



# North Carolina Department of Public Safety

## Private Protective Services Board

Josh Stein, Governor  
Jeffrey Smythe, Secretary

Steve Johnson, Vice Chair  
Paul Sherwin, Director

**Meeting Minutes**  
**January 15, 2026, 11:00 a.m.**  
**Hampton Inn and Suites – Raleigh/Crabtree Valley**

### **Board Members Present**

Debra Duncan	Richard Epley
Steve Johnson	David Poston
Andy Renfrow	William MacRae
Stacy Buff	Donald Miller
Candace Ratliff	Dierdre Hatcher
Paul Schroll	

### **Staff Present**

Paul Sherwin
Ray Bullard
Kim Odom
Jeff Gray
Mercedes Sierra
Karen Battle

### **Board Members Absent**

Assata Buffaloe  
Ron Burris

### **Virtual**

Suzanne Creech

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### **Call to Order**

Vice Chair Steve Johnson called the January 15, 2026, meeting of the North Carolina Private Protective Services Board to order at 11:00 a.m.

### **State Ethics Law**

Attorney Jeff Gray read the following statement:

"In accordance with the State Ethics Law, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. If any member has any known conflict of interest or appearance of conflict with respect to any matter coming before this Board today, please identify the conflict or appearance of conflict and refrain from deliberation and voting in that matter."

### **New Board Member Welcome**

Vice Chair Steve Johnson introduced and acknowledged two new Board members: Dierdre Hatcher, appointed to the Board by Governor Josh Stein for a term expiring July 1, 2028; and Donald Miller, also appointed by Governor Stein for a term expiring July 1, 2028.

## **Approval of the November 2025 Board Meeting Minutes**

Motion: Debra Duncan motioned to accept the November 15, 2025, Board meeting minutes. Paul Schroll seconded. The motion carried unanimously.

### **Final Agency Decision(s)**

Attorney Gray delivered the Final Agency Decision in the matter of Hector Alexander Falu and the Falu Corporation, 25 DOJ 02815. The case was heard by Administrative Law Judge Lawrence Duke on August 26, 2025. The case involved the suspension of Mr. Falu's security guard and patrol license and the assessment of a civil penalty for failure to register probationary employees, failure to train and register unarmed and armed guards, allowing employees to engage in a private protective service without a valid registration, failure to reasonably cooperate with a Board investigation, engaging in conduct constituting dereliction of duty or otherwise deceiving, defrauding, or harming the public, and failure to maintain records. Mr. Falu was present.

Motion: Stacy Buff motioned to accept Judge Duke's recommendation to uphold Mr. Falu's license suspension and \$14,000.00 civil penalty assessment. David Poston seconded. The motion carried unanimously. Steve Johnson and Candace Ratliff recused from the vote.

### **Committee Reports**

#### **Grievance Committee**

Grievance Committee members Ron Burris, Candace Ratliff, Andy Renfrow, Steve Johnson, Deirdre Hatcher, and Paul Schroll met on January 14, 2026, from 9:00 a.m. to 11:22 a.m., and heard 11 cases. Don Miller observed the Committee's meeting. Committee member Andy Renfrow presented the Grievance Committee report.

Motion: Stacy Buff motioned to accept the Grievance Committee report. Bill MacRae seconded. The motion carried unanimously.

*See the attachment for the full Grievance Committee report.*

#### **Screening Committee**

Screening Committee members Stacy Buff, Debra Duncan, David Poston, Richard Epley, Bill MacRae, and Don Miller met on January 14, 2026, from 1:00 p.m. to 2:21 p.m. to review 86 new license applications and one QA for Two Companies application. Committee Chair Debra Duncan presented the Screening Committee report.

Motion: Bill MacRae motioned to accept all of the Committee's recommendations, except for Michael Paul Metcalf. Paul Schroll seconded. The motion carried unanimously.

Motion: Paul Schroll motioned to accept the Committee's recommendation for Michael Paul Metcalf. Stacy Buff seconded. The motion carried unanimously. Richard Epley recused from the vote.

*See the attachment for the full Screening Committee report.*

#### Training and Education Committee

Training and Education Committee members Richard Epley, Andy Renfrow, Stacy Buff, Candace Ratliff, Dave Poston, Bill MacRae, Steve Johnson, Don Miller, and Paul Schroll met on January 15, 2026, from 9:01 a.m. to 9:27 a.m. Committee Chair Candace Ratliff presented the Training and Education Committee report, which included updates on completed and planned train-the-trainer courses, as well as the results of one recent compliance audit conducted by Board staff and one weapon discharge.

In addition, Ms. Ratliff reported that the Committee reviewed 11 applications for new continuing education courses and 14 applications for renewal of existing continuing education courses. She stated that the Committee recommended approving all the courses, except for one new course, “Active Shooter Rapid Response and Threat Management Training,” offered by Colonel P. Elder II.

Director Paul Sherwin presented a request from the Association of Certified Fraud Examiners (ACFE) to be granted standing approval as a continuing education course provider.

Motion: Paul Schroll motioned to accept the Training and Education Committee report, and to approve the recommended continuing education courses and ACFE request. Andy Renfrow seconded. The motion carried unanimously.

*See the attachment for the full Training and Education Committee report.*

#### Special Committee on Continuing Education

No report.

#### Law and Rules Committee

Law and Rules Committee members Andy Renfrow, Debra Duncan, Candace Ratliff, David Poston, Bill MacRae, Paul Schroll, and Steve Johnson met on January 15, 2026, from 10 a.m. to 10:30 a.m. Committee Chair Steve Johnson presented the Laws & Rules Committee report.

Mr. Johnson reported that the Committee reviewed public comments that were submitted in response to the Board’s proposed amendments to rules .0203, .0205, .0703, .0706, .0806, .0807, .0808, .0902, .0904, .0910, .0911, .1203, .1306, and .1406. The comments asserted that the Board does not have the authority to request applicants disclose expunged criminal history record information on their application. However, Mr. Johnson said the Board was given such authority in Session Law 2025-51, and that Attorney Gray would explain the matter further in his Attorney’s Report.

Motion: Candace Ratliff motioned to accept the Laws & Rules Committee report. Bill MacRae seconded. The motion carried unanimously.

### Special Committee Polygraph Licensing

Special Committee Chair David Poston reported that the Special Committee was continuing to work with the N.C. Polygraph Association to draft an agreement detailing the policies and procedures for testing of new polygraph license applicants.

### Finance Committee

No report.

### Emerging Technology Committee

No report.

### Special Committee on Unlicensed Activity

No report.

### SSLB/PPSB Joint Special Committee

Director Sherwin reported that the Security Systems Licensing Board's online application for the new Limited Monitoring license is active, and the SSLB is accepting applications. He explained that PPSB-licensed security guard and patrol companies that remotely monitor a client's access control, cameras, analytic capturing devices, systems providing intelligence, or other imaging devices must obtain a separate limited monitoring license from the SSLB.

### **Old Business**

The Board's ethics liaison, Debra Duncan, reminded Board members to complete their annual Statement of Economic Interest filing and biennial ethics training, if required.

### **New Business**

Paul Scholl reported that he attended the IPSB Close Protection Conference December 3-5, 2025, in Charlotte. He said the next conference will be held in San Diego December 8-11, 2026.

Director Sherwin asked if any Board members would like to attend the N.C. Association of Private Investigators Conference April 21-22, 2026, in Carolina Beach. Member Don Miller volunteered to attend as a Board representative.

Director Sherwin asked if any Board members would like to attend the S.C. Association of Legal Investigators Conference May 13-15, 2026, in Myrtle Beach. Members Paul Schroll, Bill MacRae, and Andy Renfrow volunteered to attend as Board representatives.

Director Sherwin asked if any Board members would like to attend the Techno Digital Forensics Conference June 2-4, 2026, in Myrtle Beach. No one volunteered to attend.

Director Sherwin explained that the Board's contract with its licensing software vendor, Permittum, will expire June 30, 2026. He recommended renewing the contract but cautioned that Permittum officials were requesting a price increase for the per-transaction fee charged to applicants. Currently, Director Sherwin said, the fee is \$5.00 per transaction. Permittum officials requested an increase to \$6.00 for Year 1 and \$7.00 for Years 2 and 3 of the contract. The Board

asked that a Permitium official attend the March 2026 Board meeting to discuss the proposed fee increase.

Motion: Stacy Buff motioned to defer the Permitium contract discussion to the March 2026 Board meeting. Bill MacRae second. The motion carried unanimously.

### **Director's Report**

Director Paul Sherwin presented his Director's Report. The report included information about Board staff changes, the status of the Board's active licensees and registrants, and an update on Board finances.

Motion: Paul Schroll motioned to accept the Director's Report. Andy Renfrow seconded. The motion carried unanimously.

*See the attachment for the full Director's Report.*

### **Attorney's Report**

Attorney Gray presented his Attorney's Report, which included updates about the status of consent agreements, pending administrative rule changes, litigation, and legislative updates.

Attorney Gray reported that public comments were submitted in response to the Board's proposed amendments to rules .0203, .0205, .0703, .0706, .0806, .0807, .0808, .0902, .0904, .0910, .0911, .1203, .1306, and .1406. The comments asserted that the Board does not have the authority to request applicants disclose expunged criminal history record information on their application. However, Attorney Gray said the Board was given such authority in Session Law 2025-51. Accordingly, he explained that a vote by the Board to give final approval to the rules amendments was appropriate.

Further, Attorney Gray stated a public comment was received in response to the proposed amendment to Rule .0808, regarding the Board's acceptance of HR218/LEOSA credentials, in lieu of a concealed handgun permit. The comment asserted the rule was unnecessary because an active law enforcement officer cannot hold a PPSB license. Attorney Gray explained, however, that active law enforcement officers are only prohibited from holding a private investigator or security guard and patrol license, not all PPSB licenses.

Motion: Stacy Buff motioned to approve the amendments to rules .0203, .0205, .0703, .0706, .0806, .0807, .0808, .0902, .0904, .0910, .0911, .1203, .1306, and .1406. Bill MacRae seconded. The motion carried unanimously.

Attorney Gray reported that Global Spectrum Durham, L.P. *dba* Oak View Group, against which the Board was pursuing a complaint for injunction relief for unlicensed activity, had obtained a security guard and patrol license in January 2026.

Motion: Stacy Buff motioned to withdraw the Complaint for Injunctive Relief against Global Spectrum Durham, L.P. *dba* Oak View Group. Andy Renfrow seconded. The motion carried unanimously.

Attorney Gray reported that Director Sherwin and he had been in discussions with officials working in the N.C. insurance industry who had voiced concerns about the Board's use of a custom liability insurance form required of license applicants. Attorney Gray explained that insurance agents are required to produce proof of insurance on forms approved by the N.C. Department of Insurance (NCDOI), and the Board's form is not approved by the NCDOI. Accordingly, he recommended the Board adopt a policy to retire its custom form and accept any form approved by the NCDOI, in accordance with N.C. Gen. Stat. § 58-3-149.

Motion: Bill MacRae motioned to adopt the policy as recommended by legal counsel. Candace Ratliff seconded. The motion carried unanimously.

Motion: Bill MacRae motioned to accept the Attorney's Report. Andy Renfrow seconded. The motion carried unanimously

*See the attachment for the full Attorney's Report.*

### **Good of the Order**

None.

### **Public Comment**

Licensee Gary Pastor commented that the new N.C. Security Association was actively seeking members. He also thanked the Board for its decision to levy increased civil penalty assessments for repeat registration violations. In addition, he expressed a desire to more intensely regulate the use of canines and consider requiring canine handlers to be registered with the Board. Finally, Mr. Pastor said he believed the Board should increase its oversight of "bad actor" security guards who move from company to company.

### **Closed Session**

Motion: Bill MacRae motioned to enter a closed session to discuss pending litigation. Candace Ratliff seconded. The motion carried unanimously. Closed session began at 1:24 p.m.

Motion: Bill MacRae motioned to return to open session. Paul Schroll seconded. The motion carried unanimously. Return to open session at 1:52 p.m.

### **Adjourn**

Motion: Andy Renfrow motioned to adjourn the meeting. Bill MacRae seconded. The motion carried unanimously.

Meeting adjourned at 1:53 p.m.

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Paul Sherwin, Director

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Mercedes Sierra, Board Secretary

## **Meeting Guests**

Christina Suppa*	Shunnika Gamble*	Joseph Felton*	Roberto Santana*
Ryan Rabenold*	Yejide J. Powell*	Thomas Younts*	Donna Campbell*
Uka Leonard*	Dean Wiley*	Andrew Mitchell*	Donald Million*
Heaven Mitchell*	John Honeycutt*	Michael Pearce*	Patrick Sterling *
Suzanne Creech *	Dionne Porter	George Porter	Sandra Epley
Craig Gorham	Corinne Scott	Shaun Marso	Timothy Neal
David Dodge	Zena Savoy	Ritchie Pearce	Andrew Seward

\*Virtual attendee

## PPSB Grievance After Report for January 15, 2026 9:00 am

Case Number	Complaint Against	Allegation(s)	Grievance Committee Recommendation	Board Action
1. 2025-PPS-007	John Keith Brown Southern Protection Agency 208 Alabama St. Carrollton, GA 30117	14B NCAC 16 .0108(b)	Find a violation of NCGS 74C-11. Enter into a consent agreement with John Keith Brown and Southern Protection Agency in the amount of \$734.40 for six unarmed security guard registration violations. No follow-up audit is recommended.	Accepted
2. 2025-PPS-072	Joseph LaSorsa LaSorsa & Associates 322 Silver Creek Landing Rd Swansboro, NC 28584	14B NCAC 16 .1205(a)	Find a violation of 14B NCAC 16 .1205(a). Issue a Letter of Reprimand and assess a \$1,000.00 civil penalty to Joseph LaSorsa and LaSorsa & Associates for failure to submit continuing education rosters.	Accepted
3. 2025-PPS-077	William Thomas Cameron  3808 Colby Drive Apt. 1 Raleigh, NC 27609	NCGS 74C-13	Find a violation of NCGS 74C-13. Continue the cease and desist order previously issued to William Thomas Cameron. Refer this matter to the Screening Committee should Mr. Cameron apply for license or registration.	Accepted
4. 2025-PPS-084	Jeffrey Bradshaw Bradshaw Security, LLC 105 Tributary Circle Wilmington, NC 28401	14B NCAC 16 .0108(b)	Find a violation of NCGS 74C-11. Enter into a consent agreement with Jeffrey Bradshaw and Bradshaw Security, LLC, in the amount of \$622.40 for one unarmed security guard registration violation. No follow-up audit is recommended.	Accepted



	Road Mills River, NC 28759		registration violations. The consent agreement may be paid in three installments. Staff is to conduct a follow-up registration compliance audit of Q4 2026 & Q1 2027. Mr. Crisp and any company officials responsible for registering employees are to attend Registration Procedures training following the March or September 2026 Board meeting.	
6. 2025-PPS-086	Dwayne Guerrero Black Box Security PO Box 35810 Fayetteville, NC 28303	14B NCAC 16 .0108(b)	Find a violation of NCGS 74C-12(a)(29). Refer this matter to the Screening Committee should Mr. Guerrero apply for a license or registration.	Accepted

<b>Case Number</b>	<b>Complaint Against</b>	<b>Allegation(s)</b>	<b>Grievance Committee Recommendation</b>	<b>Board Action</b>
7.	2025-PPS-093 Gerald Stickl Sunstates Security, LLC 801 Corporate Center Drive Suite 300 Raleigh, NC 27607	NCGS 74C-11	Find a violation of NCGS 74C-11. Enter into a consent agreement with Gerald Stickl and Sunstates Security, LLC, in the amount of \$489.60 for four unarmed security guard registration violations. No follow-up audit is recommended.	Accepted
8.	2025-PPS-097 Louis Kilgo Top Shelf Ent 5300 Old Pineville rd Suite 120 Charlotte, NC 28217	NCGS 74C-13	Find a violation of NCGS 74C-13. Enter into a consent agreement with Louis Kilgo and Top Shelf Ent in the amount of \$550.80 for three armed security guard registration violations. Staff is to conduct a follow-up registration compliance audit of Q4 2026 and Q1 2027. Mr. Kilgo is to attend Registration Procedures training following the March or September 2026 Board meeting.	Accepted
9.	2025-PPS-098 Wilfred Blood SecTek, Inc. 1750 Tysons Boulevard Suite 910 Tysons, VA 22102	NCGS 74C-11 14B NCAC 16 .0108(b)	Find a violation of NCGS 74C-11. Enter into a consent agreement with Wilfred Blood and SecTek, Inc. in the amount of \$46,680.00 for 75 unarmed security guard registration violations. Board staff is to conduct a follow-up registration compliance audit of Q4 2026 and Q1 2027. Mr. Blood and any company officials responsible for registering employees are to attend Registration Procedures training following the March or September 2026 Board meeting.	Accepted
10.	2025-PPS-101 Lakeshia Mullins 333 and Mullins Security Services and Academy 2113 Jennings St Charlotte, NC 28216	NCGS 74C-12(a)(1) 14B NCAC 16 .0911(a)(2) 14B NCAC 16 .0911(a)(3)	Find a violation of NCGS 74C-12(a)(1), 14B NCAC 16 .0911(a)(2), and 14B NCAC 16 .0911(a)(3). Revoke Lakeshia Mullins' security guard & patrol license and unarmed guard trainer certification. Refer this matter to the Screening Committee should Ms. Mullins apply for a license or trainer certification.	Accepted
11.	2025-PPS-105 Zozer El NOVA NINE PROTECTION,LLC 10130 PERIMETER PARKWAY CHARLOTTE, NC 28216	NCGS 74C-2	Find a violation of NCGS 74C-2. Continue the cease and desist order previously issued to Zozer El and Nova Nine Protection, LLC. Attorney Gray is to file a Complaint for Injunctive Relief against Zozer El and Nova Nine Protection, LLC. Refer this matter to the Screening Committee should Mr. El apply for a license or registration.	Accepted



# Board Meeting Report

Board Date: 01/15/2026

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
1.	Dean Adone DJA Investigations 3213 Box Turtle Drive Fort Mill, SC 29715	Close Personal Protection	Approve with Condition Receipt of favorable fingerprint-based criminal history record check.	Accepted
2.	Bradley Agnew Defender Services Inc 9031 Garners Ferry Road Hopkins, SC 29061	Security Guard And Patrol	Approve	Accepted
3.	Thomas Waddell Allen Jr Allen's Professional Investigations, Inc. 115 East Wade Street Wadesboro, NC 28170	Private Investigator	Approve with Condition Thomas Allen, Jr. and Allen's Professional Investigations, Inc., enter into and pay a consent agreement for \$85.00 for one month of unlicensed activity.	Accepted
4.	Thomas Waddell Allen Jr Allen's Professional Investigations, Inc. 115 East Wade Street Wadesboro, NC 28170	Security Guard And Patrol	Approve with Condition Thomas Allen, Jr. and Allen's Professional Investigations, Inc., enter into and pay a consent agreement for \$85.00 for one month of unlicensed activity.	Accepted
5.	Roy Dean Baldwin Baldwin Detective Agency, LLC 6313 Diamond Drive Raleigh, NC 27610	Private Investigator	Approve	Accepted
6.	Julie Marie Barry Barefoot Professional Investigations 1011 E. Morehead Street; Suite 110 Charlotte, NC 28204	Private Investigator	Approve	Accepted
7.	Madelyn Nicole Berner Reliance Forensics 5950 Fairview Rd Charlotte, NC 28210	Digital Forensics Examiner	Approve	Accepted
8.	Phillip Lutz Berry Dominion XP, LLC 40 Cane Creek	Close Personal Protection	Approve with Condition Receipt of favorable fingerprint-based criminal history record check.	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
	Industrial Park Rd Fletcher, NC 28732			
9.	Roderick O'Neal Brown Tradewind Enterprise LLC 321 RidgeCreek Dr Penrose, NC 28766	Private Investigator	Deny Lack of verifiable experience and failure to complete the application process.	Accepted
10.	Alan Ray Byrd AR Byrd Company, Inc. 171 Joshua Court Lincolnton, NC 28092	Close Personal Protection	Approve	Accepted
11.	James Thomas Carpenter JTC America LLC 103 Pine Ridge Ln West End NC 27376 West End, NC 27376	Close Personal Protection	Approve	Accepted
12.	James Thomas Carpenter JTC America LLC 103 Pine Ridge Ln West End NC 27376 West End, NC 27376	Private Investigator	Approve	Accepted
13.	Robin Edison Carpenter Leupold Investigations PO BOX 971 KING, NC 27021	Security Guard And Patrol	Approve with Condition Receipt of favorable fingerprint-based criminal history record check.	Accepted
14.	Robin Edison Carpenter Leupold Investigations PO BOX 971 KING, NC 27021	Close Personal Protection	Approve with Condition Receipt of favorable fingerprint-based criminal history record check.	Accepted
15.	Calvin Dmitri Carter Next Generation Academy 3740 South Holden Road Greensboro, NC 27406	Proprietary	Approve	Accepted
16.	Christopher S Cary Nash County Building Security 120 W Washington Street Nashville, NC 27856	Proprietary	Approve	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
17.	Gabriel Isaac Chickoree Gabriel Chickoree 5006 Garden Gate Dr Monroe, NC 28112	Close Personal Protection	Approve	Accepted
18.	Roger Craig Cotten Trinity Investigations 2433 Winterwoods Ln Winston Salem, NC 27103	Private Investigator	Approve	Accepted
19.	Micah James Day Black Tie Security 135 A N. Main St. Randleman , NC 27317	Close Personal Protection	Approve	Accepted
20.	Karl Leon de la Guerra KDI Protective Services 7074 Rhone Way Fort Mill, SC 29707	Close Personal Protection	Approve	Accepted
21.	Richard A Dietl Beau Security & Investigations Inc 489 5th Avenue, 16th Floor New York, NY 10017	Private Investigator	Approve	Accepted
22.	joshua r doty Joshua Doty 608 Adams Point Dr. Garner, NC 27529	Private Investigator	Approve	Accepted
23.	Rachel Heather Ehrlich-Ellis Rachel Ehrlich-Ellis 18344 Mainsail Pointe Drive Cornelius, NC 28031	Private Investigator	Approve	Accepted
24.	Robert Christian Enckhausen DDD Partners LLC 888 Biscayne Blvd Miami, FL 33132	Security Guard And Patrol	Approve	Accepted
25.	Edgar Gustavo Fritz Reliance Forensics, LLC 5950 Fairview Rd Charlotte, NC 28210	Digital Forensics Examiner	Approve with Condition Edgar Gustavo Fritz and Reliance Forensics, LLC, enter into and pay a consent agreement of \$2,125.00 for 25 months of unlicensed activity.	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
26.	Ryan Christopher Geho Zion Defense Group, LLC 560 Junction Road Mocksville, NC 27028	Close Personal Protection	Approve	Accepted
27.	Natasha Gilliam Axios Investigations 555 Fayetteville Street Raleigh, NC 27601	Private Investigator Associate	Approve Level 2 with 1,200 hours	Accepted
28.	Johnnie Ray Graham Dominion XP, LLC 40 Cane Creek Industrial Park Rd Fletcher, NC 28732	Close Personal Protection	Approve with Condition Receipt of favorable fingerprint-based criminal history record check.	Accepted
29.	Herbert Hackney Harris UNC Health Nash 2460 Curtis Ellis Drive Rocky Mount , NC 27804	Proprietary	Approve	Accepted
30.	Jordan shawn Hayden UG Advance Protection, LLC 99 Jackson Street Unit 616 Davidson , NC 28036	Armored Car	Approve	Accepted
31.	Jordan shawn Hayden UG Advance Protection, LLC 99 Jackson Street Unit 616 Davidson , NC 28036	Courier Service	Approve	Accepted
32.	Jordan shawn Hayden UG Advance Protection, LLC 99 Jackson Street Unit 616 Davidson , NC 28036	Security Guard And Patrol	Approve	Accepted
33.	Keith D Hinton Sr Hinton Investigations Inc. 236 Lafayette Avenue Passaic, NJ 07055	Security Guard And Patrol	Approve	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
34.	David Alexander Hollis Epic Services and Consulting 212 W Sycamore St Lincolnton, NC 28092	Close Personal Protection	Approve	Accepted
35.	Clifton Hoyle Church of the Redeemer 1001 Redeemer Way Indian Trail, NC 28079	Proprietary	Approve	Accepted
36.	Diana Michelle Hudley Legacy Move security Solution, LLC 2555 Delk Rd Ste 10-A Marietta, GA 30067	Security Guard And Patrol	Approve	Accepted
37.	Fiona Grace Kincaid Reliance Forensics, LLC 5950 Fairview Rd Charlotte, NC 28210	Digital Forensics Examiner	Approve	Accepted
38.	Brandi Nicole Koehl Dangerfield Investigations and Consulting 205 Oakview Dr Salisbury, NC 28146	Private Investigator Associate	Approve Level 2 with 1,000 hours	Accepted
39.	Brandi Nicole Koehl Dangerfield Investigations and Consulting 205 Oakview Dr Salisbury, NC 28146	Courier Service	Approve	Accepted
40.	Matthew Line MDL Financial Forensics, LLC 9935 Rea Rd. Charlotte, NC 28277	Private Investigator	Approve	Accepted
41.	Greg Lineberger Forest Hill Church 7224 Park Road Charlotte, NC 28210	Proprietary	Approve	Accepted
42.	Albert John Melino SAS Security Holdings LLC 4550 LANTANA ROAD GREENACRES, FL 33463	Security Guard And Patrol	Approve	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
43.	Scott Martin Messick Scildan Strategies LLC 210 Royal Tern Dr Sneads Ferry, NC 28460	Close Personal Protection	Approve	Accepted
44.	Michael Paul Metcalf Delta Protection Agency L.L.C. 301 West Fleming Dr Morganton, NC 28655	Security Guard And Patrol	Approve	Accepted
45.	Carlton Eugene Miles Jr Professional Protection, Incorporated 201 N. McDowell Street #33217 Charlotte, NC 28233	Private Investigator	Approve	Accepted
46.	Carlton Eugene Miles Jr Professional Protection, Incorporated 201 N. McDowell Street #33217 Charlotte, NC 28233	Security Guard And Patrol	Approve	Accepted
47.	Andrew James Mitchell Andrew James Mitchell 3224C North College Road Wilmington, NC 28405	Private Investigator	Approve	Accepted
48.	Heavan Mitchell Sundry Investigative Services 217 Sparta Dr Mooresville, NC 28117	Private Investigator	Approve	Accepted
49.	Chaundres Justin Moore Shepherd Shield Security 2051 Establishment Way Charlotte , NC 28217	Armored Car	Approve	Accepted
50.	Chaundres Justin Moore Shepherd Shield Security	Close Personal Protection	Approve	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
	2051 Establishment Way Charlotte , NC 28217			
51.	Ernest Lyndon Mowell Ernest Mowell Investigations PO Box 1454 Hendersonville, NC 28793	Private Investigator	Approve	Accepted
52.	Michael Michaeux Newson New Shield Security Solutions, LLC 910 Greenway Dr. Jacksonville, NC 28546	Security Guard And Patrol	Approve	Accepted
53.	Sandra Sawyer Norton Blue Ridge Security, Inc. PO Box 1374 Marion, NC 28752	Security Guard And Patrol	Approve	Accepted
54.	Thomas O'Connell Doubting Thomas Investigations, LLC 140 E 2200 N North Logan, UT 84341	Private Investigator	Approve	Accepted
55.	Michael James Pearce LaSorsa & Associates 322 Silver Creek Landing Rd Swansboro, NC 28584	Electronic Countermeasures	Approve	Accepted
56.	William F Peguese Frazier Velocity Courier LLC 2011 Chelsea Lane Greensboro, NC 27406	Courier Service	Approve	Accepted
57.	De Shaunn Victoria Pollock Oak View Group 1921 W. Gate City Blvd. Greensboro, NC 27403	Security Guard And Patrol	Approve with Condition De Shaunn Pollock and Oak View Group enter into and pay a consent agreement of \$1,615.00 for 19 months of unlicensed activity.	Accepted
58.	Beau Raymond Polson Yow Investigations 819 Larkwood Dr Greensboro, NC 27410	Private Investigator Associate	Approve with Condition Mr. Polson provides a satisfactory credit payment plan. If approved, Level 1 with zero hours.	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
59.	Dionne Porter Investigate NC 476 Shotwell Road Clayton, NC 27520	Close Personal Protection	Approve	Accepted
60.	George Thomas Porter Investigate NC 476 Shotwell Road Clayton, NC 27520	Close Personal Protection	Approve	Accepted
61.	Lorenzo Pritchard Pritchard Global Alliance, LLC 3645 Market Place Blvd Atlanta, GA 30344	Security Guard And Patrol	Approve	Accepted
62.	Matthew James Reeves Foresight Solutions Group Inc 13113 Bold Run Hill Rd Wake Forest, NC 27587	Close Personal Protection	Approve	Accepted
63.	Osmin Atilio Ronquillo Frasco, Inc. 215 W Alameda Ave Burbank, CA 91502	Private Investigator	Approve	Accepted
64.	Robert Charles Rue Tatitlek Federal Services, Inc 561 E 36TH Avenue ste 400 Anchorage, AK 99503	Security Guard And Patrol	Approve with Condition Receipt of favorable fingerprint-based criminal history record check; and Robert Rue and Tatilek Federal Services, Inc. enter into and pay a consent agreement of \$85.00 for one month of unlicensed activity.	Accepted
65.	Neal Francis Schubert Twelve Seven Sec 135 West Illinois Ave. Southern Pines, NC 28387	Electronic Countermeasures	Approve	Accepted
66.	Neal Francis Schubert Twelve Seven Sec 135 West Illinois Ave. Southern Pines, NC 28387	Private Investigator	Approve	Accepted
67.	Dale Robert Simmons Jupiter, LLC 3717 Knollcreek Drive Apex, NC 27539	Security Guard And Patrol	Approve	Accepted
68.	Wesley Robert Sorrell Wes Sorrell Private	Private Investigator	Approve	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
	Investigations 1596 W. Pleasant Hill Road Pink Hill, NC 28572			
69.	Jeffrey Scott Spaulding Spaulding Investigations 232 NE 68th Street Oak Island, NC 28465	Private Investigator	Approve	Accepted
70.	Tehlair Pierre Strong Eyewatch Protection, LLC 104 Bala Ave Bala Cynwyd, PA 19004	Security Guard And Patrol	Approve	Accepted
71.	Maurice L Taylor Jr M&K Enterprise 17345 Belmont Stakes Ln Charlotte, NC 28278	Private Investigator	Approve	Accepted
72.	Tifany Trees Valor Executive Solutions, LLC 227 Hammersmith Trail NW Concord, NC 28027	Close Personal Protection	Approve	Accepted
73.	Jason E Tyler Keystone E2, PLLC 18 S Wilcox Street Suite 100 Castle Rock, CO 80104	Private Investigator	Approve	Accepted
74.	Matthew Paul VanAntwerp Foresight Solutions Group Inc. 13113 Bold Run Hill Rd Wake Forest, NC 27587	Close Personal Protection	Approve	Accepted
75.	Suzanne Vasylionis Vasylionis Investigations 2400 Barton Oaks Drive Raleigh, NC 27614	Private Investigator	Approve	Accepted
76.	Shari Marie Walker Sedgwick SIU, Inc. 1833 Centre Point	Private Investigator	Approve	Accepted

