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 Regulated Industries Complaints Office
 Department of Commerce and Consumer Affairs
 State of Hawaii
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 Honolulu, Hawaii 96813
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DEPT. OF COMMERCE
 AND CONSUMER AFFAIRS

2010 MAR 18 P 2: 06

HEARINGS OFFICE

Attorney for Department of Commerce
 and Consumer Affairs

ACTIVITY DESK PROGRAM
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 STATE OF HAWAII

DEPT. OF COMMERCE
 AND CONSUMER AFFAIRS
 2010 APR -1 A 9: 21
 HEARINGS OFFICE

In the Matter of the Activity Desk) ADP 2008-10-L; 2008-11-L; 2008-12-L; 2008-
 Registration of) 13-L; 2008-14-L; 2008-15-L; 2008-16-L; 2008-
) 18-L; 2008-19-L; 2008-20-L; 2008-21-L; 2009-
 AM REALTY INC,) 42-L
 dba ACTIVITY STOP,)
)
 Respondent.) SETTLEMENT AGREEMENT PRIOR TO
) FILING OF PETITION FOR DISCIPLINARY
) ACTION AND DIRECTOR'S FINAL ORDER
)

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SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION
 FOR DISCIPLINARY ACTION AND DIRECTOR'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS'

REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"),
 through its undersigned attorney, and Respondent AM REALTY INC., dba ACTIVITY STOP
 (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 registered by the Activity Desk
 Program (hereinafter the "Program") as an activity desk under Registration Number AD 738. The

registration was issued on or about March 24, 2004. The registration expired on or about December 31, 2009.

2. Respondent's mailing address for purposes of this action is c/o **REDACTED INFORMATION**
REDACTED INFORMATION

3. RICO received twelve complaints alleging that Respondent failed to make payments to activity providers.

4. RICO alleges that Respondent failed to comply with the client trust account provisions of the activity desk law.

5. The foregoing allegation, if proven at an administrative hearing before the Program, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes ("HRS") § 468M-3(4) (withdrawing funds of a consumer from a client trust account when the activity provider has not been paid) and Hawaii Administrative Rules ("HAR") § 16-117-48(6) (failure to comply with deposit and withdrawal provisions).

6. The Program 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 registered as an activity desk by the Program acknowledges that Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of the registration 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 registration.

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 Case Nos. ADP 2008-10-L; 2008-11-L; 2008-12-L; 2008-13-L; 2008-14-L; 2008-15-L; 2008-16-L; 2008-18-L; 2008-19-L; 2008-20-L; 2008-21-L; and 2009-42-L.

7. Respondent understands this Settlement Agreement is public record pursuant to Hawaii Revised Statutes chapter 92F.

C. TERMS OF SETTLEMENT:

1. Revocation of Registration. Respondent agrees to the voluntary revocation of Respondent's registration.

The revocation shall become effective immediately upon the approval of this Settlement Agreement by the Program. Respondent shall turn in all indicia of the registration to the

Executive Officer of the Program within ten (10) days after receipt of notice that this Settlement Agreement has been approved.

Respondent understands Respondent cannot apply for a new registration until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become registered again, Respondent must apply to the Program for a new registration pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

2. Possible further sanction. The Program, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Program may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of activity desks in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

3. Approval of the Program. 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 Program.

4. No Objection if the Program Fails to Approve. If the Program 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 Program'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 Program's proceeding against

Respondent on the basis that the Program 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.

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: Sedona, Arizona, _____.

AM REALTY, INC.
dba Activity Stop



By: Thomas Murphy
Its President

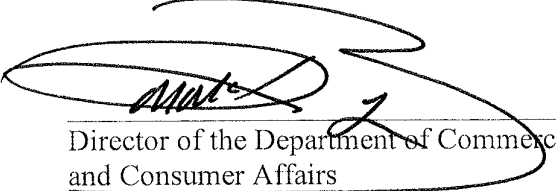
DATED: Honolulu, Hawaii, 3/16/10.



BOBBI W.Y. LUM-MEW
Attorney for Department of Commerce and
Consumer Affairs

IN THE MATTER OF THE ACTIVITY DESK REGISTRATION OF AM REALTY INC. DBA
ACTIVITY STOP; SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR
DISCIPLINARY ACTION AND DIRECTOR'S FINAL ORDER; CASE NO. ADP 2008-10-L;
2008-11-L; 2008-12-L; 2008-13-L; 2008-14-L; 2008-15-L; 2008-16-L; 2008-18-L; 2008-19-L;
2008-20-L; 2008-21-L; 2009-42-L

APPROVED AND SO ORDERED:
ACTIVITY DESK PROGRAM
STATE OF HAWAII



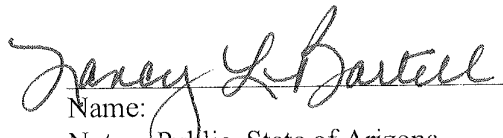
Director of the Department of Commerce
and Consumer Affairs

30 MAR 10

DATE

STATE OF ARIZONA)
) SS.
COUNTY OF YAVAPAI)

On this 16th day of March 20 10, before me personally appeared Thomas Murphy, to me known to be the person described, and who executed the foregoing instrument on behalf of AM Realty Inc. dba Activity Stop as President, and acknowledged that he executed the same as his free act and deed.



Name:
Notary Public, State of Arizona

My Commission expires: Sept 10, 2010

