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7

**FILED**

Date 5/7/15 By *Susan Saylor*

8 **BEFORE THE**  
9 **STRUCTURAL PEST CONTROL BOARD**  
10 **DEPARTMENT OF CONSUMER AFFAIRS**  
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation and Petition to  
13 Revoke Probation Against:

Case No. 2015-53

14 **FOXX TERMITE, INC., ALONZO**  
15 **SILLAS, PRESIDENT**  
16 **324 S. Diamond Bar Blvd., Unit #400**  
17 **Diamond Bar, CA 91765**

**ACCUSATION AND PETITION TO**  
**REVOKE PROBATION**

18 **1598 W. Second Street**  
19 **Pomona, CA 91766**  
20 **Company Registration Certificate No. PR**  
21 **6265**

Respondent.

22 Complainant alleges:

23 **PARTIES**

24 1. Susan Saylor (Complainant) brings this Accusation and Petition to Revoke Probation  
25 solely in her official capacity as the Registrar/Executive Officer of the Structural Pest Control  
26 Board, Department of Consumer Affairs.

27 2. On or about April 5, 2011, the Structural Pest Control Board issued Company  
28 Registration Certificate Number PR 6265 to Foxx Termite, Inc., Alonzo Sillas, President  
(collectively, Respondents).

3. In a disciplinary action entitled "In the Matter of the Accusation Against Foxx  
Termite, Inc.; Alonzo Sillas, President," Case No. 2014-29, the Structural Pest Control Board

1 issued a Decision and Order effective August 15, 2014, in which Respondent's Company  
2 Registration Certificate was revoked. However, the revocation was stayed and Respondent's  
3 Company Registration Certificate was placed on probation for five (5) years with certain terms  
4 and conditions. A copy of that Decision and Order is attached as **Exhibit A** and is incorporated  
5 by reference.

### 6 7 JURISDICTION

8 4. This Accusation and Petition to Revoke Probation is brought before the Structural  
9 Pest Control Board (Board), Department of Consumer Affairs, under the authority of the  
10 following laws. All section references are to the Business and Professions Code unless otherwise  
11 indicated.

12 5. Section 8620 of the Business and Professions Code (Code) provides, in pertinent part,  
13 that the Board may suspend or revoke a license when it finds that the holder, while a licensee or  
14 applicant, has committed any acts or omissions constituting cause for disciplinary action or in lieu  
15 of a suspension may assess a civil penalty.

16 6. At all times after the effective date of Respondents probation, Condition 7 stated:  
17 "Violation of Probation. Should Respondent violate probation in any respect, the Board,  
18 after giving Respondent notice and an opportunity to be heard, may revoke probation and carry  
19 out the disciplinary order which was stayed. If a petition to revoke probation is filed against  
20 Respondent during probation, the Board shall have continuing jurisdiction until the matter is  
21 final, and the period of probation shall be extended until the matter is final."  
22

### 23 STATUTORY PROVISIONS

24 7. Section 8516, subdivision (b) of the Code states, in pertinent part:  
25 "No registered company or licensee shall commence work on a contract, or sign, issue, or  
26 deliver any documents expressing an opinion or statement relating to the absence or presence of  
27 wood destroying pests or organisms until an inspection has been made by a licensed Branch 3  
28 field representative or operator. The address of each property inspected or upon which work is

1 completed shall be reported on a form prescribed by the board and shall be filed with the board no  
2 later than 10 business days after the commencement of an inspection or upon completed work.

3 Every property inspected pursuant to this subdivision or Section 8518 shall be assessed a  
4 filing fee pursuant to Section 8674.

5 Failure of a registered company to report and file with the board the address of any property  
6 inspected or work completed pursuant to Section 8518 or this section is grounds for disciplinary  
7 action and shall subject the registered company to a fine of not more than two thousand five  
8 hundred dollars (\$2,500).

9 A written inspection report conforming to this section and on a form approved by the board  
10 shall be prepared and delivered to the person requesting the inspection or to the person's  
11 designated agent within 10 business days of the inspection, except that an inspection report  
12 prepared for use by an attorney for litigation purposes is not required to be reported to the board.  
13 The report shall be delivered before work is commenced on any property. The registered  
14 company shall retain for three years all original inspection reports, field notes, and activity forms.

15 Reports shall be made available for inspection and reproduction to the executive officer of  
16 the board or his or her duly authorized representative during business hours. Original inspection  
17 reports or copies thereof shall be submitted to the board upon request within two business days.”