	<b>Name Company Address</b>	<b>License</b>	<b>Committee Recommendation</b>	<b>Board Action</b>
	Circle, Suite 139 Naperville, IL 60563			
77.	Jeremie Wayne Winters Big Brother Protection Solutions, LLC. 5617 Wilgrove Mint Hill Road Mint Hill, NC 28227	Close Personal Protection	Approve	Accepted
78.	Valencia Woods CoventBridge (USA) Inc 9485 Regency Square Blvd Jacksonville, FL 32225	Private Investigator	Approve	Accepted
79.	Robert Yeany OHG Security, LLC 6801 Kennedy Rd Warrenton, VA 20187	Security Guard And Patrol	Approve	Accepted

PPSB Addendum Screening AFTER Report for January 15, 2026

Addendum

<b>Name</b>	<b>Company Name</b>	<b>Address</b>	<b>Credential</b>	<b>Recommendation</b>	<b>Action</b>
Robert Caruso	M1 Global Inc.	900 South Ave, Ste 200 Staten Island, NY 10314	QA for Two Companies	Approve	<b>APPROVE</b>

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# North Carolina Department of Public Safety

## Private Protective Services Board

Josh Stein, Governor  
Jeffrey Smythe, Secretary

Steve Johnson, Vice Chair  
Paul Sherwin, Director

### North Carolina Private Protective Services Board Training and Education Committee Agenda

January 15, 2026

#### **The upcoming PPS Trainer courses are scheduled:**

***Course:*** Unarmed Guard Trainer and Workshop

***Location:*** Wake Tech Public Safety Education Campus  
321 Chapanoke Road, Raleigh

- February 16-20, 2026
- May 11-15, 2026
- July 13-17, 2026
- September 14-18, 2026
- November 16-20, 2026

***Course:*** Firearms Trainer Recertification/Prequalification 1-day course

***Location:*** Samarcand Training Academy, Jackson Springs

- March 4, 2026 (Recert for both HG and LG)
- March 31, 2026
- April 15, 2026
- September 23, 2026
- October 7, 2026
- November 10, 2026 (Recert for both HG and LG)

***Course:*** New Firearms Trainer Course and Workshop (4 days)

***Location:*** NCJA, Salemburg

- May 5-8, 2026
- October 20-23, 2026

MAILING ADDRESS:  
3101 Industrial Drive, Suite 104  
Raleigh, NC 27609



[www.ncdps.gov/pps](http://www.ncdps.gov/pps)  
An Equal Opportunity employer

OFFICE LOCATION:  
3101 Industrial Drive, Suite 104  
Raleigh, NC 27609  
Telephone: (919) 788-5320

Email: [ppsasl@ncdps.gov](mailto:ppsasl@ncdps.gov)

**Course:** Long Gun Trainer Course (3 days)

**Location:** NCJA, Salemburg

- April 7-9, 2026

### **Completed Training**

**Course:** Unarmed Guard Trainer and Workshop

**Location:** Wake Tech Public Safety Education Campus  
321 Chapanoke Road, Raleigh

- December 8-12, 2025 (16 new trainers)

**Course:** New Long Gun Trainer Course (3 days)

**Location:** NCJA, Salemburg

- December 2-4, 2025 (14 new LGTs certified in Shotgun and Rifle)

### **Firearms Trainer Audit**

**Brandon Smith and Brian Casey**

**Date:** December 10, 2025

**Location:** 213 Airport Road, Kinston NC

**Audit period:** January – November 2025

*All of Smith's and Casey's firearms training records (pre/post delivery reports and targets) were accounted for. No violations observed.*

### **Weapon Discharges**

**Name:** Avery Lucas

**Company:** Silverback Protection International

**Date of Incident:** January 1, 2026 @ 2:15am

**Location of Incident:** Club Love, 4400 Craftsman Drive, Raleigh

**Weapon Involved:** Glock 17 9mm

**Registration Status when Incident Occurred:** Active armed guard

*On Thursday, January 1, 2026, at 2:15am, Avery Lucas was working armed security for Silverback Protection International (SPI) at Club Love, located in the city of Raleigh. Club Love was closed when the incident occurred. Approximately six patrons were outside in the parking lot waiting for an Uber to drive them home. As the patrons were waiting, three unknown masked individuals*

*approached the patrons and started a disturbance which resulted in a physical altercation. Avery approached the masked suspects and told them to leave. At that time, one of the subjects discharged a firearm. Avery retrieved his duty-issued firearm and fired at the suspect. It is believed one of the suspects may have been shot, however, he and the other suspects fled the scene prior to law enforcement arriving at the scene. The Raleigh Police Department responded to the scene and the incident is under further investigation. Avery's firearm was seized as part of the investigation; however, he has not been charged with a criminal offense at this time.*

### **Topics for Discussion**

- Association of Certified Fraud Examiners for CE Credit
- Update on the Human Trafficking and Counterterrorism component being added to the Unarmed Guard Course.

### ***End of Report***

Prepared by Karen Battle, PPSB Training Officer

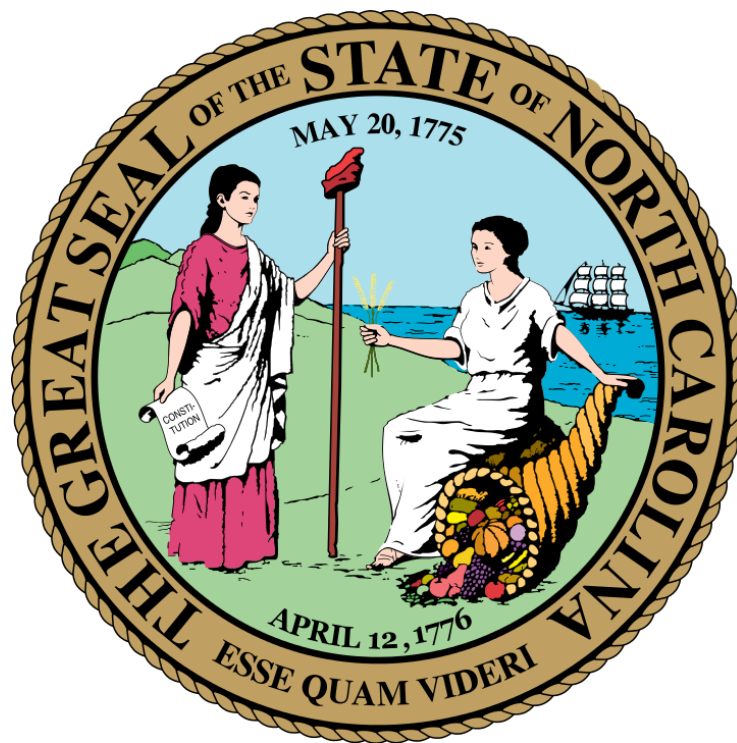
<input checked="" type="checkbox"/>	REQUESTED BY	COURSE NAME / COURSE TYPE TO OBTAIN A LICENSE	Course Number	INSTRUCTOR(S)	Classroom/ Online	Date Submitted	Hours
		<b>New Application(s):</b>					
1.	Edward Wolff	Intelligence and Investigations (I&I) for the Private Investigator Supporting (IMT)	PPSB-26-001	Edward C. Wolff	4-Online 8- Classroom	12/04/2025	12.0
2.	Francess Tolentino	Witness Interview Prep	PPSB-25-050	Francess Tolentino	Online	11/19/2025	3.0
3.	Frank Weicks	Organized Crime. Overview	PPSB-26-002	Frank Weicks & Rebecca Lomax	Classroom	11/17/2025	6.0
4.	Frank Weicks	Social media: the Good, the Bad, and the Ugly	PPSB-26-003	Frank Weicks & Rebecca Lomax	Classroom	11/17/2025	2.0
5.	Kyle Smith	Advanced Surveillance and Intelligence Gathering	PPSB-26-004	Kyle Smith	Online	12/08/2025	6.0
6.	Kyle Smith	Building Bulletproof Cases and Legally Admissible Reports	PPSB-26-005	Kyle Smith	Online	12/08/2025	6.0
7.	Kyle Smith	Tactical Interviewing and Human Intelligence (HUMINT)	PPSB-26-006	Kyle Smith	Online	12/08/2025	6.0
8.	Nicole Therman	Active Shooter Rapid Response and Threat Management Training	<b>(DENIED)</b>	Altonio Rivers		12/11/2025	12.0
9.	Colonel P. Elder II	Situational Awareness & Threat Recognition for Security Officers	PPSB-26-007	Colonel P. Elder II	Online	12/29/2025	6.0
10.	Jaymes Holden	Threat Assessment: Awareness Training <b>(deferred from 11/25 meeting)</b>	PPSB-26-009	Jaymes Holden	Classroom		12.0
11.	Colonel P. Elder II	De-Escalation Techniques & Professional Verbal Control for Security Officers	PPSB-26-008	Colonel P. Elder II	Online	12/29/2025	8.0

<input checked="" type="checkbox"/>	REQUESTED BY	COURSE NAME / COURSE TYPE TO OBTAIN A LICENSE	Course Number	INSTRUCTOR(S)	Classroom/ Online	Date Submitted	Hours
1	Frank Bianco	Crash Investigation for Civil Litigation <b>(APPROVED)</b>	PPSB-18-345	Frank Bianco	Classroom	12/5/2025	6.0
2	Sharon Decet	Legal Aspects of Private Investigation <b>(APPROVED)</b>	PPSB-12-694	Sharon Decet	Online	09/13/2025	6.0
3	Sharon Decet	Private Investigation Practices, Part 1 <b>(APPROVED)</b>	PPSB-12-692	Sharon Decet	Online	09/13/2025	6.0
4	Sharon Decet	Private Investigation Practices, Part 2 <b>(APPROVED)</b>	PPSB-12-693	Sharon Decet	Online	09/13/2025	6.0
5	Theresa Carroll	Interviewing, Note Taking & Testifying <b>(APPROVED)</b>	PPSB-17-366	Ryan Robison	Classroom	11/13/2025	6.0
6	Stephanie Mitchell	Basic Forensic Scene Photography <b>(APPROVED)</b>	PPSB-22-027	Stephanie Mitchell	Online	12/23/2025	2.0
7	Stephanie Mitchell	Basics of Individual Locates, Backgrounds, and Assets & Liabilities <b>(APPROVED)</b>	PPSB-22-028	Stephanie Mitchell	Online	12/23/2025	1.0
8	Stephanie Mitchell	Equivocal Death Serious Bodily Injury Investigations <b>(APPROVED)</b>	PPSB-22-031	Stephanie Mitchell	Online	12/23/2025	6.0
9	Stephanie Mitchell	Motor Vehicle Death and Serious Bodily Injury Investigations <b>(APPROVED)</b>	PPSB-22-033	Stephanie Mitchell	Online	12/23/2025	1.5
10	Stephanie Mitchell	Practical Methods of Legal Investigations <b>(APPROVED)</b>	PPSB-22-034	Stephanie Mitchell	Online	12/23/2025	3.0
11	Stephanie Mitchell	Process Serving Essentials- Business Practices, Safety, Ethics, and the Law <b>(APPROVED)</b>	PPSB-22-038	Stephanie Mitchell	Online	12/23/2025	4.0
12	Stephanie Mitchell	Scene Investigations in Death Serious Bodily Injury (SBI) <b>(APPROVED)</b>	PPSB-22-035	Stephanie Mitchell	Online	12/23/2025	1.0
13	Stephanie Mitchell	DNA and Fingerprints- Evidence Identification <b>(APPROVED)</b>	PPSB-22-030	Stephanie Mitchell	Online	12/23/2025	1.5
14	Stephanie Mitchell	Evidence Inspection Documentation w/ DNA Collection <b>(APPROVED)</b>	PPSB-22-032	Stephanie Mitchell	Online	12/23/2025	5.0

# NORTH CAROLINA PRIVATE PROTECTIVE SERVICES BOARD

January 15, 2026

## DIRECTOR'S REPORT



Paul Sherwin, Director

## **DIRECTOR'S REPORT**

- I. PPS information and updates, page 3**
- II. Licensing, registration and certification summary, page 5**
- III. Budget summary, page 6**
- IV. Budget graphics, page 7**

## PPS INFORMATION AND UPDATES

### PERSONNEL

Private Protective Services currently has one vacant position:

- Receptionist – Occupied by a temporary employee

### OPERATIONS

#### **Registration Unit**

- Registration applications received 2025: 32,824
  - Same period 2024: 29,755
  - Same period 2023: 27,932
  - Same period 2022: 26,073
  - Same period 2021: 24,894
  - Same period 2020: 24,190
  - Same period 2019: 26,339

#### **Licensing Unit**

- License applications received 2025: 1,285
  - Same period 2024: 1,339
  - Same period 2023: 1,256
  - Same period 2022: 1,336
  - Same period 2021: 979
  - Same period 2020: 1,236
  - Same period 2019: 986

#### **Investigations Unit**

- License applicant background investigations completed 2025: 328
  - Same period 2024: 372
  - Same period 2023: 388
  - Same period 2022: 278
  - Same period 2021: 275
  - Same period 2020: 283
  - Same period 2019: 305
- Complaint investigations completed YTD 2025: 96
  - Same period 2024: 120
  - Same period 2023: 100
  - Same period 2022: 88
  - Same period 2021: 71
  - Same period 2020: 48
  - Same period 2019: 69

## **Training Unit**

- Trainer applications received YTD 2025: 441
- Same period 2024: 368
- Same period 2023: 411
- Same period 2022: 291
- Same period 2021: 390
- Same period 2020: 269
- Same period 2019: 262

## **OTHER**

None.

## LICENSING, REGISTRATION, AND CERTIFICATION SUMMARY

**Total active in Permitium: 30,469 (-2.8% from November 2025 meeting)**

Registration		
	Armed	5540
	Armed Armored Car	431
	Armed Licensee	144
	Armed Licensee Associate	9
	Unarmed	20989
	Unarmed Armored Car	25
<b>Registration Total</b>		<b>27138</b>
License		
	Armored Car Profession	44
	Close Personal Protection	332
	Courier Service Profession	58
	Digital Forensics Examiner	23
	Digital Forensics Examiner Trainee	1
	Electronic Counter Measures Profession	33
	Electronic Counter Measures Trainee	5
	Guard Dog Service Profession	15
	Polygraph Examiner	29
	Polygraph Trainee Permit	0
	Private Investigator	1381
	Private Investigator Associate	214
	Proprietary	75
	Psychological Stress Evaluator	7
	Security Guard and Patrol	506
	Special Limited Guard and Patrol	1
<b>License Total</b>		<b>2724</b>
Certification		
	Firearms Trainer	230
	Unarmed Guard Trainer	377
<b>Certification Total</b>		<b>607</b>

**Private Protective Services Board Financial Report**  
**Fiscal Year 2025-2026**  
**July 1, 2025 – November 30, 2025**

**PPSB Operating Fund Revenue and Expenditures**

FYTD26 revenue	\$	840,187.16
FYTD26 expenditures	\$	(731,041.86)
<b>FYTD26 FUND BALANCE INCREASE/(DECREASE)</b>	<b>\$</b>	<b>109,145.30</b>

**PPSB Operating Fund Cash Flow**

Beginning Cash Balance (July 1, 2025)	\$	2,001,674.05
FYTD26 revenue	\$	840,187.16
FYTD26 expenditures	\$	(731,041.86)
<b>FYTD26 ENDING FUND BALANCE</b>	<b>\$</b>	<b>2,110,819.35</b>
<b>Months of Average Operating Expenses in Reserve</b>		<b>13.1</b>

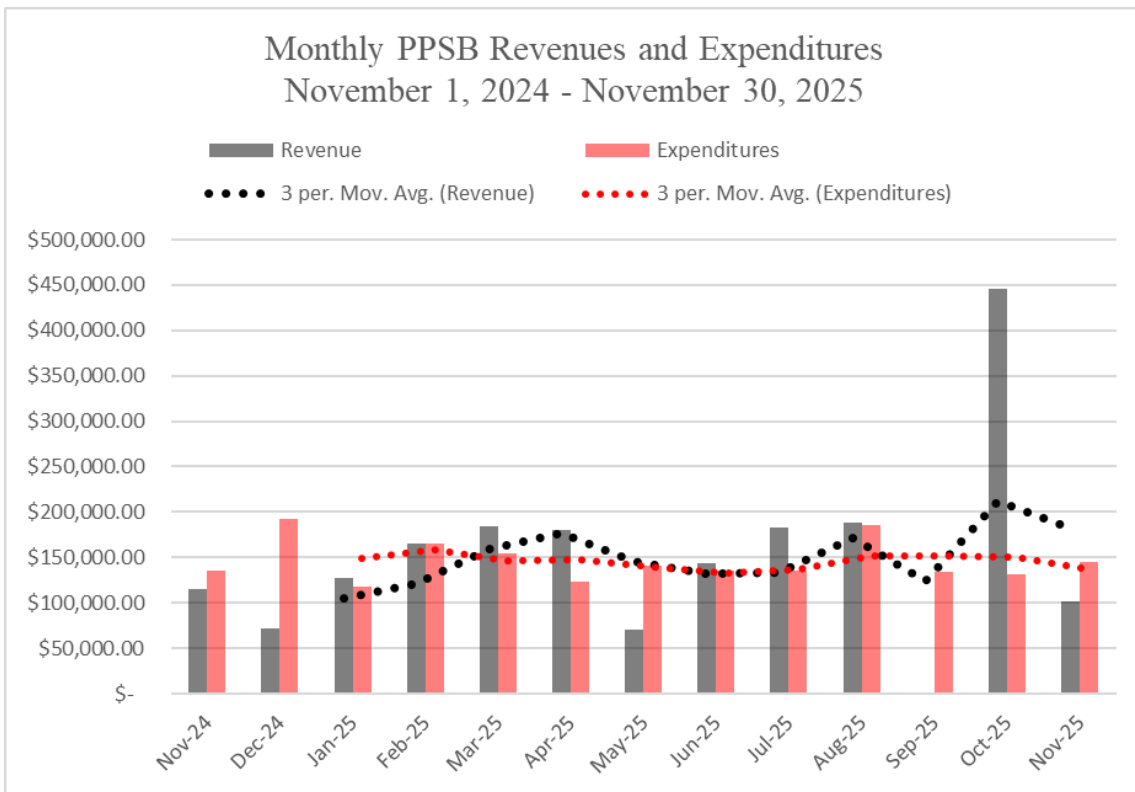
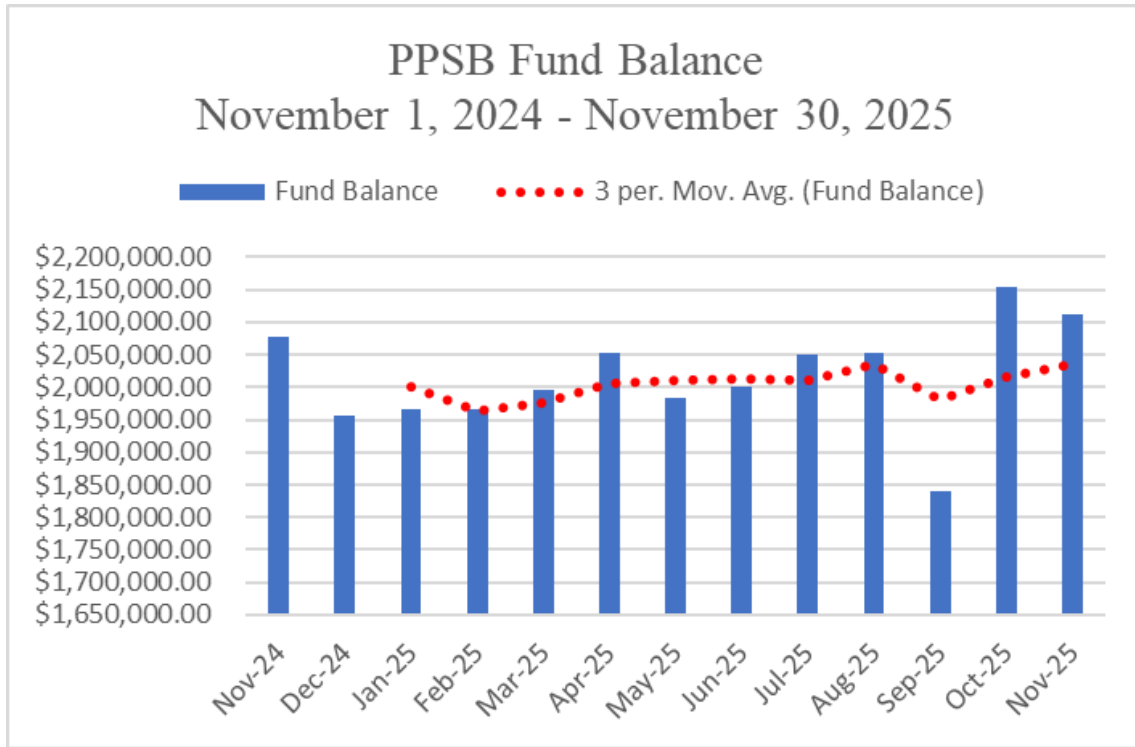
**PPSB Education Fund Revenue and Expenditures**

