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**FILED**

NOV 29 2017  
BUREAU OF REAL ESTATE  
By B. Nicholas

**BEFORE THE BUREAU OF REAL ESTATE  
STATE OF CALIFORNIA**

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In the Matter of the Accusation of	)	
	)	
ARTHUR RAY SMITH,	)	No. H-6423 SAC
	)	
Respondent.	)	OAH No. 2017050102
	)	

**STIPULATION AND AGREEMENT  
AND  
DECISION AFTER REJECTION**

The California Bureau of Real Estate (Complainant) filed an Accusation against ARTHUR RAY SMITH (Respondent), on August 8, 2016. On August 10, 2017, a hearing was held and evidence was received, the record was closed, and the matter was submitted.

On September 11, 2017, the Proposed Decision of the Administrative Law Judge was issued revoking Respondent's Restricted Broker license and granting Respondent the right to a Restricted Broker license.

On October 3, 2017, the Commissioner rejected the Proposed Decision of September 11, 2017.

The parties wish to settle this matter without further proceedings.

1 IT IS HEREBY STIPULATED by and between Respondent and the Complainant,  
2 acting by and through Kyle T. Jones, Counsel for the Bureau, as follows for the purpose of  
3 settling and disposing of the Accusation filed by Complainant:

4 1. It is understood by the parties that the Real Estate Commissioner may adopt  
5 the Stipulation and Agreement as his Decision in this matter, thereby imposing the penalty and  
6 sanctions on Respondent's real estate license as set forth in the "Order". In the event the  
7 Commissioner in his discretion does not adopt the Stipulation and Agreement, the Stipulation  
8 shall be void and of no effect; the Commissioner will review the transcript and the evidence in  
9 the case, and will then issue his Decision after Rejection as his Decision in this matter.

10 2. The Order or any subsequent Order of the Commissioner made pursuant to  
11 this Stipulation shall not constitute an estoppel, merger or bar to any further administrative or  
12 civil proceedings by the Bureau with respect to any matters which were not specifically alleged to  
13 be cause for accusation in this proceeding.

#### 14 DETERMINATION OF ISSUES

15 By reason of the foregoing stipulations, admissions and waivers, and solely for  
16 the purpose of settlement of the pending Accusation without a hearing, it is stipulated and agreed  
17 that the acts and/or omissions of Respondent, as described in the Accusation, constitute grounds  
18 for the suspension or revocation of the licenses and license rights of Respondent under the  
19 provision of Sections 490 and 10177(b) of the Business and Professions Code (Code).

#### 20 ORDER

21 All licenses and licensing rights of Respondent under the Real Estate Law are  
22 revoked; provided, however, a restricted real estate broker license shall be issued to Respondent  
23 pursuant to Section 10156.5 of the Business and Professions Code if Respondent makes  
24 application therefor and pays to the Bureau of Real Estate the appropriate fee for the restricted  
25 license within 90 days from the effective date of this Decision. The restricted license issued to  
26 Respondent shall be subject to all of the provisions of Section 10156.7 of the Code and to the  
27 following limitations, conditions and restrictions imposed under authority of Section 10156.6 of

1 that Code:

2 1. The restricted license issued to Respondent may be suspended prior to  
3 hearing by Order of the Real Estate Commissioner in the event of Respondent's conviction or  
4 plea of nolo contendere to a crime which is substantially related to Respondent's fitness or  
5 capacity as a real estate licensee.

6 2. The restricted license issued to Respondent may be suspended prior to  
7 hearing by Order of the Real Estate Commissioner on evidence satisfactory to the Commissioner  
8 that Respondent has violated provisions of the California Real Estate Law, the Subdivided Lands  
9 Law, Regulations of the Real Estate Commissioner or conditions attaching to the restricted  
10 license.

11 3. Respondent shall not be eligible to apply for the issuance of an  
12 unrestricted real estate license nor the removal of any of the conditions, limitations, or  
13 restrictions attaching to the restricted license until two (2) years have elapsed from the date of  
14 issuance of the restricted license to Respondent.

15 4. Respondent shall, within nine (9) months from the effective date of this  
16 Order, present evidence satisfactory to the Commissioner that Respondent has, since the most  
17 recent issuance of an original or renewal real estate license, taken and successfully completed the  
18 continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate Law for renewal  
19 of a real estate license. If Respondent fails to satisfy this condition, Respondent's real estate  
20 license shall automatically be suspended until respondent presents evidence satisfactory to the  
21 Commissioner of having taken and successfully completed the continuing education  
22 requirements. Proof of completion of the continuing education courses must be delivered to the  
23 Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA 95813-7013.

24 5. Respondent shall notify the Commissioner in writing within seventy-two  
25 (72) hours of any arrest by sending a certified letter to the Commissioner at the Bureau of Real  
26 Estate, P.O. Box 137000, Sacramento, CA 95813-7000. The letter shall set forth the date of  
27 Respondent's arrest, the crime for which Respondent was arrested and the name and address of

1 the arresting law enforcement agency. Respondent's failure to timely file written notice shall  
2 constitute an independent violation of the terms of the restricted license and shall be grounds for  
3 the suspension or revocation of that license.

4 6. Within ninety (90) days of the effective date of this Order, Respondent  
5 shall pay \$2,069.65 to the Bureau for the costs of investigation and enforcement of this matter.  
6 Respondent's failure to pay the Bureau shall constitute an independent violation of the terms of  
7 the restricted license and shall be grounds for the immediate suspension or revocation of that  
8 license.

9 7. While licensed as a restricted real estate broker, Respondent is precluded  
10 from acting as an independent broker and may only operate in the capacity of a  
11 salesperson/broker associate under the supervision of another real estate broker. Prior to  
12 Respondent performing any licensed activity, Respondent's responsible broker must notify the  
13 Bureau in writing pursuant to Section 10161.8 of the Code. If Respondent performs any  
14 licensed activity, not under the supervision of another broker or prior to the Bureau being  
15 notified of such employment, the licensed activity shall constitute an independent violation of  
16 the terms of the restricted license and shall be grounds for the suspension or revocation of that  
17 license.

18 11/1/17  
19 DATED

Kyle T. Jones  
KYLE T. JONES, Counsel  
BUREAU OF REAL ESTATE

20 \* \* \*

21 I have read the Stipulation and Agreement and Decision After Rejection, and its  
22 terms are understood by me and are agreeable and acceptable to me. I willingly and voluntarily  
23 agree to enter into this Stipulation.

24 October 25, 2017  
25 DATED

Arthur Ray Smith  
ARTHUR RAY SMITH  
Respondent

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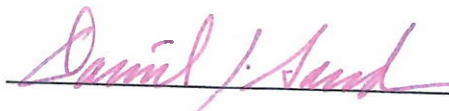
DECISION AND ORDER

The foregoing Stipulation and Agreement and Decision After Rejection is hereby adopted by the Real Estate Commissioner as his Decision and Order.

This Decision and Order shall become effective at 12 o'clock noon on DEC 20 2017

IT IS SO ORDERED 11/22/17

WAYNE S. BELL  
REAL ESTATE COMMISSIONER



By: DANIEL J. SANDRI  
Chief Deputy Commissioner