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**FILED**

JUN 15 2016

BUREAU OF REAL ESTATE

By Rose Rosal

BEFORE THE BUREAU OF REAL ESTATE

STATE OF CALIFORNIA

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In the Matter of the Accusation of  
  
DEREK JOHN GIBBONS,  
  
Respondent.

No. H-36537 LA

ORDER GRANTING REINSTATEMENT OF LICENSE

On November 2, 2010 in Case No. H-36537 LA, a Decision was rendered revoking the real estate broker license of Respondent effective November 24, 2010, but granting Respondent the right to the issuance of a restricted real estate salesperson license. A restricted real estate salesperson license was issued to Respondent on February 10, 2011, and this restricted salesperson license expired on February 9, 2015.

On June 24, 2013, Respondent petitioned for reinstatement of said real estate broker license. On June 10, 2014, an Order was rendered denying Respondent's petition for reinstatement of Respondent's real estate broker license.

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1 On October 8, 2015, Respondent petitioned for reinstatement of Respondent's real  
2 estate salesperson license, and the Attorney General of the State of California has been given  
3 notice of the filing of the petition.

4 I have considered Respondent's petition and the evidence submitted in support  
5 thereof. Respondent has demonstrated to my satisfaction that Respondent meets the  
6 requirements of law for the issuance to Respondent of an unrestricted real estate salesperson  
7 license and that it would not be against the public interest to issue said license to Respondent.

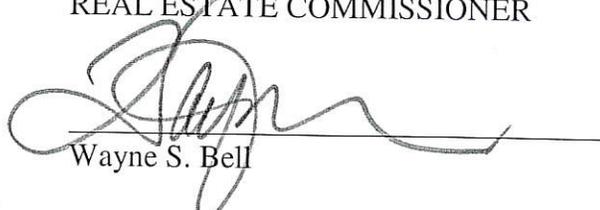
8 NOW, THEREFORE, IT IS ORDERED that Respondent's petition for  
9 reinstatement is granted and that a real estate salesperson license be issued to Respondent if  
10 Respondent satisfies the following requirements:

- 11 1. Submits a completed application and pays the fee for a real estate  
12 salesperson license within the 12 month period following the date of this Order; and  
13 2. Submits proof that Respondent has completed the continuing education  
14 requirements for renewal of the license sought. The continuing education courses must be  
15 completed either (i) within the 12 month period preceding the filing of the completed  
16 application, or (ii) within the 12 month period following the date of this Order.

17 This Order shall become effective immediately.

18 DATED: 6/8/2016

19 REAL ESTATE COMMISSIONER

20   
21 Wayne S. Bell  
22  
23  
24  
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*filed*

**FILED**

JUL 03 2014

BUREAU OF REAL ESTATE  
By *J. [Signature]*

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BEFORE THE BUREAU OF REAL ESTATE  
STATE OF CALIFORNIA

\* \* \*

In the Matter of the Accusation of  
DEREK JOHN GIBBONS,  
Respondent.

No. H-36537 LA

ORDER DENYING REINSTATEMENT OF LICENSE

On November 2, 2010, a Decision was rendered revoking the real estate broker license of DEREK JOHN GIBBONS ("Respondent"), but granting Respondent the right to apply for a restricted salesperson license. The license was issued February 10, 2011, and will expire on February 9, 2015.

On June 24, 2013, Respondent petitioned for reinstatement said real estate broker license.

I have considered the petition of Respondent and the evidence submitted in support thereof. Respondent has failed to demonstrate to my satisfaction that Respondent has undergone sufficient rehabilitation to warrant the reinstatement of Respondent's real estate broker license at this time.

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1 The burden of proving rehabilitation rests with the petitioner (*Feinstein v. State*  
2 *Bar* (1952) 39 Cal. 2d 541). A petitioner is required to show greater proof of honesty and  
3 integrity than an applicant for first time licensure. The proof must be sufficient to overcome the  
4 prior adverse judgment on the applicant's character (*Tardiff v. State Bar* (1980) 27 Cal. 3d 395).

