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 Regulated Industries Complaints Office
 Department of Commerce and Consumer Affairs
 State of Hawaii
 235 S. Beretania Street, 9th Floor
 Honolulu, Hawaii 96813
 Telephone: 586-2660

DEPT. OF COMMERCE
 AND CONSUMER AFFAIRS

DEPT. OF COMMERCE AND CONSUMER AFFAIRS
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2006 MAY 26 P 2: 43 HEARINGS OFFICE

HEARINGS OFFICE

Attorney for Department of Commerce
 and Consumer Affairs

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

DEPT. OF COMMERCE
 & CONSUMER AFFAIRS
 STATE OF HAWAII

2006 MAY - 2 P 2: 51

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 PROF. & VOCATIONAL
 LICENSING DIVISION

In the Matter of the) REC 2005-92-L
 Real Estate Broker's License of)
)
 CHARLES S. PORTWOOD, III,) SETTLEMENT AGREEMENT AFTER
) FILING OF PETITION FOR DISCIPLINARY
 individually and doing business as A) ACTION AND COMMISSION'S FINAL
 ALOHA PARADISE REALTY,) ORDER
)
 Respondent.)
)

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

Respondent CHARLES S. PORTWOOD, III, individually and doing business as A
 ALOHA PARADISE REALTY (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 is licensed by the Real Estate Commission (hereinafter the
 "Commission") as a real estate broker under License Number RB 15423. Said license was issued
 on August 8, 1990 and currently has an expiration date of December 31, 2006.

2. The last known address for Respondent is 350 Royal Hawaiian Avenue, No. 404, Honolulu, Hawaii 96815.

3. On November 30, 2005, RICO filed a Petition for Disciplinary Action Against Respondent, alleging that Respondent violated Hawaii Revised Statutes (“HRS”) §§ 436B-16, 436B-19(17), 436B-19(8), 467-14 (13), and 467-14 (20) (hereafter “Petition”).

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

B. REPRESENTATIONS BY RESPONDENT:

1. Respondent is represented by Thomas T. Watts, Esq.

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

3. Respondent has been informed of his right to have a hearing to determine the issues in RICO's investigation. Pursuant to HRS §91-9(d), Respondent voluntarily waives his 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 licensed as a real estate broker by the Commission acknowledges that he is subject to penalties including but not limited to, revocation, suspension or limitation of his license and civil fines, if the allegations in the petition are proven at hearing.

5. Respondent admits that he failed to report the judgments entered in favor of Sharlene Santos Ubaldo in Civil No. 1SC04-1-1157 and 1SC04-1-1158. Respondent further agrees that this failure to report provides a basis for the imposition of a fine as stated herein.

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. REC 2005-92-L.

C. TERMS OF SETTLEMENT:

1. Administrative fine. Respondent agrees 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 K. Kelly, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. The mailing must be postmarked by the 30th day to be in compliance with this Settlement Agreement.

2. Satisfaction of Outstanding Civil Judgments. Respondent agrees to satisfy outstanding civil judgments totaling \$2,490.00 in Civil Nos. ISC04-1-1157 and ISC04-1-1158 to Sharlene Santos Ubaldo within thirty (30) days of the Commission's approval of this Settlement Agreement. Respondent shall provide satisfactory proof the civil judgments have been satisfied to the Commission, and to the Regulated Industries Complaints Office, Attn: Patrick K. Kelly, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813, within sixty (60) days of the Commission's approval of this Settlement Agreement. Any mailings must be postmarked by the 60th day to be in compliance with this Settlement Agreement.

3. Failure to Comply with Settlement Agreement. If Respondent fails to fully and timely pay the administrative fine and satisfy the civil judgments as set forth in paragraphs C.1

and C.2 above, Respondent's license 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, Respondent shall turn in all indicia of his 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, Respondent understands that he will need to apply to the Commission for a new license pursuant and subject to the requirements and conditions set forth in HRS § 436B-21.

4. 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 Respondent violates any provision of the statutes or rules governing the conduct of real estate brokers in the State of Hawaii, or if Respondent fails to abide by the terms of this Settlement Agreement.

5. Approval of the Commission. Respondent agrees that, except for the representations, agreements and covenants contained in Paragraphs C.6, C.7, C.8 and C.9 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Commission.

6. 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 Respondent in the Commission's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither he nor any attorney that he may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Commission's proceeding

against him on the basis that the Commission has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.

7. 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.

8. 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.

9. 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: Honolulu, Hawaii, [Aprile 11, 2006]

/s/ CHARLES S. PORTWOOD

~~CHARLES S. PORTWOOD, III~~
CHARLES S. PORTWOOD, III,
individually and doing business as
A ALOHA PARADISE REALTY
Respondent

DATED: Honolulu, Hawaii, [April 25, 2006]

/s/ PATRICK K. KELLY

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

APPROVED AS TO FORM:

/s/ THOMAS T. WATTS

~~THOMAS T. WATTS~~
THOMAS T. WATTS
Attorney for Respondent

IN THE MATTER OF THE REAL ESTATE BROKER'S LICENSE OF CHARLES S. PORTWOOD, III, INDIVIDUALLY AND DOING BUSINESS AS A ALOHA PARADISE REALTY; SETTLEMENT AGREEMENT AFTER FILING OF PETITION FOR DISCIPLINARY ACTION AND COMMISSION'S FINAL ORDER;
CASE NO. REC 2005-92-L

REVIEWED AND RECOMMENDED FOR CONSIDERATION:

/s/ SHERYL LEE A. NAGATA

~~SHERYL LEE A. NAGATA~~
SHERYL LEE A. NAGATA
Hearings Officer

[April 26, 2006]

~~DATE~~
DATE

APPROVED AND SO ORDERED:
REAL ESTATE COMMISSION
STATE OF HAWAII

[May 26, 2006]

~~DATE~~
DATE

~~TRUDY I. NISHIHARA~~
TRUDY I. NISHIHARA
Chairperson

/s/ IRIS R. OKAWA

~~IRIS R. OKAWA~~
IRIS R. OKAWA
Vice-Chairperson

/s/ LOUIS E. ABRAMS

~~LOUIS E. ABRAMS~~
LOUIS E. ABRAMS

/s/ CAROL MAE A. BALL

~~CAROL MAE A. BALL~~
CAROL MAE A. BALL

~~KATHLEEN H. KAGAWA,~~
KATHLEEN H. KAGAWA,
Ph.D.

/s/ STANLEY M. KURIYAMA

~~STANLEY M. KURIYAMA~~
STANLEY M. KURIYAMA

/s/ MICHELE SUNAHARA LOUDERMILK

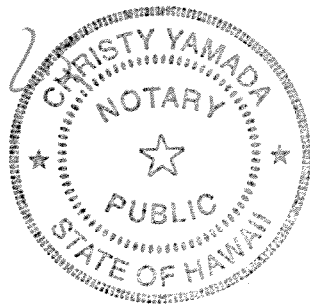
~~MICHELE SUNAHARA~~
MICHELE SUNAHARA
LOUDERMILK

~~VERN M. YAMANAKA~~
VERN M. YAMANAKA

PVL 07/22/05

STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On this 11th day of APRIL, 2006, before me personally appeared CHARLES S. PORTWOOD, III, individually and doing business as A ALOHA PARADISE REALTY, to me known to be the person described and who executed the foregoing instrument and acknowledged the same as his free act and deed.



[Signature redacted]

Name: CHRISTY YAMADA
Notary Public – State of Hawaii

My commission expires: My Commission Expires: 12-15-2008