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8  
9 BEFORE THE DEPARTMENT OF BUSINESS OVERSIGHT  
10 OF THE STATE OF CALIFORNIA

11 In the Matter of: ) ACCUSATION IN SUPPORT OF INTENT TO  
12 THE COMMISSIONER OF BUSINESS ) ISSUE BAR ORDER TO NORBERTAS  
OVERSIGHT, ) SINICA  
13 )  
14 Complainant, )  
15 v. )  
16 NORBERTAS SINICA, )  
17 Respondent. )  
18 )  
19 )

20 I.

21 **Jurisdiction and Venue**

22 1. The Commissioner brings this action pursuant to the provisions of California  
23 Finance Code 22161, 22690<sup>1</sup>.

24 2. The Commissioner is authorized to administer and enforce the provisions of the  
25 California Financing Law section 22000 et seq.

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27 \_\_\_\_\_  
28 <sup>1</sup> All further statutory references will be to the California Financial Code, unless otherwise indicated.

1 **II.**

2 **Facts**

3 1. Property Assessed Clean Energy (PACE) is a financing product where  
 4 homeowners finance certain clean energy projects to their property such as solar panels, water  
 5 heaters and windows. Homeowners enter into assessment contracts<sup>2</sup> with public agencies for  
 6 voluntary contractual assessments imposed on the real property. Payment for the PACE  
 7 financing is added onto the homeowner’s property tax as a special assessment, to be paid twice  
 8 over a one year span, and the financing entity obtains a lien on the property. If the homeowner  
 9 does not pay the special assessment, the financing entity can enforce the lien, including through  
 10 foreclosure.

11 2. Pursuant to Financial Code sections 22100.5 and 22150 , the Commissioner  
 12 licenses and regulates PACE program administrators<sup>3</sup> in the State of California. A “program  
 13 administrator” means a person administering a PACE program on behalf of, and with the written  
 14 consent of a public agency. (Section 22018.) A PACE solicitor is a person authorized by a  
 15 program administrator to solicit a property owner to enter into an assessment contract. (Section  
 16 22017.) A “PACE solicitor agent” means an individual who is employed or retained by, and  
 17 acts on behalf of, a PACE solicitor to solicit a property owner to enter into an assessment  
 18 contract. (Section 22017.) (A PACE solicitor agent acting on behalf of Eco Tech will be referred  
 19 to as “Eco Tech solicitor agent” or “solicitor agent for Eco Tech.”)

20 3. At all relevant time, Eco Technology, Inc. (Eco Tech) is and was a construction  
 21 contractor licensed in California beginning on August 15, 2017 with the California Contractor’s  
 22 State License Board, license number 1030029 holding both B-1 (General Building Contractor)  
 23 and C-35 (Plumbing) classifications with a business address of 16255 Ventura Blvd., Ste. 910,  
 24 Encino, California, 91436.

25 \_\_\_\_\_  
 26 <sup>2</sup> Section 22003.5 defines the “Assessment contract” to mean “an agreement entered into between all property  
 27 owners of record on real property and a public agency in which, for voluntary contractual assessments imposed on  
 28 the real property, the public agency provides a PACE assessment for the installation of one or more efficiency  
 improvements on the real property in accordance with a PACE program.

<sup>3</sup> Section 22018 defines “Program administrator” to mean a person administering a PACE program on behalf of,  
 and with the written consent of, a public agency. “Program administrator” does not include a public agency.

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2 **III.**

3 **Investigation of Assessment Contracts of PA1**

4 4. On February 8, 2018, Eco Tech entered into contract with one such PACE  
5 Administrator (PA1) to act as a PACE solicitor and to perform work on behalf of that particular  
6 PACE Administrator.

7 5. PA1 enrolled Norbertas Sinica Norbertas Sinica as a solicitor agent for Eco Tech  
8 on February 6, 2018 and disenrolled him as a solicitor agent on April 10, 2019. PA1 enrolled  
9 and disenrolled other Eco Tech employees as solicitor agents for Eco Tech on other dates.

10 6. In review of the PA1's complaint files, Department of Business Oversight (DBO)  
11 learned that the PACE Administrator received 22 complaints relating to contracts entered  
12 between homeowners and the PACE Administrator where Eco Tech served as the PACE  
13 solicitor. Of the 22 complaints reviewed at least 7 complaints arise out of PACE assessments in  
14 2019. All 22 complaints involve conduct that occurred in Los Angeles County.

15 7. In all 22 complaints from that PA1, the homeowners allege that Eco Tech  
16 employee(s) represented in their sales presentation that the energy efficient system to be installed  
17 in the homes were part of a "free government program" and that the homeowners would not have  
18 to pay anything. Moreover, the Eco Tech solicitor agent/employee advised the homeowners that  
19 they would have to sign up very quickly to qualify.