5 The Bureau has developed criteria in Section 2911 of Title 10, California Code of  
6 Regulations (Regulations) to assist in evaluating the rehabilitation of an applicant for  
7 reinstatement of a license. Among the criteria relevant in this proceeding are:

8 Regulation 2911(j)—Discharge of, or bona fide efforts toward discharging  
9 monetary obligations to others

10 Respondent has not provided proof of satisfaction of numerous federal and state  
11 tax liens.

12 Regulation 2911(l)—Significant or conscientious involvement in community,  
13 church or privately sponsored programs designed to provide social benefits or to ameliorate  
14 social programs

15 Respondent has not provided proof of community involvement.

16 Regulation 2911(n)(1)—Change of attitude from that which existed at the time of  
17 the conduct in question as evidenced by any or all of the following:

18 Respondent failed to disclose in his Petition Application numerous state tax liens.

19 Given the violations found and the fact that Respondent has not established that  
20 Respondent has complied with Regulations 2911 (j), (l), and (n)(1), I am not satisfied that  
21 Respondent is sufficiently rehabilitated to have his broker license reinstated at this time.

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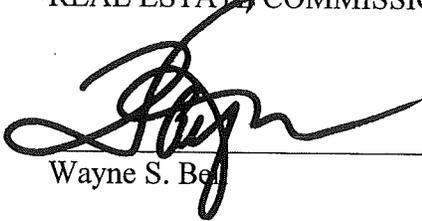
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NOW, THEREFORE, IT IS ORDERED that Respondent's petition for  
reinstatement of Respondent's real estate broker license is denied.

This Order shall become effective at 12 o'clock noon on JUL 24 2014

IT IS SO ORDERED 6/10/2014

REAL ESTATE COMMISSIONER



Wayne S. Be

1 Department of Real Estate  
2 320 West 4th Street, Suite 350  
3 Los Angeles, California 90013-1105

**FILED**  
NOV - 4 2010  
DEPARTMENT OF REAL ESTATE

By *[Signature]*

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10  
11 In the Matter of the Accusation of )  
12 ) No. H-36537 LA  
13 PRIDE FINANCIAL GROUP ) L-2010041389  
14 and DEREK JOHN GIBBONS, )  
15 as designated officer of )  
16 Pride Financial Group, ) STIPULATION AND AGREEMENT  
17 )  
18 Respondents. )  
19 )

17 It is hereby stipulated by and between PRIDE FINANCIAL  
18 GROUP and DEREK JOHN GIBBONS, as designated officer of PRIDE  
19 FINANCIAL GROUP (sometimes collectively referred to as  
20 "Respondents") and their attorney of record, Mitchell B. Hannah,  
21 Esq., and the Complainant, acting by and through Lissete Garcia,  
22 Counsel for the Department of Real Estate, as follows for the  
23 purpose of settling and disposing of the Accusation filed on  
24 March 23, 2010, in this matter:

25 1. All issues which were to be contested and all  
26 evidence which was to be presented by Complainant and  
27

1 Respondents at a formal hearing on the Accusation, which hearing  
2 was to be held in accordance with the provisions of the  
3 Administrative Procedure Act (APA), shall instead and in place  
4 thereof be submitted solely on the basis of the provisions of  
5 this Stipulation and Agreement.

6           2. Respondents have received, read and understand the  
7 Statement to Respondent, the Discovery Provisions of the APA and  
8 the Accusation filed by the Department of Real Estate in this  
9 proceeding.

10           3. On April 6, 2010, Respondents filed Notices of  
11 Defense pursuant to Section 11506 of the Government Code for the  
12 purpose of requesting a hearing on the allegations in the  
13 Accusation. Respondents hereby freely and voluntarily withdraw  
14 said Notices of Defense. Respondents acknowledge that they  
15 understand that by withdrawing said Notices of Defense they will  
16 thereby waive their rights to require the Commissioner to prove  
17 the allegations in the Accusation at a contested hearing held in  
18 accordance with the provisions of the APA and that they will  
19 waive other rights afforded to them in connection with the  
20 hearing such as the right to present evidence in defense of the  
21 allegations in the Accusation and the right to cross-examine  
22 witnesses.

