11/2008
 Payment Due Date: 4/22/2007
 Interest Rate per UCA 38-11-203(3)(c) 8.250%
 Daily Interest Rate 0.02226%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 1,605.72

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
4/22/2007	N	Payment due	\$3,163.00	3,163.00	0	\$ -
9/11/2008	Y	Application submitted		3,163.00	508	363.18
10/5/2009	N	Application completed		3,163.00	389	-
7/9/2014	N	Division director authorizes payment		3,163.00	1738	1,242.54

Claim Report

Informal Claim

Claim: LRF-2008-0911-09

July 1, 2014

Claim Examined by: Dane

Claimant: CCAM Enterprises LLC

LRF Registration #:

Registration Date:

Expiration Date:

Contractor License #: 6750658

Issue Date: 11/21/2007

Expiration Date: 11/30/2011

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911

NPP Classification: Specialty Contractor

Original Contractor: Rockin R Enterprises LP dba Red Rock Cabinets

Type: Licensed Contractor

Contractor License #: 5742911

License Issuance Date: 11/02/2004

License End Date: 11/30/2009

Homeowners: Tim & Jenie Weir

Abstract and Recommendation

Division's recommended disposition: Approve Full Payment

Detailed Analysis and Findings of Facts

Date of Final Completion of Contract: 2/23/2007

Evidence in support of date: Cert. of Occupancy

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 200

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/17/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

**Did Homeowner enter into a written contract with Original Contractor for
The performance of qualified services?** Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in full? Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>		<u>Approved</u>		<u>Difference*</u>
Qualified Services:	\$ 12,298.00	\$	12,037.81	\$	-260.19
Pre-judgment Atty Fees:	0.00		0.00		0.00
Pre-judgment Costs:	25.00		0.00		-25.00
Post-judgment Atty Fees:	294.00		0.00		-294.00
Post-judgment Costs:	62.00		212.32		150.32
Interest:	809.00		6,123.79		5,314.79
Totals	\$ 13,488.00	\$	18,373.92	\$	4,885.92

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Evidence of pre-judgment costs: None Claimed

Explanation of post-judgment costs: Billing Information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-09

Terms of Sale: N30
 Claim Filing Date: 9/11/2008
 Payment Due Date: 4/22/2007
 Interest Rate per UCA 38-11-203(3)(c) 8.250%
 Daily Interest Rate 0.02226%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 6,123.79

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
4/22/2007	N	Payment due	\$12,037.81	12,037.81	0	\$ -
4/22/2007	N	Payment due	\$159.21	12,197.02	0	-
4/22/2007	N	Payment due	\$101.27	12,298.29	0	-
9/11/2008	Y	Application submitted		12,298.29	508	1,412.11
1-1/9/2009	N	Application completed		12,298.29	424	-
7/1/2014	N	Division director authorizes payment		12,298.29	1695	4,711.68

Claim Report

Informal Claim

Claim: LRF-2008-0911-10

July 2, 2014

Claim Examined by: Dane

Claimant: CCAM Enterprises LLC

Contractor License #: 6750658

Issue Date: 11/21/2007

Expiration Date: 11/30/2013

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911

NPP Classification: Home Builder

Original Contractor: Rockin R Enterprises LP dba Red Rock Cabinets

Type: Licensed Contractor

Contractor License #: 5742911

License Issuance Date: 11/02/2004

License End Date: 11/30/2009

Homeowners: Paul & Lynette Wilson

Abstract and Recommendation

Division's recommended disposition: Approve Full Payment

Detailed Analysis and Findings of Facts

Text166:Date of Final Completion of Contract

9/4/2007

Evidence in support of date: Cert of Occupancy

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 7

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/17/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in full? Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>	<u>Approved</u>	<u>Difference*</u>
Qualified Services:	\$ 8,757.00	\$ 8,757.19	0.19
Pre-judgment Atty Fees:	0.00	0.00	0.00
Pre-judgment Costs:	0.00	0.00	0.00
Post-judgment Atty Fees:	211.00	0.00	-211.00
Post-judgment Costs:	45.00	154.69	109.69
Interest:	581.00	4,445.66	3,864.66
Totals	\$ 9,594.00	\$ 13,357.54	3,763.54

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Evidence of pre-judgment costs: None Claimed

Explanation of post-judgment costs: Billing Information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-10**

Terms of Sale: N30
Claim Filing Date: 9/11/2008
Payment Due Date: 3/18/2007
Interest Rate per UCA 38-11-203(3)(c) 8.250%
Daily Interest Rate 0.0226%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 4,445.66

