

2. Respondent's mailing address for purposes of this action is 669 W. 900 N, Salt Lake, UT 84054.

3. Respondent submitted information that it had been disciplined in the State of Oklahoma on a renewal form received by the Department of Commerce and Consumer Affairs in December 2009.

4. RICO alleges Respondent entered into a Stipulation and Agreed Order with the Oklahoma State Bureau for Narcotics and Dangerous Drugs Control in State of Oklahoma ex rel The Oklahoma State Bureau of Narcotics and Dangerous Drugs Control, R.Darrell Weaver, Director vs. MedQuest Pharmacy, SCH No. 2009-003. A true and correct copy of the February 11, 2009 Stipulation and Agreed Order is attached as Exhibit "1." Although the action was disclosed at the time of renewal, Respondent failed to report the action within thirty (30) days as required by law.

5. 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(15) (failure to report disciplinary action within thirty (30) days) and § 436B-19(13) (disciplinary action in another jurisdiction).

6. 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 permitted as a pharmacy by the Board acknowledges that Respondent is subject to penalties including but not limited to, revocation, suspension or limitation of permits 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 permit.

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 2010-27-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 THOUSAND FIVE HUNDRED AND NO/100 DOLLARS (\$2,500.00). 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: Bobbi W.Y. Lum-Mew, 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. 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 permit 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 permit 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 permit until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become permitted again, Respondent must apply to the Board for a new permit 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 pharmacies 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: Salt Lake City (CITY), Utah (STATE), 6/5/10 (DATE).

MED QUEST PHARMACY

By: Jessie Butler
Its President

DATED: Honolulu, Hawaii, JUN 15 2010.

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

IN THE MATTER OF THE MISCELLANEOUS PERMIT OF MED QUEST PHARMACY;
SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY
ACTION AND BOARD'S FINAL ORDER; CASE NO. PHA 2010-27-L; EXHIBIT "1"

APPROVED AND SO ORDERED:
BOARD OF PHARMACY
STATE OF HAWAII

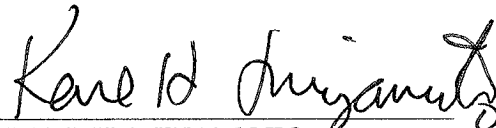
~~ELWIN D.H. GOO~~
~~Chairperson~~



MARK E. BROWN
Vice-Chairperson


GARRETT A. LAU
PATRICK ADAMS

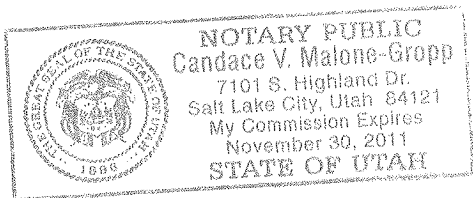
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DATE

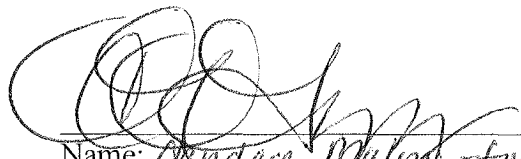

LAURIE H. Y. KAWAMURA
TODD INAFUKU
KARL H. MIYAMOTO
STANLEY M. CHOW

PVL 07/01/09

STATE OF Utah)
) SS.
COUNTY OF Salt Lake)

On this 3 day of June, 2010, before me personally appeared
Jacque Butler, to me known to be the person described, and who executed the
foregoing instrument on behalf of Medquest Pharmacy, Inc. as
President, and acknowledged that he/she executed the same as
his/her free act and deed.




Name: Candace Malone-Gropp
Notary Public, State of Utah
My Commission expires: 11/30/2011

IN AND BEFORE THE OKLAHOMA STATE BUREAU OF
NARCOTICS AND DANGEROUS DRUGS CONTROL
STATE OF OKLAHOMA

FILED
Oklahoma State Bureau of Narcotics
and Dangerous Drugs Control

FEB 11 2009

Office of the General Counsel

By: *[Signature]*

STATE OF OKLAHOMA, ex rel THE OKLAHOMA STATE BUREAU OF NARCOTICS AND DANGEROUS DRUGS CONTROL, R. DARRELL WEAVER, DIRECTOR	STIPULATION AND AGREED ORDER
Plaintiff, vs.	
MEDQUEST PHARMACY, Respondent.	
SCH No: <u>2009-003</u>	

STIPULATION AND AGREED ORDER

COME NOW Travis White, Deputy General Counsel for the Oklahoma State Bureau of Narcotics and Dangerous Drugs Control ("OBNDD"), and MedQuest Pharmacy, (Respondent) represented by counsel William J. Stilling of and for Parsons Behle & Latimer, who stipulate and agree to the following findings of fact and conclusions of law.

FINDINGS OF FACT

- 1) Respondent admits that it currently holds an active registration with the OBND and has since April 2008.
- 2) Respondent admits that on more than twenty-five (25) occasions it distributed controlled dangerous substances, more specifically testosterone cypionate which is a Schedule III controlled substance according to the Uniform Controlled Dangerous Substances Act as acknowledged by Oklahoma law.

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- 3) The aforementioned distributions took place from approximately July 2006 through April 2008 with the Respondent not having a valid registration in place because Respondent mistakenly believed it was acting lawfully by having a pharmacy registration.
- 4) It is alleged by the Plaintiff that said distributions were in violation of Oklahoma law, including but not necessarily limited to the provisions of 63 O.S. §2-401.
- 5) Respondent acknowledges the allegations of Plaintiff and does not contest them for the purpose of entering into this Order.
- 6) The Parties have entered into this agreement in lieu of any further civil or criminal action in reference to the above described transactions.
- 7) Respondent has voluntarily submitted to the jurisdiction of the OBNDD without a hearing, and entered into this Order.
 - a) In exchange for the aforementioned stipulation:
 - i. Respondent agrees to pay an administrative penalty of \$22,500.00 as provided by 63 O.S. §2-304(D) which shall be due immediately upon submission to the OBN Legal Division of this executed Order by Respondent.

CONCLUSIONS OF LAW

1. The OBNDD has jurisdiction over this matter and Respondent.
2. The Director of the OBNDD has the authority to render this Agreed Order.

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3. Respondent mistakenly dispensed an amount of controlled dangerous substances without a valid OBNDL Registration which is a violation of Oklahoma law to include 63 O.S. §2-401.


AGREED ORDER

Based on the above stipulation, findings of fact and conclusions of law, I hereby Order that Respondent's registration be granted with agreed stipulations and conditions as set forth above.

Done on this 11th day of Feb., 2009.


R. DARRELL WEAVER, DIRECTOR

Approved:

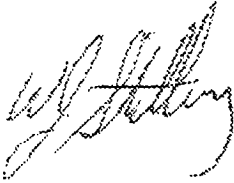

Susan Rogers, OBA #15497
Travis White, OBA #19721
Deputy General Counsel
Oklahoma State Bureau of Narcotics
and Dangerous Drugs Control
440 NE 39th Street
Oklahoma City, OK 73105
(405) 521-2885

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STATE OF OKLAHOMA
DEPARTMENT OF REVENUE
TULSA OFFICE

Respondent:

James R. Butler 2/6/09
(authorized representative) /Date

MedQuest Pharmacy
669 West 900 North
North Salt Lake, Utah 84054



William J. Stilling
Attorney for Respondent
201 South Main Street, Ste. 1800
Salt Lake City, Utah 84111

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