23           4. Respondents PRIDE FINANCIAL GROUP and DEREK JOHN  
24 GIBBONS hereby admit that the factual allegations in Paragraphs  
25 7, 8, 9, and 10 of the Accusation filed in this proceeding  
26 concerning the failure to submit and obtain approval from the  
27

1 Department of a written agreement for the collection of advance  
2 fees at least ten days prior to using it, are true and correct  
3 and the Real Estate Commissioner shall not be required to  
4 provide further evidence of such allegations.

5           5. Respondent DEREK JOHN GIBBONS hereby admits that  
6 the factual allegations in the Accusation concerning failure to  
7 adequately supervise the activities of Respondent PRIDE  
8 FINANCIAL GROUP are true and correct and the Real Estate  
9 Commissioner shall not be required to provide further evidence  
10 of such allegations.

11           6. It is understood by the parties that the Real  
12 Estate Commissioner may adopt the Stipulation and Agreement as  
13 his Decision in this matter, thereby imposing the penalty and  
14 sanctions on Respondents' real estate licenses and license  
15 rights as set forth in the below "Order". In the event that the  
16 Commissioner in his discretion does not adopt the Stipulation  
17 and Agreement, it shall be void and of no effect, and  
18 Respondents shall retain the right to a hearing and proceeding  
19 on the Accusation under all the provisions of the APA and shall  
20 not be bound by any admission or waiver made herein.

21           7. The Order or any subsequent Order of the Real  
22 Estate Commissioner made pursuant to this Stipulation and  
23 Agreement shall not constitute an estoppel, merger or bar to any  
24 further administrative or civil proceedings by the Department of  
25 Real Estate with respect to any matters which were not  
26 specifically alleged to be causes for accusation in this  
27

1 proceeding.

2 DETERMINATION OF ISSUES

3 By reason of the foregoing stipulations, admissions  
4 and waivers and solely for the purpose of settlement of the  
5 pending Accusation without a hearing, it is stipulated and  
6 agreed that the following determination of issues shall be made:

7 I.

8 The conduct of Respondents PRIDE FINANCIAL GROUP and  
9 DEREK JOHN GIBBONS, as described in Paragraph 4, above,  
10 constitutes a violation of Business and Professions Code Section  
11 10085 and Section 2970, Title 10, Chapter 6, Code of Regulations  
12 ("Regulations), and is grounds for the suspension or revocation  
13 of all of the real estate licenses and license rights of  
14 Respondents PRIDE FINANCIAL GROUP and DEREK JOHN GIBBONS under  
15 the provisions of Section 10177(d) of the California Business  
16 and Professions Code.

17 II.

18 The conduct of Respondent DEREK JOHN GIBBONS, as  
19 described in Paragraph 5, above, constitutes a violation of  
20 Business and Professions Code Section 10159.2 and is grounds for  
21 the suspension or revocation of all of the real estate licenses  
22 and license rights of Respondent DEREK JOHN GIBBONS under the  
23 provisions of Section 10177(g) of the California Business and  
24 Professions Code.

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27



1 satisfactory to the Commissioner that Respondent has violated  
2 provisions of the California Real Estate Law, the Subdivided  
3 Lands Law, Regulations of the Real Estate Commissioner or  
4 conditions attaching to said restricted license.

5           3. Respondent shall not be eligible for the issuance  
6 of an unrestricted real estate license nor for the removal of  
7 any of the conditions, limitations or restrictions of the  
8 restricted license until at least two (2) years have elapsed  
9 from the effective date of this Decision.

10           4. Respondent shall submit with any application for  
11 license under an employing broker, or any application for  
12 transfer to a new employing broker, a statement signed by the  
13 prospective employing real estate broker on a form approved by  
14 the Department of Real Estate which shall certify:

15           (a) That the employing broker has read the Decision  
16 of the Commissioner which granted the right to a restricted  
17 license; and

18           (b) That the employing broker will exercise close  
19 supervision over the performance by the restricted licensee  
20 relating to activities for which a real estate license is  
21 required.

