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Department of Commerce and Consumer Affairs
State of Hawaii
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Honolulu, Hawaii 96813
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Attorney for Department of Commerce
and Consumer Affairs

CONTRACTORS LICENSE BOARD
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
STATE OF HAWAII

In the Matter of the Contractors' Licenses of) CLB 2007-337-L
)
KIN LO GENERAL CONTRACTOR, INC.) SETTLEMENT AGREEMENT PRIOR TO
) FILING OF PETITION FOR DISCIPLINARY
and) ACTION AND BOARD'S FINAL ORDER
)
KINBOURNE LO,)
)
Respondents.)
)
)
)

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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 attorneys, Respondent KIN LO GENERAL CONTRACTOR, INC. and
Respondent KINBOURNE LO, through their attorney, enter into this Settlement Agreement on
the terms and conditions set forth below.

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DEPT. OF COMMERCE
AND CONSUMER AFFAIRS
HONOLULU, HAWAII

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DEPT. OF COMMERCE
AND CONSUMER AFFAIRS
HONOLULU, HAWAII

2009 OCT 10 P 2:00

HEARINGS OFFICE

2009 NOV 23 P 3:29

DEPT. OF COMMERCE
AND CONSUMER AFFAIRS

A. UNCONTESTED FACTS

1. At all relevant times herein, Respondent KIN LO GENERAL CONTRACTOR, INC. (hereinafter "Respondent Kin Lo") was licensed by the Contractors License Board (hereinafter the "Board") as a general contractor under license number BC 16766. The license was issued on or about June 12, 1991. The license will expire on or about September 30, 2010.

2. At all relevant times herein, Respondent KINBOURNE LO (hereinafter "Respondent Lo") was licensed by the Board as a general contractor under license number BC 10512. The license was issued on or about August 18, 1980 and will expire on or about September 30, 2010.

3. At all relevant times herein, Respondent Lo was the Responsible Managing Employee for Respondent Kin Lo.

4. The mailing address for purposes of this action for Respondent Kin Lo and Respondent Lo (hereinafter collectively referred to as "Respondents") is c/o Gary Tsuji, Esq., 910 Pioneer Plaza, 900 Fort Street Mall, Honolulu, Hawaii 96813.

5. RICO received a complaint alleging Respondents, among other things, performed work that was poor and did not meet industry standards.

6. RICO alleges that Respondents failed to provide lien and bond rights, commenced work without required permits, and engaged in work without the required license classifications.

7. 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") § 444-25.5 (lien and bond rights) and § 444-17(6) (violation of county law

relating to building), and Hawaii Administrative Rules ("HAR") § 16-77-33(c) (licensee shall not act in any classification other than those which the licensee holds).

8. The Board has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENTS:

1. Respondents are fully aware that Respondents have the right to be represented by counsel and are represented in this matter by Gary Tsuji, Esq.

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

3. Respondents are aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondents freely, knowingly, and voluntarily waive the right to a hearing and agree to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

4. Respondents being at all times relevant herein licensed as contractors by the Board acknowledge that Respondents are subject to penalties including but not limited to, revocation, suspension or limitation of the licenses and administrative fines, if the foregoing allegations are proven at hearing.

5. Respondents do not admit to violating any law or rule, but acknowledge that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondents' licenses.

6. Respondents enter 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. Respondents agree that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. CLB 2007-337-L.

8. Respondents understand this Settlement Agreement is public record pursuant to Hawaii Revised Statutes 92F.

C. TERMS OF SETTLEMENT:

1. Administrative fine. Respondents agree to pay, jointly and severally, a fine in the amount of THREE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$3,500.00).

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: Wendy Utsumi, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this fully executed Settlement Agreement is returned to RICO.

2. 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 Respondents violate any provision of the statutes or rules governing the conduct of contractors in the State of Hawaii, or if Respondents fail to abide by the terms of this Settlement Agreement.

3. Approval of the Board. Respondents agree 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 Respondents in the Board's

usual and customary fashion pursuant to the Administrative Procedure Act, Respondents agree that neither Respondents nor any attorney that Respondents may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondents 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 Respondents to induce entry into this Settlement Agreement, and Respondents are 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.

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.

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

DATED: Honolulu, HAWAII, SEPT. 28, 2009.
(CITY) (STATE) (DATE)

KIN LO GENERAL CONTRACTOR, INC.

