

DATE: April 14, 2025

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WAKE COUNTY

SUPERIOR COURT JUDGES OFFICE

BY: S. Smallwood

STATE OF NORTH CAROLINA  
WAKE COUNTYIN THE GENERAL COURT OF JUSTICE  
SUPERIOR COURT DIVISION  
FILE NO. 24CV007324-910STATE OF NORTH CAROLINA, *ex rel.*  
JEFF JACKSON, Attorney General,

Plaintiff,

v.

CANARY GENERAL CONTRACTING AND  
DESIGN, LLC d/b/a CANARY GENERAL  
CONTRACTING, LLC, STEVEN SAND,  
individually and in his capacity as manager and  
operator of CANARY GENERAL  
CONTRACTING AND DESIGN, LLC, and  
KHUNEARY P. KIM, individually and in her  
capacity as owner and manager of CANARY  
GENERAL CONTRACTING AND DESIGN,  
LLC d/b/a CANARY GENERAL  
CONTRACTING, LLC,

Defendants.

**CONSENT JUDGMENT**

THIS CAUSE came to be heard and was heard before the undersigned Superior Court Judge for entry of a Consent Judgment at the joint request of Plaintiff State of North Carolina, by and through Attorney General Jeff Jackson, and Defendants Canary General Contracting and Design, LLC d/b/a Canary General Contracting, LLC, Steven Sand, and Khuneary P. Kim, by and through their attorney, Jonathan W. Martin.

**PARTIES**

1. Plaintiff is the State of North Carolina *ex rel.* Jeff Jackson, Attorney General (“the State”).
2. Defendants are Canary General Contracting and Design, LLC d/b/a Canary General Contracting, LLC, Steven Sand, and Khuneary P. Kim (“Defendants”).

### **FINDINGS OF FACT**

3. The State filed its Complaint, Motion for Temporary Restraining Order, and Motion for Preliminary Injunction, with supporting affidavits, on March 4, 2024. In its Complaint, the State sought a permanent injunction, restitution, civil penalties, and other equitable relief against Defendants.

4. In its Complaint, the State alleged that Defendants were engaged in trade and commerce affecting consumers within the meaning of the North Carolina Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. § 75-1.1 *et seq.* (the “Act”). The State further alleged that Defendants, in their ownership and/or operation of a contracting business, engaged in a pattern of misleading and deceptive practices in violation of the Act, including, *inter alia*:

- (a) taking money from consumers while failing to complete the construction project as contractually promised;
- (b) failing to refund consumers’ advance payments after abandoning the project;
- (c) falsely claiming to have used consumers’ funds to purchase materials;
- (d) failing to give consumers materials that consumers had paid for;
- (e) misstating how much consumers had paid;
- (f) falsely promising that the work under the contract would eventually be completed;
- (g) failing to apply for and obtain a building permit after promising the consumer a permit would be obtained;
- (h) working without a building permit, in violation of N.C. Gen. Stat. § 160D-1110;
- (i) doing work that was not up to code, was unsafe, and failed inspection;
- (j) continuing to do work after a failed inspection without correcting the problems identified in the inspection;
- (k) failing to apply for and obtain HOA approval for a project after promising to do so;

- (l) making false promises to return consumers' monies, including writing a refund check that was returned due to insufficient funds;
- (m) executing contracts that constitute an "Off-Premises Sale" as defined by N.C. Gen Stat. §14-401.13, and violating this statute by failing either to provide verbal and written notice of the consumer's three-day right to cancel the contract or obtain a written waiver of this right to cancel; and
- (n) soliciting and contracting for projects that cost in excess of \$30,000.00, thereby violating N.C. Gen. Stat. §§ 87-1 *et seq.* because Defendants were not a licensed general contractor.

5. On March 11, 2024, the Honorable Bryan Collins, after conducting a hearing in Wake County Superior Court, entered a Temporary Restraining Order that, *inter alia*, prohibited Defendants from advertising, offering, soliciting, or entering into contracts with consumers for any contracting or home repair work; performing any contracting or home repair work; and requesting or accepting payment from consumers for any contracting or home repair work.

6. On March 18, 2024, the Honorable Paul Ridgeway, after conducting a hearing in Wake County Superior Court, entered a Preliminary Injunction that, *inter alia*, prohibited Defendants from advertising, offering, soliciting, or entering into contracts with consumers for any contracting or home repair work; performing any contracting or home repair work; and requesting or accepting payment from consumers for any contracting or home repair work.