22           5. Respondent shall, within nine (9) months from the  
23 effective date of this Decision, present evidence satisfactory  
24 to the Real Estate Commissioner that Respondent has, since the  
25 most recent issuance of an original or renewal real estate  
26 license, taken and successfully completed the continuing  
27

1 education requirements of Article 2.5 of Chapter 3 of the Real  
2 Estate Law for renewal of a real estate license. If Respondent  
3 fails to satisfy this condition, the Commissioner may order the  
4 suspension of the restricted license until the Respondent  
5 presents such evidence. The Commissioner shall afford  
6 Respondent the opportunity for a hearing pursuant to the APA to  
7 present such evidence.

8           6. Respondent shall within six (6) months from the  
9 effective date of this Decision, take and pass the Professional  
10 Responsibility Examination administered by the Department  
11 including the payment of the appropriate examination fee. If  
12 Respondent fails to satisfy this condition, the Commissioner may  
13 order suspension of Respondent's license until Respondent passes  
14 the examination.

15 DATED:

16 10/5/10

17 *Lisette Garcia*  
18 LISSETE GARCIA  
19 Counsel for Complainant

20 \* \* \*

21           We have read the Stipulation and Agreement, have  
22 discussed it with our counsel, and its terms are understood by  
23 us and are agreeable and acceptable to us. We understand that  
24 we are waiving rights given to us by the California  
25 Administrative Procedure Act (including but not limited to  
26 Sections 11506, 11508, 11509 and 11513 of the Government Code),  
27 and we willingly, intelligently and voluntarily waive those  
rights, including the right of requiring the Commissioner to

1 prove the allegations in the Accusation at a hearing at which we  
2 would have the right to cross-examine witnesses against us and  
3 to present evidence in defense and mitigation of the charges.

4 Respondents can signify acceptance and approval of the  
5 terms and conditions of this Stipulation and Agreement by faxing  
6 a copy of the signature page, as actually signed by Respondents,  
7 to the Department at the following telephone/fax number: (213)  
8 576-6917. Respondents agree, acknowledge and understand that by  
9 electronically sending to the Department a fax copy of their  
10 actual signatures as they appear on the Stipulation and  
11 Agreement, that receipt of the faxed copy by the Department  
12 shall be as binding on Respondents as if the Department had  
13 received the original signed Stipulation and Agreement.

14 Further, if the Respondents are represented by  
15 counsel, the Respondents' counsel can signify their agreement to  
16 the terms and conditions of the Stipulation and Agreement by  
17 submitting that signature via fax. The Commissioner has asked  
18 that counsel's signature be under penalty of perjury that he  
19 will concurrently or within 24 hours of obtaining Respondents'  
20 signature to the agreement by depositing in the mail the  
21 original settlement/stipulation containing the original  
22 signatures of both the Respondents and Respondents' counsel.

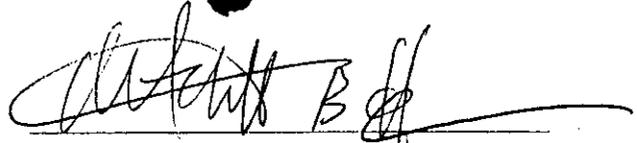
23 DATED: 10/5/18

  
DEREK JOHN GIBBONS, individually  
and as designated  
officer of Pride Financial Group

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DATED:

10/5/10

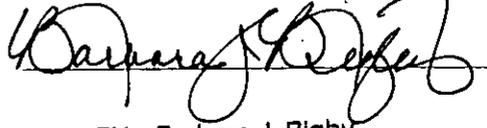


MITCHELL B. HANNAH, ESQ.  
Respondents' Counsel  
Approved as to Form and Content

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision in this matter and shall become effective  
at 12 o'clock noon on November 24, 2010.

IT IS SO ORDERED 11/2, 2010.

JEFF DAVI  
Real Estate Commissioner



BY: Barbara J. Bigby  
Chief Deputy Commissioner



2.