By: [Signature]
Its OWNER

DATED: Honolulu, HAWAII, SEPT. 28, 2009.
(CITY) (STATE) (DATE)

[Signature]
KINBOURNE LO
Respondent

DATED: Honolulu, Hawaii, OCT 20 2009.

[Signature]
WENDY J. UTSUMI
Attorneys for Department of Commerce and
Consumer Affairs

APPROVED AS TO FORM:

[Signature]
GARY TSUJI
Attorney for Respondent

IN THE MATTER OF THE CONTRACTORS' LICENSES OF KIN LO GENERAL
CONTRACTOR, INC., AND KINBOURNE LO; SETTLEMENT AGREEMENT PRIOR TO
FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER;
CASE NO. CLB 2007-337-L

APPROVED AND SO ORDERED:
CONTRACTORS LICENSE BOARD
STATE OF HAWAII



F. M. SCOTTY ANDERSON
Chairperson



NEAL ARITA
Vice Chairperson



ERIC CARSON



WILLIAM A. KAMAI



HAROLD L. MARTIN



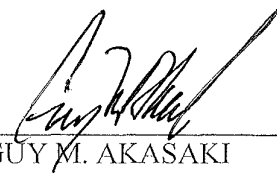
RONALD K. OSHIRO



DARYL SUEHIRO

NOV 23 2009

DATE

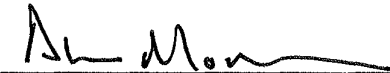


GUY M. AKASAKI



JOHN E. K. DILL

RANDALL B. C. LAU



ALDON K. MOCHIDA



DENNY R. SADOWSKI



GERALD YAMADA

PVL 08/25/09

STATE OF HAWAII

)

) SS.

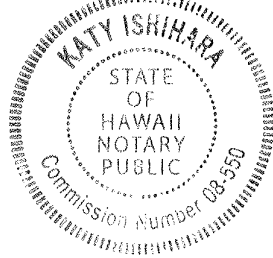
Citizen and COUNTY OF HONOLULU

)

On this 28th day of September, 2009, before me personally appeared

Kinbourne Lo, to me known to be the person described and who executed the

foregoing instrument and acknowledged the same as his/her free act and deed.



Katy Ishihara

Name: Katy Ishihara
Notary Public – State of Hawaii

My commission expires: 11/16/2012

NOTARY CERTIFICATE

Doc. Date: 9/28/09 No. Pages: 11

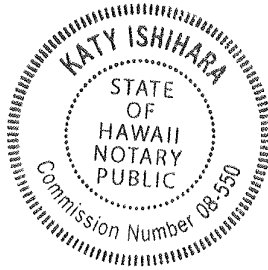
1st Circuit, State of Hawaii

Doc. Description: Settlement Agreement prior to filing of petition for Disiplinary Action and Board's Final Order

Notary Signature: Katy Ishihara

Notary Name: Katy Ishihara

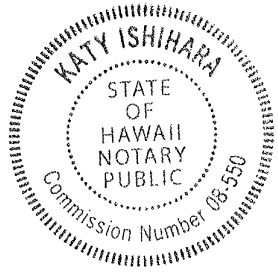
Date of notarization: 9/28/09



[notary seal]

STATE OF HAWAII)
City and) SS.
COUNTY OF HONOLULU)

On this 28th day of September, 2009, before me personally appeared Kinbourne Lo, to me known to be the person described, and who executed the foregoing instrument on behalf of KIN LO GENERAL CONTRACTOR, INC., as its owner, and acknowledged that he/she executed the same as his/her free act and deed.



Katy Ishihara
Name: Katy Ishihara
Notary Public, State of Hawaii

My Commission expires: 11/16/2012

NOTARY CERTIFICATE

Doc. Date: 9/28/09 No. Pages: 11

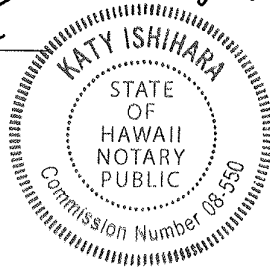
1st Circuit, State of Hawaii

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Notary Signature: Katy Ishihara

Notary Name: Katy Ishihara

Date of notarization: 9/28/09



[notary seal]