7. The parties have consented to the entry of this Consent Judgment.

**CONCLUSIONS OF LAW**

8. At all relevant times, Defendants have resided and conducted business in the State of North Carolina.

9. The conduct alleged in the Complaint is in or affecting commerce.

10. This Court has jurisdiction over the parties and the subject matter of this action.

11. The Complaint states a cause of action against Defendants upon which relief may be granted.

12. Good cause exists for the Court to enter this Consent Judgment, as set forth herein, and entry of this Consent Judgment is in the public interest.

13. The parties have agreed to resolve their differences, and the agreement of the parties is just and reasonable with respect to all parties. The Court approves the terms of the parties' agreement and adopts them as its own determination of the parties' respective rights and obligations.

14. This Consent Judgment does not constitute evidence against or admission by any party.

15. This Consent Judgment shall not limit the rights of any private party to pursue any remedy allowed by law.

**IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:**

**INJUNCTIVE RELIEF**

16. Defendants and/or their businesses, agents, employees, and corporate successors or assigns, and any persons acting in concert with them, are hereby permanently restrained and enjoined from engaging in unfair or deceptive acts or practices in violation of N.C. Gen. Stat. § 75-1.1, including but not limited to the acts and practices listed in Paragraph 4 of this Consent Judgment. Defendants are further permanently restrained and enjoined from conducting business in the State of North Carolina.

**MONETARY RELIEF**

17. Defendants are ordered to pay \$60,000.00 to the State, the liability for which shall be joint and several. This payment shall be used for restitution to consumers affected in this case. Defendants' payments shall be payable to "North Carolina Department of Justice" and shall be made as follows:

- (a) Upon entry of this Consent Judgment, Defendants shall remit payment to the State in the amount of \$2,500.00.
- (b) On July 1, 2025, Defendants shall remit payment to the State in the amount of \$2,500.00.
- (c) Defendants shall remit payment to the State every six months beginning on January 1, 2026 and consecutively thereafter (every January 1 and July 1), with the final payment to be made on or before January 1, 2031. Prepayment shall be allowed without penalty.
- (d) Defendants' payments to the State following the initial payment of \$2,500.00 shall be sent to the following address:

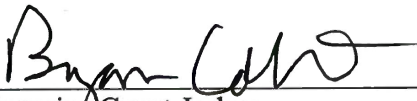
North Carolina Department of Justice  
Consumer Protection/Financial Fraud  
114 W. Edenton Street  
Raleigh, NC 27603  
Attn: Stuart M. (Jeb) Saunders

18. Defendants shall pay \$30,000.00 in civil penalties pursuant to N.C. Gen. Stat. § 75-15.2; the liability for this payment shall be joint and several. The State's collection of the \$30,000.00 is suspended during the time of Defendants' full compliance with the Consent Judgment, and further, the State will waive the \$30,000.00 payment provided Defendants fully comply with all terms of the Consent Judgment, including fully complying with the injunctive provisions set forth in paragraph 16 of this Consent Judgment and making full on-time payments as set forth in paragraph 17 of this Consent Judgment.

19. In the event Defendants fail to satisfy each and every obligation as set for in Paragraphs 16-17, Defendants shall receive a credit for each payment made to Plaintiff up to the time of Defendants' default.

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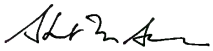
So Ordered, this the \_\_\_\_\_ day of \_\_\_\_\_, 2025.  
**4/11/2025**

  
\_\_\_\_\_  
Superior Court Judge

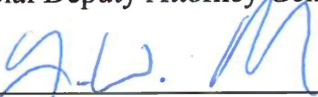
**CONSENTED TO:**

**BY:**

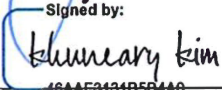
STATE OF NORTH CAROLINA,  
JEFF JACKSON, Attorney General

  
\_\_\_\_\_  
Stuart M. Saunders  
Special Deputy Attorney General

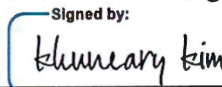
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Jonathan W, Martin  
Attorney for Defendants


4/8/2025  
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Date

Signed by:  
  
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Canary General Contracting and  
Design, LLC d/b/a Canary General  
Contracting, LLC, by: Khuneary P. Kim,  
Owner and Manager

4/7/2025  
\_\_\_\_\_  
Date

Signed by:  
  
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Khuneary P. Kim, individually and  
in her capacity as Owner and Manager  
of Canary General Contracting And  
Design, LLC d/b/a Canary General  
Contracting

4/7/2025  
\_\_\_\_\_  
Date

Signed by:  
  
\_\_\_\_\_  
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Steven Sand, individually and in his  
capacity as manager and operator of  
Canary General Contracting And  
Design, LLC d/b/a Canary General  
Contracting, LLC

4/7/2025  
\_\_\_\_\_  
Date