1 Respondent PRIDE FINANCIAL GROUP is presently licensed  
2 and/or has license rights under the Real Estate Law (Part 1 of  
3 Division 4 of the Business and Professions Code, hereinafter  
4 "Code"), as a real estate corporation acting by and through  
5 Respondent GIBBONS as its designated broker-officer.  
6

3.

7  
8 Respondent GIBBONS is presently licensed and/or has  
9 license rights under the Real Estate Law as the designated  
10 broker-officer of Respondent PRIDE FINANCIAL GROUP.  
11

4.

12  
13 All further references to Respondents herein include  
14 Respondents PRIDE FINANCIAL GROUP and GIBBONS, and also include  
15 officers, directors, employees, agents and real estate licensees  
16 employed by or associated with PRIDE FINANCIAL GROUP and  
17 GIBBONS, and who at all times herein mentioned were engaged in  
18 the furtherance of the business or operations of Respondents  
19 PRIDE FINANCIAL GROUP and GIBBONS, and who were acting within  
20 the course and scope of their authority and employment.  
21

5.

22  
23 At all times relevant herein pursuant to Section 10211  
24 of the Code, Respondent GIBBONS as the officer designated of  
25 Respondent PRIDE FINANCIAL GROUP, was responsible for the  
26 supervision and control of the activities conducted on behalf of  
27

1 Respondent PRIDE FINANCIAL GROUP by its officers and employees  
2 as necessary to secure full compliance with the Real Estate Law  
3 as set forth in Section 10159.2 of the Code.

4 6.

5 Respondent GIBBONS ordered, caused, authorized or  
6 participated in the conduct of Respondent PRIDE FINANCIAL GROUP,  
7 as is alleged in this Accusation.

8 FIRST CAUSE OF ACCUSATION  
9 (Advance Fee Violation)

10 7.

11 At all times mentioned herein, in the State of  
12 California, Respondents engaged in the business of claiming,  
13 demanding, charging, receiving, collecting or contracting for  
14 the collection of advance fees, within the meaning of Code  
15 Section 10026, including, but not limited to, the following loan  
16 activities with respect to loans which were secured by liens on  
17 real property:

18 a. In or around December, 2008, Criselda Escano  
19 ("Escano") received a mailed advertisement from GREENLIGHT  
20 FINANCIAL SERVICES that solicited loan modification and  
21 foreclosure prevention services for real property. Escano  
22 called the telephone number on the mailer and spoke to JENNIFER  
23 KENNEDY who informed Escano that the company was actually PRIDE  
24 FINANCIAL GROUP. Escano also dealt with DEREK JOHN GIBBONS on  
25 several occasions. Escano agreed to pay an advance fee of  
26 \$3,500 in four installments of \$875 to PRIDE FINANCIAL GROUP.  
27

1 The advance fee was collected pursuant to the provisions of an  
2 agreement pertaining to loan solicitation, negotiation, and  
3 modification services to be provided by PRIDE FINANICAL GROUP  
4 with respect to a loan secured by the real property located at  
5 53 Bridgeport, Irvine, California 92620.

6 8.

7 Respondents collected the advance fees described in  
8 Paragraph 7, above, pursuant to the provisions of a written  
9 agreement which constitutes an advance fee agreement within the  
10 meaning of Code Section 10085.

11 9.

12 Respondents failed to submit the written agreement and  
13 mailed advertising referred to in Paragraph 7, above, to the  
14 Commissioner ten days before using it, in violation of Code  
15 Section 10085 and Section 2970, Title 10, Chapter 6, Code of  
16 Regulations ("Regulations").

17 10.

18 The conduct, acts and/or omissions of Respondents, as  
19 set forth above, are cause for the suspension or revocation of  
20 the licenses and license rights of Respondent pursuant to Code  
21 Sections 10085, 10177(d) and/or 10177(g).

22 SECOND CAUSE OF ACCUSATION  
23 (Unlicensed Activity)

24 11.