FYTD26 revenue	\$	6,250.00
FYTD26 expenditures	\$	-
<b>FYTD26 EDUCATION FUND BALANCE INCREASE/(DECREASE)</b>	<b>\$</b>	<b>6,250.00</b>

**PPSB Education Fund Cash Flow**

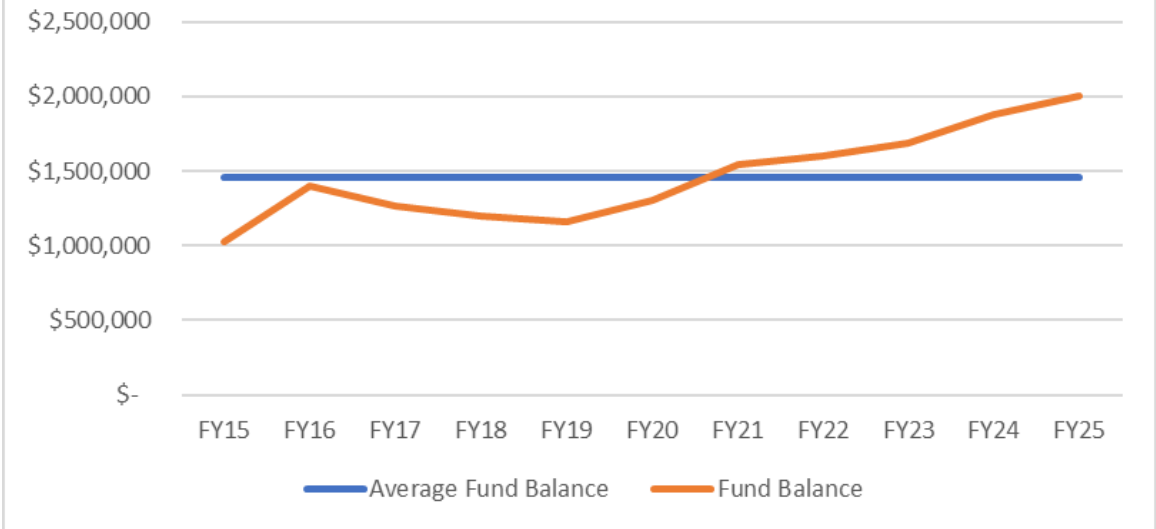
Beginning Cash Balance (July 1, 2025)	\$	139,260.38
FYTD26 revenue	\$	6,250.00
FYTD26 expenditures	\$	-
<b>FYTD26 ENDING FUND BALANCE</b>	<b>\$</b>	<b>145,510.38</b>

## BUDGET GRAPHICS



\*September 2025 revenue of ~\$217,546.45 was credited to October 2025. Revenue in October 2025 was ~\$193,509.00.

### Historical PPSB Fund Balance Fiscal Years 2015-2025



**PRIVATE PROTECTIVE SERVICES BOARD**

Raleigh, North Carolina

January 15, 2026

**ATTORNEY'S REPORT**



**PRIVATE PROTECTIVE SERVICES BOARD**

Raleigh, North Carolina

January 15, 2026

**I. CONSENT AGREEMENT, SETTLEMENT AGREEMENTS & CIVIL PENALTIES**

1. On May 15, 2025, Hector Falu/ Falu Security, a civil penalty was assessed in the total amount of \$14,000.00, with \$2,000.00 for each violation of N.C.G.S. 74C-11(a); N.C.G.S. 74C-12(a)(6); N.C.G.S. 74C-12(a)(29); N.C.G.S. 74C-12(a)(31); N.C.G.S. 74C-13(b); 14B NCAC 16 .0108(b); and 14B NCAC 16 .0110(a). Payment has not been received.
2. On May 15, 2025, David Charles Kaiser/ Spearhead Private Investigations was assessed a civil penalty in the amount of \$2,000.00 for violating N.C.G.S 74C-2. Payment was not received. License has been revoked.
3. On July 17, 2025, Rodney Bizzell, in lieu of suspending his armed security guard registration, agreed to a civil penalty in the amount of \$250.00 for violating N.C.G.S. 74C-13(a). Paid In Full.
4. On November 20, 2025, Jeffrey Tanksley/Guardiex, LLC, entered into a Consent Agreement with the Board in the amount of \$4,161.60 for 22 unarmed security guard registration violations and eight armed security guard registration violations. The Consent Agreement was signed by QA Jeffrey Tanksley on December 8, 2025. Paid In Full.
5. On November 20, 2025, John Joseph Finnegan/Inter-Con Security Systems, Inc., entered into a Consent Agreement with the Board in the amount of \$28,029.60 for 145 unarmed security guard registration violations and 56 armed security guard registration violations. The Consent Agreement was signed by QA John Joseph Finnegan on November 26, 2025. Paid In Full.
6. On November 20, 2025, Jeffrey Ronald Young/Metts Investigation (Screening) entered into a Consent Agreement with the Board in the amount of \$3,060.00 for 36 months of unlicensed activity. The Consent Agreement was signed by QA Jeffrey Young on November 28, 2025. Paid In Full.
7. On November 20, 2025, Jaunayd Abdul-Kareem/AW Security Services, entered into a Consent Agreement with the Board in the amount of \$489.60 for four unarmed security guard registration violations. The Consent Agreement was signed by QA Jaunayd Abdul-Kareem on November 29, 2025. Payment has not been received.
8. On November 20, 2025, Ambra Caruso-Narcio/A & Associates, Inc., entered into a Consent Agreement with the Board in the amount of \$1,468.80 for nine unarmed security guard registration violations and two armed security guard registration violations. The Consent Agreement was signed by QA Ambra Caruso-Narcio on November 26, 2025. Payment has not been received.

## **II. OFFICE OF ADMINISTRATIVE HEARINGS**

*See*, Hearings List (Attachment 1).

## **III. ADMINISTRATIVE RULES**

Passage of Senate Bill 710 (S.L. 2025-51) necessitated the amendment of numerous administrative rules. Additionally, the Law & Rules Committee and the Board had proposed other rule amendments which I had been holding pending passage of Senate Bill 710. Further -- at the time -- I thought the Board needed to obtain approval of the four rules that had been rejected by the Rules Review Commission in June and August.

The Board approved these rules as amended at its September Board meeting.

The Notice of Text was filed September 24, 2025. The Public Hearing was held Tuesday, November 4<sup>th</sup> at the Board's office, and the Public Comment Period expired December 12, 2025. Written Public Comment was received from two licensees, both of whom contend the Board lacks the statutory authority to consider expunged criminal charges and convictions. These Public Comments are attached as Attachment 2.

Session Law 2025-51 gave the Board the authority. A copy of the relevant section of this legislative act is attached as Attachment 3.

A copy of these rule amendments is attached as Attachment 4.

A vote to approve these rule amendments is in order for today.

## **IV. LITIGATION**

a. At its September meeting, the Board instructed me to seek an injunction against Kejuan Shackelford d/b/a/ Big Dawg Security for unlicensed security guard and patrol activity. Mr. Shackelford had hired both armed and unarmed security in Wayne County and surrounding areas.

A Complaint for Injunctive Relief was filed on October 3, 2025, but service was unsuccessful, including an attempt while he was in jail in Lenoir County. An Alias & Pluries Summons was obtained and sent to the Wayne County Sheriff on December 19<sup>th</sup> for service at the address on the Lenoir County arrest warrant but has yet to be served by the Wayne County Sheriff's Office.

b. Also at its September meeting, the Board instructed me to seek an injunction against the Oak View Group, LLC, for unlicensed security guard and patrol activity. Oak View is a full-service management company for sports and entertainment venues and the violations occurred as a result of transferring local government employees of a proprietary security entity to Oak View when it took over management of all the venues owned by the City of Greensboro. It was given ample time to comply but failed to do so.

A Complaint for Injunctive Relief was filed on October 17, 2025, and served October 24<sup>th</sup>. An Answer (or other pleading) was due November 24, 2025, however the Defendant received an extension of time until December 23, 2025, then a second extension until January 22, 2026.

## V. LEGISLATION

a. Senate Bill 451, Occupational Professional Licensing Relief, would require 26 enumerated boards to cut their required continuing education hours in half (i.e. “by fifty percent (50%)”) or double the amount of time the licensee has to comply (i.e. if 12 months, then 24).

For seven enumerated boards whose requirements are set forth in their administrative rules, the board is required to amend its administrative rule(s). For 16 other boards--including the Alarm Systems Licensing Board--the bill actually amends the board’s statute (here, G.S. 74D-4(e1); *see*, Attachment 4) and instructs the board to adopt rules to implement the change. In the case of the Board, it would mean amending (or re-writing) 14B NCAC 17. 0502.

Referred to the Senate Committee on Regulatory Reform April 7, 2025, and was debated, in committee without a vote, on April 16<sup>th</sup>. (Interestingly, the identical language of the bill briefly appeared in another bill, HB 763, above, by way of committee substitute but was subsequently removed.)

b. House Bill 949, School Protection Act, would allow a person hired as an armed security guard to possess a firearm on nonpublic educational property so long as the armed security guard is also a sworn law enforcement officer. Currently, a civilian licensed by the North Carolina Private Protective Services Board as an armed security guard may not possess a firearm on either public or nonpublic educational property (unless employed as a security guard for a hospital or health care facility located on educational property).

This bill was first referred to the House Education, K-12 Committee, then re-referred to the House Judiciary 2 Committee.

c. Senate Bill 280, Private School Security Act, would allow **employees or volunteers** of private schools to carry firearms or stun guns on educational property owned, used, or operated by the private school if: (1) the employee or volunteer has written authorization from the school board of trustees or school director to possess and carry the firearm or stun gun; (2) the employee or volunteer has a valid concealed handgun permit; (3) the employee or volunteer completes a minimum of eight hours of specific training in addition to the safety course required for the concealed handgun permit; and (4) the private school adopts and maintains minimum written standard operating procedures regarding possession and carrying of firearms and stun guns.

The bill would also allow a person in a place of religious worship that is located on educational property owned, used, or operated by the membership of the place of religious worship to possess weapons while attending worship services, as detailed in the bill.

Currently, the law allows a person to carry a handgun on private elementary, middle, or high school educational property that is also a location of religious worship if the handgun is only

possessed and carried outside of school operating hours and a conspicuous notice has not been posted prohibiting the carrying of weapons.

This bill passed the Senate on May 8, 2025, and was referred to the House Committee on Rules.

d. Senate Bill 50, Freedom to Carry NC, would allow any person who is a citizen and 18 years of age or older to carry a concealed handgun in the State without a concealed handgun permit unless they are disqualified under various terms detailed in the bill, which are generally the same disqualifiers to obtaining a concealed handgun permit (e.g. being a fugitive from justice, a convicted felon, an unlawful user of an illegal controlled substance, etc.).

It passed the General Assembly on June 12<sup>th</sup> but was vetoed by the Governor. A veto override passed in the Senate on July 29, 2025, and after having been placed on the House calendar for an override vote eight times since July 29<sup>th</sup>, it is now on the House calendar for January 12, 2026.

e. Senate Bill 355, Support Department of Adult Correction, Section 2.2(a), would extend the sunset date for use of contract security guards at State prisons to June 30, 2027.

This bill passed the Senate on May 5, 2025, and has been re-referred to the House Committee on Pensions & Retirement.

## **VI. FINAL AGENCY DECISIONS**

Hector Alexander Falu; and the Falu Corporation (*See*, Attachment 5.)

**PPSB  
MASTER HEARINGS LIST  
as of January 9, 2026**

**1.**

<b>OAH HEARING DATE</b>	<b>PETITIONER</b>	<b>TYPE OF APPLICATION</b>	<b>FAD STATUS OR HEARING DATE</b>
December 17, 2024	Lawrence Garcia; and Ameriguard Security Services, Inc. 24 DOJ 04257	Suspension of Security Guard and Patrol Business License	Final Agency Decision served May 19, 2025. (Note: Moved to extend time to file Petition for Judicial Review, then Motion withdrawn. No Petition filed.)
January 28, 2025	Willie R. Brown 24 DOJ 04992	Denial of Private Investigator License	Final Agency Decision served March 25, 2025.
January 28, 2025	David Kriwox; and Saker Aegis Systems, Inc. 24 DOJ 04994	Suspension of Security Guard and Patrol License	Final Agency Decision served May 19, 2025.
March 25, 2025	Terrence Jamal Kornegay 25 DOJ 00714	Summary Suspension of Armed Guard Registration	Proposed Proposed Final Decision to ALJ April 17, 2025; "Final Decision" filed by ALJ April. 30, 2025.
August 26, 2025	Hector Alexander Falu; and The Falu Corp. 25 DOJ 02815	Revocation of Security Guard and Patrol License	January 15, 2026.
October 29, 2025	Natasha Williams 25 DOJ 02576	Appeal of Consent Agreement	Order of Dismissal filed October 30, 2025.
December 16, 2025	Thomas M. Colhart V 25 DOJ 03750	Denial of Private Investigator License	
December 16, 2025	Noah Adam Goldman 25 DOJ 03969	Summary Suspension of Armed Guard Registration	Order Upholding Summary Suspension filed December 30, 2025.
January 27, 2026	Carl Dangerfield 25 DOJ 03965	Appeal of Letter of Reprimand	
January 27, 2026	Tony Reno Chambers, Jr. 25 DOJ 04482	Denial of Security Guard and Patrol License	

2.

November 2, 2025

To: Paul Sherwin, Director, NC PPSB (via email)

From: Dean Wiley, IMFs Consulting

RE: Proposed Rules Changes Volume 40 Issue 08 October 15 2025

Director Sherwin:

Please distribute to any one attending the public meeting on November 4, 2025. I will not be able to attend.

**RE: disclosure of expunged criminal histories.**

The proposed updates continue to not at all acknowledge that "registrants" CAN NOT apply directly to the PPSB for registration. Since the final implementation of the "idea" of licensees (employers) doing all of the applications and paperwork "registrants" have no access. The requirements – as proposed – for registrants would require any registration applicant to disclose to a PRIVATE EMPLOYER what is protected by law information and criminalized against the private employer for asking § 15A-153.

As I stated in my previous email to you: The December 1, 2025 amendment to § 15A-151. Confidential agency files; exceptions. states "Upon request of the North Carolina Private Protective Services Board or the North Carolina Security Systems Licensing Board[,]". The law requires the PPSB to submit a request to the Office of Administrative Courts (OAC). The law does NOT require "disclosure" to the PPSB.

The (proposed) code should only be changed to allow for "Notification" to any applicant that the PPSB "may" submit a request to the OAC. The same notification should clearly state that an indirect applicant (registrant, trainer, other than licensee) MUST NOT disclose to any private person or 'entity' as described in 15A-153 any information about expungement.

A "memo" or other training material "should be" generated to all Licensees/Employers (private 'proxies' to registration/certification applicants) to make sure they understand all of this clearly.

**RE: Concealed Carry Handguns (CCH)**

One of the proposed changes at .0808 is: "A licensee, but not a registrant, who is authorized pursuant to Section 926B or 926C of Title 18 of the United States Code..." The "Section 926B or " words should be removed.

Section 926B is for Active (working) Sworn Law Enforcement. They "may" not be a "licensee" under § 74C-21(a).

There is much more that could go here but the "broken" CCH system in general for the last two years needs to get fixed before too much time and effort is put into the PPSB's "endorsement." My shortest thought on that: Do away with the endorsement as it is "meaningless" in legal reality any way.

Thank you,

Dean Wiley

Outlook

[External] Opposition to Proposed Rule Change from PPSB

From Natasha Ilenus <natasha.ilenus@southeasternus.org>

Date: Tue 11/4/2025 9:13 AM

To: Sherwin, Paul <paul.sherwin@ncdps.gov>

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Hello,

Attached is my opposition to the rule changes proposed by PPSB.

1. General Authority Claimed

*Reason for Proposed Action:*

"...including the Board being given the ability to consider expunged **criminal charges and convictions** of licensees and registrants..."

**Interpretation:**

This is the first explicit statement of intent to allow PPSB to *use* information that has been sealed by court order under N.C.G.S. § 15A-145 et seq. This directly conflicts with state expungement statutes, which **prohibit** most agencies (including licensing boards) from using or even retaining such information. The statute specifically enumerates the departments or agencies authorized to view expungements; the general court of justice and criminal justice agencies. PPSB is neither.

2. Specific Rule Citations Adding Expunged Data

Each of these rules adds a clause requiring "*disclosure of any expunged convictions.*"

a. 14B NCAC 16.0203 — Renewal or Re-Issue of Licenses and Trainee Permits

"...upload online a statement of the result of a statewide criminal history records search... and **disclosure of any expunged convictions.**"

b. 14B NCAC 16.0205 — Company Business License

"... 'conviction' means ... and **may include expunged charges and convictions.**"

c. 14B NCAC 16.0703 — Minimum Standards for Unarmed Security Guard Registration

"For the purposes of this Rule, 'conviction' means ... and **may include expunged charges and convictions.**"

d. 14B NCAC 16 .0706 — Renewal of Unarmed Security Guard Registration

"...upload ... a statement of the results of a statewide criminal history records search... and **disclosure of any expunged convictions.**"

e. 14B NCAC 16 .0806 — Renewal of Armed Security Guard Firearm Registration Permit

"...upload ... a statement ... and **disclosure of any expunged convictions.**"

f. 14B NCAC 16 .0902 — Application for Firearms Trainer Certificate

"...a statement of ... criminal history ... and **disclosure of any expunged convictions.**"

g. 14B NCAC 16 .0904 — Renewal of Firearms Trainer Certificate

"...statement of the results ... and **disclosure of any expunged convictions.**"

h. 14B NCAC 16 .0910 — Application for Unarmed Trainer

"...criminal history records search... and **disclosure of any expunged convictions.**"

i. 14B NCAC 16 .0911 — Renewal of Unarmed Trainer Certificate

"...statement ... and **disclosure of any expunged convictions.**"

j. 14B NCAC 16 .1306 — Renewal of Unarmed Armored Car Service Guard Registration

"...statement ... and **disclosure of any expunged convictions.**"

k. 14B NCAC 16 .1406 — Renewal of Armed Armored Car Service Guard Firearm Registration Permit

"...statement ... and **disclosure of any expunged convictions.**"

l. 14B NCAC 17 .0201 (Alarm/Security Systems Licensing Board)

"...criminal history records search... and **disclosure of any expunged convictions.**"

m. 14B NCAC 17 .0301 (Registrant Application)

"...criminal history records search... and **disclosure of any expunged convictions.**"

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## 1. Violation of Expungement Statutes

N.C.G.S. § 15A-145.5, § 15A-146(a), § 15A-152, and § 15A-153 provide:

- Once expunged, "the person shall be treated as if the charge or conviction never occurred."
- Agencies must "expunge from their records all entries relating to the expunged case."

- Dissemination or use of expunged data by public officials **is prohibited**, except for limited law-enforcement and judicial purposes.

**N.C.G.S. § 15A-151(a)**

(cited in the proposed rules) allows limited access to certain expunged information by *criminal justice agencies* for employment in law enforcement or correctional institutions—but not for **licensing civilian security guards** under Chapter 74C.

PPSB is an **administrative licensing board**, not a “criminal justice agency” under § 15A-151(a)

Therefore, authorizing PPSB to “consider expunged convictions” **directly conflicts with statutory prohibitions.**

Thank you,

Natasha Ilénus Williams  
Senior Account Manager  
Qualifying Agent  
Southeastern Public Safety Group  
Office: 704-394-1500 ext.3  
Fax: 336-285-0352  
<null>

[www.southeasternus.org](http://www.southeasternus.org)  
"Your Safety Solution"

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3.

(j) The Board and the Secretary of Public Safety are authorized to prescribe rules to implement this section, including rules for periodic requalification with the for the maintenance of records relating to persons issued a firearm registration permit by the Board.

(k) All fees collected pursuant to G.S. 74C-9(e)(7) and (8) shall be expended, under the direction of the Board, for the purpose of defraying the expense of administering the firearms provisions of this Chapter.

(l) The Board and the Secretary of Public Safety shall establish a training program for certified trainers to be conducted by agencies and institutions approved by the Board and the Secretary of Public Safety. The Board or the Secretary of Public Safety shall have the authority to promulgate all rules necessary to administer the provisions of this subsection.

(1) The Board and the Secretary of Public Safety shall also establish renewal requirements for certified trainers. The Board may require all certified trainers to complete continuing education courses approved by the Board before renewal of their certifications.

(2) No certified firearms trainer shall certify a licensee or registrant unless the licensee or registrant has successfully completed the firearms training requirements set out above in subsection (h) of this section.

(m) The Board and the Secretary of Public Safety shall establish a training program for unarmed security guards to be conducted by agencies and institutions approved by the Board and the Secretary of Public Safety. The Board and the Secretary of Public Safety shall have the authority to promulgate all rules necessary to administer the provisions of this subsection.

(n) A ~~private investigator licensee~~ shall be permitted to carry a concealed weapon during the performance of his or her duties as a ~~private investigator~~ private protective services duties upon: (i) obtaining a concealed ~~weapon~~ handgun permit issued pursuant to G.S. 14-415.11; (ii) successfully completing the firearms training course approved by the Board and the Secretary of Public Safety; and (iii) having a notation affixed to the face of the firearms registration card designating that the armed ~~private investigator licensee~~ is allowed to carry a concealed ~~weapon~~ handgun. A ~~private investigator licensee~~ who does not carry a ~~weapon~~ handgun during the course of his or her duties as a private investigator but who wishes to carry a concealed ~~weapon~~ handgun while not engaged in ~~private investigative~~ private protective services duties shall be permitted to do so upon completion of the requirements set forth in Article 54B of Chapter 14 of the General Statutes.

(o) The Board shall not knowingly issue a firearm registration permit to an individual who is prohibited by federal or State law from possessing a firearm.

(p) Notwithstanding subsection (n) of this section, a licensee who is authorized pursuant to section 926B or 926C of Title 18 of the United States Code to carry a concealed handgun and is in compliance with the requirements of those sections, is exempt from obtaining the permit described in G.S. 14-415.11."

**SECTION 2.(g)** The Private Protective Services Board may adopt rules to implement the provisions of this Part.

**SECTION 2.(h)** This Part becomes effective October 1, 2025.

**PART III. ENHANCE BACKGROUND CHECK ABILITIES OF PRIVATE PROTECTIVE SERVICES BOARD AND SECURITY SYSTEMS LICENSING BOARD**

**SECTION 3.(a)** G.S. 14-415.12 reads as rewritten:

**"§ 14-415.12. Criteria to qualify for the issuance of a permit.**

(a) The sheriff shall issue a permit to an applicant if the applicant qualifies under the following criteria:

(1) The applicant is a citizen of the United States or has been lawfully admitted for permanent residence as defined in 8 U.S.C. § 1101(a)(20), and has been a

resident of the State 30 days or longer immediately preceding the filing of the application.

- (2) The applicant is 21 years of age or older.
- (3) The applicant does not suffer from a physical or mental infirmity that prevents the safe handling of a handgun.
- (4) The applicant has successfully completed an approved firearms safety and training course which involves the actual firing of handguns and instruction in the laws of this State governing the carrying of a concealed handgun and the use of deadly force. The North Carolina Criminal Justice Education and Training Standards Commission shall prepare and publish general guidelines for courses and qualifications of instructors which would satisfy the requirements of this subdivision. An approved course shall be any course which satisfies the requirements of this subdivision and is certified or sponsored by any of the following:
  - a. The North Carolina Criminal Justice Education and Training Standards Commission.
  - b. The National Rifle Association.
  - b1. The United States Concealed Carry Association.
  - c. A law enforcement agency, college, private or public institution or organization, or firearms training school, taught by instructors certified by the North Carolina Criminal Justice Education and Training Standards Commission, the United States Concealed Carry Association, or the National Rifle Association.
  - d. The North Carolina Private Protective Services Board and Secretary of Public Safety pursuant to G.S. 74C-13.

Every instructor of an approved course shall file a copy of the firearms course description, outline, and proof of certification annually, or upon modification of the course if more frequently, with the North Carolina Criminal Justice Education and Training Standards Commission."