18 8. Section 8518 of the Code states:

19 “When a registered company completes work under a contract, it shall prepare, on a form  
20 prescribed by the board, a notice of work completed and not completed, and shall furnish that  
21 notice to the owner of the property or the owner's agent within 10 working days after completing  
22 the work. The notice shall include a statement of the cost of the completed work and estimated  
23 cost of work not completed.

24 The address of each property inspected or upon which work was completed shall be  
25 reported on a form prescribed by the board and shall be filed with the board no later than 10  
26 working days after completed work.

27 Every property upon which work is completed shall be assessed a filing fee pursuant to  
28 Section 8674.

1 Failure of a registered company to report and file with the board the address of any property  
2 upon which work was completed pursuant to subdivision (b) of Section 8516 or Section 8518 is  
3 grounds for disciplinary action and shall subject the registered company to a fine of not more than  
4 two thousand five hundred dollars (\$2,500).

5 The registered company shall retain for three years all original notices of work completed,  
6 work not completed, and activity forms.”

7 9. Section 8642 of the Code states:

8 “The commission of any grossly negligent or fraudulent act by the licensee as a pest control  
9 operator, field representative, or applicator or by a registered company is a ground for  
10 disciplinary action.”

11 10. Section 8691 of the Code states:

12 “A registered company shall not engage in the practices for which it is required to be  
13 registered by this chapter unless it maintains an insurance policy as specified in this article.”

14 11. Section 8692 of the Code states:

15 “(a) An “insurance policy” as used in this article means a contract of liability insurance  
16 issued by an insurance company authorized to transact business in this state or one issued by a  
17 nonadmitted carrier whose activities in this state are controlled by the Surplus Line Association,  
18 which insures the policyholder against loss from legal liability for damages on property upon  
19 which work is being performed or has been completed, including third-party losses, as a result of  
20 an accident or occurrence due to participation in control, prevention, or repair activities that  
21 require a license under this chapter. The insurance policy shall provide minimum limits of five  
22 hundred thousand dollars (\$500,000) for any one loss due to bodily injury, sickness, or disease,  
23 including death at any time resulting therefrom, sustained by any person, and five hundred  
24 thousand dollars (\$500,000) minimum for any one loss due to injury or destruction of property,  
25 including the loss of use of the property.”

26 (b) This section shall not be construed to require errors and omissions insurance for all activities  
27 relating to or during inspections, inspection reports, recommendations, estimates, and bids,  
28 whether oral or written.

1 12. Section 8695 of the Code states:

2 "The violation of any provision of this article is a misdemeanor and shall be grounds for the  
3 suspension or revocation by the board of the operator's license of the owner or qualifying  
4 manager or managers of the registered company and of the company registration."

5 13. Section 8697 of the Code states:

6 "Each company registered under the provisions of this chapter shall maintain a bond  
7 executed by an admitted surety insurer in the amount of twelve thousand five hundred dollars  
8 (\$12,500). Another method of deposit, including a certificate of deposit, or other undertaking  
9 shall not satisfy this requirement."

10 14. Section 8697.3 of the Code states:

11 "(a) If, after a hearing conducted in accordance with Chapter 5 (commencing with Section  
12 11500) of Part 1 of Division 3 of Title 2 of the Government Code, a license or company  
13 registration is suspended or revoked upon the grounds set forth in Article 7 (commencing with  
14 Section 8620), the registrar shall require the applicant, licensee, or registered company, as a  
15 condition to the issuance, reissuance, or restoration of the license or company registration, to file  
16 a surety bond in the sum to be determined by the registrar based upon the seriousness of the  
17 violation, but the sum shall not be less than one thousand dollars (\$1,000) nor more than twenty-  
18 five thousand dollars (\$25,000).

19 (b) The bond required by this section shall be in addition to the bond required by Section  
20 8697 of this article.

21 (c) Each applicant, licensee, or registered company required to maintain a bond of the type  
22 provided in this section shall post the bond with the registrar for a period of at least two years and  
23 during the additional time as there may be unsatisfied claims outstanding against the same."

24

25

**REGULATORY PROVISIONS**

26

15. California Code of Regulations, Title 16, section 1996.3 states:

27

28

"The address of each property inspected and/or upon which work was completed shall be  
reported on a form prescribed by the Board and designated as the WDO Inspection and

1 Completion Activity Report Form (see Form No. 43M-52 Rev. 5/09) at the end of this section.  
2 This form shall be prepared by each registered company and shall comply with all of the  
3 requirements pursuant to Section 8516(b), and 8518.