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
3/18/2007	N	Payment due	\$8,757.19	8,757.19	0	\$ -
9/11/2008	Y	Application submitted		8,757.19	543	1,074.80
11/9/2009	N	Application completed		8,757.19	424	-
7/9/2014	N	Division director authorizes payment		8,757.19	1703	3,370.86

Claim Report

Claim: LRF-2008-0911-11

Claim Examined by: Dane

Informal Claim

July 2, 2014

Claimant: CCAM Enterprises LLC

Contractor License #: 6750658

Issue Date: 11/21/2007

Expiration Date: 11/30/2013

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911

NPP Classification: Specialty Contractor

Original Contractor: Bastian Homes Inc

Type: Licensed Contractor

Contractor License #: 296249

License Issuance Date: 09/07/1995

License End Date: 11/30/2009

Homeowners: Bryan & Melissa Wood

Abstract and Recommendation

Division's recommended disposition: Approve Full Payment

Detailed Analysis and Findings of Facts

Date of Final Completion of Contract

8/23/2007

Evidence in support of date: Inspection

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 19

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/17/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in full? Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>		<u>Approved</u>		<u>Difference*</u>
Qualified Services:	\$ 11,264.00	\$	11,264.00	\$	0.00
Pre-judgment Atty Fees:	0.00		0.00		0.00
Pre-judgment Costs:	0.00		0.00		0.00
Post-judgment Atty Fees:	264.00		0.00		-264.00
Post-judgment Costs:	57.00		198.67		141.67
Interest:	741.00		5,186.15		4,445.15
Totals	\$ 12,326.00	\$	16,648.82	\$	4,322.82

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Evidence of pre-judgment costs: None Claimed

Explanation of post-judgment costs: Billing information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-11**

Terms of Sale:
Claim Filing Date: N30
Payment Due Date: 9/11/2008
Interest Rate per UCA 38-11-203(3)(c): 8/12/2007
Daily Interest Rate: 8.250%
 0.0226%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 5,186.15

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
8/12/2007	N	Payment due	\$11,264.00	11,264.00	0	\$ -
9/11/2008	Y	Application submitted		11,264.00	396	1,008.21
1/10/2010	N	Application completed		11,264.00	486	-
7/9/2014	N	Division director authorizes payment		11,264.00	1641	4,177.94

Claim Report

Informal Claim

Claim: LRF-2008-0911-12

July 2, 2014

Claim Examined by: Dane

Claimant: CCAM Enterprises LLC

Contractor License #: 6750658

Issue Date: 11/21/2007

Expiration Date: 11/30/2013

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911

NPP Classification: Home Builder

Original Contractor: Rockin R Enterprises LP dba Red Rock Cabinets

Type: Licensed Contractor

Contractor License #: 5742911

License Issuance Date: 11/02/2004

License End Date: 11/30/2009

Homeowner: Roger Lynn Williams

Abstract and Recommendation

Division's recommended disposition: Approve Full Payment

Detailed Analysis and Findings of Facts

Date of Final Completion of Contract

3/9/2007

Evidence in support of date: Cert. of Occupancy

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 186

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/17/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in full? Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>	<u>Approved</u>	<u>Difference*</u>
Qualified Services:	\$ 18,262.00	\$ 18,261.33	\$ -0.67
Pre-judgment Atty Fees:	0.00	0.00	0.00
Pre-judgment Costs:	0.00	0.00	0.00
Post-judgment Atty Fees:	438.00	0.00	-438.00
Post-judgment Costs:	92.00	322.53	230.53
Interest:	1,204.00	9,076.50	7,872.50
Totals	\$ 19,996.00	\$ 27,660.36	\$ 7,664.36

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Evidence of pre-judgment costs: None Claimed

Explanation of post-judgment costs: Billing Information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-12**

Terms of Sale:
Claim Filing Date: 9/11/2008
Payment Due Date: 3/4/2007
Interest Rate per UCA 38-11-203(3)(c) 8.250%
Daily Interest Rate 0.0226%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 9,076.50

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
3/4/2007	N	Payment due	\$18,261.33	18,261.33	0	\$ -
9/11/2008	Y	Application submitted		18,261.33	557	2,299.05
1/9/2010	N	Application completed		18,261.33	485	-
7/9/2014	N	Division director authorizes payment		18,261.33	1642	6,777.45