**SECTION 3.(b)** G.S. 15A-151(a) reads as rewritten:

**"§ 15A-151. Confidential agency files; exceptions to expunction.**

(a) The Administrative Office of the Courts shall maintain a confidential file for expungements containing the petitions granted under this Article and the names of those people for whom it received a notice under G.S. 15A-150. The information contained in the file may be disclosed only as follows:

...

(10) Upon request of the North Carolina Private Protective Services Board or the North Carolina Security Systems Licensing Board, if the criminal record was expunged under this Chapter for licensure or registration purposes only."

**SECTION 3.(c)** G.S. 93B-8.1 reads as rewritten:

**"§ 93B-8.1. Use of criminal history records.**

...

(d) This section does not apply to the North Carolina Criminal Justice Education and Training Standards ~~Commission and Commission~~, the North Carolina Sheriff's Education and Training Standards ~~Commission~~, and the North Carolina Private Protective Services Board, and the North Carolina Security Systems Licensing Board."

**SECTION 3.(d)** The Security Systems Licensing Board and the Private Protective Services Board may adopt rules to implement the provisions of this Part.

**SECTION 3.(e)** This Part becomes effective October 1, 2025.

#### **PART IV. ENHANCE ABC COMMISSION OVERSIGHT AUTHORITY**

4.

- 1, respectively, of the North Carolina General Statutes.
- (4) The U.S. Survey Foot, 1 foot = 1200/3937 meter exactly or 1 foot = 0.304800609601219 meter approximately, when heights are based on the North American Vertical Datum of 1988 (NAVD 88) or the National Geodetic Vertical Datum of 1929 (NGVD29).

Authority G.S. 102-1; 101-1.1; 102-1.2; 102-1.3; 102-2; 102-8; 102-9.

\*\*\*\*\*

Notice is hereby given in accordance with G.S. 150B-21.2 that the Private Protective Services Board intends to amend the rules cited as 14B NCAC 16 .0203, .0205, .0703, .0706, .0806-.0809, .0902, .0904, .0910, .0911, .1203, .1306 and .1406.

Link to agency website pursuant to G.S. 150B-19.1(c): <https://www.ncdps.gov/about-dps/boards-commissions/private-protective-services-board>

Proposed Effective Date: February 1, 2026

Public Hearing:

Date: November 4, 2025

Time: 2:00 p.m.

Location: 3101 Industrial Drive, Suite 104, Raleigh, NC 27609

Reason for Proposed Action: Many of these rule amendments are the result of the Rules Review Commission deciding after 40 years and over 13 reviews of the Board's license and registration application and renewal rules that these rules did not comply with N.C. Gen. Stat. § 150B-2(8a)d. The remainder of the rule amendments are to bring the rules in Subchapter 16 of 14B NCAC into accord with the changes to Chapter 74C of the General Statutes by S.L. 2025-15, including the Board being given the ability to consider expunged criminal charges and convictions of licensees and registrants and recognition of "H.R. 218" status in lieu of the Concealed Handgun Permit training requirement.

Comments may be submitted to: Paul Sherwin, 3101 Industrial Drive, Suite 104, Raleigh, NC 27609; phone (919) 788-5320; fax (919) 715-0370; email paul.sherwin@ncdps.gov

Comment period ends: December 15, 2025

Procedure for Subjecting a Proposed Rule to Legislative Review: If an objection is not resolved prior to the adoption of the rule, a person may also submit a written objection to the Rules Review Commission. If the Rules Review Commission receives written and signed objections after the adoption of the Rule in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive

letters via U.S. Mail, private courier service, or hand delivery to 1711 New Hope Church Road, Raleigh, North Carolina, or via email to oah.rules@oah.nc.gov. If you have any further questions concerning the submission of objections to the Commission, please review 26 NCAC 05 .0110 or call a Commission staff attorney at 984-236-1850.

Fiscal impact. Does any rule or combination of rules in this notice create an economic impact? Check all that apply.

- State funds affected
- Local funds affected
- Substantial economic impact (>= \$1,000,000)
- Approved by OSBM
- No fiscal note required

CHAPTER 16 - PRIVATE PROTECTIVE SERVICES BOARD

SECTION .0200 - LICENSES: TRAINEE PERMITS

14B NCAC 16 .0203 RENEWAL OR RE-ISSUE OF LICENSES AND TRAINEE PERMITS

(a) Each applicant for renewal of a license or trainee permit shall submit an online renewal application on the website provided by the Board. The application shall contain:

- (1) name, address, telephone numbers, and social security number;
- (2) gender, race, and military service;
- (3) current employer;
- (4) date of birth, birth country, state or province, county or parish, and citizenship; and
- (5) driver's license number and state of issuance.

(b) This online application shall be submitted not less than 30 days prior to expiration of the applicant's current license or trainee permit and shall be accompanied by:

- (1) one head and shoulders digital color photograph of the applicant in JPG, JPEG, or PNG format of sufficient quality for identification, taken within six months prior to online application and submitted by uploading the photograph online with the application submission;
- (2) ~~upload online~~ a statement of the result of a statewide criminal history records search by the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the applicant has resided within the preceding 24 ~~months~~; months and disclosure of any expunged convictions;
- (3) the applicant's renewal fee, along with the convenience fee charged by the Board's on-line application vendor and credit card transaction fee;
- (4) for license applicants, proof of liability insurance as set out in G.S. 74C-10(e); and
- (5) proof of having completed continuing education as require by Rule .1202 of this Chapter.

(b)(c) If there is a criminal charge pending against the applicant for renewal that constitutes a deniable offense under G.S. 74C-

8(d)(2), consideration of the application shall be deferred until the criminal charge is adjudicated.

(e)(d) If a licensee has maintained a license at least two years and then allows the license to expire, the license may be re-issued if application is made within two years of the expiration date and the following documentation is submitted to the Board:

- (1) an online Application For Reinstatement of an Expired License;
- (2) one set of classifiable fingerprints on an applicant fingerprint card that shall be mailed separately to the Board's office;
- (3) one head and shoulders digital color photograph of the applicant in JPG, JPEG, or PNG format of sufficient quality for identification, taken within six months prior to online application and submitted by uploading the photograph online with the application submission;
- (4) ~~upload online~~ a statement of the result of a statewide criminal history records search by the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the applicant has resided within the preceding ~~60 months~~; months and disclosure of any expunged convictions;
- (5) the applicant's non-refundable application fee, along with the convenience fee charged by the Board's on-line application vendor and credit card transaction fee;
- (6) proof of liability insurance as set out in G.S. 74C-10(e);
- (7) payment to the State Bureau of Investigations to cover the cost of criminal record checks performed by the State Bureau of Investigations, with payment to be paid online through the Board's online application process; and
- (8) proof of having completed continuing education as required by Rule .1202 of this Chapter.

(d)(c) A member of the armed forces whose license is in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return shall receive that same extension of time to pay the license renewal fee and complete any continuing education requirements prescribed by the Board. A copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue shall be furnished to the Board.

Authority G.S. 74C-5; 74C-8; 74C-8.1; 74C-9; 15A-151(a)(10); 93B-8.1(d).

**14B NCAC 16 .0205 COMPANY BUSINESS LICENSE**

(a) Any firm, association, or corporation required to be licensed pursuant to G.S. 74C-2(a) shall upload on the Board's website an application for a company business license on a form provided by the Board. Only a sole proprietorship that is owned and operated by an individual licensee shall be exempt from this Rule. This application for license shall require the firm, association, or corporation name; the address of its principal office within the

State; any past conviction for criminal offenses of any company director, or officer; information concerning the past revocation, suspension, or denial of a business or professional license to any director or officer; a list of all directors and officers of the firm, association, or corporation; a list of all persons, firms, associations, corporations or other entities owning 10 percent or more of the outstanding shares of any class of stock; and the name and address of the qualifying agent.

(b) In addition to the items required in Paragraph (a) of this Rule, an out-of-state corporation shall file with its application for a license, a copy of its certificate of authority to transact business in this State issued by the North Carolina Secretary of State in accordance with G.S. 55-15-01. The corporation shall also file a consent to service of process and pleadings that shall be authenticated by its corporate seal and accompanied by a duly certified copy of the resolution of the board of directors authorizing the proper officer or officers to execute the consent.

(c) After filing a completed application with the Board, the Board shall conduct a background investigation to determine if the qualifying agent is in a management position. A management position means a position which manages established divisions or subdivisions of the firm, association or corporation and directs the work of one or more supervisors, has the authority to hire, reward, discipline or discharge employees, and may also provide suggestions for changes in policy to senior executives with policy-making authority. The Board shall also determine if the directors or officers have the requisite good moral character as defined in G.S. 74C-8(d)(2). For purposes of this Rule, "conviction" means and includes the entry of a plea of guilty or no ~~contest~~ contest, a prayer for judgment continued or adjudication withheld, or a verdict rendered in open court by a judge or ~~jury~~ jury, and may include expunged charges and convictions.

(d) Upon satisfactory completion of the background investigation, a company business license shall be issued. This license shall be conspicuously displayed at the principal place of business within North Carolina.

(e) The company business license shall be issued only to the business entity and shall not be construed to extend to the licensing of its officers and employees.

(f) The issuance of the company business license is issued to the firm, association, or corporation in addition to the license issued to the qualifying agent. The qualifying agent for the firm, association, or corporation which has been issued the company business license shall be responsible for assuring compliance with G.S. 74C.

(g) Dissolution or administrative suspension of corporate status shall result in suspension of the company business license by operation of law and may result in disciplinary action for unlicensed if it is determined that the suspension was due to intentional disregard of the law or inaction.

Authority G.S. 74C-2(a); 74C-5.

**SECTION .0700 - SECURITY GUARD REGISTRATION (UNARMED)**

**14B NCAC 16 .0703 MINIMUM STANDARDS FOR UNARMED SECURITY GUARD REGISTRATION**

An applicant for registration shall:

**PROPOSED RULES**

- (1) be at least 18 years of age;
- (2) be a citizen of the United States or a resident alien;
- (3) be of good moral character and temperate habits. Any of the following within the last five years shall be prima facie evidence that the applicant does not have good moral character or temperate habits: conviction by any local, state, federal, or military court of any crime involving the illegal use, carrying, or possession of a firearm; conviction of any crime involving the illegal use, possession, sale, manufacture, distribution, or transportation of a controlled substance, drug, narcotic, or alcoholic beverage, conviction of a crime involving felonious assault or an act of violence; conviction of a crime involving unlawful breaking and/or entering, burglary, or larceny, or a history of addiction to alcohol or a narcotic drug. For the purposes of this Rule, "conviction" means and includes the entry of a plea of guilty, plea of no contest, guilty or no contest, a prayer for judgment continued or adjudication withheld, or a verdict rendered in open court by a judge or jury; jury, and may include expunged charges and convictions.
- (4) not have been judicially declared incompetent or not have been involuntarily committed to an institution for treatment of mental illness. When an individual has been treated and found to have been restored, the Board will consider this evidence and determine whether the applicant meets the requirements of this Rule; and
- (5) not have had a revocation of a registration.

*Authority G.S. 74C-5; 74C-12(a)(19).*

**14B NCAC 16 .0706 RENEWAL OF UNARMED SECURITY GUARD REGISTRATION**

(a) Each applicant for renewal of a registration identification card or his or her employer shall complete an online form on the website provided by the Board. The application shall contain:

- (1) name, address, telephone numbers, and social security number;
- (2) gender and race;
- (3) current employer;
- (4) date of birth, birth country, state or province, county or parish, and citizenship; and
- (5) driver's license number and state of issuance.

(b) This online form shall be submitted ~~not fewer~~ less than 90 days prior to the expiration of the applicant's current registration and shall be accompanied by:

- (1) one head and shoulders color digital photograph of the applicant in JPG, JPEG, or PNG format of sufficient quality for identification, taken within six months prior to online application and submitted by uploading the photograph online with the application submission;

- (2) ~~upload online~~ a statement of the results of a statewide criminal history records search by the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the applicant has resided within the preceding 12 ~~months; months and disclosure of any expunged convictions;~~
- (3) the applicant's renewal fee, along with the convenience fee charged by the Board's on-line application vendor and credit card transaction fee; and
- (4) ~~upload~~ a completed affidavit form and public notice statement form.

~~(b)~~(c) If there is a criminal charge pending against the applicant for renewal that constitutes a deniable offense under G.S. 74C-8(d)(2), consideration of the application shall be deferred until the criminal charge is adjudicated.

~~(e)~~(d) The employer of each applicant for a registration renewal shall give the applicant a copy of the online application and a copy of the completed affidavit form to serve as a record of application for renewal and shall retain a copy of the application, including affidavit, in the guard's personnel file in the employer's office.

~~(d)~~(e) Members of the armed forces whose registration is in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return shall receive that same extension of time to pay the registration renewal fee and to complete any continuing education requirements prescribed by the Board. A copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue shall be furnished to the Board.

*Authority G.S. 74C-5; 74C-11; 15A-151(a)(10); 93B-8.1(d).*

**SECTION .0800 - ARMED SECURITY GUARD FIREARM REGISTRATION PERMIT**

**14B NCAC 16 .0806 RENEWAL OF ARMED SECURITY GUARD FIREARM REGISTRATION PERMIT**

(a) Each applicant for renewal of an armed security guard firearm registration permit identification card or his or her employer shall complete an online form on the website provided by the Board.

The application shall contain:

- (1) name, address, telephone numbers, and social security number;
- (2) gender and race;
- (3) current employer;
- (4) date of birth, birth country, state or province, county or parish, and citizenship; and
- (5) driver's license number and state of issuance.

(b) This online form shall be submitted not more than 90 days prior to expiration of the applicant's current armed registration and shall be accompanied by:

- (1) one head and shoulders color digital photograph of the applicant in JPG, JPEG, or PNG format of sufficient quality for identification, taken within six months prior to online application and submitted by uploading the photograph online with the application submission;

- (2) upload online a statement of the results of a statewide criminal history search obtained by the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the applicant has resided within the preceding 12 ~~months~~; months and disclosure of any expunged convictions;
- (3) the applicant's renewal fee, along with the convenience fee charged by the Board's on-line application vendor and credit card transaction fee;
- (4) the actual cost charged to the Private Protective Services Board by the State Bureau of Investigation to cover the cost of criminal record checks performed by the State Bureau of Investigation, collected online by the Private Protective Services Board;
- (5) a statement signed by a certified trainer that the applicant has successfully completed the training requirements of Rule .0807 of this Section; and
- (6) a completed affidavit form and public notice statement form.

~~(b)~~(c) If there is a criminal charge pending against the applicant for renewal that constitutes a deniable offense under G.S. 74C-8(d)(2), consideration of the application shall be deferred until the criminal charge is adjudicated.

~~(e)~~(d) The employer of each applicant for a registration renewal shall give the applicant a copy of the online application and a copy of the completed affidavit form to serve as a record of application for renewal and shall retain a copy of the application, including the affidavit in the guard's personnel file in the employer's office.

~~(d)~~(e) Members of the armed forces whose registration is in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return shall receive that same extension of time to pay the registration renewal fee and to complete any continuing education requirements prescribed by the Board. A copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue shall be furnished to the Board.

~~(e)~~(f) A registered armed security guard may utilize a dedicated light system or gun-mounted light for requalification.

~~(f)~~(g) During a national or State declared state of emergency that restricts or prohibits a registered armed security guard from requalifying, the Board shall, upon written request to the Director by the licensee, extend the deadline for requalification up to 90 days beyond the effective period of the state of emergency. Any registration renewed pursuant to this Paragraph shall be issued conditionally and shall automatically expire on the 90<sup>th</sup> day if requalification requirements have not been met.

*Authority G.S. 74C-5; 74C-8.1; 74C-9; 74C-13; 15A-151(a)(10); 93B-8.1(d).*

**14B NCAC 16 .0807 TRAINING REQUIREMENTS FOR ARMED LICENSEES AND SECURITY GUARD REGISTRANTS**

(a) Applicants for an armed security guard firearm registration permit shall first complete the basic unarmed security guard training course set forth in Rule .0707 of this Chapter.

(b) Private investigator, close personal protection, or any other licensees applying for an armed permit shall first complete a training course consisting of the courses set forth in Rule .0707(a)(1) and (2) of this Chapter.

(c) Applicants for an armed security guard firearm registration permit shall complete a basic training course for armed security guards which consists of at least 20 hours of classroom instruction including:

- (1) legal limitations on the use of handguns and on the powers and authority of an armed security guard, including familiarity with rules and regulations relating to armed security guards (minimum of four hours);
- (2) handgun safety, including range firing procedures (minimum of one hour);
- (3) handgun operation and maintenance (minimum of three hours);
- (4) handgun fundamentals (minimum of eight hours); and
- (5) night firing (minimum of four hours).

Subparagraph (c)(2), "operation" under Subparagraph (c)(3), and Subparagraph (c)(4) of this Rule shall be completed prior to the applicant's participation in range ~~firing~~; firing, and all 20 hours must be completed within 14 consecutive days.

(d) Applicants for either an armed licensee permit or an armed security guard firearm registration permit shall attain a score of at least 80 percent accuracy on a firearms range qualification course established by the Board and the Secretary of Public Safety, a copy of which is on file in the Director's office, once in three consecutive attempts. Should a student fail to attain a score of 80 percent accuracy, the student shall be given a second opportunity to qualify once in three consecutive attempts on the course of fire the student did not pass. Failure to qualify after the second series of attempts shall require the student to repeat the entire basic training course for armed security guards. All attempts must take place within 20 days of the completion of the initial 20 hour course. For rifle qualification all shots shall be located on the target.

(e) All training required by this Rule shall be administered by a certified trainer and the training required by Paragraph (c) of this Rule and the initial training for authorization for a rifle or shotgun shall be completed no more than 90 days prior to the date of application for the licensee permit or armed security guard firearm registration permit.

(f) All applicants for an armed security guard firearm registration permit shall obtain training under the provisions of this Section using their duty weapon and their duty ammunition or ballistic equivalent ammunition, to include lead-free ammunition that meets the same point of aim, point of impact, and felt recoil of the duty ammunition, for all firearms.

(g) No more than six new or renewal licensee permit or armed security guard applicants per one instructor shall be placed on the firing line at any one time during firearms range training.

(h) Applicants for re-certification of an armed licensee permit or an armed security guard firearm registration permit shall complete the basic recertification training course for armed security guards that consists of at least four hours of classroom instruction and is a review of the requirements set forth in Subparagraphs (c)(1) through (c)(5) of this Rule. Subparagraph (c)(2), operation under Subparagraph (c)(3), and Subparagraphs (c)(4) and (5) of this Rule shall be reviewed prior to range firing; and however maintenance under Subparagraph (c)(3) may be reviewed after range firing. The recertification course is valid for 180 days after completion of the course. Applicants for recertification of a licensee permit or an armed security guard firearm registration permit shall also complete the requirements of Paragraph (d) of this Rule.

(i) An armed guard registered with one company may be registered with a second company. The registration shall be considered "dual." The registration with the second company shall expire at the same time that the registration expires with the first company. An updated application shall be required to be submitted by the applicant, along with the digital photograph, updated criminal records checks, and a forty dollar (\$40.00) registration fee. If the guard's duty firearm for all companies is the same make, model, and caliber, then no additional firearms training shall be required. The licensee shall submit a letter stating the guard will be carrying the same make and model firearm. If the guard will be carrying a firearm of a different make and model, the licensee shall submit a letter to the Board advising of the make, model, and caliber of the firearm the guard will be carrying and the guard shall be required to qualify at the firing range on both the day and night qualification course. The qualification score is valid for 180 days after completion of the course.

(j) To be authorized to carry a standard 12 gauge shotgun in the performance of his or her duties as an armed security guard, an applicant shall complete, in addition to the requirements of Paragraphs (a), (c), and (d) of this Rule, six hours of classroom training that shall include the following:

- (1) legal limitations on the use of shotgun (minimum of one hour);
- (2) shotgun safety, including range firing procedures (minimum of one hour);
- (3) shotgun operation and maintenance (minimum of one hour);
- (4) shotgun fundamentals (minimum of two hours); and
- (5) night firing (minimum of one hour).

Subparagraph (j)(2), "operation" under Subparagraph (j)(3), and Subparagraph (j)(4) of this Rule shall be completed prior to the applicant's participation in range firing.

(k) An armed security guard applicant may take the additional shotgun training at a time after the initial training in this Rule. If the shotgun training is completed at a later time, the shotgun certification shall run concurrent with the armed registration permit. In addition to the requirements set forth in Paragraph (j) of this Rule, applicants shall attain a score of at least 80 percent accuracy on a shotgun range qualification course established by the Board and the Secretary of Public Safety, a copy of which is on file in the Director's office.

(l) Applicants for shotgun recertification shall complete one hour of classroom training covering the topics set forth in Paragraph (j)

of this Rule and shall also complete the requirements of Paragraph (d) of this Rule.

(m) To be authorized to carry a rifle in the performance of his or her duties as an armed security guard, an applicant shall complete, in addition to the requirements of Paragraphs (a), (c), and (d) of this Rule, 16 hours of classroom training which shall include the following:

- (1) legal limitations on the use of rifles (minimum of one hour);
- (2) rifle safety, including range firing procedures (minimum of one hour);
- (3) rifle operation and maintenance (minimum of two hours);
- (4) rifle fundamentals (minimum of ten hours); and
- (5) night firing (minimum two hours).

Subparagraph (m)(2), "operation" under Subparagraph (m)(3), and Subparagraph (m)(4) of this Rule shall be completed prior to the applicant's participation in range firing.

(n) The applicant shall pass a skills course that tests each basic rifle skill and the test of each skill shall be completed within three attempts.

(o) An applicant may take the additional rifle training at a time after the initial training in Subsection (c) of this Rule. If the rifle training is completed at a later time, the rifle certification shall run concurrent with the armed registration permit. In addition to the requirements set forth in Paragraphs (m) and (n) of this Rule, applicants shall attain a score of at least 80 percent accuracy on a rifle range qualification course established by the Board and the Secretary of Public Safety, a copy of which is on file in the Director's office.

(p) Applicants for rifle recertification shall complete an additional one hour of classroom training covering the topics set forth in Paragraph (m) of this Rule and shall also complete the requirements of Paragraph (d) of this Rule.

(q) Upon written request, an applicant for an armed licensee permit or an armed security guard firearm registration permit who possesses a current firearms trainer certificate shall be given a licensee permit or registration permit that will run concurrent with the trainer certificate upon completion of an annual qualification with the applicant's duty firearms as set forth in Paragraph (d) of this Rule.

(r) An armed licensee or security guard is required to qualify annually both for day and night firing with his or her duty handgun, shotgun, and rifle, if applicable. If the licensee or security guard fails to qualify on any course of fire, the licensee or security guard shall not carry the firearm until such time as he or she meets the qualification requirements. Upon failure to qualify, the firearm instructor shall notify the licensee or security guard verbally that he or she is no longer authorized to carry the firearm and the firearm instructor shall notify the employer and the Private Protective Services Board staff in writing on the next business day.

(s) A firearm training certificate of an armed security guard remains valid even if the guard leaves the employment of one company for the employment of another. The range qualifications shall remain valid if the guard will be carrying a firearm of the same make, model, and caliber and no additional firearms training shall be required. The licensee shall submit a letter stating the guard will be carrying the same make and model firearm. If the

guard will be carrying a firearm of a different make and model, the licensee shall submit a letter to the Board advising of the make, model, and caliber of the firearm the guard will be carrying and the guard shall be required to qualify at the firing range on both the day and night qualification course. The qualification score is valid for 180 days after completion of the course. However, nothing herein shall extend the period of time the qualification is valid.

Authority G.S. 74C-5; 74C-9; 74C-13.

**14B NCAC 16 .0808 CONCEALED HANDGUN**

(a) The Board does not have the authority to issue a Concealed Handgun Carry Permit. However, a licensee, licensee, trainee, registrant, or firearms trainer who has complied with all provisions of G.S. 14, Article 54B and applicable rules adopted by the N.C. Criminal Justice Education and Training Standards Commission pursuant thereto and has been issued a current concealed handgun permit by a Sheriff may carry a concealed handgun after complying with the concealed handgun provisions for training and qualifications set forth in Paragraph (b) of this Rule.

(b) A licensee, ~~trainee, registrant, or firearms trainer~~ trainee, or registrant shall comply with each of the following requirements to carry a concealed handgun while engaged in a private protective services business:

- (1) Hold a current Armed Licensee Registration or Armed Security Guard Registration Permit by complying with all requirements for armed registration as prescribed in this Section.
- (2) Complete standards set forth by the N.C. Criminal Justice Education and Training Standards Commission to include knowledge of North Carolina firearms laws including the limitation on concealed handgun possession on specified property and within certain buildings.

(c) Upon application to the Board, a licensee, ~~trainee, registrant, or firearms trainer~~ trainee, or registrant meeting the requirements of this Section shall be issued a concealed handgun endorsement to the current Armed Licensee Registration or Armed Security Guard Registration Permit for the ~~term of the Armed Security Guard Registration Permit~~ without additional permit fees, but any additional training costs necessary to comply with this Section shall be borne directly by the applicant. The endorsement shall be renewed at the time of the Armed Licensee Registration or Armed Security Guard Registration Permit renewal pursuant to this Rule on payment of the ~~armed security guard registration~~ renewal fee and proof of possession of a current Concealed Handgun Permit. A licensee, but not a registrant, who is authorized pursuant to Section 926B or 926C of Title 18 of the United States Code to carry a concealed handgun and is in compliance with the requirements of those Code sections is exempt from the Concealed Handgun Carry Permit requirements of this Rule, but must still obtain the endorsement. There shall be no additional fee for the concealed handgun endorsement renewal.

Authority G.S. 74C-5; 74C-13.