4 (b) The form shall contain the following information for each property inspected and/or  
5 upon which work was completed.

6 (1) Company Name

7 (2) Company registration number

8 (3) Branch office registration number (when a branch office issues an inspection report or  
9 notice of work completed

10 (4) Date of Activity

11 (5) Address of property inspected or upon which work was completed, including zip code

12 (6) Activity Code

13 (7) License number of licensee performing the inspection

14 (c) Failure of a registered company to report and file with the Board the address of any property  
15 inspected or upon which work was completed pursuant to Section 8516(b) or 8518 are grounds  
16 for disciplinary action and subject to a fine of not more than two thousand five hundred dollars  
17 (\$2,500).”

18 16. California Code of Regulations, Title 16, section 1937.12 states:

19 “(a) Whenever a proposed decision places a licensee or registered company. on probation as  
20 a condition of staying a revocation or staying all or any portion of a suspension, the order  
21 granting such probation shall include at least the following conditions: (1) That the licensee or  
22 registered company. shall file quarterly reports with the board during the period of probation;

23 (2) Such other terms and conditions as may be appropriate in light of the number and nature  
24 of the violations proven.

25 (b) Nothing in this regulation shall deprive the board of its authority to modify or delete any  
26 term or condition of probation contained in a proposed decision submitted by an administrative  
27 law judge.”

28 //

**COST RECOVERY**

17. Section 125.3 of Code states in pertinent part:

“(a) Except as otherwise provided by law, in any order issued in resolution of a disciplinary proceeding before any board within the department ... upon request of the entity bringing the proceeding may request the administrative law judge to direct a licentiate found to have committed a violation or violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

(b) In the case of a disciplined licentiate that is a corporation or a partnership, the order may be made against the licensed corporate entity or licensed partnership.

(c) A certified copy of the actual costs, or a good faith estimate of costs where actual costs are not available, signed by the entity bringing the proceeding or its designated representative shall be prima facie evidence of reasonable costs of investigation and prosecution of the case. The costs shall include the amount of investigative and enforcement costs up to the date of the hearing, including, but not limited to, charges imposed by the Attorney General.

(d) The administrative law judge shall make a proposed finding of the amount of reasonable costs of investigation and prosecution of the case when requested pursuant to subdivision (a). The finding of the administrative law judge with regard to costs shall not be reviewable by the board to increase the cost award. The board may reduce or eliminate the cost award, or remand to the administrative law judge where the proposed decision fails to make a finding on costs requested pursuant to subdivision (a).

(e) Where an order for recovery of costs is made and timely payment is not made as directed in the board’s decision, the board may enforce the order for repayment in any appropriate court. This right of enforcement shall be in addition to any other rights the board may have as to any licentiate to pay costs.

(f) In any action for recovery of costs, proof of the board’s decision shall be conclusive proof of the validity of the order of payment and the terms for payment.

(g)(1) Except as provided in paragraph (2), the board shall not renew or reinstate the license of any licentiate who has failed to pay all of the costs ordered under this section.

1 (2) Notwithstanding paragraph (1), the board may, in its discretion, conditionally renew or  
2 reinstate for a maximum of one year the license of any licentiate who demonstrates financial  
3 hardship and who enters into a formal agreement with the board to reimburse the board within  
4 that one-year period for the unpaid costs.

5 (h) All costs recovered under this section shall be considered a reimbursement for costs  
6 incurred and shall be deposited in the fund of the board recovering the costs to be available upon  
7 appropriation by the Legislature.

8 (i) Nothing in this section shall preclude a board from including the recovery of the costs of  
9 investigation and enforcement of a case in any stipulated settlement.

10  
11 **BACKGROUND FACTS**

12 18. On or around June 10, 2014, Respondent Alonzo Sillas (Respondent Sillas), President  
13 of Foxx Termite, Inc. (Respondent Foxx) entered into a Stipulated Settlement and Disciplinary  
14 Order (stipulation) with the Board wherein, Respondent Sillas acknowledged that he read and  
15 understood the charges and allegations in Accusation No. 2014-29 and the effects of the  
16 stipulation.<sup>1</sup>

17 19. On or around July 10, 2014, Respondent Foxx was suspended from operation due to  
18 failure to have a Qualifying Manager.

19 20. On or around July 15, 2014, Respondent Foxx was suspended for failure to maintain a  
20 surety bond.

