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 TAMMY Y. KANESHIRO 6287
 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
 Telephone: 586-2660

Attorney for Department of Commerce
 and Consumer Affairs

DEPT. OF COMMERCE
 DEPT. OF COMMERCE
 AND CONSUMER AFFAIRS

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HEARINGS OFFICE

DEPT. OF COMMERCE
 & CONSUMER AFFAIRS
 STATE OF HAWAII

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 PROF & VOCATIONAL
 LICENSING DIVISION

BOARD OF PHARMACY
 DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
 STATE OF HAWAII

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|--------------------------|---|----------------------------------|
| In the Matter of the |) | PHA 2005-17-L |
| Miscellaneous Permit of |) | |
| |) | SETTLEMENT AGREEMENT PRIOR TO |
| IMMEDIATE PHARMACEUTICAL |) | FILING OF PETITION FOR |
| SERVICES, INC., |) | DISCIPLINARY ACTION, EXHIBIT "1" |
| |) | AND BOARD'S FINAL ORDER |
| Respondent. |) | |
| _____ |) | |

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

Respondent IMMEDIATE PHARMACEUTICAL SERVICES, INC. (hereinafter "Respondent"), and the Department of Commerce and Consumer Affairs, through its Regulated Industries Complaints Office (hereinafter "RICO"), through its undersigned attorney, enter into this Settlement Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS

1. Respondent was issued a miscellaneous permit by the Board of Pharmacy (hereinafter the "Board") under Permit Number PMP 403. Said permit was issued on December 3, 2004 and currently has an expiration date of December 31, 2007.

2. The last known mailing address for Respondent is [REDACTED]

3. RICO received information that Respondent entered into a Consent Agreement, approved August 18, 2005, with the Louisiana Board of Pharmacy (hereinafter the "Louisiana Order"). A true and correct copy of the Louisiana Order is attached hereto as Exhibit 1.

4. The Louisiana Order concluded, among other things, that Respondent's Louisiana Pharmacy Permit had lapsed in violation of Louisiana law.

5. Pursuant to the Louisiana Order, Respondent was issued a Letter of Warning and ordered to pay a fine of \$5,000.00 and administrative and investigative costs totaling \$330.00.

6. Respondent failed to report the Louisiana Order to the Hawaii Board of Pharmacy within thirty (30) days, as required by Hawaii Revised Statutes (hereinafter "HRS") §§ 436B-16 and 436B-19(15).

7. Respondent did disclose the Louisiana Order to the Hawaii Board of Pharmacy on a November 4, 2005 Renewal Application.

8. The foregoing allegations, if proven, would constitute violations of the following statutes governing the conduct of permit holders in the State of Hawaii: Hawaii Revised Statutes ("H.R.S.") §§ 436B-16 and 436B-19(15) (failure to report disciplinary action within thirty (30) days).

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

B. REPRESENTATIONS BY RESPONDENT:

1. Respondent is fully aware that it has the right to be represented by an attorney of

its choosing in this matter and voluntarily waives that right.

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

3. Respondent has been informed of its right to have a hearing to determine the issues in RICO's investigation. Pursuant to HRS §91-9(d), Respondent voluntarily waives its right to a hearing and agrees to a disposition of this case in accordance with the terms and conditions of this Settlement Agreement.

4. Respondent being at all times relevant herein a miscellaneous permit holder acknowledges that it is subject to penalties including but not limited to, revocation, suspension or limitation of its permit and civil fines, if the foregoing violations are proven at hearing.

5. Respondent admits to the veracity of the allegations and that its acts constitute violations of the following statutes and/or regulations governing the conduct of permit holders in the State of Hawaii: H.R.S. §§ 436B-16 and 436B-19(13) (failure to report disciplinary action within thirty (30) days).

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 Case No. PHA 2005-17-L.

C. TERMS OF SETTLEMENT:

1. Administrative fine. Respondent agrees to pay a fine in the amount of FIVE HUNDRED AND NO/100 DOLLARS (\$500.00), the payment of which shall be due within thirty (30) days of the Board's approval of this Settlement Agreement. Said payment shall be

made by **cashier's check or money order made payable to "State of Hawaii - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn: Tammy Y. Kaneshiro, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. The mailing should be postmarked by the 30th day to be in compliance with this Settlement Agreement.

2. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely pay the administrative fine as set forth in paragraph(s) C.1 above, Respondent's permit shall be automatically revoked for a period of five (5) years 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 its permit to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. Upon completion of the revocation period, Respondent understands that it will need to apply for a new license pursuant and subject to the requirements and conditions set forth in HRS § 436B-21.

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 permit holders 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 it nor any attorney that it may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against it 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.

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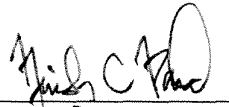
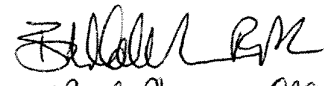
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IN THE MATTER OF THE MISCELLANEOUS PERMIT OF IMMEDIATE
PHARMACEUTICAL SERVICES, INC.; SETTLEMENT AGREEMENT PRIOR TO FILING
OF PETITION FOR DISCIPLINARY ACTION, EXHIBIT "1" AND BOARD'S FINAL
ORDER; CASE NO. PHA 2005-17-L

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

DATED: JANUARY, 9th, 2006.

IMMEDIATE PHARMACEUTICAL SERVICES,
INC.

By: 
Its DIRECTOR OF PHARMACY 
VP of Pharmacy Operat.

DATED: Honolulu, Hawaii, 1/11/06.

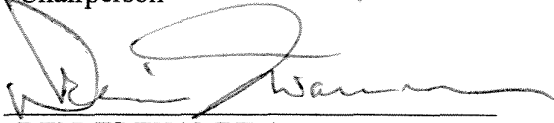

TAMMY Y. KANESHIRO
DARIA A. LOY-GOTO
Attorneys for Department of Commerce and
Consumer Affairs

IN THE MATTER OF THE MISCELLANEOUS PERMIT OF IMMEDIATE
PHARMACEUTICAL SERVICES, INC.; SETTLEMENT AGREEMENT PRIOR TO FILING
OF PETITION FOR DISCIPLINARY ACTION, EXHIBIT "1" AND BOARD'S FINAL
ORDER; CASE NO. PHA 2005-17-L

APPROVED AND SO ORDERED:
BOARD OF PHARMACY
STATE OF HAWAII



ELWIN D.H. GOO
Chairperson



DENNIS IWAMURA

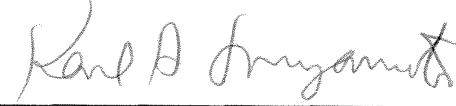
JANET M. WILLIAMS
Vice-Chairperson



KENT KIKUCHI

FEB 16 2006

DATE



KARL H. MIYAMOTO



DULCE T. ONAGA



MARK E. BROWN

PVL 09/22/05

STATE OF)
) SS.
COUNTY OF)

On this 9th day of JANUARY, 2006, before me personally appeared
NIMESH C. PATEL, to me known to be the person described, and who executed the
foregoing instrument, on behalf of IMMEDIATE PHARMACEUTICAL SERVICES, INC.
as DIRECTOR OF PHARMACY SERVICES, and acknowledged that he/she executed the same as his/her
free act and deed.



Name:
Notary Public, State of OHIO

My Commission expires: 2-14-07

LOUISIANA BOARD OF PHARMACY

BATON ROUGE, LOUISIANA

IN THE MATTER OF:

CONSENT ORDER

IMMEDIATE PHARMACEUTICAL SERVICES, INC.

LOUISIANA PHARMACY PERMIT NO. 3217

Complaint No. 05-0039

CONSENT AGREEMENT

WHEREAS, an informal conference was conducted by the Violations Committee of the Louisiana Board of Pharmacy (hereinafter referred to as the "Board") on June 7, 2005, at the Board office, Baton Rouge, Louisiana, in the matter of IMMEDIATE PHARMACEUTICAL SERVICES, INC., (hereinafter referred to as "Respondent"), holding Louisiana Pharmacy Permit No. 3217, [REDACTED], with Ron Fine, President, and Brian Louis Kallach, Vice President, present;

WHEREAS, pursuant to information received and/or gathered by the Board which produced evidence indicating that Respondent violated the following laws and regulations by dispensing prescription drugs to Louisiana residents without a Louisiana out-of-state pharmacy permit from January 1, 2005 to February 16, 2005:

La. R.S. 37:1241(A)(1): Practiced or assisted in the practice of pharmacy, or knowingly permitted or has permitted anyone in his employ or under his supervision to practice or assist in the practice of pharmacy, in violation of the provisions of this Chapter and any rules and regulations promulgated thereto in accordance with the Administrative Procedure Act.