Claim Report

Informal Claim

Claim: LRF-2008-0911-13

July 2, 2014

Claim Examined by: Dane

Claimant: CCAM Enterprises LLC

Contractor License #: 6750658

Issue Date: 11/21/2007

Expiration Date: 11/30/2013

Claimant Classification: Contractor

Claimant's Attorney: Chris L Schmutz

Nonpaying Party: Rockin R Enterprises LP dba Red Rock Cabinets

Contractor License # 5742911

NPP Classification: Home Builder

Original Contractor: Rockin R Enterprises LP dba Red Rock Cabinets

Type: Licensed Contractor

Contractor License #: 5742911

License Issuance Date: 11/02/2004

License End Date: 11/30/2009

Homeowners: Jim & Carrie McDonald

Abstract and Recommendation

Division's recommended disposition: Approve Full Payment

Detailed Analysis and Findings of Facts

Date of Final Completion of Contract 4/5/2007

Evidence in support of date: Inspection

Date Claimant file civil action or NPP filed bankruptcy: 9/12/2007

Evidence in support of date: Judgment Confession

Number of days difference: 159

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/17/2007

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Contract

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in full? Yes

Evidence of full payment: Original Contractor's Affidavit

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Homeowner's affidavit

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>		<u>Approved</u>		<u>Difference*</u>
Qualified Services:	\$ 11,566.00	\$	11,566.00	\$	0.00
Pre-judgment Atty Fees:	0.00		0.00		0.00
Pre-judgment Costs:	0.00		0.00		0.00
Post-judgment Atty Fees:	302.00		0.00		-302.00
Post-judgment Costs:	64.00		204.24		140.24
Interest:	830.00		5,389.60		4,559.60
Totals	\$ 12,762.00	\$	17,159.84	\$	4,397.84

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

Evidence of pre-judgment attorney fee amount:

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 0.00

Judgment does not provide sum-certain amount of attorney fees. All fees are denied per Utah Code Ann. § 38-11-203(3)(f).

Evidence of pre-judgment costs: None claimed

Explanation of post-judgment costs: Billing information

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2008-0911-13**

Terms of Sale:
Claim Filing Date: N30
 9/11/2008
Payment Due Date: 12/22/2006
Interest Rate per UCA 38-11-203(3)(c) 7.250%
Daily Interest Rate 0.0199%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 5,389.60

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
12/22/2006	N	Payment due	\$11,566.00	11,566.00	0	\$ -
9/11/2008	Y	Application submitted		11,566.00	629	1,445.04
10/26/2009	N	Application completed		11,566.00	410	-
7/9/2014	N	Division director authorizes payment		11,566.00	1717	3,944.56

Exhibit F

FILED DISTRICT COURT
Third Judicial District

SEP 12 2007

SALT LAKE COUNTY

By _____
Deputy Clerk

Chris L. Schmutz #4759
SCHMUTZ & MOHLMAN, LLC
533 West 2600 South #200
Bountiful, UT 84010
(801) 298-4800

Attorneys for Plaintiff

IN THE THIRD JUDICIAL DISTRICT COURT

COPY

SALT LAKE COUNTY, SALT LAKE DEPARTMENT

STATE OF UTAH

CCAM ENTERPRISES, LLC, a Utah
limited liability company,

Plaintiff,

vs.

ROCKIN R ENTERPRISES, LP, a
Utah limited partnership dba Red Rock
Cabinets, and JOE REESE,

Defendants.

JUDGMENT
BY CONFESSION

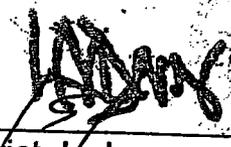
Civil No. 070913124

BASED UPON the Affidavit in Support of Judgment by Confession, and it
appearing therefrom that the prerequisites for entry of judgment by confession set
forth in Rule 58A(f) of the Utah Rules of Civil Procedure have been met, and other
good cause appearing therefore, it is hereby

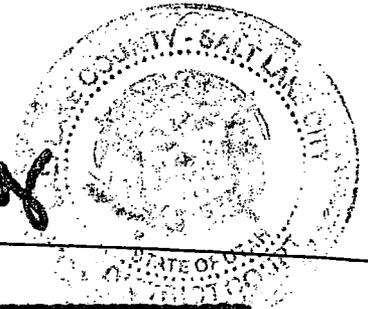
ORDERED, ADJUDGED AND DECREED that the judgment of this Court be awarded in favor of Plaintiff CCAM Enterprises, LLC, a Utah limited liability company, and against Defendants Rockin R Enterprises, LP, a Utah limited partnership dba Red Rock Cabinets, and Joe Reese, jointly and severally, in the sum of \$286,287.00, plus interest at the rate of 24% per annum from and after July 10, 2007, until paid in full; and it is further

ORDERED, ADJUDGED AND DECREED that this judgment shall be augmented in the amount of reasonable costs and attorney's fees expended in collecting said judgment by execution or otherwise as shall be established by affidavit.

