

IN THE CIRCUIT COURT OF THE SIXTH JUDICIAL CIRCUIT,
IN AND FOR PINELLAS COUNTY, FLORIDA
CIVIL DIVISION

HERITAGE PROPERTY AND CASUALTY
INSURANCE COMPANY,

Plaintiff,

Case Number:

vs.

TITAN RESTORATION, INC.,
YITSHAK LEVY, Individually;
ORLY COHEN-LEVY, Individually;
MOSHE LEVY, Individually,
and JANE DOE (Heritage Employee).

Defendants.

COMPLAINT FOR DAMAGES and INJUNCTIVE RELIEF

Plaintiff, HERITAGE PROPERTY AND CASUALTY INSURANCE COMPANY
(hereinafter "Heritage"), hereby sues TITAN RESTORATION, INC. (a Florida Corporation),
YITSHAK LEVY, Individually, ORLY COHEN-LEVY, Individually, MOSHE LEVY,
Individually, and JANE DOE (Heritage Employee), and states:

Nature of the Action

1. This action seeks an injunction and monetary relief for the fraudulent and egregious business practices of a water loss remediation company, its principals and employees who, together, deceived Heritage policyholders and defrauded Heritage.

2. The scheme involves a conspiracy based on deceptive practices, including: (1) the misappropriation of Heritage's confidential claim file information through bribery and kickbacks of a Heritage employee, (2) interference with Heritage's relationship with its policyholders by

tricking them into believing that water loss remediation services were being performed by or at the direction of Heritage, (3) committing insurance fraud by the submission of falsified and inflated billing statements, and (4) the wrongful dissemination, acquisition, and use of Heritage's trade secrets.

3. Heritage also seeks affirmative injunctive relief to prevent the continued use and dissemination of Heritage's trade secrets, which continues uninterrupted.

Jurisdiction, Venue and the Parties

4. This is an action for damages in excess of Fifteen Thousand Dollars, the minimum jurisdictional limit of this Court, exclusive of legal fees, interest and costs.

5. At all material times, Heritage was and is a legitimate business enterprise, acting as a Florida Corporation, authorized to do business and doing business in the State of Florida, including Pinellas County, with its principal place of business at 2600 McCormick Drive, Suite 300, Clearwater, Florida 33759.

6. At all material times, Titan Restoration, Inc. (hereinafter "Titan"), was and is a Florida Corporation, authorized to do business and doing business in the State of Florida, with its principal place of business at 3389 Sheridan Street, Hollywood, Florida 33021. Yitshak Levy is the de facto owner and principal of Titan, a company engaged in the business of water loss remediation. Titan is co-owned and controlled by Yitshak Levy's wife, Orly Cohen-Levy, who is an officer and director of the company. Moshe "Mike" Levy is their son, and also an employee of Titan.

7. At all material times, Yitshak Levy was and is a resident of Hollywood, Broward County, Florida. He is a de facto principal and owner of Titan Restoration, Inc.

8. At all material times, Orly Cohen-Levy was and is a resident of Hollywood, Broward County, Florida. She is the president, secretary, treasurer, registered agent, director and a de facto principal and owner of Titan Restoration, Inc.

9. At all material times, Moshe Levy a/k/a Mike Levy was and is a resident of Hollywood, Broward County, Florida.

10. At all material times, Jane Doe was and is an employee of Heritage. Her identity and residence address are presently unknown. Her presence in this lawsuit is proper to secure a complete determination of this cause. Once her identity is discovered, she will be added as a proper party in accordance with Fla. R. Civ. P. 1.250(c) and /or 1.210(a).

11. The conduct complained of herein occurred, and the causes of action asserted herein accrued, in multiple counties within the State of Florida, including Pinellas County.

Background Facts

12. Heritage provides homeowner property insurance policies in Florida covering certain types of water losses. In accordance with the terms and conditions of the insurance policy, Heritage is required to provide insurance benefits for legitimate, covered claims presented. Thus, Heritage is the ultimate consumer of the goods and services rendered by the contractors responsible for the water loss remediation work.

