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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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DEPT. OF COMMERCE
AND CONSUMER AFFAIRS RECEIVED
PROF & VOCATIONAL
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DEPT OF COMMERCE
& CONSUMER AFFAIRS
STATE OF HAWAII

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 2007-609-L
)
COUNTRY BUILDERS, INC., and) SETTLEMENT AGREEMENT PRIOR TO
GERALD M. IWANKIW,) FILING OF PETITION FOR DISCIPLINARY
) ACTION AND BOARD'S FINAL ORDER
)
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 attorney, and Respondents COUNTRY BUILDERS, INC., and
GERALD M. IWANKIW (hereinafter collectively referred to as "Respondents"), enter into this
Settlement Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent COUNTRY BUILDERS, INC.
("Respondent CBI"), was licensed by the Contractors License Board (hereinafter the "Board") as
a "B" general contractor under License Number BC 27610. The license was issued on or about
February 13, 2007. The license was forfeited on or about February 6, 2010.

2. At all relevant times herein, Respondent GERALD M. IWANKIW (“Respondent Iwankiw”) was licensed by the Board as a “B” general contractor under License Number BC 27611. The license was issued on or about February 13, 2007. The license will expire on or about September 30, 2010.

3. Respondent Iwankiw was the RME of Respondent CBI from February 13, 2007, until February 6, 2010.

4. Respondents’ mailing address for purposes of this action is [REDACTED]

5. RICO alleges that, in or around April 2007, Respondent contracted with Sylvia Lindig to construct a secondary farm dwelling on her property located at [REDACTED] (the “Project”), but Respondent did not provide a written estimate, proposal, or contract for the Project before beginning work on the Project.

6. RICO received a complaint alleging that the work completed by Respondents was not up to building codes and that Respondents attempted to bill for more than was agreed upon prior to the start of the Project.

7. Respondents allege that they did not provide a written estimate or contract for the Project because he was doing a favor for a friend and that, to cut down on costs, Mrs. Lindig was to oversee and manage the Project.

8. Respondents also allege that they were not paid in full for the Project, but their mechanic’s lien action was dismissed because they did not have a written contract.

9. Respondents further allege that this was their first project and that their contracts are now in compliance with state disclosure requirements.

10. RICO acknowledges that, before the Project was completed, differences in opinion arose between Respondents and Mrs. Lindig regarding the standard of work and cost which resulted in heated confrontations and police involvement.

11. 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 (information contractor is required to disclose prior to contracting and written contracts shall contain all information required by administrative rule), and Hawaii Administrative Rules (“HAR”) 16-77-71 and 16-77-75 (RME responsible for acts and omissions of contracting entity), and 16-77-79 (information contractor is required to disclose to the homeowner prior to contracting), and 16-77-80 (information contractors shall contain in written contracts with homeowners).

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

B. REPRESENTATIONS BY RESPONDENT:

1. Respondents are fully aware that Respondents have the right to be represented by an attorney and voluntarily waive that right.

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 agrees 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 a contractor by the Board acknowledges that Respondents are 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. Respondents do not admit to violating any law or rule, but acknowledges 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 2007-609-L.

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

C. TERMS OF SETTLEMENT:

1. Administrative fine. Respondents agree to pay a fine in the amount of ONE THOUSAND AND NO/100 U.S. DOLLARS (\$1,000.00). 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: Wendy J. Utsumi, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due no later than thirty (30) days following Board approval of this Settlement Agreement.

2. Failure to Comply with Settlement Agreement. If Respondents fail to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph C.1 above, Respondents' licenses shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondents 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, Respondents understand Respondents cannot apply for a new license until the expiration of at least five (5) years after the effective date of the revocation. Respondents understand that if Respondents desire to become licensed again, Respondents 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 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.

4. Approval of the Board. Respondents agree 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 Respondents in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondents agree that neither of 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.

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 either Respondent 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.

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.

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

DKLM
NEP
GI

DATED: Kamuela, Hawaii, 6/22/2010
(CITY) (DATE)

Gerald M. Iwankiw
GERALD M. IWANKIW
Respondent

DKLM
NEP
GI

DATED: Kamuela, Hawaii, 6/22/2010
(CITY) (DATE)

COUNTRY BUILDERS, INC.
By: Gerald M. Iwankiw
Its PRES.
Respondent

DATED: Honolulu, Hawaii, JUN 28 2010


Wendy J. Utsumi
WENDY J. UTSUMI
Attorney for Department of
Commerce and Consumer Affairs

IN THE MATTER OF THE CONTRACTORS' LICENSES OF COUNTRY BUILDERS,
INC., AND GERALD M. IWANKIW; SETTLEMENT AGREEMENT PRIOR TO FILING
OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER;
CASE NO. CLB 2007-609-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




DAR YL SDEHIRO

JUL 26 2010

DATE

GUY M. AKASAKI




JOHN E. K. DILL



RANDALL B. C. LAU



ALDON K. MOCHIDA

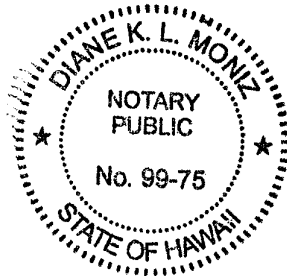


DENNY R. SADOWSKI

GERALD YAMADA

STATE OF Hawaii)
) SS.
COUNTY OF Hawaii)

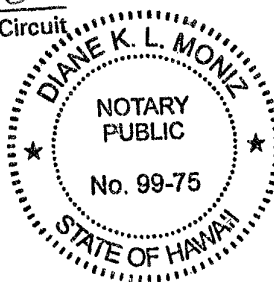
On this 24 day of June, 2010, before me personally appeared Gerald Iwankiw to me known to be the person described and who executed the foregoing instrument and acknowledged the same as his/her free act and deed. This 10-page SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER, dated June 24, 2010 was acknowledged before me by Gerald Iwankiw, this 24 day of June, 2010, in the City of Kamuela, State of Hawaii.



Diane K. L. Moniz
Name: Diane K. L. Moniz
Notary Public – State of HAWAII

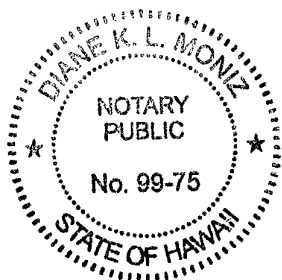
My commission expires: Feb. 14, 2011

Doc. Date: June 24, 2010 # Pages 10
Notary Name: Diane K. L. Moniz Third Circuit
Doc. Description: Settlement Agreement
Diane K. L. Moniz 6/22/2010
Notary Signature Date
My commission expires: Feb 14, 2011



STATE OF HAWAII)
) SS.
COUNTY OF HAWAII)

On this 24 day of June, 2010, before me personally appeared Gerald Iwanikiu, to me known to be the person described, and who executed the foregoing instrument on behalf of Country Builders, Inc. as President, and acknowledged that he/she executed the same as his/her free act and deed. This 10-page SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER, dated June 24, 2010 was acknowledged before me by Gerald Iwanikiu, this 24 day of June, 2010, in the City of Kamuela, State of Hawaii.



Diane K. L. Moniz
Name: Diane K. L. Moniz
Notary Public, State of HAWAII

My Commission expires: Feb 14, 2011

Doc. Date: June 24, 2010 # Pages 10
Notary Name: Diane K. L. Moniz Third Circuit
Doc. Description: Settlement Agreement
Diane K. L. Moniz 6/24/10
Notary Signature Date
My commission expires: Feb. 14, 2011