25 Complainant hereby incorporates by reference the  
26 allegations set forth in Paragraphs 1 through 10, above.  
27

12.

1  
2 The activities described in Paragraph 7, above,  
3 require a real estate license under Sections 10131(d) and  
4 10131.2 of the Code. Respondents violated Section 10137 of the  
5 Code by employing and/or compensating individuals who were not  
6 licensed as a real estate salesperson or as a broker to perform  
7 activities requiring a license as follows:

8 a. Respondents employed and/or compensated Jennifer  
9 Kennedy to perform some or all of the services alleged in  
10 Paragraph 7, above, though she was not licensed as a real estate  
11 salesperson or broker.  
12

13 13.

14 The conduct, acts and/or omissions of Respondents  
15 PRIDE FINANCIAL GROUP and GIBBONS, as set forth in Paragraph 12,  
16 above, violate Code Section 10137, and are cause for the  
17 suspension or revocation of the licenses and license rights of  
18 Respondents pursuant to Code Sections 10137, 10177(d) and/or  
19 10177(g).  
20

21 THIRD CAUSE OF ACCUSATION  
22 (Use of Unauthorized Fictitious Business Name)

23 14.

24 Complainant hereby incorporates by reference the  
25 allegations set forth in Paragraphs 1 through 13, above.

26 ///

27 ///

15.

1  
2 Use of a fictitious business name for activities  
3 requiring the issuance of a real estate license requires the  
4 filing of an application for the use of such name with the  
5 Department of Real Estate ("Department") in accordance with the  
6 provisions of Code Section 10159.5.

7  
8 16.

9 Respondents acted without Department authorization in  
10 using the fictitious business name "Greenlight Financial  
11 Services" to engage in activities requiring the issuance of a  
12 real estate license.

13  
14 17.

15 The conduct, acts and/or omissions of Respondents, as  
16 set forth in Paragraphs 15 and 16, above, violate Code Section  
17 10159.5 and Section 2731 of the Regulations, and are cause for  
18 the suspension or revocation of the licenses and license rights  
19 of Respondent PRIDE FINANCIAL GROUP and Respondent GIBBONS  
20 pursuant to Code Sections 10177(d) and/or 10177(g).

21 FOURTH CAUSE OF ACCUSATION  
22 (Failure to Supervise)

23  
24 18.

25 Complainant hereby incorporates by reference the  
26 allegations set forth in Paragraphs 1 through 17, above.

27 ///

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19.

1 Respondent GIBBONS ordered, caused, authorized or  
2 participated in the conduct of Respondent PRIDE FINANCIAL GROUP,  
3 as is alleged in this Accusation.  
4

20.

5 The conduct, acts and/or omissions, of Respondent  
6 GIBBONS, in allowing Respondent PRIDE FINANCIAL GROUP to violate  
7 the Real Estate Law, as set forth above, constitutes a failure  
8 by Respondent GIBBONS, as the officer designated by a corporate  
9 broker licensee, to exercise the supervision and control over  
10 the activities of Respondent PRIDE FINANCIAL GROUP, as required  
11 by Code Section 10159.2, and is cause to suspend or revoke the  
12 real estate licenses and license rights of Respondent GIBBONS  
13 under Code Sections 10177(d), 10177(g) and/or 10177(h).  
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1 WHEREFORE, Complainant prays that a hearing be  
2 conducted on the allegations of this Accusation and that upon  
3 proof thereof, a decision be rendered imposing disciplinary  
4 action against all the licenses and license rights of Respondent  
5 PRIDE FINANCIAL GROUP and Respondent DEREK JOHN GIBBONS under  
6 the Real Estate Law (Part 1 of Division 4 of the Business and  
7 Professions Code), and for such other and further relief as may  
8 be proper under other applicable provisions of law.

9 Dated at Los Angeles, California

10 this 15<sup>th</sup> day of March, 2010.

11  
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14   
15 Maria Suarez  
16 Deputy Real Estate Commissioner  
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24 cc: Pride Financial Group  
25 Derek John Gibbons  
26 Maria Suarez  
27 Sacto.