La. R.S. 37:1221(B): No out-of-state pharmacy providing pharmacy services to residents of this state shall operate or maintain a pharmacy located out-of-state unless the pharmacy is issued a permit by the board.

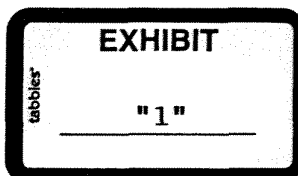
La. R.S. 37:1232(A): A pharmacy located outside this state which does business in this state within the meaning of this Chapter, shall hold a current pharmacy permit as provided in this Chapter.

LAC 46 LIII §2319(A): Out-of-state pharmacies soliciting, receiving, and dispensing and delivering prescription drugs and devices to Louisiana residents constitutes doing business in Louisiana.

To facilitate the submission of this Consent Agreement, Respondent does not offer any defense to the allegations of violations cited above and further agrees that there is sufficient evidence upon which to predicate a finding of those violations.

Respondent further understands that this Consent Agreement shall constitute a Public Record, pursuant to La. R.S. 44:1 et seq., and is considered disciplinary action by the Board.

In order to avoid further administrative and judicial proceedings, Respondent hereby consents to accept and abide by the following order of the Board:



1. A Letter of Warning is issued to Louisiana Pharmacy Permit No. 3217; and
2. IMMEDIATE PHARMACEUTICAL SERVICES, INC., is ordered to pay a fine of \$5,000.00 and to reimburse the Board \$250.00 for administrative costs and \$80.00 for investigation costs, with total payment due the Board of \$5,330.00, to be paid simultaneously with the execution of this Consent Agreement by Respondent.

By signing this Consent Agreement, Respondent agrees that the Board has jurisdiction in this matter and waives all rights to informal conference, to Notice of Hearing, to a formal Administrative Hearing, and to judicial review of this Consent Agreement. By signing this Consent Agreement, Respondent agrees that any failure to comply with the terms of this Agreement is a basis for discipline by the Board.


Both Respondent and the Board stipulate that this Consent Order shall not become effective and shall not become binding on the Board unless and until approved by the Board at formal meeting. However, Respondent agrees that this Consent Order shall be effective and binding upon Respondent without recourse upon its authorized representative signing said Order.

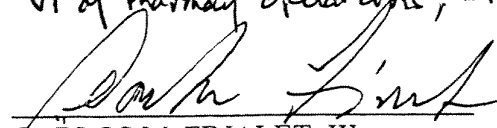
I, Brian L. Kallach, RPh., authorized to act on behalf of and acting on behalf of IMMEDIATE PHARMACEUTICAL SERVICES, INC., understand that this Consent Agreement is effective as a Board Order upon affirmative vote by the Board at formal hearing. It is also understood that, should the Board not approve this Consent Agreement, the agreement therein does not preclude the Louisiana Board of Pharmacy from requiring a formal hearing of this case.

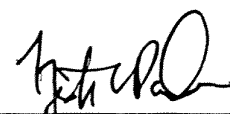
It is further understood that, should this Consent Agreement not be accepted by the Board, the presentation to and consideration by the Board of this Agreement, including presented documentary evidence and information, shall not unfairly or illegally prejudice or preclude the Board or any of its members from further participation in hearings or resolution of these proceedings.

SIGNED, AGREED TO AND ENTERED ON THIS 20th DAY OF June, 2005.

IMMEDIATE PHARMACEUTICAL SERVICES, INC.
Louisiana Pharmacy Permit No. 3217


BY: Authorized Representative
VP of Pharmacy Operations, IPS, Inc.


CARLOS M. FINALET, III
General Counsel, Louisiana Board of Pharmacy



WITNESS NIMESH PATEL
DIRECTOR OF PHARMACY.

WITNESS

ACCEPTANCE OF THE CONSENT AGREEMENT BY THE LOUISIANA BOARD OF PHARMACY:

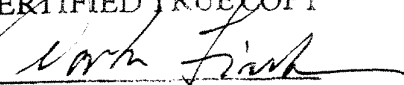
By a majority vote of the Board members voting in favor of the foregoing Consent Agreement at the Board meeting on August 18th, 2005, the Board hereby adopts said Agreement as a Final Order of the Board.

FOR THE BOARD:



Carl W. Aron
President and Hearing Officer for the Board

CERTIFIED TRUE COPY



Louisiana Board of Pharmacy