DATED this 12th day of September, 2007.



Third District Judge



IN THE DIRECTION OF JUDGE

APPLICATION FOR PAYMENT

RECOMMENDED FOR APPROVAL

- EXPLANATION REQUIRED-

Claim Report

Informal Claim

Claim: LRF-2012-1019-04

June 24, 2014

Claim Examined by: Dane

Claimant: Allreds Inc

LRF Registration #: 315250

Registration Date: 10/16/1995

Expiration Date: 11/30/2015

Claimant Classification: Contractor

Claimant's Attorney: Dana Farmer

Nonpaying Party: Jakes Heating & Air Conditioning Inc

Contractor License # 4764492

NPP Classification: Specialty Contractor

Original Contractor: Jakes Heating & Air Conditioning Inc

Type: Licensed Contractor

Contractor License #: 4764492

License Issuance Date: 12/14/2000

License End Date: 06/25/2013

Homeowners: Donald & Lauri Baldwin

Abstract and Recommendation

Division's recommended disposition: Approve Partial Payment

Detailed Analysis and Findings of Facts

Date Claimant Recorded Lien: 2/28/2012

Evidence in support of date: Lien

Date Claimant file civil action or NPP filed bankruptcy: 3/23/2012

Evidence in support of date: Complaint

Number of days difference: 24

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/25/2012

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Judgment

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in Yes

Evidence of full payment: Judgment

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Judgment

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>	<u>Approved</u>	<u>Difference*</u>
Qualified Services:	\$ 6,071.09	\$ 5,509.60	\$ -561.49
Pre-judgment Atty Fees:	864.16	826.44	-37.72
Pre-judgment Costs:	380.61	591.69	211.08
Post-judgment Atty Fees:	0.00	0.00	0.00
Post-judgment Costs:	0.00	0.00	0.00
Interest:	809.18	361.48	-447.70
Totals	\$ 8,125.04	\$ 7,289.21	\$ -835.83

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

The invoices submitted as evidence of qualified services total \$5,509.60. Thus, \$561.49 of the claimed qualified services is denied.

Evidence of pre-judgment attorney fee amount: Judgment

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 826.44

Evidence of pre-judgment costs: Judgment

Evidence of post-judgment attorney fees: None claimed

Explanation of post-judgment costs: None claimed

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2012-1019-04**

Terms of Sale: 10th
 Claim Filing Date: 10/19/2012
 Payment Due Date: 9/15/2011
 Interest Rate per UCA 38-11-203(3)(c) 3.250%
 Daily Interest Rate 0.0089%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 361.48

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
9/10/2011	N	Payment due	51.07	51.07	0	-
9/10/2011	N	Payment due	36.08	87.15	0	-
9/10/2011	N	Payment due	1,552.25	1,639.40	0	-
9/10/2011	N	Payment due	728.46	2,367.86	0	-
9/10/2011	N	Payment due	58.33	2,426.19	0	-
11/10/2011	N	Payment due	1,502.97	3,929.16	61	13.18
11/10/2011	N	Payment due	28.19	3,957.35	0	-
11/10/2011	N	Payment due	1,552.25	5,509.60	0	-
2/28/2012	N	Claimant filed lien on residence		5,509.60	110	53.96
3/23/2012	N	Claimant filed complaint against NPP		5,509.60	24	11.77
9/25/2012	N	Claimant obtained judgment against NPP		5,509.60	186	91.25
10/19/2012	N	Claimant filed application for payment		5,509.60	24	11.77
12/17/2012	Y	Application was conditionally denied		5,509.60	59	28.94
2/19/2013	Y	Application was placed on prolonged status		5,509.60	64	-
4/23/2013	N	Application removed from prolonged status		5,509.60	63	-
12/2/2013	N	Scheduled for the 12/11/2013 board meeting		5,509.60	223	109.40
12/11/2013	Y	Application was placed on prolonged status		5,509.60	9	4.42
4/25/2014	N	Application removed from prolonged status		5,509.60	135	-
7/9/2014	N	Division director authorizes payment		5,509.60	75	36.79