13. In the State of Florida, there is a growing concern of unscrupulous water loss remediation contractors taking advantage of homeowners and presenting fraudulent claim to insurers. Homeowners, without realizing it, are reportedly signing documents that give away all of their rights to make decisions regarding not only the remediation process, but also presentation of the insurance claim, and any litigation should it be required. Dishonest contractors then artificially inflate their bills and present false claims to insurers.

14. Multiple homeowners insured by Heritage identified damages to their residences, and presented notice of their respective water loss claims to Heritage. In each case, Heritage opened a file to process the claim and inspect the property. Heritage's protocol is to send out an immediate response team to inspect the loss.

15. Before Heritage's immediate response team arrived at each loss location at issue, Jane Doe (an unidentified Heritage Employee) had already notified Yitshak Levy of the loss, the location of the loss, the homeowner's name, and contact information for the homeowner.

16. The information conveyed by Jane Doe to Yitshak Levy was strictly confidential information. Jane Doe had a duty to protect the confidentiality of the information provided. She was induced by Yitshak Levy through promises of monetary incentives to breach her duty to keep the claim information strictly confidential. Heritage, not aware of the disclosure until recently, never authorized or consented to the dissemination of this information.

17. Based on the confidential information obtained from Jane Doe, Yitshak Levy, his son Moshe "Mike" Levy, and/or others on behalf of Titan arrived at each loss location before Heritage's immediate response team. Through trickery and artifice, they held themselves out to be representatives of Heritage and/or vendors sent by Heritage to inspect and remediate the water loss damage. Misled to believe that Yitshak Levy and/or Moshe "Mike" Levy were sent by Heritage, several homeowners were tricked into signing contracts presented by Titan representatives. The documents included work authorizations, assignment of benefits, and other documents by which the insured homeowners purportedly transferred their rights to Titan.

18. The following homeowners are among the Heritage insureds who were solicited by Titan to provide emergency services and restoration work for their homes:

INSURED'S NAME /ADDRESS	CLAIM NUMBER
Cattan, Aaron 17770 Raintree Ter Boca Raton, FL 33487	HP141648
De La Cova, Nicolas 4565 SW 152 nd Avenue Hollywood, FL 33027	HP140186
Foster, Melissa and Christopher 4131 NW 79 th Avenue Coral Springs, FL 33065	HP131694
Socorro, Pedro 3028 NW 103 rd Lane Coral Springs, FL 33065	HP141092

19. Titan, its principals and employees also tried to deceive other homeowners. However, recognizing the deception, these other homeowners declined to engage Titan to perform emergency and restoration services.

20. For the homeowners who did engage Titan through trickery and artifice, Heritage lost a business opportunity. Heritage has a legal right under the insurance policy to select a vendor pre-qualified by Heritage to perform repairs to the property of its policyholders. Heritage has its own subsidiary companies that perform water remediation work. By tricking the homeowners into signing binding contracts with Titan, thereby precluding Heritage its right to elect to repair the property through its own subsidiaries, Heritage was damaged.

21. In addition, false billing invoices were presented to Heritage for the work purportedly performed for the policyholders who did engage Titan. Before issuing the billing statements, Yitshak Levy falsified and/or directed others to falsify the Titan company records by artificially inflating the amount of goods and services provided. The billing invoices presented to Heritage included work that had not been performed. Presentation of the inflated billing

invoices to Heritage was intended to induce Heritage to issue payment to Titan for goods and services not actually provided. Without realizing that the bills had been falsified, Heritage paid the inflated invoices (thereby overpaying for goods and services rendered). Thus, Heritage was damaged.

22. The insurance fraud perpetrated on Heritage was the culmination of a coordinated efforts by Yitshak Levy, Moshe “Mike” Levy, and Orly Cohen-Levy to: (1) obtain Heritage’s confidential claim file information to solicit water remediation jobs, (2) deceive homeowners into believing that they were sent by Heritage per the terms of their insurance contract, (3) misuse the corporate entity (Titan) for the illicit purpose of presenting false, inflated, deceptive and misleading invoices to deceive Heritage into making payments based on fraudulent bills. Titan, Yitshak Levy, Moshe “Mike” Levy, and Orly Cohen-Levy know of the work actually performed and have records of the actual work performed, including hours spent on remediation and monitoring.

