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Regulated Industries Complaints Office
Department of Commerce and Consumer Affairs
State of Hawaii
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235 South Beretania Street, Suite 900
Honolulu, Hawaii 96813
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Attorney for Department of Commerce and Consumer Affairs

BOARD OF PRIVATE DETECTIVES AND GUARDS DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS STATE OF HAWAII

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In the Matter of the Guard Agency License of)	PDG 2014-36-L
)	SETTLEMENT AGREEMENT PRIOR TO
SECURITAS SECURITY SERVICES)	FILING OF PETITION FOR DISCIPLINARY
USA, INC.,)	ACTION AND BOARD'S FINAL ORDER
)	
)	
Respondent.)	
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SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS'

REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"),
through its undersigned attorney, and Respondent SECURITAS SECURITY SERVICES USA,
INC. ("Respondent") enter into this Settlement Agreement on the terms and conditions set forth
below.

A. <u>UNCONTESTED FACTS:</u>

- 1. At all relevant times herein, Respondent SECURITAS SECURITY SERVICES USA, INC. ("SECURITAS") was licensed by the Board of Private Detectives and Guards (hereinafter the "Board") as a Guard Agency under license number GDA 757. The license was issued on or about May 22, 2003. The license will expire or forfeit on or about June 30, 2016.
- 2. At all relevant times, Lee D. Donohue ("Donohue") was licensed by the Board as a Principal Guard for SECURITAS under license number GD 874. The license was first issued on or about September 12, 2006. The license will expire or forfeit on or about June 30, 2016.
- 3. SECURITAS is a foreign corporation with its principal place of business in the State of California.
- 4. Respondent's mailing address for purposes of this action is 888 N. Nimitz Hwy., #105, Honolulu, Hawaii 96817.
- 5. RICO received a complaint alleging that in or around March of 2014, an entity ("the entity") that is not licensed as a guard agency in the State of Hawaii entered into a contract ("the primary contract") executed in California, to provide guard services for a company ("company") with locations in various states, including Hawaii. The entity is alleged to have subsequently entered into a contract ("the subcontract") with SECURITAS under which SECURITAS agreed to provide guard services under the primary contract in various states, including Hawaii.
- 6. Donohue was not involved in the negotiation of the primary contract or subcontract and did not sign the subcontract on behalf of SECURITAS.

- 7. RICO separately investigated the conduct of the entity and has resolved claims involving the entity's involvement in the primary contract through a separate agreement.
 - 8. RICO intends to separately resolve any claims against Donohue.
- 9. The foregoing allegations, if proven at an administrative hearing before the Board, would constitute a violation of Hawaii Revised Statutes ("HRS") §436B-19(6) (aiding and abetting an unlicensed person to directly or indirectly perform activities requiring a license).
- 10. The Board has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENT:

- 1. Respondent is fully aware that Respondent has the right to be represented by an attorney and voluntarily waives that right.
- Respondent enters into this Settlement Agreement freely, knowingly, voluntarily,
 and under no coercion or duress.
- 3. Respondent is aware of its right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondent freely, knowingly, and voluntarily waives the right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.
- 4. Respondent being at all times relevant herein licensed by the Board, acknowledges that Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of the license and administrative fines, if the foregoing allegations are proven at hearing.

- 5. Respondent does not admit to violating any law or rule, but acknowledges that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondent's license.
- 6. Respondent enters into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.
- Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO No. PDG 2014-36-L as they pertain to Respondent.
- 8. Respondent understands this Settlement Agreement is public record pursuant to Hawaii Revised Statutes chapter 92F.

C. TERMS OF SETTLEMENT:

- 1. Administrative fine. Respondent agrees to pay a fine in the amount of TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00). Payment shall be made by cashier's check or money order made payable to "DCCA Compliance Resolution Fund" and mailed to the Regulated Industries Complaints Office, Attn: John T. Hassler, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this Settlement Agreement is returned to RICO.
- 2. <u>Possible further sanction</u>. The Board, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Board may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of guard agencies and principal guards in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

- 3. Approval of the Board. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.[4], C.[5], C.[6] and C.[7] below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.
- 4. No Objection if Board Fails to Approve. If the Board does not approve this

 Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondent in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.
- 5. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.
- 6. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

IN THE MATTER OF THE GUARD AGENCY LICENSE OF SECURITAS SECURITY SERVICES USA, INC.; SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER; CASE NO. PDG 2014-36-L

APPROVED AND SO ORDERED: BOARD OF PRIVATE DETECTIVES AND GUARDS STATE OF HAWAII

DOUGLAS H. DOUYE Chairperson

RAY GALAS
Vice Chairperson

CHIEF HARRY S. KUBOJIRI

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CHIEF DARRYL PERRY

KENNETH CHANG

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7. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly executed by all parties hereto.

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below.

DATED:	DATED: Honolulu	,	Hawaii	tawaii,		28, 2	2015
	(CITY)		(STATE)			(DATE)	

SECURITAS SECURITY SERVICES USA, INC.

By:	Both		
Its Vice	President	Healthcare	DIVISION
Respond	lent		

DATED: Honolulu, Hawaii, DI-18-2015

and Consumer Affairs

JOHN T. HASSLER
Attorney for Department of Commerce

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STATE OF Hawaii)
COUNTY OF Honolulu) SS.)
On this 28th day of January	, 20_15, before me personally appeared
Paul D. White , to me known to be to	the person described, and who executed the
foregoing instrument on behalf of Securitas	s Security Services as its
Respondent , and ack	knowledged that he/she executed the same as
his/her free act and deed.	
This <u>eight</u> -page <u>Settlement Ag</u>	greement Prior To Filing Of Petetion
document dated January 28,, 20 15	_ was acknowledged before me by
Paul D. White this 28th	_ day of
City of Honolulu, in the County	of U.S., in the State of
OF HANDE	Oscar Isidro Jame: Jotary Public, State of Hawaii My Commission expires: July 18, 2018