**14B NCAC 16 .0809 AUTHORIZED FIREARMS**

Armed licensees or registrants are authorized, while in the performance of official duties or traveling directly to and from work, to carry a standard revolver from .32 caliber to .357 caliber, a standard semi-automatic pistol from .354 caliber to .45 caliber, any standard 12 gauge shotgun, or any standard semi-automatic or bolt action ~~.223, .308, 5.56 X 45 mm NATO caliber, .223 to .30~~ caliber or any above handgun caliber rifle as long as the licensee or registrant has been trained pursuant to Rule .0807 of this Section. For purposes of this Section, a "standard" firearm means a firearm that has not been modified or altered from its original manufactured ~~design.~~ design or a custom-built firearm that is assembled exclusively using Original Equipment Manufacturer (OEM) parts.

Authority G.S. 74C-5; 74C-13.

**SECTION .0900 – TRAINER CERTIFICATE**

**14B NCAC 16 .0902 APPLICATION FOR FIREARMS TRAINER CERTIFICATE**

(a) Each applicant for a firearms trainer certificate shall submit an online application to the ~~Board.~~ Board containing the applicant's:

- (1) name, address, telephone numbers, and social security number;
- (2) gender and race;
- (3) residence history;
- (4) date of birth, birth country, state or province, county or parish, and citizenship; and
- (5) driver's license number and state of issuance.

(b) The application shall be accompanied by:

- (1) electronic submission of fingerprints from a Live Scan or similar system approved by the State Bureau of Investigations or one set of classifiable fingerprints on an applicant fingerprint card that shall be mailed separately to the Board's office;
- (2) one head and shoulders color digital photograph of the applicant in JPG, JPEG, or PNG format of sufficient quality for identification, taken within six months prior to online submission and submitted by uploading online with the application submission;
- (3) a statement of the results of a statewide criminal history records search by the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the applicant has resided within the preceding 60 ~~months;~~ months and disclosure of any expunged convictions;
- (4) the actual cost charged to the Private Protective Services Board by the State Bureau of Investigation to cover the cost of criminal record checks performed by the State Bureau of Investigation, collected online by the Private Protective Services Board;
- (5) the applicant's non-refundable application fee, along with the convenience fee charged by the

- (6) Board's on-line application vendor and a separate credit card transaction fee; evidence of the liability insurance required by G.S. 74C-10(e) if the applicant is not an employee of a licensee;
- (7) a certificate of successful completion of the training required by Rule .0901(a)(3) and (4) of this Section or acceptable certificate of other current certification as set forth in Rule .0901(c) and (d) of this Section; and
- (8) the actual cost charged to the Private Protective Services Board by the North Carolina Justice Academy or other entity to cover the cost of the firearms training course given by the N.C. Justice Academy or other entity and collected as part of the online application process by the Private Protective Services Board.

Authority G.S. 74C-5; 74C-8(d); 74C-8.1(a); 74C-13; 15A-151(a)(10); 93B-8.1(d).

**14B NCAC 16 .0904 RENEWAL OF A FIREARMS TRAINER CERTIFICATE**

(a) Each applicant for renewal of a firearms trainer certificate shall complete an online renewal form on the website provided by the Board. The application shall contain:

- (1) name, address, telephone numbers, and social security number;
- (2) gender and race;
- (3) current employer;
- (4) date of birth, birth country, state or province, county or parish, and citizenship; and
- (5) driver's license number and state of issuance.

(b) This ~~form~~ online application shall be submitted online not less than 30 days prior to the expiration of the applicant's current certificate and shall be accompanied by:

- (1) ~~uploaded online~~ a certificate of successful completion of a firearms trainer refresher course approved by the Board and the Secretary of Public Safety consisting of a minimum of eight hours of classroom and practical range training in safety and maintenance of the applicable firearm (i.e. handgun, shotgun, or rifle), range operations, control and safety procedures, and methods of firing. This training shall be completed within 180 days of the submission of the renewal application;
- (2) a statement of the results of a criminal history records search by the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the applicant has resided within the preceding ~~24 months; and~~ months and disclosure of any expunged convictions; and
- (3) the applicant's renewal fee, along with the convenience fee charged by the Board's on-line application vendor and a separate credit card transaction fee.

(b)(c) If there is a criminal charge pending against the applicant for renewal that constitutes a deniable offense under G.S. 74C-8(d)(2), consideration of the application shall be deferred until the criminal charge is adjudicated.

(e)(d) Members of the armed forces whose certification is in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return shall receive that same extension of time to pay the certification renewal fee and to complete any continuing education requirements prescribed by the Board. The applicant shall furnish the Board a copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue.

(d)(e) Any firearms trainer who fails to qualify with the minimum score during the refresher course shall not continue to instruct during the period between the failure to qualify and the expiration of his or her permit.

(e)(f) The holder of a firearms trainer certificate may utilize a dedicated light system or gun mounted light for personal requalification.

(f)(g) During a national or State declared state of emergency that restricts or prohibits a certified firearms trainer from requalifying, the Board shall, upon written request to the Director by the licensee, extend the deadline for requalification up to 90 days beyond the effective period of the state of emergency. Any certificate renewed pursuant to this Paragraph shall be issued conditionally and shall automatically expire on the 90th day if requalification requirements have not been met.

Authority G.S. 74C-5; 74C-8.1(a); 74C-9; 74C-13; 93B-15; 15A-151(a)(10); 93B-8.1(d).

**14B NCAC 16 .0910 APPLICATION FOR AN UNARMED TRAINER**

(a) Each applicant for an unarmed trainer certificate shall submit an online application to the Board. Board containing the applicant's:

- (1) name, address, telephone numbers, and social security number;
- (2) gender and race;
- (3) residence history;
- (4) date of birth, birth country, state or province, county or parish, and citizenship; and
- (5) driver's license number and state of issuance.

(b) The ~~application~~ online submission shall be accompanied by:

- (1) electronic submission of fingerprints from a Live Scan or similar system approved by the State Bureau of Investigations or one set of classifiable fingerprints on an applicant fingerprint card that shall be mailed separately to the Board's office;
- (2) one head and shoulders color digital photograph of the applicant in JPG, JPEG, or PNG format of sufficient quality for identification, taken within six months prior to online submission and submitted by uploading online with the application submission;
- (3) a statement of the results of a statewide criminal history records search by the reporting service designated by the Board pursuant to G. S. 74C-

- 8.1(a) for each state where the applicant has resided within the preceding ~~60 months; months~~ and disclosure of any expunged convictions;
- (4) the actual cost charged to the Private Protective Services Board by the State Bureau of Investigation to cover the cost of criminal record checks performed by the State Bureau of Investigation, collected online by the Private Protective Services Board;
  - (5) the applicant's non-refundable application fee, along with the convenience fee charged by the Board's on-line application vendor and a separate credit card transaction fee;
  - (6) a certificate of successful completion of the training required by Rule .0909(a)(3) or current certificate of other acceptable certification as set forth in Rule .0909(b) of this Section.
  - (7) the actual cost charged to the Private Protective Services Board by Wake Technical Community College, or other entity, to cover the cost of the unarmed guard trainer course and collected as part of the online application process by the Private Protective Services Board.

*Authority G.S. 74C-8; 74C-9; 74C-11; 74C-13; 15A-151(a)(10); 93B-8.1(d).*

**14B NCAC 16 .0911 RENEWAL OF AN UNARMED TRAINER CERTIFICATE**

(a) Each applicant for renewal of an unarmed trainer certificate shall complete an online renewal form on the website provided by the Board. The application shall contain:

- (1) name, address, telephone numbers, and social security number;
- (2) gender and race;
- (3) current employer;
- (4) date of birth, birth country, state or province, county or parish, and citizenship;
- (5) driver's license number and state of issuance; and
- (6) firearm type.

(b) This online form shall be submitted ~~online~~ not less than 30 days prior to the expiration of the applicant's current certificate. In addition, the applicant shall include the following:

- (1) the renewal fee set forth in Rule .0903(a)(3) of this Section and collected online as part of the application process;
- (2) a certificate of completion of a minimum of 16 hours of Board developed armed or unarmed instruction performed during the current unarmed trainer certification period;
- (3) a statement verifying the classes taught during the current unarmed trainer certification period on a form provided by the Board as part of the online application process; and
- (4) ~~uploaded online~~ a statement of the results of a criminal history records search by the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the

applicant has resided within the preceding 24 ~~months; months~~ and disclosure of any expunged convictions;

~~(b) If there is a criminal charge pending against the applicant for renewal that constitutes a deniable offense under G.S. 74C-8(d)(2), consideration of the application shall be deferred until the criminal charge is adjudicated.~~

(c) If there is a criminal charge pending against the applicant for renewal that constitutes a deniable offense under G.S. 74C-8(d)(2), consideration of the application shall be deferred until the criminal charge is adjudicated.

(d) Members of the armed forces whose certification is in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return are granted that same extension of time to pay the certification renewal fee and to complete any continuing education requirements prescribed by the Board. A copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue must be furnished to the Board.

(e) During a national or State declared state of emergency that restricts or prohibits an unarmed trainer from performing the instruction required by Subparagraph (b)(2) of this Rule, the Board shall, upon written request to the Director by the licensee, extend the deadline for renewal up to 90 days beyond the effective period of the state of emergency. Any certificate renewed pursuant to this Paragraph shall be issued conditionally and shall automatically expire on the 90th day if instruction requirements have not been met.

*Authority G.S. 74C-8; 74C-9; 74C-11; 74C-13; 15A-151(a)(10); 93B-8.1(d).*

**SECTION .1200 – CONTINUING EDUCATION**

**14B NCAC 16 .1203 CONTINUING EDUCATION COURSE ACCREDITATION STANDARDS**

(a) ~~CE courses~~ Continuing education course instructors may obtain the approval of the Board accreditation of their course by submitting the following information to the Board for consideration:

- (1) the nature and purpose of the course;
- (2) the course objectives or goals;
- (3) the outline of the course, including the number of training hours for each segment; and
- (4) the name of the ~~instructor.~~ instructor; and
- (5) a one hundred dollar (\$100.00) continuing education course evaluation fee, paid online by credit card or electronic funds transfer.

(b) The Board shall complete the following review:

- (1) The matter shall be referred to ~~the Training and Education Committee for the appointment of a sub-committee that shall review the course under consideration. The sub-committee shall consist of at least two industry members of the Training and Education Committee. Other members of the sub-committee may be appointed at the discretion of the Training and Education Committee Chairman.~~ a committee appointed by the Board for review.

- (2) The sub-committee ~~appointed committee~~ shall review the course to determine if the course is pertinent to the industry, and if the course meets its stated objectives or goals.
- (3) ~~When the sub-committee completes its review, it shall report to the Training and Education Committee. The Training and Education Committee shall review the course to determine if the course is pertinent to the industry, and if the course meets its stated objectives and goals. The Training and Education Committee~~ The appointed committee shall then report the its findings with a recommendation of acceptance approval or denial to the Private Protective Services Board.
- (4) Upon receipt of the appointed committee's report, the Board shall determine by majority vote if the course will be approved for continuing education credits. In making its determination, the Board shall review the course to determine if the course is pertinent to the industry, and if the course meets its stated objectives or goals.

~~(e) Upon receipt of the Training and Education Committee report, the Private Protective Services Board shall determine by majority vote if the course will be approved for continuing education credits. In making its determination, the Board shall review the course to determine if the course is pertinent to the industry, and if the course meets its stated objectives or goals.~~

~~(d)(c)~~ Each approved course shall remain an approved course for ~~four~~ two years from the date of approval by the Board, unless the course content changes or the course instructor changes.

~~(e)(d)~~ Trainers and instructors shall receive continuing education credit of ~~five~~ four hours for every actual teaching hour with an eight hour cap of continuing education credit every two years.

~~(f)(e)~~ Colleges, universities, trade schools, and other degree granting institutions shall be granted standing approval when the institutions are accredited, certified, or approved by the Department of Public Instruction or by a similar agency in another state and the course is related to law, criminal justice, security profession, finance, ethics, forensics, crime prevention, and investigation. Approval is one credit hour per contact hour up to the maximum 12 credit hours.

*Authority G.S. 74C-5; 74C-22.*

**SECTION .1300 – ARMORED CAR SERVICE GUARD REGISTRATION (UNARMED)**

**14B NCAC 16 .1306 RENEWAL OR REISSUE OF UNARMED ARMORED CAR SERVICE GUARD REGISTRATION**

(a) Each applicant for renewal of an unarmed armored car service guard registration identification card or his or her employer shall complete an online form provided by the Board. The application shall contain:

- (1) name, address, telephone numbers, and social security number;
- (2) gender, race, and military service;

- (3) current employer;
- (4) date of birth, birth country, state or province, county or parish, and citizenship; and
- (5) driver's license number and state of issuance

(b) This online form shall be submitted not fewer less than 90 days prior to the expiration of the applicant's current registration and shall be accompanied by:

- (1) ~~upload online~~ a statement of the results of a statewide criminal history records search obtained from the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the applicant has resided within the preceding 12 ~~months;~~ months and disclosure of any expunged convictions;
- (2) the applicant's renewal fee, along with the convenience fee charged by the Board's on-line application vendor and credit card transaction fee.
- (3) one head and shoulders color digital photograph of the applicant in JPG, JPEG, or PNG format of sufficient quality for identification, taken within six months prior to online application and submitted by uploading the photograph online with application submission; and
- (4) a completed affidavit form and public notice statement form.

~~(b)(c)~~ If there is a criminal charge pending against the applicant for renewal that constitutes a deniable offense under G.S. 74C-8(d)(2), consideration of the application shall be deferred until the criminal charge is adjudicated.

~~(e)(d)~~ The employer of each applicant for a registration renewal or reissue shall give the applicant a copy of the online application, including the completed affidavit form, that shall serve as a record of application for renewal or reissue and shall retain a copy of the online application and affidavit in the guard's personnel file in the employer's office.

~~(d)(e)~~ Members of the armed forces whose registration is in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return shall receive that same extension of time to pay the registration renewal fee and to complete any continuing education requirements prescribed by the Board. A copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue shall be furnished to the Board.

*Authority G.S. 74C-3; 74C-5; 78C-8.1(a); 15A-151(a)(10); 93B-8.1(d).*

**SECTION .1400 - ARMED ARMORED CAR SERVICE GUARDS FIREARM REGISTRATION PERMIT**

**14B NCAC 16 .1406 RENEWAL OF ARMED ARMORED CAR SERVICE GUARD FIREARM REGISTRATION PERMIT**

(a) Each applicant for renewal of an armed armored car service guard firearm registration permit identification card his or her employer or designee shall complete an online form provided by the Board. The application shall contain:

PROPOSED RULES

- (1) name, address, telephone numbers, and social security number;
(2) gender, race, and military service;
(3) current employer;
(4) date of birth, birth country, state or province, county or parish, and citizenship; and
(5) driver's license number and state of issuance.

(b) This online form shall be accompanied by:

- (1) one head and shoulders color digital photograph of the applicant in JPG, JPEG, or PNG format of sufficient quality for identification, taken within six months prior to online application and submitted by uploading the photograph online with the application submission;
(2) upload online a statement of the result of a statewide criminal history records search by the reporting service designated by the Board pursuant to G.S. 74C-8.1(a) for each state where the applicant has resided within the preceding 12 months; months and disclosure of any expunged convictions;
(3) the applicant's renewal fee, along with the convenience fee charged by the Board's on-line application vendor and credit card transaction fee;
(4) the actual cost charged to the Private Protective Services Board by the State Bureau of Investigation to cover the cost of criminal record checks performed by the State Bureau of Investigation, collected online by the Private Protective Services Board;
(5) a statement signed by a certified trainer that the applicant has successfully completed the training requirements of Rule .0807 of the Section; and
(6) a completed affidavit form and public notice statement form.

(b)(c) If there is a criminal charge pending against the applicant for renewal that constitutes a deniable offense under G.S. 74C-8(d)(2), consideration of the application shall be deferred until the criminal charge is adjudicated.

(e)(d) The employer of each applicant for a registration renewal shall give the applicant a copy of the online application and completed application, including the completed affidavit form, to serve as a record of application for renewal and shall retain a copy of the online application and affidavit in the guard's personnel file in the employer's office.

(e)(e) Members of the armed forces whose registration is in good standing and to whom G.S. 105-249.2 grants an extension of time to file a tax return shall receive that same extension of time to pay the registration renewal fee and to complete any continuing education requirements prescribed by the Board. A copy of the military order or the extension approval by the Internal Revenue Service or by the North Carolina Department of Revenue shall be furnished to the Board.

Authority G.S. 74C-3; 74C-5; 74C-8.1(a); 74C-13; 15A-151(a)(10); 93B-8.1(d).

\*\*\*\*\*

Notice is hereby given in accordance with G.S. 150B-21.2 that the Alarm Systems Licensing Board intends to amend the rules cited as 14B NCAC 17 .0103, .0105, .0108, .0201, .0202, .0209, .0210, .0301, and .0305.

Link to agency website pursuant to G.S. 150B-19.1(c): https://www.ncdps.gov/about-dps/boards-and-commissions/alarm-systems-licensing-board

Proposed Effective Date: February 1, 2026

Public Hearing:

Date: November 4, 2025

Time: 2:00 p.m.

Location: Conference Room, ASLB Office, 3101 Industrial Drive, Suite 104 Raleigh, NC 27609

Reason for Proposed Action: A recent enactment of the General Assembly, S.L. 2025-51, changed the name of the Board from "Alarm Systems Licensing" to "Security Systems Licensing", thereby necessitating changing numerous references from "alarm" to "security." Additionally, this legislation gender neutralized words such as "Chairman" and changes are being made accordingly. The Board was also given the ability to consider expunged criminal charges and convictions of licensees and registrants.

Comments may be submitted to: Paul Sherwin, 3101 Industrial Drive, Suite 104, Raleigh, NC 27609; phone (919) 788-5320; email paul.sherwin@ncdps.gov

Comment period ends: December 15, 2025

Procedure for Subjecting a Proposed Rule to Legislative Review:

If an objection is not resolved prior to the adoption of the rule, a person may also submit a written objection to the Rules Review Commission. If the Rules Review Commission receives written and signed objections after the adoption of the Rule in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive letters via U.S. Mail, private courier service, or hand delivery to 1711 New Hope Church Road, Raleigh, North Carolina, or via email to oah.rules@oah.nc.gov. If you have any further questions concerning the submission of objections to the Commission, please review 26 NCAC 05 .0110 or call a Commission staff attorney at 984-236-1850.

Fiscal impact. Does any rule or combination of rules in this notice create an economic impact? Check all that apply.

- State funds affected
Local funds affected
Substantial economic impact (>= \$1,000,000)
Approved by OSBM

No fiscal note required

CHAPTER 17 - ALARM SYSTEMS LICENSING BOARD

SECTION .0100 - ORGANIZATION AND GENERAL PROVISIONS

14B NCAC 17 .0103 DEFINITIONS

In addition to the definitions under G.S. Chapter 74D, the following definitions shall apply throughout this Chapter:

- (1) "Agency Head" means the ~~Chairman~~ Chair of the ~~Alarm Security~~ Systems Licensing Board.
- (2) "Applicant" means any person, firm, or corporation applying to the Board for a license or registration.
- (3) "Board" means the ~~Alarm Security~~ Systems Licensing Board established by G.S. Chapter 74D.
- (4) "Branch Manager or Operator" means the licensee endowed with the responsibility and liability for a branch office.
- (5) "Branch Office" means a separate but dependent part of a central organization. The establishment of a telephone number or mailing address in the company name constitutes prima facie evidence of a branch office.
- (6) "Chairman" or "Chair" means the ~~Chairman~~ Chair of the ~~Alarm Security~~ Systems Licensing Board.
- (7) "Employee" means:
  - (a) a person who has an agreement with a licensee to perform ~~alarm security~~ systems business activities under the direct supervision and control of the licensee, for whose services any charges are determined imposed and collected by the licensee, and for whose ~~alarm security~~ systems business activities the licensee is legally liable; or
  - (b) a person who solicits customers at a residential or commercial location whose services are compensated by payment of a referral fee or commission by a licensee.
- (8) "Installs" means placing ~~an alarm~~ a security device in a residential or commercial location and includes demonstrating the use of ~~an alarm~~ a security system device for a specific location and function within the protected premises and, with such knowledge of the ~~alarm security~~ system operation, delivering that device to the owner or operator of the protected premises.
- (9) "Knowledge of Specific Applications" means obtaining specific information about the premises which is protected or is to be protected, gained during an on-site visit. Conducting a survey shall be prima facie evidence of knowledge of specific applications.

- (10) "Licensee" means any person licensed pursuant to G.S. Chapter 74D.
- (11) "Monitors" means receiving a signal from a protected premises or contracting with a person, firm or corporation to provide accessible equipment and personnel to receive a signal from ~~an alarm~~ a security device in a protected premises and take action in response.
- (12) "Qualifying Agent" means any person who meets the requirements of G.S. 74D-2(c), provided that no licensee may act as qualifying agent for more than one ~~alarm security~~ systems business without prior authorization of the Board.
- (13) "Responds" means receiving a monitored ~~alarm~~ security signal that indicates the existence of an unauthorized intrusion or taking from a protected premises of a customer and being required by contract to take action upon receipt of that ~~alarm security system~~ signal.
- (14) "Services" means inspecting, testing, repairing or replacing ~~an alarm~~ a security system device within protected premises.

Authority G.S. 74D-2; 74D-5.

14B NCAC 17 .0105 PROHIBITED ACTS

In addition to the prohibited acts set forth elsewhere in this Subchapter and in Chapter 74D of the General Statutes, an applicant, licensee, or registrant who does any of the following shall have his or her application denied or his or her license or registration revoked or suspended:

- (1) displays, causes or permits to be displayed, or has in his or her possession any cancelled, revoked, suspended, fictitious, fraudulently-altered license or registration identification card, or any document simulating a license or registration identification card or purporting to be or to have been issued as a license or registration identification card;
- (2) lends his or her license or registration identification card to another person or allows the use thereof by another;
- (3) displays or represents any license or registration identification card not issued to him or her as being his or her license or registration identification card;
- (4) includes in any advertisement a statement that implies an official State-authorized certification or approval other than this statement: "Licensed by the ~~Alarm Security~~ Systems Licensing Board of the State of North Carolina." Licensees may include their license number;
- (5) includes in the company name the word "police" or other law enforcement designation that implies that the ~~alarm security system~~ company is affiliated with a local, state, or federal law enforcement agency; or

5.

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

IN THE OFFICE OF  
ADMINISTRATIVE HEARINGS  
25 DOJ 02815

Hector Alexander Falu; and The Falu Corporation Petitioner,  v.  NC Private Protective Services Board Respondent.	<b>PROPOSAL FOR DECISION</b>
---	------------------------------

On August 26, 2025, Administrative Law Judge Lawrence Duke called this case for hearing in Raleigh, North Carolina.

**APPEARANCES**

Petitioner appeared *pro se*.

Respondent was represented by attorney Jeffrey P. Gray, Bailey & Dixon, LLP, P.O. Box 1351, Raleigh, North Carolina 27602.

**ISSUE**

Whether suspension of Petitioner's license and assessment of a civil penalty should be upheld based on failure to register probationary employees, failure to train and register unarmed guards, allowing employees to engage in a private protective service without a valid registration, failure to reasonably cooperate with a Board investigation, engaging in conduct constituting dereliction of duty or otherwise deceiving, defrauding, or harming the public, failure to train and register armed guards, failure to maintain records, and failure to report a criminal charge in Dekalb County, Georgia.

**APPLICABLE STATUTES AND RULES**

Official notice is taken of the following statutes and rules applicable to this case: N.C.G.S. § 74C-11(a); N.C.G.S. § 74C-12(a)(6), (29), & (31); N.C.G.S. § 74C-13(a); 14B NCAC 16 .0108(b); 14B NCAC 16 .0110(a).

**FINDINGS OF FACT**

1. Respondent Board is established pursuant to N.C. Gen. Stat. §74C-1, *et seq.*, and is charged with the duty of licensing and registering individuals engaged in the armed and

unarmed security guard and patrol business.

2. Petitioners are licensed by the Respondent Board as a Security Guard and Patrol business and have been licensed since March 23, 2018. Hector Alexander Falu is the owner and Qualifying Agent for The Falu Corporation.

3. Following a complaint investigation and an appearance before the Board's Grievance Committee on May 14, 2025, the full Board found Petitioners in violation as set forth in the Issue above, and revoked its license and ordered it to pay a civil penalty in the amount of \$14,000.00 were it to reapply for licensure.

4. Petitioners requested a contested case hearing.

5. By Notice of Hearing dated August 1, 2025, and mailed via certified mail, Respondent advised Petitioners that a hearing on the denial of its Security Guard and Patrol business license would be held at the Office of Administrative Hearings, 1711 New Hope Church Road, Raleigh, North Carolina 27609 on August 25, 2025. Petitioner appeared at the hearing.

6. A former employee of Petitioners, Billy Eldridge, filed a complaint with Respondent Board alleging, among other things, a failure to register armed and unarmed guards, including the complainant. An investigator was assigned to investigate the allegations and audit payroll and registration records required to be submitted to the State, maintained by the licensee, and produced upon request by the Board.

7. To conduct a registration audit, the Board requests the licensee's North Carolina Employment Security Commission Quarterly Tax and Wage Report, Form 1099 reports, and payroll reports, then compares the employees listed to the roster of guards registered with the Board for the company. Pursuant to 14B NCAC 16 .0108(b), the licensee is required to provide these documents upon request. Once an initial comparison is made, the investigator-auditor engages the company's Qualifying Agent to determine the status of each employee.