23. Since Yitshak Levy, Moshe “Mike” Levy, and Orly Cohen-Levy each used the corporate entity for illicit purposes of committing insurance fraud, they are each independently liable (along with Titan) for the acts complained of herein.

24. Yitshak Levy, Moshe “Mike” Levy, and Orly Cohen-Levy knowingly and with the intent to induce payment by Heritage for more than the work performed: (1) did not perform all of the work reflected in their respective invoices; (2) submitted invoices seeking payment for goods and services not actually rendered; and (3) used the corporate entity (Titan) for the illicit purpose of committing insurance fraud.

25. The fraudulent scheme to deny Heritage its right to repair the water losses of its policyholders and to present fraudulent billing statements for payment could not have occurred if

Jane Doe had simply complied with her duty to keep all claim information confidential (thereby precluding its dissemination, acquisition and use by others). Thus Jane Doe's breach of this duty set into motion the broader scheme to defraud Heritage.

COUNT I
FRAUD and DECEIT

26. Plaintiff incorporates and re-alleges paragraphs 1 through 25 herein by reference.

27. Titan, Yitshak Levy, and Moshe Levy intentionally deceived homeowners (Heritage policyholders) into believing that they were sent by Heritage to remediate the water loss at each location. Titan, Yitshak Levy, and Orly Cohen Levy, then submitted intentionally inflated invoices that falsely stated the scope of the goods and services rendered by Titan, for the water loss remediation projects identified above, with full knowledge that the invoices were false. The invoices were submitted by and/or at the direction of Yitshak Levy with the intent to defraud Heritage into issuing overpayments for goods and services not actually rendered.

28. Heritage reasonably relied on the invoices and was thereby induced to issue payment based on the false billing statements. Therefore, Heritage is damaged by the payments made and the expense of investigating the issue and uncovering the fraud.

29. Heritage is also damaged by the loss of a business opportunity to have its own representative perform the water loss remediation services. Had Titan, its principals and employees not misappropriated confidential information by bribing a Heritage employee to disclose confidential information, and use the information to secure remediation jobs before Heritage representatives had time to meet with the policyholders, Heritage could have secured the remediation services through its own pre-qualified water remediation companies.

WHEREFORE, Heritage respectfully demands judgment against Titan, Yitshak Levy, Orly Cohen Levy, and Moshe Cohen for compensatory damages, interest, and court costs (together with any other relief this Court deems just and proper) resulting from the fraudulent conduct described above.

COUNT II
CIVIL CONSPIRACY

30. Plaintiff incorporates and re-alleges paragraphs 1 through 25 herein by reference.

31. Yitshak Levy and Jane Doe conspired to exchange Heritage's confidential information for kickbacks, despite Jane Doe's duty to protect the confidential information from disclosure. This misappropriation of confidential information facilitated the fraud by providing Titan the opportunity to secure water restoration remediation jobs and submit inflated bills.

32. Yitshak Levy, Orly Cohen-Levy, and Moshe Levy, conspired (individually and through the use of the corporate entity Titan) to:

- a. preclude Heritage from obtaining remediation work for water losses suffered by Heritage policyholders through the misappropriation of Heritage's trades secrets, and
- b. fraudulently obtain payments from Heritage based on falsified billing statements.

33. Through this conspiracy, Yitshak Levy, Orly Cohen-Levy, and Moshe Levy (individually and through the use of the corporate entity Titan) knowingly and intentionally submitted and/or caused others to submit falsified invoices to Heritage that reflected work which they knew had not actually been performed.