21 21. On or around July 16, 2014 the Board sent to Respondent Foxx by certified mail, the  
22 stipulation, company probation quarterly report forms, surety bond form, restoration bond form  
23 and live scan form.

24 22. On or around July 21, 2014, Respondent Foxx received and acknowledged the receipt  
25 of the certified mail delivery of the documents referenced above, including notice of the August  
26 15, 2014 effective date of decision.

27 <sup>1</sup> The Stipulated Settlement and Disciplinary Order in the Accusation in the Matter Against Foxx Termite;  
28 Alonzo Sillas, President, Case No. 2014-29, OAH No. 2013120767 is incorporated herein by reference.



1 23. On or around July 31, 2014 Respondents inspected a property located in Temple City,  
2 CA, while under suspension.

3 24. By or on or around August 18, 2014, Respondents had still failed to comply with  
4 Probation Terms 15, 17 and 18.

5 25. On or around August 21, 2014 Respondents inspected a property located at 1033  
6 Seashell Court, Ontario, CA 91762 (Ontario property), while under suspension.

7 26. The separated inspection report for the Ontario property contained two section 1  
8 findings and recommendations, including, '7A drywood termite infestation and recommended to  
9 chemically treat, and remove or cover accessible pellets and 11A dry rot (decay fungi damage)  
10 and recommended to replace damage.'

11 27. The bid for the work at the Ontario property was \$895.00.

12 28. Respondents failed to file to report any wood destroying activities during the time  
13 period between January 1, 2014 and September 17, 2014.

14

15 **FIRST CAUSE FOR DISCIPLINE**

16 (Failure to File Wood Destroying Organism Activities Report)

17 29. Respondents are subject to disciplinary action under §§ 8516(b) and 8518 in  
18 conjunction with Cal. Code of Regs. Title 16 § 1996.3(a) in that Respondents failed to file WDO  
19 activities with the Board. Complainant incorporates by reference paragraphs 18 – 28, above, as if  
20 fully set forth herein.

21

22 **SECOND CAUSE FOR DISCIPLINE**

23 (Gross Negligence)

24 30. Respondents are subject to disciplinary action under § 8642 in that Respondents  
25 committed acts constituting gross negligence. Complainant incorporates by reference paragraphs  
26 18 – 28, above, as if fully set forth herein.

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1 **THIRD CAUSE FOR DISCIPLINE**

2 (Failure to Maintain Insurance Policy)

3 31. Respondents are subject to disciplinary action under §§ 8691, 8692 and 8695 in that  
4 Respondents failed to maintain insurance as required by the Board. Complainant incorporates by  
5 reference paragraphs 18 – 22 and 24, above, as if fully set forth herein.

6  
7 **FOURTH CAUSE FOR DISCIPLINE**

8 (Failure to Maintain Indemnity Bond)

9 32. Respondents are subject to disciplinary action under § 8697 in that Respondents  
10 failed to maintain an indemnity bond as required by the Board. Complainant incorporates by  
11 reference paragraphs 18 – 22 and 24, above, as if fully set forth herein.

12  
13 **FIFTH CAUSE FOR DISCIPLINE**

14 (Failure to Maintain Restoration Bond)

15 33. Respondents are subject to disciplinary action under § 8697.3 in that Respondents  
16 failed to file a surety bond as required by the Board. Complainant incorporates by reference  
17 paragraphs 18 – 22 and 24, above, as if fully set forth herein.

18  
19 **FIRST CAUSE TO REVOKE PROBATION**

20 (Obey All Laws)

21 34. At all times after the effective date of Respondent's probation, Condition 1 stated:  
22 "Obey All Laws. Respondent shall obey all Federal, State and local laws along with all  
23 laws and rules relating to the practice of structural pest control. To permit monitoring of  
24 compliance with this term, respondent shall submit fingerprints through the Department of Justice  
25 and Federal Bureau of Investigation within 30 days of the effective date of the decision, unless  
26 previously submitted as part of the licensure application process. Respondent shall pay the cost  
27 associated with the fingerprint process."  
28

1 35. Respondents probation is subject to revocation because they failed to comply with  
2 Probation Condition 1, referenced above. Complainant incorporates by reference paragraphs 18 –  
3 33, above, as if fully set forth herein. In addition, Respondent Sillas failed to submit fingerprints  
4 through the Department of Justice and Federal Bureau of Investigation within 30 days of the  
5 effective date of the decision.  
6

7 **SECOND CAUSE TO REVOKE PROBATION**

8 (Bond Requirement)

9 36. At all times after the effective date of Respondents probation, Condition 15 stated:  
10 “Bond Requirement. Pursuant to Bus. & Prof. Code § 8697, Respondent will be required to  
11 maintain a bond executed by an admitted surety insurer in the amount of twelve thousand five  
12 hundred dollars (\$12,500.00) prior to July 1, 2014.”