20 8. The complaints reveal that the Eco Tech solicitor agent would ask the homeowner  
21 for personal financial information such as tax statements, paycheck stubs, and driver's license in  
22 order to determine if the homeowners qualified for the "free government program." After taking  
23 a picture of the documents on a cell phone or iPad, the employee would leave. Then, the PACE  
24 Administrator would receive an application for PACE financing from the homeowner. All 22  
25 complaints arise out of assessment contracts that were e-signed by DocuSign. In 20 of the 22  
26 complaints, the homeowner denies ever signing the PACE financing contract between PA1 and  
27 the homeowner. In the two complaints where the homeowner do recall signing contracts on an  
28 iPad, the contracts were written in English, while the homeowner primarily speak Spanish.





1 **VI.**

2 **Eco Tech’s Response to Report Letters**

3 21. In May, 2020, Eco Tech through its counsel responded to the Report Letters by  
4 stating that the PACE Administrators were responsible for ensuring homeowners understood the  
5 terms of the PACE financing. Further, Eco Tech argued that it is a licensed contractor and does  
6 not understand the nature of PACE financing.

7 22. Further, Eco Tech denied any participation in or knowledge of fraud where it was  
8 alleged that Eco Tech solicitor agents told homeowners that the energy efficient products were  
9 part of a “free” government program,

10 23. In the response letters, Eco Tech argued that since the PACE Administrators were  
11 required to and did supervise the training for all Eco Tech solicitor agents, any fraudulent  
12 activity by Eco Tech solicitor agents were the result of the PACE Administrators own negligent  
13 and/or intentional fraudulent conduct.

14 24. Eco Tech’s responses do not state what corrective action(s) it will take in light of  
15 the Report Letters. Nor did Eco Tech state that it will instruct its solicitor agents to cease any  
16 fraudulent activity in violation of Section 22161 as noted in the Report Letters.

17 **VII.**

18 **Eco Tech Committed Fraud Through Its Solicitor Agents.**

19 25. The allegations contained in the homeowner complaints are serious and alarming.  
20 It appears that Eco Tech through its employees/solicitor agents represented to homeowners that  
21 PACE energy efficient products were part of a “free government program” and that they would  
22 not have to pay for the products. The number of complaints show a pattern and practice of  
23 materially false representation of the PACE program<sup>4</sup> and acts that constitute fraud as was in  
24 violation of Section 22161.

25 25. Furthermore, it appears that Eco Tech’s business practice in soliciting PACE  
26 financing may also include identity fraud as telephone numbers and email addresses were used  
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28 <sup>4</sup> Pursuant to section 22016, “PACE program” means a program in which financing is provided for the installation  
of efficiency improvements on real property and funded through the use of property assessments, as well as other  
program components defined in law.

1 that were not the homeowners. Therefore, DBO concludes Eco Tech solicitors or employees  
2 fraudulently e-signed the homeowners PACE assessment contracts.

3 26. Additionally, it appears that some voices on recorded “welcome calls” and or  
4 “completion calls” were not the homeowners. Therefore, DBO concludes that Eco Tech  
5 solicitors or employees fraudulently impersonated the homeowners on these calls.

6 27. Eco Tech’s response to the Report Letters contains only arguments. Eco Tech has  
7 not provided any evidence to show a contrary conclusion.

8 28. It is the opinion of the Commissioner that Eco Tech fraudulent practices in  
9 soliciting PACE financing is injurious and unsafe to the public.

10 29. On May 13, 2020, DBO issued a demand to Eco Tech to discontinue violating  
11 section 22161 and to discontinue engaging in the business of soliciting property owners to enter  
12 into assessment contracts related to all program administrators indefinitely.

13 30. At all relevant times, Norbertas Sinica is listed as Chief Executive Officer and  
14 corporate director on Eco Tech’s statement of information filings with the Secretary of State for  
15 the State of California. Norbertas Sinica is also listed as the President of Eco Tech with the  
16 California State Contactor’s License Board. Norbertas Sinica is also enrolled as a Solicitor  
17 Agent for both PA1 and PA2.

18 31. At all relevant times, Norbertas Sinica was the Chief Executive Officer, President,  
19 Corporate Director and Solicitor Agent for Eco Tech, a company that in the opinion of the  
20 Commissioner, acted fraudulently through its solicitor agents in soliciting PACE financing. In  
21 one complaint, Norbertas Sinica was identified as the person who provided the false or  
22 misleading information about the PACE program – that it was a “free government program.”

23 32. Section 22690(c)(2)(C) provides as follows:

24 The commissioner may, after appropriate notice and opportunity for hearing, by  
25 order, censure or suspend for a period not exceeding 12 months, or bar any natural  
26 person from directly or indirectly soliciting a property owner to enter into an  
27 assessment contract ...  
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**VIII.**

**Prayer for Relief**

WHEREFORE, based upon the foregoing, the Commissioner finds it is in the public interest to bar Norbertas Sinica, pursuant to Financial Code section 22690.

WHEREFORE, IT IS PRAYED that Norbertas Sinica be barred from directly or indirectly soliciting a property owner to enter into an assessment contract. See Section 22690(c)(2)(C).

Dated: May 27, 2020

MANUEL P. ALVAREZ  
Commissioner of Business Oversight

By \_\_\_\_\_  
PAUL YEE  
Senior Counsel  
Enforcement Division