34. Each of the conspirators engaged in one or more overt acts in pursuit of the conspiracy. Yitshak Levy misappropriated Heritage trade secrets by offering kickbacks to a Heritage employee to breach her duty to Heritage of confidentiality. Both Yitshak Levy and Moshe Levy induced Heritage policyholders to sign contracts with Titan by misleading them to believe they were sent by Heritage. Orly Cohen-Levy used her corporation (Titan) for the illicit purpose of misdirecting homeowners (thereby precluding Heritage from securing the remediation work) and by submitting artificially inflated Titan billing invoices to Heritage.

35. The conspiracy to commit insurance fraud succeeded through the peculiar power of coercion, trick and artifice based on the seemingly independent roles of Jane Doe (the Heritage employee disseminating trade secrets for kickbacks), Titan (the restoration contractor purportedly performing the work), and the Titan employees who acquired and used the misappropriated trade secrets (Yitshak Levy, Moshe Levy, and Orly Cohen-Levy). The corporate restoration company (Titan) cloaked the illicit conduct by falsifying invoices to provide an appearance of legitimacy.

36. The overt acts described above in pursuit of the conspiracy caused damage to Heritage in the form of:

- a. Payment of falsely inflated bills; and
- b. Loss of business opportunity to provide water loss remediation services.

WHEREFORE, Heritage respectfully demands judgment against Yitshak Levy, Orly Cohen-Levy, Moshe Levy and Jane Doe, for compensatory damages, interest, and costs (together with any other relief this Court deems just and proper).

COUNT III
FLORIDA'S DECEPTIVE AND UNFAIR TRADE PRACTICES ACT
(Damages and Injunctive Relief)

37. Plaintiff incorporates and re-alleges paragraph 1 through 25 herein by reference.

38. Titan, Yitshak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe (independently and in concert with each other) engaged in the unfair and deceptive practices described above.

39. Yitshak Levy and Jane Doe engaged in the wrongful dissemination, acquisition and use of Heritage's trade secret information to precipitate the illicit conduct described above. Jane Doe breached her duty to protect the confidentiality of the information. Yitshak Levy offered her kickbacks to encourage the breach. Titan, by and/or at the direction of Yitshak Levy, Orly Cohen-Levy, and Moshe Levy, deceived policyholders and presented and/or caused to be presented false invoices to Heritage for reimbursement of goods and services not actually rendered. The purpose was to secure remediation jobs while precluding Heritage from doing so, and then inducing payments from Heritage by submitting falsified invoices that included work not actually performed.

40. The conduct described above violates Florida Statutes § 501.204(1) because it constitutes "unfair" and "unconscionable acts or practices" in the conduct of any trade or commerce and has been declared unlawful by Florida's Legislature.

41. Heritage suffered a loss as described above as a result of the violation of Section 501.204 and therefore may recover actual damages, plus attorney's fees and court costs. *See* Section 501.211(2), Fla. Stat. Heritage is also entitled to injunctive relief. *See* Section 501.211(1), Fla. Stat.

WHEREFORE, Heritage respectfully demands:

A. Temporary and permanent injunctive relief:

(1) prohibiting Titan, Yitsak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe from the dissemination, acquisition and use of any Heritage claim documents and information; and

(2) mandating that Titan, Yitsak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe immediately return all misappropriated claim file materials and information to Heritage; and

B. Judgment against Titan, Yitsak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe for compensatory damages, interest, legal fees and court costs (together with any other relief this Court deems just and proper).

COUNT IV
INTENTIONAL INTERFERENCE WITH BUSINESS RELATIONS

42. Plaintiff incorporates and re-alleges paragraph 1 through 25 herein by reference.

43. Heritage has contractual relationship under a homeowner policy with each of its policyholders.

44. Titan, Yitsak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe all have knowledge of the insurance contract relationship between Heritage and its insureds.

45. Jane Doe intentionally and unjustifiably interfered with this business relationship by breaching her duty to protect the confidentiality of Heritage's confidential trade secret information.

46. Yitsak Levy, Orly Cohen-Levy, and Moshe Levy (individually and through the corporate entity, Titan) intentionally and unjustifiably interfered with Heritage's business relationship with its insured by acquiring and using Heritage's confidential trade secret

information to preclude Heritage from its right to select its own remediation company to perform repairs to the property where its policyholders suffered a covered loss.