13 37. Respondents probation is subject to revocation because they engaged in the practice  
14 of pest control without a bond as required by Term No. 15, above. Complainant incorporates by  
15 reference paragraphs 18 – 22 and 24, above, as if fully set forth herein.  
16

17 **THIRD CAUSE TO REVOKE PROBATION**

18 (Restoration Bond)

19 38. At all times after the effective date of Respondents probation, Condition 16 stated:  
20 “Restoration Bond. Pursuant to Bus. & Prof. Code § 8697.3, Respondent will be required,  
21 as a condition to the restoration of the company registration, to file a surety bond in the sum of  
22 twelve thousand five hundred dollars (\$12,500.00) within thirty days of the effective date of this  
23 decision. The bond required by this section shall be in addition to the bond required by § 8697 as  
24 identified in paragraph 17. Respondent shall post such bond with the Registrar for a period of at  
25 least two (2) years and during such additional time as there may be unsatisfied claims outstanding  
26 against the same.”  
27  
28

1 39. Respondents probation is subject to revocation because they engaged in the practice  
2 of pest control without a restoration bond as required by Term No. 16, above. Complainant  
3 incorporates by reference paragraphs 18 – 22 and 24, above, as if fully set forth herein.  
4

5 **FOURTH CAUSE TO REVOKE PROBATION**

6 (WDO Activities)

7 40. At all times after the effective date of Respondents probation, Condition 17 stated:  
8 “WDO Activities. Prior to the effective date of this decision, Respondent shall file with the  
9 Board all wood destroying organisms activities beginning from March 2013 through the present.  
10 Failure to provide any or all records shall be considered a violation of probation and will  
11 constitute grounds for revocation.”

12 41. Respondents probation is subject to revocation because they failed to report WDO  
13 activities on the 8/21/14 inspection report, including all inspections and completions from January  
14 2014 to present. Respondents also failed to file all required WDO activities prior to the effective  
15 date of the Decision and Order. Complainant incorporates by reference paragraphs 18 – 28,  
16 above, as if fully set forth herein.  
17

18 **SIXTH CAUSE TO REVOKE PROBATION**

19 (Citation and Fines)

20 42. At all times after the effective date of Respondents’ probation, Condition 18 stated:  
21 “Citation and Fines. Respondent shall pay one-half (1/2) of Citation and Fine No. CF  
22 2013-33 issued on November 14, 2012 in the amount of \$2,500 and one-half (1/2) of Citation and  
23 Fine No. CF 2013-74 issued on January 31, 2013 in the amount of \$3,500 no later than August 1,  
24 2014.”

25 43. Respondents probation is subject to revocation because they failed to pay \$1,250 (1/2  
26 of Citation and Fine No. CF 2013-33) and \$1,750 (1/2 of Citation and Fine No. CF 2013-74) no  
27 later than August 1, 2014.

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**SEVENTH CAUSE TO REVOKE PROBATION**

(Cost Recovery)

44. At all times after the effective date of Respondent's probation, Condition 13 stated: "Cost Recovery. Pursuant to Section 125.3 of the California Business and Professions Code, Respondent shall pay to the Board investigation and enforcement costs in the amount of \$9,315.14, according to a payment schedule that has been approved by the Board. Investigation and enforcement costs must be paid in full within six (6) months of the effective date of the decision in this matter. Failure to pay the enforcement costs in full within six (6) months of the effective date of the decision will constitute grounds for revocation."

45. Respondents probation is subject to revocation because they failed to pay investigation and enforcement costs within six (6) months of the effective date of the decision.