8. On January 9, 2025, Petitioner Falu was sent a letter requesting the required records and was advised that Investigator Danial Cheatham had been assigned to this complaint. Petitioner Falu did not respond by the deadline.

9. In an e-mail response message to Investigator Cheatham, Petitioner Falu stated, "I didn't have any employees long enough to register them."

10. A licensed security guard and patrol company can employ an unarmed guard as a "probationary employee" pursuant to N.C. Gen. Stat. § 74C-11(a) for a period of 20 days without having to register the guard, however, the licensee must submit a list of its probationary employees to the Board's Director on a monthly basis.

11. The Board has no record of any probationary employees of Petitioners.

12. When asked by Investigator Cheatham for payroll records for these short-term

employees, he was told there was no “payroll log” for these employees. After a follow-up request, Petitioner Falu provided the names, date of employment, and contracted location of the guards. By his own admission, Petitioner reported that, between January 2024 and December 2024, 14 guards should have been reported to Respondent as being on a probationary roster. Also, Petitioner Falu, a resident of Atlanta, GA, claimed to have personally worked as a security guard in Asheville, Charlotte, and Chapel Hill, North Carolina.

13. During a personal interview by Investigator Cheatham, Petitioner Falu admitted that he never completed and submitted a probationary roster as required.

14. As part of his investigation, Investigator Cheatham determined there were at least four more locations in North Carolina -- two in Asheville, one in Durham, and one in Raleigh -- where Petitioner had contracts and provided security guards, both armed and unarmed, and determined the names of three additional persons who had been employed as guards in North Carolina.

15. A fifth location was an August 2024 contract for a rehabilitation center in Franklin, North Carolina where Petitioners hired and intended to provide armed guards, including the complainant, Billy Eldridge. A dispute arose and only Mr. Eldridge provided security guard services, but with a BB gun in a holster to appear armed. Mr. Eldridge testified he had never been registered.

16. Petitioner Falu as Qualifying Agent and owner of company, The Falu Corporation, has never provided the required records that would have allowed Investigator Cheatham to determine the number of unarmed or armed guards employed by Petitioners. Investigator Cheatham’s estimate is 17.

17. Petitioner Falu testified on behalf of Petitioners. He presented no evidence to explain why he failed to register guards, except a claim that he was not aware of the probationary roster requirement. He admitted in some instances he “didn’t have time to register them.” In another instance, he used the term “hired” when referring to the guards, then corrected himself saying, “facilitate guards.”

18. This Tribunal finds Petitioner Falu to be an incredible witness.

19. During the course of his investigation, Investigator Cheatham discovered an unreported criminal charge in the State of Georgia. After reviewing the record of this charge, and hearing Petitioner Falu’s explanation, this Tribunal finds there is a lack of evidence to support a violation of 14B NCAC 16 .0110(a), “Reporting Requirements.”

20. Petitioner Falu testified that he was unaware of the incident where Mr. Eldridge carried a BB gun so as to appear to be an armed guard pursuant to the contract with the rehabilitation center, and this Tribunal finds there is insufficient evidence to support a violation of N.C. Gen. Stat. § 74C-12(a)(31) for deceiving or defrauding the public.

21. Petitioner Falu personally appeared before the Respondent Board’s Grievance

Committee and was allowed to explain why the various violations were unfounded.

22. Petitioners have been disciplined on three occasions over the previous four years for substantially similar conduct: failing to register guards and failing to provide records, including Employment Security Commission reports, and have been allowed to enter a Consent Agreement and assessed a civil penalty each time. The Board's attempts to encourage compliance have not been successful.

### CONCLUSIONS OF LAW

1. Respondent Board presented evidence that Petitioners had failed to register probationary employees, failed to train and register unarmed guards, allowed employees to engage in a private protective service without a valid registration, failed to reasonably cooperate with a Board investigation, failed to train and register armed guards, and failed to maintain records. Petitioners refuted Respondent's claim that it engaged in conduct deceiving or defrauding the public and that Petitioner Falu failed to report a criminal charge.

2. Under N.C. Gen. Stat. § 74C-11, entitled, "Probationary employees and registration of regular employees; unarmed security guard required to have registration card," Respondent Board may suspend or revoke a license, or assess a civil penalty, if the licensee fails to register unarmed guards. By Mr. Falu's own admission, he provided Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Mr. Falu's failure to produce adequate documentation. Mr. Falu failed to mention three additional guards which were Mr. Eldridge and his girlfriend Kayla Randolph, and a Timothy McMillan, for a total of 17 unregistered armed or unarmed guards.

3. Under N.C. Gen. Stat § 74C-12(a)(6), Respondent Board may suspend or revoke a license, or assess a civil penalty, if a licensee is engaged in or knowingly permitted any employee to engage in a private protective services profession when not lawfully in possession of a valid license or registration issued under this Chapter. Petitioner Falu allowed numerous, possibly as many as 17 or more, unarmed and armed guards to work for him.

4. Under N.C. Gen. Stat § 74C-12(a)(29), Respondent Board may suspend or revoke a license, or assess a civil penalty, if a licensee fails or refuses to reasonably cooperate with the Board or its agents during an investigation of any complaint, allegation, suspicion of wrongdoing, or violation of this Chapter. Petitioner Falu knowingly failed to disclose information requested by Investigator Cheatham and required to be maintained and produced upon request.

5. Under N.C. Gen. Stat § 74C-13(a), entitled "Armed licensee or registered employee required to have firearm registration permit; firearms training," Respondent Board may suspend or revoke a license, or assess a civil penalty.

(a) It shall be unlawful for any person performing private protective services duties to carry a firearm in the performance of those duties without first having met the qualifications of this section and having been issued a firearm registration permit by the Board.

By Petitioner Falu's own admission, he provided Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Petitioner Falu's failure to produce adequate documentation. Petitioner Falu failed to include at least three additional guards which were Mr. Eldridge and his girlfriend Kayla Randolph, and a Timothy McMillan, for a total of 17 unregistered armed or unarmed guards.

6. Under 14B NCAC 16 .0108, entitled, "Records", Respondent Board may suspend or revoke a license, or assess a civil penalty.

(a) All records for an audit or an investigation required to be maintained by G.S. 74C or this Chapter shall be subject to inspection by the Director or the Director's designee between 8:00 a.m. - 5:00 p.m. Monday through Friday. Petitioner Falu failed to produce records after multiple requests by Investigator Cheatham.

(b) Upon written request from the Director or the Director's designee, any licensee having registered employees shall submit a copy of its quarterly Division of Employment Security reports within 10 days of the request. Petitioner Falu failed to produce records within 10 days of a letter requesting same.

Based on the foregoing, the undersigned makes the following:

#### **PROPOSED FINAL DECISION**

Based upon the foregoing Findings of Fact and Conclusions of Law, the undersigned hereby recommends that the suspension of Petitioner's license and assessment of a civil penalty be upheld.

#### **NOTICE AND ORDER**

The North Carolina Private Protective Services Board will make the Final Agency Decision in this contested case. As the Final Decision maker, that agency is required to give each party an opportunity to file exceptions to this proposal for decision, to submit proposed findings of fact, and to present oral and written arguments to the agency pursuant to N.C. Gen. Stat. § 150B-40(e).

The undersigned hereby orders that agency serve a copy of its Final Decision in this case on the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, N.C. 27699-6714.

**SO ORDERED**, the 7th day of November, 2025.



Lawrence R. Duke  
Administrative Law Judge


**CERTIFICATE OF SERVICE**

The undersigned certifies that, on the date shown below, the Office of Administrative Hearings sent the foregoing document to the persons named below at the addresses shown below, by electronic service as defined in 26 N.C. Admin. Code 03 .0501(4), or by placing a copy thereof, enclosed in a wrapper addressed to the person to be served, into the custody of the North Carolina Mail Service Center which will subsequently place the foregoing document into an official depository of the United States Postal Service.

Hector Alexander Falu  
The Falu Corporation  
1100 Peachtree St NE, Suite 200  
Atlanta GA 30309  
Petitioner

Jeffrey P Gray  
Bailey & Dixon, LLP  
jgray@bdixon.com  
Attorney For Respondent

This the 7th day of November, 2025.



Daniel Chunko  
Law Clerk  
N. C. Office of Administrative Hearings  
1711 New Hope Church Road  
Raleigh, NC 27609-6285  
Phone: 984-236-1850

*State of North Carolina  
Office of Administrative Hearings  
Certification of Official Record*

*I hereby certify that the attached electronic device contains a true and accurate copy of the Official Record, as required by N.C.G.S. § 150B-37, of the proceedings in the Office of Administrative Hearings case (s):*

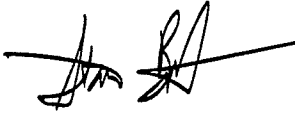
***25 DOJ 02815, "Hector Alexander Falu; and The Falu Corporation, Petitioner v. NC Private Protective Services Board, Respondent."***

*The original of which is filed in the Office of Administrative Hearings in conformance with Chapter 150B of the General Statutes of the State of North Carolina.*



*In witness whereof, I authorize this certification and affix the official seal of the North Carolina Office of Administrative Hearings at Raleigh, This the 7th day of November, 2025.*

*Melissa Owens Lassiter  
Chief Administrative Law Judge, Director*

By:   
*Starr L. Battle, JD  
Deputy Clerk*

25DOJ02815

Hector Alexander Falu; and The Falu Corporation

v.

NC Private Protective Services Board

DOCKET NO. 25DOJ02815  
Hector Alexander Falu; and The Falu Corporation  
vs  
NC Private Protective Services Board

Notice of Hearing (ASLB, PPSB) Filed Aug 1, 2025.....	3
Respondent's Exhibit 1 - Notice of Grievance Committee Meeting Filed Aug 26, 2025.....	6
Respondent's Exhibit 2 - Final Investigative Report Filed Aug 26, 2025.....	7
Respondent's Exhibit 3 - Letter to Falu re Audit Filed Aug 26, 2025.....	17
Respondent's Exhibit 4 - Case Information Filed Aug 26, 2025.....	18
Respondent's Exhibit 5 - Sign In & Out Timesheet Filed Aug 26, 2025.....	21
Respondent's Exhibit 6 - Board Findings Filed Aug 26, 2025.....	22
Post Hearing Order Filed Aug 28, 2025.....	23
Proposed Decision Filed Sep 25, 2025.....	25
Proposal for Decision Filed Nov 7, 2025.....	34
Certification For Official Record (150B-37) Filed Nov 7, 2025.....	40

STATE OF NORTH CAROLINA

BEFORE THE NORTH CAROLINA  
PRIVATE PROTECTIVE SERVICES BOARD  
25 DOJ \_\_\_\_\_

COUNTY OF WAKE

HECTOR ALEXANDER FALU; and )  
THE FALU CORPORATION )

Petitioners, )

v. )

**NOTICE OF HEARING**

N. C. PRIVATE PROTECTIVE )  
SERVICES BOARD, )

Respondent. )

FOR: Hector Alexander Falu  
The Falu Corporation  
1100 Peachtree Street NE, Ste. 200  
Atlanta, GA 30309

DATE: Tuesday, August 26, 2025

TIME: 2:00 p.m.

PLACE: Office of Administrative Hearings  
1711 New Hope Church Road  
Raleigh, NC 27609

RE: Assessment of civil penalty and revocation of Security Guard and Patrol license.  
The civil penalty and revocation were for the following reasons:

Failure to register probationary employees, failure to train and register unarmed guards, allowing employees to engage in a private protective service without a valid registration, failure to reasonably cooperate with a Board investigation, engaging in conduct constituting dereliction of duty or otherwise deceiving, defrauding, or harming the public, failure to train and register armed guards, failure to maintain records, and failure to report a criminal charge in Dekalb County, Georgia.

STATUTES: N.C.G.S. § 74C-11(a); N.C.G.S § 74C-12(a)(6), (29), & (31); N.C.G.S § 74C-13(b); 14B NCAC 16 .0108(b); 14B NCAC 16 .0110(a)

ADMINISTRATIVE  
LAW JUDGE: Honorable Lawrence Duke

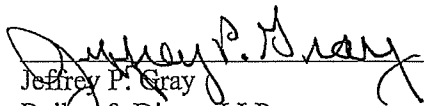
An administrative hearing has been scheduled by the N.C. Private Protective Services Board to examine formally the allegations specified above. This hearing will be held before the Office of Administrative Hearings for the Private Protective Services Board and will be conducted in accordance with the Administrative Procedures Act, North Carolina General Statute 150B.

This proceeding is a contested case hearing and will give you the opportunity to present evidence and cross-examine witnesses. The Board will be represented by Jeffrey P. Gray, Attorney at Law, Bailey & Dixon, LLP, P.O. Box 1351, Raleigh, North Carolina 27602, (919) 828-0731.

**Please direct all correspondence to the Office of Administrative Hearings, 1711 New Hope Church Road, Raleigh, NC 27609, (919) 431-3000.**

This the 1<sup>st</sup> day of August 2025.

Private Protective Services Board  
Paul Sherwin, Director

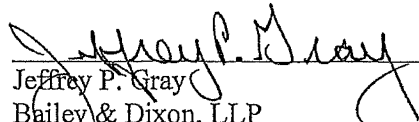
  
Jeffrey P. Gray  
Bailey & Dixon, LLP  
P.O. Box 1351  
Raleigh, North Carolina 27602  
(919) 828-0731 – telephone  
(919) 828-6592 – facsimile

CERTIFICATE OF SERVICE

I, Jeffrey P. Gray, hereby certify that I have served a copy of the foregoing NOTICE OF HEARING by depositing a copy with the United States Postal Service, CERTIFIED MAIL/RETURN RECEIPT REQUESTED and addressed to the following:

Hector Alexander Falu  
The Falu Corporation  
1100 Peachtree Street NE, Ste. 200  
Atlanta, GA 30309

This the 1<sup>st</sup> day of August 2025.

  
\_\_\_\_\_  
Jeffrey P. Gray  
Bailey & Dixon, LLP  
P.O. Box 1351  
Raleigh, North Carolina 27602  
(919) 828-0731 – telephone  
(919) 828-6592 – facsimile

cc: Paul Sherwin,  
Director



**NORTH CAROLINA  
PRIVATE PROTECTIVE SERVICES BOARD**  
3101 Industrial Drive • Suite 104  
Raleigh, North Carolina 27609  
Phone : (919) 788-5320 • Fax: (919) 788-5365  
E-Mail: [PPSASL@ncdps.gov](mailto:PPSASL@ncdps.gov)  
Web Page: [www.ncdps.gov/PPS](http://www.ncdps.gov/PPS)



**COMPLAINT FROM**  
Billy Eldridge

01/17/2025

**CASE NUMBER**  
2025-PPS-004

**COMPLAINT AGAINST**

Hector Alexander Falu  
The Falu Corporation d/b/a Falu Security  
1100 Peachtree Street NE Suite 200  
Atlanta, GA 30309

**NOTICE OF  
GRIEVANCE COMMITTEE MEETING**

**DATE:** Wednesday, May 14, 2025  
**TIME:** 9:00 AM  
**PLACE:** Hampton Inn & Suites, 3920 Arrow Drive, Raleigh, NC 27612  
919-881-7080  
**RE:** Attached Complaint  
**STATUTE/RULE:** Possible violation of NCGS 74C-2, 14B NCAC 16 .0108(b)

This matter has been scheduled before the Grievance Committee of the Private Protective Services Board to examine the allegations specified in the attached complaint.

This proceeding is an informal hearing without sworn testimony or cross-examining witnesses. The purpose is to determine if there is probable cause that the alleged violation occurred and the identity(s) of the responsible parties. If a violation is found, the Grievance Committee may recommend that administrative action be taken against you and/or your company, which may include a recommendation of suspension or revocation of your license.

This matter is assigned to investigator Daniel Cheatham. To assist the investigator, all parties are asked to prepare a narrative statement, completely detailing the event and forward it by mail or in person to the assigned investigator. Please note the case number and the parties named above. The investigator can be contacted at 828-330-4278, if you have questions or want further information.

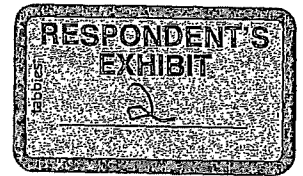
Sincerely,

A handwritten signature in black ink, appearing to read "Paul Sherwin".

Paul Sherwin  
Director

Cc: Billy Eldridge  
Hector Alexander Falu





FINAL INVESTIGATIVE REPORT

FILE NUMBER:

2025-PPS-004

TO: Private Protective Services Board

FROM: Investigator Daniel Cheatham

RE:

COMPLAINT FILED AGAINST:

Hector Falu  
Falu Security  
1100 Peachtree Street  
NE  
Suite 200  
Atlanta, GA 30309

COMPLAINT FILED BY:

Billy Eldridge  
412 Mallard Head Ln  
Mooresville NC 28117

## SUMMARY

### SUMMARY:

On or about January 5, 2025 Billy Eldridge filed an online complaint against Hector Falu. Mr. Falu is the Qualifying Agent of Falu Corporation, a NC licensed security guard and patrol company. Mr. Eldridge is a former security guard employee of the Falu Corporation and wrote the following statement - verbatim:

*"I am the project manager at Falu Corporation or known as Falu Security until I receive a separation notice and for the last four years, I hold two briefcases of work orders anywhere from unarmed to executive protection and armed security coverages that I personally carried out or was advised to hire anyone no matter whether credentials have ever been intact, this man has destroyed a lot of people the clients were unaware of convicted felons protecting their property up to and including transportation of Zelle, diamonds and armed bank security, I carried these details out as a convicted felon and a sex offender at that, however, I grew his business and he was well aware of my*

background and due to my previous work in corrections and sheriff's departments prior to my conviction 15 years ago this man communicated with me daily for years and would have me hire non credentialed individuals to carry out these assignments and when it was time to pay these individuals, he instructed me to let them go. They never receive pay and I would replace them. This man has caused me many problems up to and including arrest while trying to do this job I have lost \$20,000 in legal fees and no payment of wages owed. Most recently he sent me to a nursing facility with 24 seven-armed coverage by myself I worked strenuous hours and repeatedly asked for assistance and advised him. I did not need to be there, but he pressured me to stay and ultimately lost the contract due to him hiring a smarter individual than me which took it from him so I got blamed and none of those hours was paid not counting a lot of other hours that's not been paid. Hector has no ethics, morals, or honor when it comes to his personnel or the client, not only does he not have those, but he is out here every day, committing official misconduct, and putting the clients and personnel at risk of possible injury. As I said, I have two briefcases with substantial proof of work, orders and personnel and nonpayment's to show cause why he or anyone else of his standard should never hold any licenses when it comes to PPSB in any state. They are way too many documents for me to upload. I will attach photos of said documents as a batch."

The following violations were found during the course of the investigation:

**14B NCAC 16 .0108 RECORDS**

(a) All records for an audit or an investigation required to be maintained by G.S. 74C or this Chapter shall be subject to inspection by the Director or the Director's designee between 8:00 a.m. - 5:00 p.m. Monday through Friday. **Mr. Falu failed to produce records after multiple requests by Investigator Cheatham.**

(b) Upon written request from the Director or the Director's designee, any licensee having registered employees shall submit a copy of its quarterly Division of Employment Security reports within 10 days of the request.

**Mr. Falu failed to produce records within 10 days, upon receipt of Supervisor Odom's letter**

74C-13: Armed licensee or registered employee required to have firearm registration permit, firearms training. (a) It shall be unlawful for any person performing private protective services duties to carry a firearm in the performance of those duties without first having met the qualifications of this section and having been issued a firearm registration permit by the Board. 74C-11. Probationary employees and registration of regular employees; unarmed security guard required to have registration card.

**By Mr. Falu's own admission, he provided Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Mr. Falu's failure to produce adequate documentation. Mr. Falu failed to mention three additional guards which were Mr. Eldridge and his girlfriend Kayla, Mr. McMillian ; for a total of 17 unregistered armed or unarmed guards.**

**74C-12 (a)**

(31) Engaged in conduct constituting dereliction of duty or otherwise deceived, defrauded, or harmed the public in the course of professional activities or services.

**Mr. Falu utilized a convicted felon and registered sex offender as an unregistered guard. He defrauded clients by charging them for armed services by utilizing a guard with a BB gun decoyed as a firearm.**

**74C-12 (6)**

Engaged in or knowingly permitted any employee to engage in a private protective services profession when not lawfully in possession of a valid license or registration issued under this Chapter.

**74C-12 (29)**

Failed or refused to reasonably cooperate with the Board or its agents during an investigation of any complaint, allegation, suspicion of wrongdoing, or violation of this Chapter.

**Mr. Falu knowingly failed to disclose information requested by Investigator Cheatham.**

14B NCAC 16.0110 (a)

**REPORTING REQUIREMENTS**

(a) If any registrant, trainee, certificate holder, employee, subcontractor, or any other person providing private protective services on behalf of a licensee is charged with any criminal offense that would constitute grounds to deny, suspend, or revoke a permit, registration or certificate under this Chapter, the licensee shall report the criminal charge to the Board either in person or by telephone no later than the first business day following knowledge of the charge. The licensee shall provide a copy of the charging document and a written explanation to the Board within five business days.

**Mr. Falu failed to disclose a criminal charge he received: Fraud Deposit Account \$1,500.00 or more. File date: 08/19/2024 Case Number 24B00006**

Dekalb County, Georgia 16-9-20 (b) (3)

**NARRATIVE**

**Hector Alexander Falu 1996-GP License Expired 02/28/2025**

Investigator Cheatham interviewed Mr. Eldridge numerous times, collecting additional information from him. Mr. Eldridge had an abundance of documents and other items that revealed a substantial amount of utilization of both armed and unarmed guards that were not registered by Mr. Falu.

**As an example:**

Mr. Eldridge, himself, self-reported that he worked both armed and unarmed details for Mr. Falu. Among these sites were locations in Asheville, Lincolnton, and Franklin, North Carolina. Mr. Eldridge is a three-time convicted felon and a registered sex offender. He stated that Mr. Falu was well aware of his felony convictions. Mr. Eldridge detailed that he would routinely carry a BB gun that greatly resembled a real firearm to satisfy the client's request for an armed officer. Mr. Eldridge reported that Mr. Falu was aware of this and approved Mr. Eldridge being armed with the BB gun. Investigator Cheatham substantiated this by interviewing two separate licensed security guard company owners who witnessed Mr. Eldridge carrying the firearm. Mr. Falu would have known that Mr. Eldridge would not be eligible to become registered as a guard with the Private Protective Services Board due to his criminal record. Mr. Eldridge stated that he was a Manager for Falu Corporation in several states, including North Carolina. Mr. Eldridge has a magnitude of payroll records, scheduling, clients' information, and other documentation that clearly shows that, for a period of time, Mr. Falu treated him as a site manager and designated Mr. Eldridge as a Falu Supervisor dating back to 2022.

Mr. Eldridge provided Investigator Cheatham with some names of other unregistered guards that Mr. Falu employed to work in North Carolina. Among these names was Timothy McMillan. Mr. Eldridge provided Investigator Cheatham with Mr. McMillan's cell phone number. Investigator Cheatham had numerous conversations with Mr. McMillan. He detailed that he worked in Asheville during the aftermath of Hurricane Helene. Mr. McMillan detailed that he was assigned to patrol an apartment complex unarmed in the days after the hurricane. Mr. McMillan stated that he was unaware that he was required to be trained and registered with the Private Protective Services Board. Mr. McMillan further stated that Mr. Falu classified him as a subcontractor and failed to pay him for several days that he had worked. Mr. Eldridge stated that his girlfriend, Kayla, worked numerous security details for Mr. Falu, as well.

Mr. Eldridge provided Investigator Cheatham with video footage that he had obtained as a supervisor for the Falu Corporation. The video footage clearly shows a female guard in the break room of a manufacturing plant in Catawba County that was under a security

contract with the Falu Corporation, according to Mr. Eldridge. The video footage captured by a surveillance camera in the breakroom showed that the female guard dropped her sidearm and it slid across the breakroom in the presence of several plant workers on their break. The female guard was observed casually walking to the firearm and picking it up. Mr. Eldridge detailed numerous other accounts in North Carolina that held security contracts with the Falu Corporation. Among these were a nursing home, sweepstakes gambling locations, sporting goods stores, and security escorts for a jewelry store. Investigator Cheatham performed a query with Permitium and discovered that Mr. Falu does not have any registration history of armed or unarmed guards. On or about January 6, 2025 Investigator Cheatham contacted Mr. Falu, via telephone. During this call, he was notified that a complaint had been filed against him and that Inv. Cheatham was requesting payroll records for January through December of 2024 for a registration audit. Mr. Falu did not act with any sense of urgency or display any concern regarding the complaint of unregistered guards. Investigator Cheatham also instructed Mr. Falu to produce contracts and / or name the locations of each security detail location where the Falu Corporation performed security services in North Carolina for all of 2024. On January 8, 2025 Investigator Cheatham emailed Mr. Falu instructing him to produce payroll records and security details performed from January 1 through December 31, 2024. Below is the audit letter sent to Mr. Falu by Field Services Supervisor Kim Odom:

January 9, 2025

Hector Falu The Falu Corporation

1100 Peachtree Street NE, Ste. 200 Atlanta, GA 30309

Dear Mr. Falu, your company has been selected for a registration compliance audit for the period of January 1, 2024, through December 31, 2024. Investigator Daniel Cheatham has been assigned this audit. In accordance with 14B NCAC 16. 0108(b), please provide copies of your company's North Carolina Employment Security Commission Quarterly Tax and Wage Reports and any other report, 1099, payroll reports, etc., in which compensation has been paid for the periods of January 1, 2024, through December 31, 2024. You can access your company's Tax and Wage Reports here: <https://www.des.nc.gov/employers/file-adjust-or-review-quarterly-tax-wage-report>. This information shall be delivered to Investigator Cheatham at [Daniel.cheatham@ncdps.gov](mailto:Daniel.cheatham@ncdps.gov) within ten working days of receipt of this notification. Once the audit has been completed, Investigator Cheatham will contact you and review the findings of the audit, and a report of the findings will be made to the Private Protective Services Board.

