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and Consumer Affairs

REAL ESTATE COMMISSION
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
STATE OF HAWAII

In the Matter of the Real Estate) REC 2005-106-L
Brokers' Licenses of)
)
REMAX KAUAI.COM LLC and) SETTLEMENT AGREEMENT PRIOR TO
) FILING OF PETITION FOR DISCIPLINARY
JAMES G. PYCHA,) ACTION AND COMMISSION'S FINAL
) ORDER
Respondents.)
)
)

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

Respondents REMAX KAUAI.COM LLC (hereinafter Respondent "REMAX") and
JAMES G. PYCHA (hereinafter Respondent "PYCHA"), 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 REMAX is licensed by the Real Estate Commission (hereinafter the
"Commission") as a real estate broker under License Number RB 17311. Said license was issued
on September 24, 1999 and currently has an expiration date of December 31, 2006.

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& CONSUMER AFFAIRS
STATE OF HAWAII

2. Respondent PYCHA is licensed by the Real Estate Commission (hereinafter the "Commission") as a real estate broker under License Number RB 15233. Said license was issued on March 12, 1990 and currently has an expiration date of December 31, 2006.

3. The last known address for Respondents is 5-4280 Kuhio Highway, #C203, Princeville, Hawaii 96722.

4. RICO received a complaint against Respondents alleging that Respondents allowed an unlicensed agent to conduct real estate business without a license and aided and abetted said person in activity for which a license is required.

5. RICO alleges that Respondents failed to properly supervise salesperson Christine Aquino in violation of HRS § 467-1.6(b)(7) (failure to ensure that associated real estate licensees are current and active).

6. The foregoing allegation, if proven, would constitute a violation of the following statutes governing the conduct of real estate brokers licensed in the State of Hawaii: HRS § 467-7 (license required) and § 467-1.6(b)(7) (failure to ensure that associated real estate licensees are current and active).

7. The Commission has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENT:

1. Respondents are fully aware that they have the right to be represented by an attorney of their choosing in this matter and voluntarily waive that right.

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

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

4. Respondents being at all times relevant herein licensed as real estate brokers by the Commission acknowledge that they are subject to penalties including but not limited to, revocation, suspension or limitation of their licenses and civil fines, if the foregoing violations are proven at hearing.

5. Respondents admit to the veracity of the allegations and that their acts constitute violations of the following statutes and/or regulations governing the conduct of real estate brokers licensed in the State of Hawaii: HRS § 467-7 (license required) and § 467-1.6(b)(7) (failure to ensure that associated real estate licensees are current and active).

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. REC 2005-106-L.

C. TERMS OF SETTLEMENT:

1. Administrative fine. Respondents agree to pay a fine in the amount of ONE THOUSAND AND NO/100 DOLLARS (\$1,000.00), the payment of which shall be due within thirty (30) days of the Commission'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: Patrick

Kelly, 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 Respondents fail to fully and timely pay the administrative fine as set forth in paragraph C.1 above, Respondents' licenses shall be automatically revoked for a period of five (5) years upon RICO's filing of an affidavit with the Commission attesting to such failure. In case of such revocation, Respondents shall turn in all indicia of their licensure to the Executive Officer of the Commission within ten (10) days after receipt of notice of the revocation. Upon completion of the revocation period, Respondents understand that they will need to apply to the Commission for a new license pursuant to and subject to the requirements and conditions set forth in HRS § 436B-21.

3. Possible further sanction. The Commission, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Commission may deem appropriate if Respondents violate any provision of the statutes or rules governing the conduct of real estate brokers in the State of Hawaii, or if Respondents fail to abide by the terms of this Settlement Agreement.

4. Approval of the Commission. 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 Commission.

5. No Objection if Commission Fails to Approve. If the Commission 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

Commission's usual and customary fashion pursuant to the Administrative Procedure Act, Respondents agree that neither they nor any attorney that they may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Commission's proceeding against them on the basis that the Commission 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 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.


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.

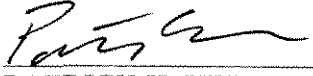
DATED: Princeville, Hawaii, 2/23/06.


JAMES G. PYCHA
Respondent

DATED: Princeville, Hawaii, 2/23/06.

REMAX KAUAI.COM, LLC

By: James G. Pycha
Its Member/Manager

DATED: Honolulu, Hawaii, FEB 28 2006.


PATRICK K. KELLY
Attorney for Department of
Commerce and Consumer Affairs

IN THE MATTER OF THE REAL ESTATE BROKERS' LICENSES OF REMAX KAUAI.COM LLC AND
JAMES G. PYCHA; SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY
ACTION AND COMMISSION'S FINAL ORDER; CASE NO. REC 2005-106-L

IN THE MATTER OF THE REAL ESTATE BROKERS' LICENSES OF REMAX
KAUAI.COM LLC AND JAMES G. PYCHA; SETTLEMENT AGREEMENT PRIOR TO
FILING OF PETITION FOR DISCIPLINARY ACTION AND COMMISSION'S FINAL
ORDER; CASE NO. REC 2005-106-L

APPROVED AND SO ORDERED:
REAL ESTATE COMMISSION
STATE OF HAWAII



TRUDY INISHIHARA
Chairperson



IRIS R. OKAWA
Vice-Chairperson



CAROL MAE A. BALL

STANLEY M. KURIYAMA

VERN M. YAMANAKA
PVL 07/22/05

March 24, 2006

DATE

LOUIS E. ABRAMS



KATHLEEN H. KAGAWA,
Ph.D.




MICHELE SUNAHARA
LOUDERMILK

STATE OF HAWAII)
) SS.
COUNTY OF KAUAI)

On this 23rd day of February, 2006, before me personally appeared JAMES G. PYCHA, to me known to be the person described, and who executed the foregoing instrument, on his own behalf and on behalf of REMAX KAUAI.COM LLC as member/manager, and acknowledged that he executed the same as his free act and deed.

LS



Name: _____
Notary Public, State of Hawaii

My Commission expires: _____ TANYA L. CHYTKA
Expiration Date: May 23, 2007