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Regulated Industries Complaints Office  
Department of Commerce and Consumer Affairs  
State of Hawaii  
Leiopapa A Kamehameha Building  
242 South Beretania Street, Suite 900  
Honolulu, Hawaii 96813  
Telephone: 586-2660

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LICENSING DIVISION

2015 NOV 16 P 1:51

DEPT OF COMMERCE  
& CONSUMER AFFAIRS  
STATE OF HAWAII

Attorneys for Department of Commerce  
and Consumer Affairs

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

In the Matter of the Private Detective ) PDG 2015-42-L  
Agency License of )  
)  
DIVERSITY INVESTIGATIVE ) SETTLEMENT AGREEMENT PRIOR TO  
SERVICES, INC., ) FILING OF PETITION FOR DISCIPLINARY  
) ACTION AND BOARD'S FINAL ORDER  
)  
Respondent. )  
)

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(s), and Respondent DIVERSITY INVESTIGATIVE  
SERVICES, INC. (hereinafter "Respondent"), enter into this Settlement Agreement on the terms  
and conditions set forth below.

A. UNCONTESTED FACTS

1. At all relevant times herein, Respondent was licensed by the Board of Private  
Detectives and Guards (hereinafter the "Board") as a private detective agency under license

number PDA 1033. The license was issued on or about February 28, 2014. The license will expire or forfeit on or about June 30, 2016.

2. Respondent's mailing address for purposes of this action is 100 S. Chaparral Court, No. 220, Anaheim, California 92808.

3. RICO received a request for investigation from the Board of Private Detectives and Guards after Respondent failed to timely submit a semiannual list of employees for the July 2014 to December 2014 reporting period.

4. RICO alleges that Respondent failed to timely submit a semiannual list of employees for the July 2014 to December 2014 reporting period.

5. Allegations regarding the principal private detective will be addressed in a separate matter.

6. The foregoing allegations, if proven at an administrative hearing before the Board, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes ("HRS") § 436B-19(17) (violating chapter or rules) and Hawaii Administrative Rules ("HAR") § 16-97-15 (agency shall file semiannual lists of employees due July 31<sup>st</sup> (for January to June reporting period) and January 31<sup>st</sup> (for July to December reporting period)).

7. 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.

2. Respondent enters into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress.

3. Respondent is aware of the 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 as a private detective agency 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 private detective agency 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.

7. Respondent agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO No. PDG 2015-42-L.

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 TWO HUNDRED AND NO/100 DOLLARS (\$200.00). 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., 242 S. Beretania Street, 9<sup>th</sup> Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this Settlement Agreement is returned to RICO.

2. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph(s) C.1 above, Respondent's license shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondent shall turn in all indicia of the license to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. In case of such revocation, Respondent understands Respondent cannot apply for a new license until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become licensed again, Respondent must apply to the Board for a new license pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

3. Possible further sanction. 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 private detective agencies in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

4. Approval of the Board. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.5, C.6, C.7 and C.8 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

5. 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.

6. 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.

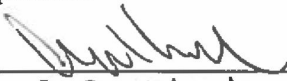
7. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondent to induce entry into this Settlement Agreement, and Respondent is not 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.

8. 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.

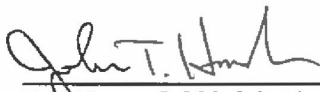
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below.

DATED: 11/10/2015, Anaheim, California.  
(CITY) (STATE)

DIVERSITY INVESTIGATIVE SERVICES, INC.  
Respondent

By:   
Its President

DATED: Honolulu, Hawaii, November 16, 2015.

  
DARIA A. LOY-GOTO  
JOHN T. HASSLER  
Attorneys for Department of Commerce and  
Consumer Affairs

IN THE MATTER OF THE PRIVATE DETECTIVE AGENCY LICENSE OF DIVERSITY  
INVESTIGATIVE SERVICES, INC.; SETTLEMENT AGREEMENT PRIOR TO FILING OF  
PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER;  
CASE NO(S). PDG 2015-42-L

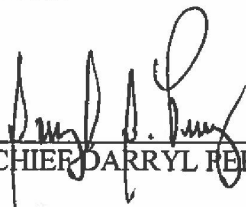
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PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER;  
CASE NO(S). PDG 2015-42-L

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

  
\_\_\_\_\_  
DOUGLAS H. INOUE  
Chairperson


January 14, 2016  
\_\_\_\_\_  
DATE

\_\_\_\_\_  
RAY GALAS  
Vice Chairperson

  
\_\_\_\_\_  
CHIEF DARRYL PERRY

  
\_\_\_\_\_  
CHIEF HARRY S. KUBOTA

  
\_\_\_\_\_  
KENNETH CHANG

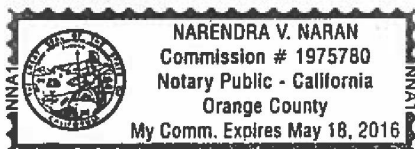
  
\_\_\_\_\_  
ALBERT DENIS

PVL 07/15

STATE OF CALIFORNIA )  
 ) SS.  
COUNTY OF ORANGE )

On this 10 day of NOV, 2015, before me personally appeared  
SCOTT N. ROMERO, to me known to be the person described, and who executed the  
foregoing instrument on behalf of Diversity Investigative Services as its  
President, and acknowledged that he/~~she~~ executed the same as  
his/~~her~~ free act and deed.

This 8-page \_\_\_\_\_  
document dated 11/10/2015, 20\_\_\_\_ was acknowledged before me by  
ROMERO, SCOTT N. this 10 day of NOV, 2015, in the  
City of ANAHEIM, in the County of ORANGE, in the State of  
~~Hawaii.~~ CALIFORNIA.



N. Naran  
Name:  
Notary Public, State of ~~Hawaii~~ CALIFORNIA  
My Commission expires: 05/18/2016