Respectfully, Kim Odom, Field Services Supervisor

Investigator Cheatham verified that Mr. Falu received the official notice for payroll records sent to him by PPS Supervisor Kim Odom. Mr. Falu provided Investigator Cheatham with the below email in response:

**FALU Email:**

Yes I received them. I didn't have any employees long enough to register them. I conduct the work myself in North Carolina. A whole lot of temp jobs, side gigs. No long-term contracts. The employee that I terminated did a lot of work in South Carolina and Tennessee., Which is why I didn't register him in North Carolina. I have several emails and text messages from him stating that if I didn't hire him back, he would go and report me. I consider that an act of extortion. Just let me know how to proceed.

Sincerely,

Hector Falu Muhammad

**Cheatham:**

Let's first address the guards that didn't work "long enough to register." Did you submit a Probationary Roster with their names? Do you have payroll records for these short-term

employees? I would like for you to produce the locations and dates of these "temps, short term gigs". If this is simply a disgruntled employee, then we can probably move past it. However, I am under obligation to investigate it so I'm sure you understand. Also, you are welcome to forward those emails and texts messages from that employee to me, which may help your claim of this being "extortion" as you stated.

**Falu:**

These were one day, one-time gigs. I do have a payroll log. I have saved all of the messages. He is continuing to message me despite my blocking him.  
Sent from my iPhone

**Cheatham:**

On Fri, Jan 10, 2025 at 9:59 PM Cheatham, Daniel S <daniel.cheatham@ncdps.gov (mailto:daniel.cheatham@ncdps.gov)> wrote:

Mr. Falu

Please see attached Audit Letter.

I am also once again asking you to provide me with the names and contact information of every armed and unarmed guard that you employed in North Carolina in 2024. The length of time that they were employed from one hour, to all year, makes no difference. I am also requesting you to disclose past and current sites where you have provided security services in North Carolina for 2024.

Mr. Falu provided the below email with the names of security guard details and the guards who worked the details:

**Falu:**

1) Exhibition Hub Raleigh, NC January 3rd through 10th, 2024  
Precious Kirpatrick (972) 333-2656/(980) 266-7984  
Worked 8 hours

2) US Open, Pinehurst, NC 04/02 through 04/08/2024  
-Cala Clark (910) 610-8588 worked 32 hours  
- Douglas Ross (910) 986-7081 worked 24 hours

3) Capstone Races  
January 30, 2024 &

April 17th From 6am -9am at Southern Village ( 400 Market Street, Chapel Hill) Thursday April  
18th From 6pm- 9am at Southern Village Friday- April 19th From 8:30pm -4:30am UNC-Kenan  
Stadium  
I covered this myself.

4) Karen Brennan, Jeweler, Jewelry Escorts  
Asheville Mall, Asheville, NC  
07/15/2024  
08/16/2024  
09/26/2024  
10/14/2024  
I covered these myself

5) Copa America, Charlotte, North Carolina

July 7th, 2024

Christopher Brown 12 hours  
Darrell Addison 12 hours  
Dillon Meyers 12 hours

6) Academy Sports, Selma, North Carolina  
August 26th, 2024 through September 3rd, 2024

Stephanie Rhue 16 hours  
Montaray Self 16 hours  
Ramaiyah Montague 16 hours  
Raque Hinton 16 hours  
Tryzna Huffin 32 hours

7) The Revelry, Charlotte, North Carolina  
November 4, 2024

Kristian McCray 12 hours  
Shamarcus Butler 6 hours  
Montio Leach 6 hours  
Charles Wilson 6 hours  
Tyrone Bookert 6 hours

8) Redwood Properties, Charlotte, North Carolina  
November 19th through November 24th, 2024  
Amatallah Jackson (678) 787-1364 20 hours  
Worked the other hours myself

9) HD Supply, Charlotte, NC  
12/14/2024 through 12/15/2024  
12/21/2024 through 12/2024  
Worked this myself

The above are clients who still have me contracted for future events, just no set schedule is set. These are on an on-call basis that I respond to. I have several jewelry runs scheduled for this month and next month.

*Upon receiving this information from Mr. Falu, Investigator Cheatham determined that none of the named guards were ever registered with the Falu Corporation. At this point, Investigator Cheatham had made several attempts for Mr. Falu to make himself available for an in-person interview. After numerous requests, the following is an email exchange between Mr. Falu and Investigator Cheatham regarding the interview.*

**Cheatham:**

*Mr. Falu, I have not received your reply regarding my request for you to appear for an in-person interview. My office is in Hickory, and I have Tuesday the 28th or Wednesday the 29th (next week) available preferably in the morning. The address is listed below.*

**Falu:**

*I am very confused as to why when I terminate someone, the board comes running to their rescue. This terminated employee was sleeping with a married supervisor in my company causing a serious issue with her husband and myself. Received pay for 7 different posts which he wasn't present at all, along with other matters. But sure I will take time out of my schedule to meet with you and lose more money. Either one of those days works for me.*

*Finally, on February 4, 2025, Mr. Falu appeared in person for an interview at the Western District State Bureau of Investigation Complex. During this interview, Mr. Falu stated that he has never utilized a Probationary Roster. During the interview, Mr. Falu was asked if the names of the guards and the site locations that he provided in his email days before were the totality of 2024. Mr. Falu stated yes. He was adamant with that answer. When Investigator Cheatham confronted him with additional names and locations that had been provided by Mr. Eldridge and others, Mr. Falu agreed that these additional names and*

locations were correct. Mr. Falu was specifically asked about employing Mr. McMillan in Asheville after Hurricane Helene. He confirmed that he did employ Mr. McMillan. Investigator Cheatham told Mr. Falu that Mr. McMillan had stated that he was owed money. Mr. Falu stated that he would look into it. Mr. Falu offered no explanation for omitting the other guards and locations. It became apparent to Investigator Cheatham that Mr. Falu was being dishonest and was not going to disclose any further information. The interview concluded.

Some of the locations not disclosed to Investigator Cheatham by Mr. Falu:

Asheville Eastwood Apartments

Asheville Highline N. Apartments

Durham Jackpot

Raleigh Total Purple Chair Vape Shop

To date, Mr. Falu has failed to produce a single payroll record or cooperate with the audit as required by 14B NCAC 16.0108. Without proper records and Mr. Falu's complete transparency, there is no path to creating an accurate Consent Agreement for registration violations.

Investigator Cheatham strongly believes that Mr. Falu's pattern of reckless business practices in the security industry poses significant risk to the citizens in North Carolina.

#### **CURRENT VIOLATIONS:**

##### **14B NCAC 16 .0108 RECORDS**

(a) All records for an audit or an investigation required to be maintained by G.S. 74C or this Chapter shall be subject to inspection by the Director or the Director's designee between 8:00 a.m. - 5:00 p.m. Monday through Friday. (Mr. Falu failed to produce records after multiple requests by Investigator Cheatham).

(b) Upon written request from the Director or the Director's designee, any licensee having registered employees shall submit a copy of its quarterly Division of Employment Security reports within 10 days of the request.

(Mr. Falu failed to produce records within 10 days, upon receipt of Supervisor Odom's letter)

##### **74C-13**

Armed licensee or registered employee required to have firearm registration permit, firearms training. (a) It shall be unlawful for any person performing private protective services duties to carry a firearm in the performance of those duties without first having met the qualifications of this section and having been issued a firearm registration permit by the Board.

By Mr. Falu's own admission, he provided Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Mr. Falu's failure to produce adequate documentation. Mr. Falu failed to mention three additional guards which were Mr. Eldridge and his girlfriend Kayla, Mr. McMillian ; for a total of 17 unregistered armed or unarmed guards.

##### **74C-11.**

Probationary employees and registration of regular employees; unarmed security guard required to have registration card. By Mr. Falu's own admission, he provided Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Mr. Falu's failure to produce adequate documentation. Mr. Falu failed to mention three additional guards which were Mr. Eldridge and his girlfriend Kayla, Mr. McMillian; for a total of 17 unregistered armed or unarmed guards.

**74C-12 (a)**

*(31) Engaged in conduct constituting dereliction of duty or otherwise deceived, defrauded, or harmed the public in the course of professional activities or services.*

*(Mr. Falu utilized a convicted felon and registered sex offender as an unregistered guard. He defrauded clients by charging them for armed services by utilizing a guard with a BB gun decoyed as a firearm).*

**74C-12 (6)**

*Engaged in or knowingly permitted any employee to engage in a private protective services profession when not lawfully in possession of a valid license or registration issued under this Chapter.*

**74C-12 (29)**

*Failed or refused to reasonably cooperate with the Board or its agents during an investigation of any complaint, allegation, suspicion of wrongdoing, or violation of this Chapter.*

*Mr. Falu knowingly failed to disclose information requested by Investigator Cheatham.*

**14B NCAC 16 .0110 (a)**

**REPORTING REQUIREMENTS**

*(a) If any registrant, trainee, certificate holder, employee, subcontractor, or any other person providing private protective services on behalf of a licensee is charged with any criminal offense that would constitute grounds to deny, suspend, or revoke a permit, registration or certificate under this Chapter, the licensee shall report the criminal charge to the Board either in person or by telephone no later than the first business day following knowledge of the charge. The licensee shall provide a copy of the charging document and a written explanation to the Board within five business days.*

*Fraud Deposit Account \$1,500.00 or more. File date: 08/19/2024 Case Number 24B00006*

*Dekalb County, Georgia 16-9-20 (b) (3)*

*Email exchanges between Investigator Cheatham and Mr. Falu pertaining to this charge:*

*Investigator Cheatham:*

*"Were you charged in Georgia with any crimes in 2024? If yes, please explain in detail to include the disposition(s). If the answer is no, simply respond that you were not charged with any crime(s)."*

*Falu:*

*Never, ever charged.*

*Cheatham:*

*The reason I am asking is, Dekalb County Clerk of Court has a criminal case for Fraud / Deposit to Account, dated 08/19/2024, It has your full name and matching date of birth. I am just making sure, this is not you? Also, are you planning to renew your NC Security Guard and Patrol License, it expired in February?*

*Falu:*

*That case was dismissed by the Judge. I was never charged with anything. Just someone trying to get money out of me. Don't see what relevance it has to this situation. Yes I am*

planning to renew.

*\*Investigator Cheatham notes that for a case to be dismissed, there would have first, been a charge. Additionally, The Dekalb County Clerk of Courts website clearly records a felony charge with a case number.*

The following procedures were used in order to conduct a special review of these allegations:

## PREVIOUS COMPLAINTS

### **VIOLATION HISTORY:**

*Mr. Falu has a concerning history of failing to register both armed and unarmed guards with the Private Protective Services Board:*

*2020-PPS-113 Mr. Falu was found in violation for not registering armed and unarmed guards. He entered into a consent agreement for \$918. Investigator Lee Kelly performed this investigation and his 2020 report details Mr. Falu as being less than fully cooperative and questionable truthfulness.*

*In 2021, complaint 2021-PPS-032 was initiated. The results were as follows:*

*At the April 2021 Private Protective Services Board meeting, the Board directed the staff to conduct a follow up registration compliance audit on The Falu Corporation, for the period of July 1, 2020 through March 31, 2021. The Board's ruling was: "Suspend the license of Mr. Hector Falu and Falu Security withholding suspension under condition (1) he enters into and pay a consent in the amount of \$1,285.20 for registration violations, (2) he produces ESC report by May 15, 2021, that is to the Directors satisfaction, and (3) Staff is to conduct a follow-up audit for last two quarters of 2020 and first quarter of 2021. If the conditions (1) and (2) are not met by May 15, 2021, the Director is to suspend the Security Guard & Patrol license held by Mr. Falu."*

*Mr. Falu, the QA was requested to submit ESC reports on his employees prior to May 15, 2021. Mr. Falu, at the time of the board meeting, submitted a pay sheet containing the names of his employees. This investigator advised this was not an ESC report; at the time of the April meeting, he told the board he knew what an ESC report was. On June 15, 2021, this investigator received the ESC report from Mr. Falu but the reports had no signatures. Mr. Falu missed the date of May 15, 2021, to submit the paperwork and his license was suspended per the board's direction.*

*Again, in 2021.*

*2021-PPS-010*

*Find a violation of NCGS 74C-8(c)(1) and 14B NCAC 16 .0108(b). Enter into a consent agreement with Hector Falu and Falu Security in the amount of \$3,672.00 for 20 registration violations. Issue a civil penalty in the amount of \$1,000.00. Suspend Mr. Falu's security guard and patrol license until: (1) all consent agreements and civil penalties have been paid in full, and (2) Falu Security obtains an in-state qualifying agent.*

*Investigator Kelly records in these reports that Mr. Falu failed to produce Employment Records as required by*

*14B NCAC 16.0108. These previous complaints mirror the uncooperative position that Mr. Falu takes during lawful investigative inquiries. Investigator Cheatham notes that it appears that Mr. Falu is not at all deterred by the monetary fines imposed on him by the Board. Investigator Cheatham also brings attention to the fact that this report only reflects 2024. Mr. Falu has performed "unchecked" services in 2022 and 2023. It was Investigator Cheatham's intent to audit Mr. Falu for those years as well but the unwillingness of Mr. Falu's cooperation and truthfulness prevented further review. During this investigation, it was discovered that Mr. Falu was criminally charged in Dekalb County, Georgia for Fraud Deposit to Account over \$1,500.00, which is classified in Georgia as a felony. Additionally, it appears that he was also charged with Holding Supporting Wireless Telecommunications Device and driving on a revoked or suspended license. Investigator*

*Cheatham asked Mr. Falu if he had been charged for any crime in Georgia in 2024. Mr. Falu stated "NO, Not Ever". Investigator Cheatham nudged him harder for this information and he later stated that the charge was dismissed by the judge. This is yet another example of Mr. Falu's failure to be transparent and forthcoming. NCGS 74C required Mr. Falu to report this charge (or charges) to the Board the next business day and provide documentation of the charge(s).*

 **North Carolina Department of Public Safety**  
Private Protective Services

Roy Cooper, Governor  
Eddie Buffalo, Jr., Secretary

Caroline Valand, Deputy Secretary  
Paul Sherwin, Director

January 9, 2025

Hector Falu  
The Falu Corporation  
1100 Peachtree Street NE, Ste. 200  
Atlanta, GA 30309

Dear Mr. Falu,

Your company has been selected for a registration compliance audit for the period of January 1, 2024 through December 31, 2024.

Investigator Daniel Cheatham has been assigned this audit. In accordance with 14B NCAC 16.0108(b), please provide copies of your company's North Carolina Employment Security Commission Quarterly Tax and Wage Reports and any other report, 1099, payroll reports, etc., in which compensation has been paid for the periods of January 1, 2024 through December 31, 2024. You can access your company's Tax and Wage Reports here:

<https://www.des.nc.gov/employers/file-adjust-or-review-quarterly-tax-wage-report>. This information shall be delivered to Investigator Cheatham at [Daniel.cheatham@ncdps.gov](mailto:Daniel.cheatham@ncdps.gov) within ten working days of receipt of this notification.

Once the audit has been completed, Investigator Cheatham will contact you and review the findings of the audit, and a report of the findings will be made to the Private Protective Services Board.

Respectfully,

*Kim Odom*

Kim Odom  
Field Services Supervisor

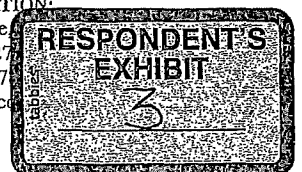
Cc: Investigator Cheatham  
Board Secretary Garcia Graham

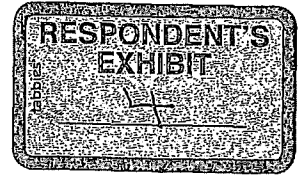
MAILING ADDRESS:  
3101 Industrial Drive, Suite 104  
Raleigh, NC 27609



[www.ncdps.gov/pps](http://www.ncdps.gov/pps)  
An Equal Opportunity Employer

OFFICE LOCATION:  
3101 Industrial Drive  
Raleigh, NC 27609  
Telephone: (919) 755-7500  
Email: [ppsasl@ncdps.gov](mailto:ppsasl@ncdps.gov)





## Case Information

24B00006 | The State vs HECTOR FALU

Case Number	Court	Judicial Officer
24B00006	Division 0	Anderson, Berryl A
File Date	Case Type	Case Status
08/19/2024	Bad Check	Closed

## Party

Defendant  
FALU, HECTOR ALEXANDER

DOB  
03/01/1977

Gender  
Male

Race  
Black

Height  
5' 8"

Address  
6140 RIVERVIEW RD SE  
APT 7211  
MABLETON GA 30126

## Charge

Charges  
FALU, HECTOR ALEXANDER

	Description	Statute	Level	Date
1	DEPOSIT ACCOUNT FRAUD - \$1,500.00 OR MORE	16-9-20(b)(3)	Felony	04/26/2021

## Events and Hearings

08/19/2024 Application ▾  Comment BAD CHECK APPLICATION
08/20/2024 Notice of Hearing
09/10/2024 Bad Check ▾  Judicial Officer McCoyd, Matthew J  Hearing Time 6:00 PM  Comment ZOOM ID 841 3703 8248
09/11/2024 Magistrate Criminal Bad Check ▾  Comment \$20.00 mo# 19-654667962 \$5.00(mis cost applied) LF
09/17/2024 Bad Check ▾  Judicial Officer(s) McCoyd, Matthew J, McCoyd, Matthew J  Hearing Time 6:00 PM  Comment ZOOM ID 871 3184 5706
10/29/2024 Notice of Hearing
11/12/2024 Bad Check ▾  Judicial Officer McCoyd, Matthew J  Hearing Time 2:00 PM
11/13/2024 Notice of Hearing
11/19/2024 Bad Check ▾  Judicial Officer McCoyd, Matthew J

Hearing Time  
2:00 PM

11/19/2024 Order of Dismissal

## Financial

FALU, HECTOR ALEXANDER

Total Financial Assessment	\$25.00
Total Payments and Credits	\$25.00

9/11/2024	Transaction Assessment	\$25.00
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9/11/2024	Mag-Payment	Receipt # 2024-70968	ATLANTA CHECK CASHIERS	(\$25.00)
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**FDLU Security**  
SECURITY OFFICER SIGN IN/OUT TIME SHEET

Week Ending Date: \_\_\_\_\_

Client Location: \_\_\_\_\_ Store #/Address \_\_\_\_\_

Date	Security Guard Name	Time In	Time Out	Manager's Signature	Total Hours
7/11/22	Stephens Brown	8:00 AM	4:00 PM		8
7/12/22	Stephens Brown	8:00 AM	4:00 PM		8
7/13/22	Stephens Brown	8:00 AM	4:00 PM		8
7/14/22	Stephens Brown	8:00 AM	4:00 PM		8
7/15/22	Stephens Brown	8:00 AM	4:00 PM		8
7/16/22	Stephens Brown	8:00 AM	4:00 PM		8
7/17/22	Stephens Brown	8:00 AM	4:00 PM		8
7/18/22	Stephens Brown	8:00 AM	4:00 PM		8
7/19/22	Stephens Brown	8:00 AM	4:00 PM		8
7/20/22	Stephens Brown	8:00 AM	4:00 PM		8
7/21/22	Stephens Brown	8:00 AM	4:00 PM		8
7/22/22	Stephens Brown	8:00 AM	4:00 PM		8
7/23/22	Stephens Brown	8:00 AM	4:00 PM		8
7/24/22	Stephens Brown	8:00 AM	4:00 PM		8
7/25/22	Stephens Brown	8:00 AM	4:00 PM		8
7/26/22	Stephens Brown	8:00 AM	4:00 PM		8
7/27/22	Stephens Brown	8:00 AM	4:00 PM		8
7/28/22	Stephens Brown	8:00 AM	4:00 PM		8
7/29/22	Stephens Brown	8:00 AM	4:00 PM		8
7/30/22	Stephens Brown	8:00 AM	4:00 PM		8
7/31/22	Stephens Brown	8:00 AM	4:00 PM		8

W/Section  
6  
6

LA  
7/29

7/29

RESPONDENT'S EXHIBIT

5



NORTH CAROLINA  
PRIVATE PROTECTIVE SERVICES BOARD

3101 Industrial Drive • Suite 104  
Raleigh, North Carolina 27609  
Phone: (919) 788-5320 • Fax: (919) 788-5365  
E-Mail: [PPSASL@ncdps.gov](mailto:PPSASL@ncdps.gov)  
Web Page: [www.ncdps.gov/PPS](http://www.ncdps.gov/PPS)



COMPLAINT FROM  
Billy Eldridge

May 19, 2025

CASE NUMBER  
2025-PPS-004

COMPLAINT AGAINST  
Hector Alexander Falu  
The Falu Corporation  
1100 Peachtree Street NE Ste. 200  
Atlanta, GA 30309

BOARD FINDINGS

RE: Review of Complaint by the Private Protective Services Board

STATUTE /RULE: Violation of NCGS 74C-11(a); NCGS 74C-12(a)(6); NCGS 74C-12(a)(29);  
NCGS 74C-12(a)(31); NCGS 74C-13(b); 14B NCAC 16 .0108(b); and 14B NCAC 16 .0110(a)

This Notice is to inform you that the above-referenced Complaint was presented to the Grievance Committee on Wednesday, May 14, 2025, for their informal review. The Committee made the following recommendation:

Find a violation of NCGS 74C-11(a); NCGS 74C-12(a)(6); NCGS 74C-12(a)(29); NCGS 74C-12(a)(31); NCGS 74C-13(b); 14B NCAC 16 .0108(b); and 14B NCAC 16 .0110(a). Mr. Falu is to pay a civil penalty of \$2,000.00 for each violation, totaling \$14,000.00. Revoke Mr. Falu's security and patrol license. Mr. Falu is to immediately remove all advertising for security services in North Carolina. Refer this matter to the Screening Committee should Mr. Falu apply to renew or reinstate his license. Board staff is to notify regulatory authorities of this case in each state Mr. Falu is licensed.

On May 15, 2025, the Private Protective Services Board approved the action of the Grievance Committee.

If you wish to appeal the Committee's recommendation and have a formal hearing before the NC Office of Administrative Hearings, please notify the Licensing Section at the above address in writing within sixty (60) days of your receipt of this letter. Should you fail to request a hearing within sixty (60) days of receipt of this letter the action of the Board will become final. If you do not contest this action, you should return your pocket credential and wall certificate to the Board within sixty (60) days.

Any further questions about this matter should be directed to the Licensing Section of this office.

Sincerely,

Tamara Rabenold  
Chairperson

Paul Sherwin  
Director

Cc: Hector Alexander Falu  
Billy Eldridge

Certified Mail /Return Receipt Requested



STATE OF NORTH CAROLINA  
COUNTY OF WAKE

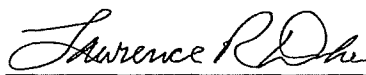
IN THE OFFICE OF  
ADMINISTRATIVE HEARINGS  
25 DOJ 02815

<p>Hector Alexander Falu; and The Falu Corporation, Petitioner,</p> <p>v.</p> <p>NC Private Protective Services Board, Respondent.</p>	<p><b>POST HEARING ORDER</b></p>
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On August 26, 2025, and August 27, 2025, Administrative Law Judge Lawrence Duke conducted a hearing in this matter. The Undersigned hereby establishes the following post-hearing schedule:

1. Petitioner shall file copies of the proposed exhibits offered at the hearing within ten (10) days of this Order and shall serve copies on opposing counsel.
2. The parties shall file their respective Proposed Proposal for Decision within thirty (30) days of said hearing date.
3. However, if the parties order transcripts of the hearing, the parties shall file a copy of the transcript request and shall file a notification of receipt of the transcript once received from the court reporter. The parties shall file their respective Proposed Proposal for Decision within thirty (30) days after receipt of such transcript.
4. The Undersigned will issue a Proposal for Decision within forty-five (45) days after receipt of each Proposed Proposal for Decision.

**SO ORDERED**, the 28th day of August, 2025.



Lawrence R. Duke  
Administrative Law Judge

**CERTIFICATE OF SERVICE**

The undersigned certifies that, on the date shown below, the Office of Administrative Hearings sent the foregoing document to the persons named below at the addresses shown below, by electronic service as defined in 26 NCAC 03 .0501(4), or by placing a copy thereof, enclosed in a wrapper addressed to the person to be served, into the custody of the North Carolina Mail Service Center which subsequently will place the foregoing document into an official depository of the United States Postal Service:

Hector Alexander Falu  
The Falu Corporation  
1100 Peachtree St NE, Suite 200  
Atlanta GA 30309  
Petitioner

Jeffrey P Gray  
Bailey & Dixon, LLP  
jgray@bdixon.com  
Attorney For Respondent

This the 28th day of August, 2025.