Claim Report

Informal Claim

Claim: LRF-2012-1019-05

June 26, 2014

Claim Examined by: Dane

Claimant: Allreds Inc

LRF Registration #: 315250

Registration Date: 10/16/1995 Expiration Date: 11/30/2015

Claimant Classification: Contractor

Claimant's Attorney: Dana Farmer

Nonpaying Party: Jakes Heating & Air Conditioning Inc

Contractor License # 4764492

NPP Classification: Specialty Contractor

Original Contractor: Jakes Heating & Air Conditioning Inc

Type: Licensed Contractor

Contractor License #: 4764492

License Issuance Date: 12/14/2000

License End Date: 06/25/2013

Homeowner(s) Naomi / Habitat for Humanity

Abstract and Recommendation

Division's recommended disposition: Approve Partial Payment

Detailed Analysis and Findings of Facts

Date Claimant Recorded Lien: 2/28/2012

Evidence in support of date: Lien

Date Claimant file civil action or NPP filed bankruptcy: 3/23/2012

Evidence in support of date: Complaint

Number of days difference: 23

Did Claimant obtain judgment against NPP?

Date Claimant obtained judgment or NPP filed for bankruptcy 09/25/2012

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for

The performance of qualified services? Yes

Evidence of a written contract: Judgment

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in Yes

Evidence of full payment: Judgment

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Judgment

Did Claimant provide qualified services? Yes

Evidence of qualified services: Judgment

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

		<u>Claimed</u>		<u>Approved</u>		<u>Difference*</u>
Qualified Services:	\$	2,307.63	\$	2,071.63	\$	-236.00
Pre-judgment Atty Fees:		328.47		310.74		-17.73
Pre-judgment Costs:		144.67		222.44		77.77
Post-judgment Atty Fees:		0.00		0.00		0.00
Post-judgment Costs:		0.00		0.00		0.00
Interest:		307.58		24.53		-283.05
Totals	\$	3,088.35	\$	2,629.34	\$	-459.01

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Judgment

In this case the claimant submitted a judgment in order to establish the qualified services amount. However, the judgment does not establish a payment due date so that interest can be calculated. The Division conditionally denied the application and requested evidence of the payment due date. The claimant submitted evidence that established the payment due

Evidence of pre-judgment attorney fee amount: Judgment

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 310.74

Evidence of pre-judgment costs: Judgment

Evidence of post-judgment attorney fees: Other (see comments)

None Claimed

Explanation of post-judgment costs:

None Claimed

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2012-1019-05**

Terms of Sale:
Claim Filing Date: 10/19/2012
Payment Due Date: 9/24/2012
Interest Rate per UCA 38-11-203(3)(c) 3.250%
Daily Interest Rate 0.0089%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 24.53

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
2/2/2012	N	Claimant filed lien on residence		-	0	\$ -
3/23/2012	N	Claimant filed complaint against NPP		-	50	-
9/25/2012	N	Claimant obtained judgment against NPP	\$ 2,071.88	2,071.88	186	-
10/19/2012	N	Claimant filed application for payment		2,071.88	24	4.43
12/17/2012	Y	Application conditionally denied		2,071.88	59	10.88
2/19/2013	Y	Application placed on prolonged status		2,071.88	64	-
4/23/2014	N	Application removed from prolonged status		2,071.88	428	-
5/9/2014	Y	Application conditionally denied		2,071.88	16	2.95
6/5/2014	N	Application removed from prolonged status		2,071.88	27	-
7/9/2014	N	Division director authorizes payment		2,071.88	34	6.27

Allocation Schedule
LRF-2012-1019-05
June 24, 2014

Gross Qualified Services for all Related Properties	27,511.88	(1)
Gross Qualified Services for Claim	2,071.63	(2)
Allocation Ratio for Claim Items	0.0753	(3)=(2)÷(1)
Pre-Judgment Items (total items if no judgment)		
Attorney Fees	17,698.06	(4)
Costs	2,954.00	(5)
Payments Received (if any)	-	(6)
Post-Judgment Items		
Attorney Fees		(7)
Costs		(8)
Allocation of Items		
Pre-Judgment Attorney Fees	1,332.66	(9)=(4)×(3)
Pre-Judgment Costs	222.44	(10)=(5)×(3)
Post-Judgment Attorney Fees	-	(11)=(7)×(3)
Post-Judgment Costs	-	(12)=(8)×(3)
Payments Received	-	(12)=(6)×(3)

Claim Report

Informal Claim

Claim: LRF-2012-1019-06

June 27, 2014

Claim Examined by: Dane

Claimant: Allreds Inc

LRF Registration #: 315250

Registration Date: 10/16/1995 Expiration Date: 11/30/2015

Claimant Classification:

Supplier

Claimant's Attorney: Dana Farmer

Nonpaying Party: Jakes Heating & Air Conditioning Inc

Contractor License # 4764492

NPP Classification: Specialty Contractor

Original Contractor: Jakes Heating & Air Conditioning Inc

Type: Licensed Contractor

Contractor License #: 4764492

License Issuance Date: 12/14/2000

License End Date: 06/25/2013

Homeowners: Jeff & Heidi Hall

Abstract and Recommendation

Division's recommended disposition: Approve Partial Payment

Detailed Analysis and Findings of Facts

Date Claimant Recorded Lien: 2/28/2012

Evidence in support of date: Lien

Date Claimant file civil action or NPP filed bankruptcy: 3/23/2012

Evidence in support of date: Complaint

Number of days difference: 23

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/25/2012

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Certificate of Compliance

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in Yes

Evidence of full payment: Certificate of Compliance

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Certificate of Compliance

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>	<u>Approved</u>	<u>Difference*</u>
Qualified Services: \$	2,361.27 \$	2,125.27 \$	-236.00
Pre-judgment Atty Fees:	336.13	318.79	-17.34
Pre-judgment Costs:	148.05	228.05	80.00
Post-judgment Atty Fees:	0.00	0.00	0.00
Post-judgment Costs:	0.00	0.00	0.00
Interest:	314.75	145.29	-169.46
Totals \$	3,160.20 \$	2,817.40 \$	-342.80

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

The invoices submitted as evidence of qualified services total \$2,125.27. Thus, \$236 of the claimed qualified services is denied.

Evidence of pre-judgment attorney fee amount: Judgment

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 318.79

Evidence of pre-judgment costs: Judgment

Evidence of post-judgment attorney fees:

None Claimed

Explanation of post-judgment costs:

None Claimed

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2012-1019-06**

Terms of Sale: 10th
Claim Filing Date: 10/19/2012
Payment Due Date: 9/10/2011
Interest Rate per UCA 38-11-203(3)(c) 3.250%
Daily Interest Rate 0.0089%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 145.29

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
9/10/2011	N	Payment due	\$ 1,846.63	1,846.63	0	\$ -
10/10/2011	N	Payment due	\$ 286.31	2,132.94	30	4.93
11/10/2011	N	Payment due	\$ 16.63	2,149.57	31	5.89
1/5/2012	N	Credit received	\$ (24.30)	2,125.27	56	10.72
2/28/2012	N	Claimant filed lien on residence		2,125.27	54	10.22
3/23/2012	N	Claimant filed complaint against NPP		2,125.27	24	4.54
9/25/2012	N	Claimant received judgment against NPP		2,125.27	186	35.20
10/19/2012	N	Claimant filed application for payment		2,125.27	24	4.54
12/17/2012	Y	Application conditionally denied		2,125.27	59	11.16
2/19/2013	Y	Application placed on prolonged status		2,125.27	64	-
4/23/2013	N	Application removed from prolonged status		2,125.27	63	-
12/2/2013	N	Scheduled for 12/11/13 Board Meeting		2,125.27	223	42.20
12/11/2013	Y	Application placed on prolonged status		2,125.27	9	1.70
4/25/2014	N	Application removed from prolonged status		2,125.27	135	-
7/9/2014	N	Division director authorizes payment		2,125.27	75	14.19

Allocation Schedule
LRF-2012-1019-06
June 27, 2014

Gross Qualified Services for all Related Properties	27,511.88	(1)
Gross Qualified Services for Claim	2,125.27	(2)
Allocation Ratio for Claim Items	0.0772	(3)=(2)÷(1)
Pre-Judgment Items (total items if no judgment)		
Attorney Fees	17,698.06	(4)
Costs	2,954.00	(5)
Payments Received (if any)	-	(6)
Post-Judgment Items		
Attorney Fees		(7)
Costs		(8)
Allocation of Items		
Pre-Judgment Attorney Fees	1,366.29	(9)=(4)×(3)
Pre-Judgment Costs	228.05	(10)=(5)×(3)
Post-Judgment Attorney Fees	-	(11)=(7)×(3)
Post-Judgment Costs	-	(12)=(8)×(3)
Payments Received	-	(12)=(6)×(3)

Claim Report

Informal Claim

Claim: LRF-2012-1019-07

June 30, 2014

Claim Examined by: Dane

Claimant: Allreds Inc

LRF Registration #: 315250 Registration Date: 10/16/1995 Expiration Date: 11/30/2015