**PRAYER**

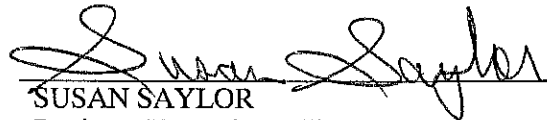
WHEREFORE, Complainant requests that a hearing be held on the matters alleged in this Accusation and Petition to Revoke Probation, and that following the hearing, the Structural Pest Control Board issue a decision:

1. Revoking the probation that was granted by the Structural Pest Control Board in Case No. 2014-29 and imposing the disciplinary order that was stayed thereby revoking Company Registration Certificate No. PR 6265 issued to Foxx Termite, Inc., Alonzo Sillas, President;
2. Revoking or suspending Company Registration Certificate No. PR 6265, issued to Foxx Termite, Inc., Alonzo Sillas, President;
3. Prohibiting Alonzo Sillas, from serving as an officer, director, associate, partner, qualifying manager, or responsible managing employee of any registered company during the period that discipline is imposed on Company Registration No. PR 6265, issued to Foxx Termite, Inc., Alonzo Sillas, President;
4. Ordering Foxx Termite, Inc., Alonzo Sillas, President to pay the Structural Pest Control Board the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3; and

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5. Taking such other and further action as deemed necessary and proper.

DATED: 5/7/15



SUSAN SAYLOR  
Registrar/Executive Officer  
Structural Pest Control Board  
Department of Consumer Affairs  
State of California  
*Complainant*

LA2014513159  
51761643.docx

# **Exhibit A**

**Decision and Order**

**Structural Pest Control Board Case No. 2014-29**

BEFORE THE  
STRUCTURAL PEST CONTROL BOARD  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

FOXX TERMITE, INC.; ALONZO  
SILLAS;  
324 S. Diamond Bar Blvd., Unit #400  
Diamond Bar, CA 91765  
Company Registration Certificate No. PR  
6265

Respondents.

Case No. 2014-29

OAH No. 2013120767

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Structural Pest Control Board, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on August 15, 2014.

It is so ORDERED July 16, 2014

  
\_\_\_\_\_  
FOR THE STRUCTURAL PEST CONTROL BOARD  
DEPARTMENT OF CONSUMER AFFAIRS



1 KAMALA D. HARRIS  
Attorney General of California  
2 ARMANDO ZAMBRANO  
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*Attorneys for Complainant*  
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8 **BEFORE THE**  
**STRUCTURAL PEST CONTROL BOARD**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

10 In the Matter of the Accusation Against:

Case No. 2014-29

11 **FOXX TERMITE, INC.; ALONZO**  
12 **SILLAS;**  
13 **324 S. Diamond Bar Blvd., Unit #400**  
**Diamond Bar, CA 91765**  
14 **Company Registration Certificate No. PR**  
**6265**

OAH No. 2013120767  
**STIPULATED SETTLEMENT AND**  
**DISCIPLINARY ORDER**

15 Respondents.

16  
17  
18 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-  
19 entitled proceedings that the following matters are true:  
20

21 **PARTIES**

22 1. Susan Saylor (Complainant) is the Registrar/Executive Officer of the Structural Pest  
23 Control Board. She brought this action solely in her official capacity and is represented in this  
24 matter by Kamala D. Harris, Attorney General of the State of California, by Langston M.  
25 Edwards, Deputy Attorney General.  
26

27 //

28 //



1           2.     A copy of Accusation No. 2014-29 is attached as Exhibit A and incorporated herein  
2 by reference.  
3

#### 4                                   ADVISEMENT AND WAIVERS

5           3.     Respondent has carefully read, and understands the charges and allegations in  
6 Accusation No. 2014-29. Respondent has also carefully read, and understands the effects of this  
7 Stipulated Settlement and Disciplinary Order.

8           4.     Respondent is fully aware of its legal rights in this matter, including the right to a  
9 hearing on the charges and allegations in the Accusation; the right to be represented by counsel at  
10 its own expense; the right to confront and cross-examine the witnesses against them; the right to  
11 present evidence and to testify on its own behalf; the right to the issuance of subpoenas to compel  
12 the attendance of witnesses and the production of documents; the right to reconsideration and  
13 court review of an adverse decision; and all other rights accorded by the California  
14 Administrative Procedure Act and other applicable laws.

15           5.     Respondent voluntarily, knowingly, and intelligently waives and gives up each and  
16 every right set forth above.  
17

#### 18                                   CULPABILITY

19           6.     Respondent admits the truth of each and every charge and allegation in Accusation  
20 No. 2014-29, except as to the Seventeenth Cause for Discipline (Providing False Identity) and  
21 Eighteenth Cause for Discipline (Unlawful Practice). As to the Seventeenth and Eighteenth  
22 Causes for Discipline, Respondent understands that the charges and allegations set forth therein,  
23 if proven at a hearing, constitute cause for imposing discipline upon Respondent's Company.  
24 Registration No. PR 6265.