Daniel Chunko  
Law Clerk  
N. C. Office of Administrative Hearings  
1711 New Hope Church Road  
Raleigh, NC 27609-6285  
Phone: 984-236-1850

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

IN THE OFFICE OF  
ADMINISTRATIVE HEARINGS  
25 DOJ 02815

HECTOR ALEXANDER FALU; and THE )  
FALU CORPORATION, )  
 )  
Petitioners, )  
v. )  
 )  
N.C. PRIVATE PROTECTIVE )  
SERVICES BOARD, )  
 )  
Respondent. )  
\_\_\_\_\_ )

**PROPOSED  
PROPOSED  
FINAL DECISION**

On August 26, 2025, Administrative Law Judge Lawrence Duke called this case for hearing in Raleigh, North Carolina.

APPEARANCES

Petitioner appeared *pro se*.

Respondent was represented by attorney Jeffrey P. Gray, Bailey & Dixon, LLP, P.O. Box 1351, Raleigh, North Carolina 27602.

ISSUE

Whether suspension of Petitioner’s license and assessment of a civil penalty should be upheld based on failure to register probationary employees, failure to train and register unarmed guards, allowing employees to engage in a private protective service without a valid registration, failure to reasonably cooperate with a Board investigation, engaging in conduct constituting dereliction of duty or otherwise deceiving, defrauding, or harming the public, failure to train and register armed guards, failure to maintain records, and failure to report a criminal charge in Dekalb County, Georgia.

APPLICABLE STATUTES AND RULES

Official notice is taken of the following statutes and rules applicable to this case: N.C.G.S. § 74C-11(a); N.C.G.S. § 74C-12(a)(6), (29), & (31); N.C.G.S. § 74C-13(a); 14B NCAC 16 .0108(b); 14B NCAC 16 .0110(a).

### FINDINGS OF FACT

1. Respondent Board is established pursuant to N.C. Gen. Stat. §74C-1, *et seq.*, and is charged with the duty of licensing and registering individuals engaged in the armed and unarmed security guard and patrol business.
2. Petitioners are licensed by the Respondent Board as a Security Guard and Patrol business and have been licensed since March 23, 2018. Hector Alexander Falu is the owner and Qualifying Agent for The Falu Corporation.
3. Following a complaint investigation and an appearance before the Board's Grievance Committee on May 14, 2025, the full Board found Petitioners in violation as set forth in the Issue above, and revoked its license and ordered it to pay a civil penalty in the amount of \$14,000.00 were it to reapply for licensure.
4. Petitioners requested a contested case hearing.
5. By Notice of Hearing dated August 1, 2025, and mailed via certified mail, Respondent advised Petitioners that a hearing on the denial of its Security Guard and Patrol business license would be held at the Office of Administrative Hearings, 1711 New Hope Church Road, Raleigh, North Carolina 27609 on August 25, 2025. Petitioner appeared at the hearing.
6. A former employee of Petitioners, Billy Eldridge, filed a complaint with Respondent Board alleging, among other things, a failure to register armed and unarmed guards, including the complainant. An investigator was assigned to investigate the allegations and audit payroll and registration records required to be submitted to the State, maintained by the licensee, and produced upon request by the Board.
7. To conduct a registration audit, the Board requests the licensee's North Carolina Employment Security Commission Quarterly Tax and Wage Report, Form 1099 reports, and payroll reports, then compares the employees listed to the roster of guards registered with the Board for the company. Pursuant to 14B NCAC 16 .0108(b), the licensee is required to provide these documents upon request. Once an initial comparison is made, the investigator-auditor engages the company's Qualifying Agent to determine the status of each employee.
8. On January 9, 2025, Petitioner Falu was sent a letter requesting the required records and was advised that Investigator Danial Cheatham had been assigned to this complaint. Petitioner Falu did not respond by the deadline.

9. In an e-mail response message to Investigator Cheatham, Petitioner Falu stated, "I didn't have any employees long enough to register them."
10. A licensed security guard and patrol company can employ an unarmed guard as a "probationary employee" pursuant to N.C. Gen. Stat. § 74C-11(a) for a period of 20 days without having to register the guard, however, the licensee must submit a list of its probationary employees to the Board's Director on a monthly basis.
11. The Board has no record of any probationary employees of Petitioners.
12. When asked by Investigator Cheatham for payroll records for these short-term employees, he was told there was no "payroll log" for these employees. After a follow-up request, Petitioner Falu provided the names, date of employment, and contracted location of the guards. By his own admission, Petitioner reported between January 2024 and December 2024 14 guards that should have been reported on a probationary roster. Also, Petitioner Falu, a resident of Atlanta, GA, claimed to have personally worked as a security guard in Asheville, Charlotte, and Chapel Hill, North Carolina.
13. During a personal interview by Investigator Cheatham, Petitioner Falu admitted that he never completed and submitted a probationary roster as required.
14. As part of his investigation, Investigator Cheatham determined there were at least four more locations in North Carolina -- two in Asheville, one in Durham, and one in Raleigh -- where Petitioner had contracts and provided security guards, both armed and unarmed, and determined the names of three additional persons who were employed as guards in North Carolina.
15. A fifth location was an August 2024 contract for a rehabilitation center in Franklin, North Carolina where Petitioners hired and intended to provide armed guards, including the complainant, Billy Eldridge. A dispute arose and only Mr. Eldridge provided security guard services, but with a BB gun in a holster to appear armed. Mr. Eldridge testified he had never been registered.
16. Petitioner Falu as Qualifying Agent and owner of company, The Falu Corporation, has never provided the required records that would have allowed Investigator Cheatham to determine the number of unarmed or armed guards employed by Petitioners. Investigator Cheatham's estimate is 17.
17. Petitioner Falu testified on behalf of Petitioners. He presented no evidence to explain why he failed to register guards, except a claim that he was not aware of the

probationary roster requirement. He admitted in some instances he “didn’t have time to register them.” In another instance, he used the term “hired” when referring to the guards, then corrected himself saying, “facilitate guards.”

18. This Tribunal finds Petitioner Falu to be an uncredible witness.
19. During the course of his investigation, Investigator Cheatham discovered an unreported criminal charge in the State of Georgia. After reviewing the record of this charge, and hearing Petitioner Falu’s explanation, this Tribunal finds there is a lack of evidence to support a violation of 14B NCAC 16 .0110(a), “Reporting Requirements.”
20. Petitioner Falu testified that he was unaware of the incident where Mr. Eldridge carried a BB gun so as to appear to be an armed guard pursuant to the contract with the rehabilitation center, and this Tribunal finds there is insufficient evidence to support a violation of N.C. Gen. Stat. § 74C-12(a)(31) for deceiving or defrauding the public.
21. Petitioner Falu personally appeared before the Respondent Board’s Grievance Committee and was allowed to explain why the various violations were unfounded.
22. Petitioners have been disciplined on three occasions over the previous four years for virtually identical conduct: failing to register guards and failing to provide records, including Employment Security Commission reports, and have been allowed to enter a Consent Agreement and been assessed a civil penalty each time. Clearly, the Board’s attempts to encourage compliance have not been successful.

#### CONCLUSIONS OF LAW

1. Respondent Board presented evidence that Petitioners had failed to register probationary employees, failed to train and register unarmed guards, allowed employees to engage in a private protective service without a valid registration, failed to reasonably cooperate with a Board investigation, failed to train and register armed guards, and failed to maintain records. Petitioners refuted Respondent’s claim that it engaged in conduct deceiving or defrauding the public and that Petitioner Falu failed to report a criminal charge.
2. Under N.C. Gen. Stat. § 74C-11, entitled, “Probationary employees and registration of regular employees; unarmed security guard required to have registration card,” Respondent Board may suspend or revoke a license, or assess a civil penalty, if the licensee fails to register unarmed guards. By Mr. Falu’s own admission, he provided

Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Mr. Falu's failure to produce adequate documentation. Mr. Falu failed to mention three additional guards which were Mr. Eldridge and his girlfriend Kayla Randolph, and a Timothy McMillan, for a total of 17 unregistered armed or unarmed guards.

3. Under N.C. Gen. Stat § 74C-12(a)(6), Respondent Board may suspend or revoke a license, or assess a civil penalty, if a licensee is engaged in or knowingly permitted any employee to engage in a private protective services profession when not lawfully in possession of a valid license or registration issued under this Chapter. Petitioner Falu allowed numerous (possibly as many as 17 or more) unarmed and armed guards to work for him.
4. Under N.C. Gen. Stat § 74C-12(a)(29), Respondent Board may suspend or revoke a license, or assess a civil penalty, if a licensee fails or refuses to reasonably cooperate with the Board or its agents during an investigation of any complaint, allegation, suspicion of wrongdoing, or violation of this Chapter. Petitioner Falu knowingly failed to disclose information requested by Investigator Cheatham and required to be maintained and produced upon request.
5. Under N.C. Gen. Stat § 74C-13(a), entitled "Armed licensee or registered employee required to have firearm registration permit; firearms training," Respondent Board may suspend or revoke a license, or assess a civil penalty.

(a) It shall be unlawful for any person performing private protective services duties to carry a firearm in the performance of those duties without first having met the qualifications of this section and having been issued a firearm registration permit by the Board.

By Petitioner Falu's own admission, he provided Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Petitioner Falu's failure to produce adequate documentation. Petitioner Falu failed to include at least three additional guards which were Mr. Eldridge and his girlfriend Kayla Randolph, and a Timothy McMillan, for a total of 17 unregistered armed or unarmed guards.

6. Under 14B NCAC 16 .0108, entitled, "Records", Respondent Board may suspend or revoke a license, or assess a civil penalty.

(a) All records for an audit or an investigation required to be maintained by G.S. 74C or this Chapter shall be subject to inspection by the Director or the Director's designee between 8:00 a.m. - 5:00 p.m. Monday through Friday.

Petitioner Falu failed to produce records after multiple requests by Investigator Cheatham.

(b) Upon written request from the Director or the Director's designee, any licensee having registered employees shall submit a copy of its quarterly Division of Employment Security reports within 10 days of the request. Petitioner Falu failed to produce records within 10 days of a letter requesting same.

Based on the foregoing, the undersigned makes the following:

PROPOSED FINAL DECISION

Based upon the foregoing Findings of Fact and Conclusions of Law, the undersigned hereby recommends that the suspension of Petitioner's license and assessment of a civil penalty be upheld.

NOTICE AND ORDER

The North Carolina Private Protective Services Board will make the Final Agency Decision in this contested case. As the Final Decision maker, that agency is required to give each party an opportunity to file exceptions to this proposal for decision, to submit proposed findings of fact, and to present oral and written arguments to the agency pursuant to N.C. Gen. Stat. § 150B-40(e).

The undersigned hereby orders that agency serve a copy of its Final Decision in this case on the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, N.C. 27699-6714.

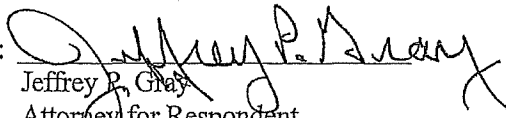
This the \_\_\_\_ day of September 2025.

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Honorable Lawrence Duke  
Administrative Law Judge

Submitted this the 25<sup>th</sup> day of September 2025.

BAILEY & DIXON, LLP

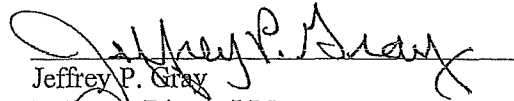
By:   
Jeffrey P. Gray  
Attorney for Respondent  
P.O. Box 1351  
Raleigh, NC 27602-1351  
Telephone: (919) 828-0731  
Fax: (919) 828-6592

CERTIFICATE OF SERVICE

The undersigned attorney for Respondent certifies that on this day the foregoing Proposed Proposed Final Decision was served upon the Petitioner in this action by depositing a copy of same in the United States mail, postage prepaid, and addressed as follows:

Hector Alexander Falu  
The Falu Corporation  
1100 Peachtree Street NE, Ste. 200  
Atlanta, GA 30309

This the 25<sup>th</sup> day of September 2025.



Jeffrey P. Gray  
Bailey & Dixon, LLP  
P.O. Box 1351  
Raleigh, North Carolina 27602  
(919) 828-0731 – telephone  
(919) 828-6592 – facsimile

Filed September 25 2025 3:39 PM Office of Administrative Hearings

**From:** [Leslie Sheffield](#)  
**To:** [Clerks, Oah](#)  
**Cc:** [Gray, Jeffrey](#)  
**Subject:** [External] 25 DOJ 02815 Hector Falu & The Falu Corp.  
**Date:** Thursday, September 25, 2025 3:39:54 PM  
**Attachments:** [Proposed Proposed Final Decision PPSB Hector Falu 092525.docx](#)  
[Proposed Proposed Final Decision PPSB Hector Falu 092525.pdf](#)

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Good afternoon -

Attached for filing in Word and PDF format, please find the Proposed Proposed Final Decision in the above referenced matter. Please contact our office with any questions.

*Leslie C. Sheffield*  
Assistant to Jeffrey P. Gray,  
Richard A. Paschal, and Sabra J. Faires

Bailey & Dixon, LLP  
PO Box 1351  
Raleigh, NC 27602  
919-828-0731  
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**BAILEY & DIXON**

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STATE OF NORTH CAROLINA  
COUNTY OF WAKE

IN THE OFFICE OF  
ADMINISTRATIVE HEARINGS  
25 DOJ 02815

Hector Alexander Falu; and The Falu Corporation Petitioner,  v.  NC Private Protective Services Board Respondent.	<b>PROPOSAL FOR DECISION</b>
---	------------------------------

On August 26, 2025, Administrative Law Judge Lawrence Duke called this case for hearing in Raleigh, North Carolina.

**APPEARANCES**

Petitioner appeared *pro se*.

Respondent was represented by attorney Jeffrey P. Gray, Bailey & Dixon, LLP, P.O. Box 1351, Raleigh, North Carolina 27602.

**ISSUE**

Whether suspension of Petitioner's license and assessment of a civil penalty should be upheld based on failure to register probationary employees, failure to train and register unarmed guards, allowing employees to engage in a private protective service without a valid registration, failure to reasonably cooperate with a Board investigation, engaging in conduct constituting dereliction of duty or otherwise deceiving, defrauding, or harming the public, failure to train and register armed guards, failure to maintain records, and failure to report a criminal charge in Dekalb County, Georgia.

**APPLICABLE STATUTES AND RULES**

Official notice is taken of the following statutes and rules applicable to this case: N.C.G.S. § 74C-11(a); N.C.G.S. § 74C-12(a)(6), (29), & (31); N.C.G.S. § 74C-13(a); 14B NCAC 16 .0108(b); 14B NCAC 16 .0110(a).

**FINDINGS OF FACT**

1. Respondent Board is established pursuant to N.C. Gen. Stat. §74C-1, *et seq.*, and is charged with the duty of licensing and registering individuals engaged in the armed and

unarmed security guard and patrol business.

2. Petitioners are licensed by the Respondent Board as a Security Guard and Patrol business and have been licensed since March 23, 2018. Hector Alexander Falu is the owner and Qualifying Agent for The Falu Corporation.

3. Following a complaint investigation and an appearance before the Board's Grievance Committee on May 14, 2025, the full Board found Petitioners in violation as set forth in the Issue above, and revoked its license and ordered it to pay a civil penalty in the amount of \$14,000.00 were it to reapply for licensure.

4. Petitioners requested a contested case hearing.

5. By Notice of Hearing dated August 1, 2025, and mailed via certified mail, Respondent advised Petitioners that a hearing on the denial of its Security Guard and Patrol business license would be held at the Office of Administrative Hearings, 1711 New Hope Church Road, Raleigh, North Carolina 27609 on August 25, 2025. Petitioner appeared at the hearing.

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7. To conduct a registration audit, the Board requests the licensee's North Carolina Employment Security Commission Quarterly Tax and Wage Report, Form 1099 reports, and payroll reports, then compares the employees listed to the roster of guards registered with the Board for the company. Pursuant to 14B NCAC 16 .0108(b), the licensee is required to provide these documents upon request. Once an initial comparison is made, the investigator-auditor engages the company's Qualifying Agent to determine the status of each employee.

8. On January 9, 2025, Petitioner Falu was sent a letter requesting the required records and was advised that Investigator Danial Cheatham had been assigned to this complaint. Petitioner Falu did not respond by the deadline.

9. In an e-mail response message to Investigator Cheatham, Petitioner Falu stated, "I didn't have any employees long enough to register them."

10. A licensed security guard and patrol company can employ an unarmed guard as a "probationary employee" pursuant to N.C. Gen. Stat. § 74C-11(a) for a period of 20 days without having to register the guard, however, the licensee must submit a list of its probationary employees to the Board's Director on a monthly basis.

11. The Board has no record of any probationary employees of Petitioners.

12. When asked by Investigator Cheatham for payroll records for these short-term

employees, he was told there was no “payroll log” for these employees. After a follow-up request, Petitioner Falu provided the names, date of employment, and contracted location of the guards. By his own admission, Petitioner reported that, between January 2024 and December 2024, 14 guards should have been reported to Respondent as being on a probationary roster. Also, Petitioner Falu, a resident of Atlanta, GA, claimed to have personally worked as a security guard in Asheville, Charlotte, and Chapel Hill, North Carolina.

13. During a personal interview by Investigator Cheatham, Petitioner Falu admitted that he never completed and submitted a probationary roster as required.

14. As part of his investigation, Investigator Cheatham determined there were at least four more locations in North Carolina -- two in Asheville, one in Durham, and one in Raleigh -- where Petitioner had contracts and provided security guards, both armed and unarmed, and determined the names of three additional persons who had been employed as guards in North Carolina.

15. A fifth location was an August 2024 contract for a rehabilitation center in Franklin, North Carolina where Petitioners hired and intended to provide armed guards, including the complainant, Billy Eldridge. A dispute arose and only Mr. Eldridge provided security guard services, but with a BB gun in a holster to appear armed. Mr. Eldridge testified he had never been registered.

16. Petitioner Falu as Qualifying Agent and owner of company, The Falu Corporation, has never provided the required records that would have allowed Investigator Cheatham to determine the number of unarmed or armed guards employed by Petitioners. Investigator Cheatham’s estimate is 17.

17. Petitioner Falu testified on behalf of Petitioners. He presented no evidence to explain why he failed to register guards, except a claim that he was not aware of the probationary roster requirement. He admitted in some instances he “didn’t have time to register them.” In another instance, he used the term “hired” when referring to the guards, then corrected himself saying, “facilitate guards.”

18. This Tribunal finds Petitioner Falu to be an uncredible witness.

19. During the course of his investigation, Investigator Cheatham discovered an unreported criminal charge in the State of Georgia. After reviewing the record of this charge, and hearing Petitioner Falu’s explanation, this Tribunal finds there is a lack of evidence to support a violation of 14B NCAC 16 .0110(a), “Reporting Requirements.”

20. Petitioner Falu testified that he was unaware of the incident where Mr. Eldridge carried a BB gun so as to appear to be an armed guard pursuant to the contract with the rehabilitation center, and this Tribunal finds there is insufficient evidence to support a violation of N.C. Gen. Stat. § 74C-12(a)(31) for deceiving or defrauding the public.

21. Petitioner Falu personally appeared before the Respondent Board’s Grievance

Committee and was allowed to explain why the various violations were unfounded.

22. Petitioners have been disciplined on three occasions over the previous four years for substantially similar conduct: failing to register guards and failing to provide records, including Employment Security Commission reports, and have been allowed to enter a Consent Agreement and assessed a civil penalty each time. The Board's attempts to encourage compliance have not been successful.

### CONCLUSIONS OF LAW

1. Respondent Board presented evidence that Petitioners had failed to register probationary employees, failed to train and register unarmed guards, allowed employees to engage in a private protective service without a valid registration, failed to reasonably cooperate with a Board investigation, failed to train and register armed guards, and failed to maintain records. Petitioners refuted Respondent's claim that it engaged in conduct deceiving or defrauding the public and that Petitioner Falu failed to report a criminal charge.

2. Under N.C. Gen. Stat. § 74C-11, entitled, "Probationary employees and registration of regular employees; unarmed security guard required to have registration card," Respondent Board may suspend or revoke a license, or assess a civil penalty, if the licensee fails to register unarmed guards. By Mr. Falu's own admission, he provided Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Mr. Falu's failure to produce adequate documentation. Mr. Falu failed to mention three additional guards which were Mr. Eldridge and his girlfriend Kayla Randolph, and a Timothy McMillan, for a total of 17 unregistered armed or unarmed guards.

3. Under N.C. Gen. Stat § 74C-12(a)(6), Respondent Board may suspend or revoke a license, or assess a civil penalty, if a licensee is engaged in or knowingly permitted any employee to engage in a private protective services profession when not lawfully in possession of a valid license or registration issued under this Chapter. Petitioner Falu allowed numerous, possibly as many as 17 or more, unarmed and armed guards to work for him.

4. Under N.C. Gen. Stat § 74C-12(a)(29), Respondent Board may suspend or revoke a license, or assess a civil penalty, if a licensee fails or refuses to reasonably cooperate with the Board or its agents during an investigation of any complaint, allegation, suspicion of wrongdoing, or violation of this Chapter. Petitioner Falu knowingly failed to disclose information requested by Investigator Cheatham and required to be maintained and produced upon request.

5. Under N.C. Gen. Stat § 74C-13(a), entitled "Armed licensee or registered employee required to have firearm registration permit; firearms training," Respondent Board may suspend or revoke a license, or assess a civil penalty.

(a) It shall be unlawful for any person performing private protective services duties to carry a firearm in the performance of those duties without first having met the qualifications of this section and having been issued a firearm registration permit by the Board.

By Petitioner Falu's own admission, he provided Investigator Cheatham with the names of 14 employees that were never registered. It is unknown if these 14 guards were armed or unarmed due to Petitioner Falu's failure to produce adequate documentation. Petitioner Falu failed to include at least three additional guards which were Mr. Eldridge and his girlfriend Kayla Randolph, and a Timothy McMillan, for a total of 17 unregistered armed or unarmed guards.

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(a) All records for an audit or an investigation required to be maintained by G.S. 74C or this Chapter shall be subject to inspection by the Director or the Director's designee between 8:00 a.m. - 5:00 p.m. Monday through Friday. Petitioner Falu failed to produce records after multiple requests by Investigator Cheatham.

(b) Upon written request from the Director or the Director's designee, any licensee having registered employees shall submit a copy of its quarterly Division of Employment Security reports within 10 days of the request. Petitioner Falu failed to produce records within 10 days of a letter requesting same.

Based on the foregoing, the undersigned makes the following:

#### **PROPOSED FINAL DECISION**

Based upon the foregoing Findings of Fact and Conclusions of Law, the undersigned hereby recommends that the suspension of Petitioner's license and assessment of a civil penalty be upheld.

#### **NOTICE AND ORDER**

The North Carolina Private Protective Services Board will make the Final Agency Decision in this contested case. As the Final Decision maker, that agency is required to give each party an opportunity to file exceptions to this proposal for decision, to submit proposed findings of fact, and to present oral and written arguments to the agency pursuant to N.C. Gen. Stat. § 150B-40(e).

The undersigned hereby orders that agency serve a copy of its Final Decision in this case on the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, N.C. 27699-6714.

**SO ORDERED**, he 7th day of November, 2025.



Lawrence R. Duke  
Administrative Law Judge

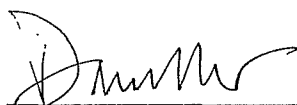
**CERTIFICATE OF SERVICE**

The undersigned certifies that, on the date shown below, the Office of Administrative Hearings sent the foregoing document to the persons named below at the addresses shown below, by electronic service as defined in 26 N.C. Admin. Code 03 .0501(4), or by placing a copy thereof, enclosed in a wrapper addressed to the person to be served, into the custody of the North Carolina Mail Service Center which will subsequently place the foregoing document into an official depository of the United States Postal Service.

Hector Alexander Falu  
The Falu Corporation  
1100 Peachtree St NE, Suite 200  
Atlanta GA 30309  
Petitioner

Jeffrey P Gray  
Bailey & Dixon, LLP  
jgray@bdixon.com  
Attorney For Respondent

This the 7th day of November, 2025.



Daniel Chunko  
Law Clerk  
N. C. Office of Administrative Hearings  
1711 New Hope Church Road  
Raleigh, NC 27609-6285  
Phone: 984-236-1850

*State of North Carolina*  
*Office of Administrative Hearings*  
*Certification of Official Record*

*I hereby certify that the attached electronic device contains a true and accurate copy of the Official Record, as required by N.C.G.S. § 150B-37, of the proceedings in the Office of Administrative Hearings case (s):*

***25 DOJ 02815, "Hector Alexander Falu; and The Falu Corporation, Petitioner v. NC Private Protective Services Board, Respondent."***

*The original of which is filed in the Office of Administrative Hearings in conformance with Chapter 150B of the General Statutes of the State of North Carolina.*

*In witness whereof, I authorize this certification and affix the official seal of the North Carolina Office of Administrative Hearings at Raleigh, This the 7th day of November, 2025.*

*Melissa Owens Lassiter*  
*Chief Administrative Law Judge, Director*



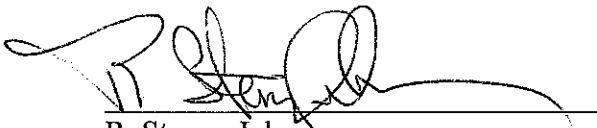
By:

*[Signature]*  
*Starr L. Battle, JD*  
*Deputy Clerk*

PRIVATE PROTECTIVE SERVICES BOARD  
APPROVED CERTIFICATE OF INSURANCE FORM POLICY

In accordance with N.C. Gen. Stat. § 74C-10(e1), the approved form for proof of compliance with N.C. Gen. Stat. § 74C-10(e) shall be the accepted form defined by the North Carolina Department of Insurance in N.C. Gen. Stat. § 58-3-149.

Adopted January 15, 2026.



---

R. Steven Johnson,  
Chair