Claimant Classification: Supplier

Claimant's Attorney: Dana Farmer

Nonpaying Party: Jakes Heating & Air Conditioning Inc

Contractor License # 4764492 NPP Classification: Specialty Contractor

Original Contractor: Jakes Heating & Air Conditioning Inc

Type: Licensed Contractor Contractor License #: 4764492

License Issuance Date: 12/14/2000 License End Date: 06/25/2013

Homeowner(s) Bradley & Joni Schumann

Abstract and Recommendation

Division's recommended disposition: Approve Partial Payment

Detailed Analysis and Findings of Facts

Date Claimant Recorded Lien: 2/28/2012

Evidence in support of date: Lien

Date Claimant file civil action or NPP filed bankruptcy: 3/23/2012

Evidence in support of date: Complaint

Number of days difference: 23

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/25/2012

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for the performance of qualified services? Yes

Evidence of a written contract: Judgment

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in Yes

Evidence of full payment: Judgment

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Judgment

Did Claimant provide qualified services? Yes

Evidence of qualified services: Invoice

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>	<u>Approved</u>	<u>Difference*</u>
Qualified Services: \$	1,209.08 \$	973.08 \$	-236.00
Pre-judgment Atty Fees:	172.32	145.96	-26.36
Pre-judgment Costs:	75.90	104.57	28.67
Post-judgment Atty Fees:	0.00	0.00	0.00
Post-judgment Costs:	0.00	0.00	0.00
Interest:	161.36	64.21	-97.15
Totals \$	1,618.66 \$	1,287.82 \$	-330.84

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

The invoice submitted as evidence of qualified services totals \$973.08. Thus, \$236 of the claimed qualified services are denied.

Evidence of pre-judgment attorney fee amount: Judgment

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 145.96

Evidence of pre-judgment costs: Judgment

Evidence of post-judgment attorney fees: None claimed

Explanation of post-judgment costs: None claimed

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2012-1019-07**

Terms of Sale: 10th
Claim Filing Date: 10/19/2012
Payment Due Date: 10/10/2011
Interest Rate per UCA 38-11-203(3)(c) 3.250%
Daily Interest Rate 0.0089%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 64.21

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
10/10/2011	N	Payment due	\$ 973.08	973.08	0	\$ -
2/28/2012	N	Claimant filed lien on residence		973.08	141	12.22
3/23/2012	N	Claimant filed complaint against NPP		973.08	24	2.08
9/25/2012	N	Claimant received judgment against NPP		973.08	186	16.12

Allocation Schedule
LRF-2012-1019-07
June 27, 2014

Gross Qualified Services for all Related Properties	27,511.88	(1)
Gross Qualified Services for Claim	973.08	(2)
Allocation Ratio for Claim Items	0.0354	(3)=(2)÷(1)
Pre-Judgment Items (total items if no judgment)		
Attorney Fees	17,698.06	(4)
Costs	2,954.00	(5)
Payments Received (if any)	-	(6)
Post-Judgment Items		
Attorney Fees		(7)
Costs		(8)
Allocation of Items		
Pre-Judgment Attorney Fees	626.51	(9)=(4)×(3)
Pre-Judgment Costs	104.57	(10)=(5)×(3)
Post-Judgment Attorney Fees	-	(11)=(7)×(3)
Post-Judgment Costs	-	(12)=(8)×(3)
Payments Received	-	(12)=(6)×(3)

Claim Report

Informal Claim

Claim: LRF-2012-1019-09

June 30, 2014

Claim Examined by: Dane

Claimant: Allreds Inc

LRF Registration #: 315250

Registration Date: 10/16/1995 Expiration Date: 11/30/2015

Claimant Classification:

Supplier

Claimant's Attorney: Dana Farmer

Nonpaying Party: Jakes Heating & Air Conditioning Inc

Contractor License # 4764492

NPP Classification: Specialty Contractor

Original Contractor: Jakes Heating & Air Conditioning Inc

Type: Licensed Contractor

Contractor License #: 4764492

License Issuance Date: 12/14/2000

License End Date: 06/25/2013

Homeowners: Alan & Christina Anderson

Abstract and Recommendation

Division's recommended disposition: Approve Partial Payment

Detailed Analysis and Findings of Facts

Date Claimant Recorded Lien: 2/28/2012

Evidence in support of date: Lien

Date Claimant file civil action or NPP filed bankruptcy: 3/23/2012

Evidence in support of date: Complaint

Number of days difference: 23

Did Claimant obtain judgment against NPP? Yes

Date Claimant obtained judgment or NPP filed for bankruptcy 9/25/2012

Evidence in support of date: Judgment

Is Claimant a qualified beneficiary? Yes

Did Homeowner enter into a written contract with Original Contractor for

The performance of qualified services? Yes

Evidence of a written contract: Judgment

Was Original Contractor Licensed on contract date? Yes

Did Homeowner pay Original Contractor in Yes

Evidence of full payment: Judgment

Does residence qualify as "owner-occupied"? Yes

Evidence of Owner Occupancy: Judgment

Did Claimant provide qualified services? Yes

Evidence of qualified services: Judgment

Was NPP Licensed? Yes

Did NPP pay Claimant for qualified services? No

Evidence of nonpayment: Judgment

Did Claimant exhaust collection remedies? Yes

Payment Checklist

	<u>Claimed</u>	<u>Approved</u>	<u>Difference*</u>
Qualified Services: \$	1,043.77 \$	807.77 \$	-236.00
Pre-judgment Atty Fees:	148.49	121.17	-27.32
Pre-judgment Costs:	65.40	86.85	21.45
Post-judgment Atty Fees:	0.00	0.00	0.00
Post-judgment Costs:	0.00	0.00	0.00
Interest:	139.05	53.30	-85.75
Totals \$	1,396.71 \$	1,069.09 \$	-327.62

* Positive differences denote amounts approved in excess of amounts claimed; negative differences denote amounts denied.

Evidence of qualified services amount: Invoice

The invoice submitted as evidence of qualified services totals \$807.77. Thus, \$236 of the claimed qualified services are denied.

Evidence of pre-judgment attorney fee amount: Judgment

Attorney fees limit per Utah Code Ann. § 38-11-203(3)(f) \$ 121.17

Evidence of pre-judgment costs: Judgment

Evidence of post-judgment attorney fees:

None Claimed

Explanation of post-judgment costs:

None Claimed

Explanation of interest:

Interest calculated per Utah Code Ann. § 38-11-203(3)(c) in effect on date claim was filed. See attached schedule for details of interest calculations.

**Schedule of Interest
All Payments Due in Same Calendar Year
LRF-2012-1019-09**

Terms of Sale: 10th
 Claim Filing Date: 10/19/2012
 Payment Due Date: 10/10/2011
 Interest Rate per UCA 38-11-203(3)(c) 3.250%
 Daily Interest Rate 0.0089%

Total Interest Allowed per UCA 38-11-203(3)(c) \$ 53.30

<u>Event Date</u>	<u>Stop Interest?</u>	<u>Event Description</u>	<u>Changes to Qualified Service Balance</u>	<u>Qualified Service Balance</u>	<u>Number of Days Since Last Event</u>	<u>Interest Accrued Since Last Event</u>
10/10/2011	N	Payment due	\$ 807.77	807.77	0	\$ -
2/28/2012	N	Claimant filed lien on residence		807.77	141	10.14
3/23/2012	N	Claimant filed complaint against NPP		807.77	24	1.73
9/25/2012	N	Claimant received judgment against NPP		807.77	186	13.38
10/19/2012	N	Claimant filed application for payment		807.77	24	1.73
12/17/2012	Y	Application conditionally denied		807.77	59	4.24
2/19/2013	Y	Application placed on prolonged status		807.77	64	-
4/23/2013	N	Application removed from prolonged status		807.77	63	-
12/2/2013	N	Scheduled for 12/11/13 Board Meeting		807.77	223	16.04
12/11/2013	Y	Application placed on prolonged status		807.77	9	0.65
4/25/2014	N	Application removed from prolonged status		807.77	135	-
7/9/2014	N	Division director authorizes payment		807.77	75	5.39

Allocation Schedule
LRF-2012-1019-09
June 27, 2014

Gross Qualified Services for all Related Properties	27,511.88	(1)
Gross Qualified Services for Claim	807.77	(2)
Allocation Ratio for Claim Items	0.0294	(3)=(2)÷(1)
Pre-Judgment Items (total items if no judgment)		
Attorney Fees	17,698.06	(4)
Costs	2,954.00	(5)
Payments Received (if any)	-	(6)
Post-Judgment Items		
Attorney Fees		(7)
Costs		(8)
Allocation of Items		
Pre-Judgment Attorney Fees	520.32	(9)=(4)×(3)
Pre-Judgment Costs	86.85	(10)=(5)×(3)
Post-Judgment Attorney Fees	-	(11)=(7)×(3)
Post-Judgment Costs	-	(12)=(8)×(3)
Payments Received	-	(12)=(6)×(3)