25           7.     Respondent agrees that its Company Registration Certificate is subject to discipline  
26 and agrees to be bound by the Board's probationary terms as set forth in the Disciplinary Order  
27 below.  
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CONTINGENCY

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8. This stipulation shall be subject to approval by the Structural Pest Control Board. Respondent understands and agrees that counsel for Complainant and the staff of the Structural Pest Control Board may communicate directly with the Board regarding this stipulation and settlement, without notice to or participation by Respondent. By signing the stipulation, Respondent understands and agrees that they may not withdraw its agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.

9. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Stipulated Settlement and Disciplinary Order, including Portable Document Format (PDF) and facsimile signatures thereto, shall have the same force and effect as the originals.

10. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary Order may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.

11. In consideration of the foregoing admissions and stipulations, the parties agree that the Board may, without further notice or formal proceeding, issue and enter the following Disciplinary Order:

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1 DISCIPLINARY ORDER

2 IT IS HEREBY ORDERED that Company Registration Certificate No. PR 6265 issued to  
3 Respondent Foxx Termite, Inc.; Alonzo Sillas; (Respondent) is revoked. However, the  
4 revocation is stayed and Respondent is placed on probation for five (5) years on the following  
5 terms and conditions.

6 1. **Obey All Laws.** Respondent shall obey all Federal, State and local laws along with  
7 all laws and rules relating to the practice of structural pest control. To permit monitoring of  
8 compliance with this term, respondent shall submit fingerprints through the Department of Justice  
9 and Federal Bureau of Investigation within 30 days of the effective date of the decision, unless  
10 previously submitted as part of the licensure application process. Respondent shall pay the cost  
11 associated with the fingerprint process.

12 2. **Quarterly Reports.** Respondent shall file quarterly reports with the Board during  
13 the period of probation.

14 3. **Tolling of Probation.** Should Respondent leave California to reside outside this  
15 state, Respondent must notify the Board in writing of the dates of departure and return. Periods  
16 of residency or practice outside the state shall not apply to reduction of the probationary period.

17 4. **Notice to Employers.** Respondent shall notify all present and prospective employers  
18 of the decision in Accusation No. 2014-29 and the terms, conditions and restriction imposed on  
19 Respondent by said decision.

20 Within 30 days of the effective date of this decision, and within 15 days of Respondent  
21 undertaking new employment, Respondent shall cause his employer to report to the Board in  
22 writing acknowledging the employer has read the decision in Accusation No. 2014-29.

23 5. **Notice to Employees.** Respondent shall, upon or before the effective date of this  
24 decision, post or circulate a notice to all employees involved in structural pest control operations  
25 which accurately recite the terms and conditions of probation. Respondent shall be responsible  
26 for said notice being immediately available to said employees. "Employees" as used in this  
27 provision includes all full-time, part-time, temporary and relief employees, the current or any  
28 newly associated qualifying manager and independent contractors employed or hired at any time

1 during probation. Acknowledgement by each employee shall be in writing with the qualifying  
2 manager acknowledging and initialing each probation term.

3       6.    **Completion of Probation.** Upon successful completion of probation, Respondent's  
4 license/certificate will be fully restored.

5       7.    **Violation of Probation.** Should Respondent violate probation in any respect, the  
6 Board, after giving Respondent notice and an opportunity to be heard, may revoke probation and  
7 carry out the disciplinary order which was stayed. If a petition to revoke probation is filed against  
8 Respondent during probation, the Board shall have continuing jurisdiction until the matter is  
9 final, and the period of probation shall be extended until the matter is final.

10       8.    **Correspondence Course - Branch 3.** Respondent, Alonzo Sillas, shall complete  
11 with a final grade of C Minus (C-) or better within eighteen (18) months of the effective date of  
12 this decision, continuing education courses for pest control in Branch 3, wood destroying pests  
13 and organisms, which includes 4 hours of rules and regulations, 4 hours of Branch 3 technical and  
14 4 hours of business ethics.

15       9.    **Random Inspections.** Respondent shall reimburse the Board for 2 random  
16 inspections per quarter by Board specialists during the period of probation not to exceed \$125  
17 per inspection.

18       10.   **Reimbursement to Consumer.** Respondent shall submit proof to the Registrar that  
19 restitution has been made to consumers D.K. and S.K., residents of the property located at 21543  
20 Running Branch Road, Diamond Bar, CA 91765 (Running Branch). Specifically, Respondent  
21 Foxx Termite, Inc.; Alonzo Sillas, President shall pay two-thirds (2/3) of the balance remaining,  
22 if any, necessary to complete the required repairs to the Running Branch property within six (6)  
23 months prior to the end of probation.