47. As a direct and proximate result of the interference described above, Heritage has suffered damages in the form of lost revenue, payment of inflated bills, and loss of good will.

WHEREFORE, Heritage respectfully demands judgment against Titan, Yitsak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe for compensatory damages, interest, and costs (together with any other relief this Court deems just and proper).

COUNT V
MISAPPROPRIATION OF TRADE SECRETS
(Damages and Injunctive Relief)

48. Plaintiff incorporates and re-alleges paragraph 1 through 25 herein by reference.

49. Heritage derives independent economic value to certain confidential proprietary information not being known outside the company. This information includes lists, notes, records, files, memoranda, contracts and other information that may include (but is not limited to) the names, addresses and contact information of policyholders, the occurrence of a loss, and other information relative to the business affairs of Heritage.

50. This confidential proprietary information is strictly prohibited from dissemination or use outside Heritage. All employees are required to sign an employee nondisclosure/confidentiality agreement that prohibit disclosure of the confidential information and/or interference with any of the business customers, patronage, clients or employees of Heritage while employed with Heritage and for a period of one year thereafter. Jane Doe signed the nondisclosure contract and subsequently breached her duty as described above.

51. The confidential proprietary information addressed in this pleading has been subject to reasonable protections against acquisition, dissemination, and use. The occurrence of

a loss, the type of loss, and the personal contact information of Heritage's policyholders is not information readily discernable through proper means. It is the breach of Jane Doe's duty to maintain the confidentiality of trade secret information that resulted in the dissemination, acquisition by others, and use of this confidential information as described above.

52. Each of the defendants acquired, disseminated and/or or used the confidential information for improper means:

- a. Jane Doe knew that the information she disseminated would be used by Yitshak Levy and Titan to secure work. She was offered kickbacks by Yitshak Levy to induce her to breach her duty of nondisclosure.
- b. Yitshak Levy obtained the trade secret information by bribing Jane Doe with kickbacks.
- c. Titan, Orly Cohen-Levy and Moshe Levy Randall knew or had reason to know that the trade secret information (policyholder water loss claim information and personal contact information of the insureds) was derived from Yitshak Levy's acquisition of it through improper means.

53. Heritage's exclusive knowledge of the business opportunity to provide remediation services to its policyholders has substantial economic value.

WHEREFORE, Heritage respectfully demands:

A. Temporary and permanent injunctive relief:

- (1) prohibiting Titan, Yitsak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe from the dissemination, acquisition and use of any Heritage claim documents and information; and

- (2) mandating that Titan, Yitsak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe immediately return all misappropriated claim file materials and information to Heritage; and
- B. Judgment against Titan, Yitsak Levy, Orly Cohen-Levy, Moshe Levy, and Jane Doe for compensatory damages, interest, legal fees and court costs (together with any other relief this Court deems just and proper).

COUNT VI
UNJUST ENRICHMENT

54. Plaintiff incorporates and re-alleges paragraph 1 through 25 herein by reference.
55. Heritage conferred a benefit on Titan Yitshak Levy and Orly-Cohen Levy by overpaying bills presented that included work not actually performed.
56. Titan, Yitshak Levy and Orly-Cohen Levy appreciated the benefit of the overpayment and accepted it, despite the falsity of the work performed and the inflated amount billed.
57. None of the defendants have repaid the value of the benefit conferred.
58. Under the circumstances, it would be inequitable for Titan, Yitshak Levy and/or Orly-Cohen Levy to retain the benefits.

WHEREFORE, Heritage respectfully demands judgment against Titan, Yitsak Levy, and Orly Cohen-Levy for compensatory damages, interest, and costs (together with any other relief this Court deems just and proper).

DEMAND FOR JURY TRIAL

Heritage hereby demands trial by jury on all issues so triable.

Respectfully submitted,

BUTLER WEIHMULLER KATZ CRAIG LLP

/s/ Alan J. Nisberg

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