24       11.   **Prohibited from Serving as Officer, Director, Associate, Partner or Qualifying**  
25 **Manager.** Respondent is prohibited from serving as an officer, director, associate, partner,  
26 qualifying manager or branch office manager of any registered company other than Foxx  
27 Termite, Inc. during the period that discipline is imposed on Company Registration Certificate  
28 No. PR 6265.

1           12. **No Interest In Any Registered Company.** Respondent shall not have any legal or  
2 beneficial interest in any company currently or hereinafter registered by the Board other than  
3 Foxx Termite, Inc. during the period that discipline is imposed on Company Registration  
4 Certificate No. PR 6265.

5           13. **Cost Recovery.** Pursuant to Section 125.3 of the California Business and Professions  
6 Code, Respondent shall pay to the Board investigation and enforcement costs in the amount of  
7 \$9,315.14, according to a payment schedule that has been approved by the Board. Investigation  
8 and enforcement costs must be paid in full within six (6) months of the effective date of the  
9 decision in this matter. Failure to pay the enforcement costs in full within six (6) months of the  
10 effective date of the decision will constitute grounds for revocation.

11           14. **Qualifying Manager.** Respondent accepts and agrees that notwithstanding  
12 Respondent's current anticipated Qualifying Manager, Clarence Elva Williams, Jr., Operator  
13 License No. OPR-11131, any newly associated Qualifying Manager for Respondent, Foxx  
14 Termite, Inc. shall reside within 100 miles of the Respondent's principal place of registration.  
15 Failure to obtain a Qualifying Manager that meets the criteria set forth herein shall be considered  
16 a violation of probation and will constitute grounds for revocation.

17           15. **Bond Requirement.** Pursuant to Bus. & Prof. Code § 8697, Respondent will be  
18 required to maintain a bond executed by an admitted surety insurer in the amount of twelve  
19 thousand five hundred dollars (\$12,500.00) prior to July 1, 2014.

20           16. **Restoration Bond.** Pursuant to Bus. & Prof. Code § 8697.3, Respondent will be  
21 required, as a condition to the restoration of the company registration, to file a surety bond in the  
22 sum of twelve thousand five hundred dollars (\$12,500.00) within thirty days of the effective date  
23 of this decision. The bond required by this section shall be in addition to the bond required by §  
24 8697 as identified in paragraph 17. Respondent shall post such bond with the Registrar for a  
25 period of at least two (2) years and during such additional time as there may be unsatisfied claims  
26 outstanding against the same.

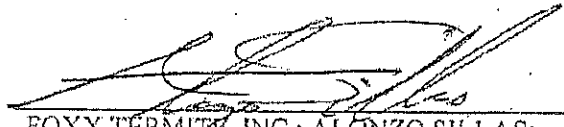
27           17. **WDO Activities.** Prior to the effective date of this decision, Respondent shall file  
28 with the Board all wood destroying organisms activities beginning from March 2013 through the

1 present. Failure to provide any or all records shall be considered a violation of probation and will  
2 constitute grounds for revocation.

3 18. Citation and Fines. Respondent shall pay one-half (1/2) of Citation and Fine No. CF  
4 2013-33 issued on November 14, 2012 in the amount of \$2,500.00 and one-half (1/2) of Citation  
5 and Fine No. CF 2013-74 issued on January 31, 2013 in the amount of \$3,500 no later than  
6 August 1, 2014.

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8 ACCEPTANCE

9 I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the  
10 stipulation and the effect it will have on my Company Registration Certificate. I enter into this  
11 Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree  
12 to be bound by the Decision and Order of the Structural Pest Control Board.

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14 DATED: 6-10-14   
15 FOXX TERMITES, INC.; ALONZO SILLAS;  
16 Respondent  
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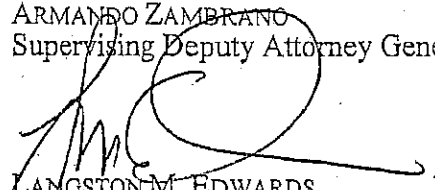
ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Structural Pest Control Board.

Dated: 6/10/14

Respectfully submitted,

KAMALA D. HARRIS  
Attorney General of California  
ARMANDO ZAMBRANO  
Supervising Deputy Attorney General



LANGSTON M. EDWARDS  
Deputy Attorney General  
*Attorneys for Complainant*

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