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DEPARTMENT OF REAL ESTATE

By *g. dew*

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BEFORE THE BUREAU OF REAL ESTATE
STATE OF CALIFORNIA

In the Matter of the Accusation of:

LAWRENCE CECIL RUMBECK and BP
REALTY, INC.,
Respondents.

No. H-3140 FR

STIPULATION AND
AGREEMENT IN
SETTLEMENT AND ORDER

It is hereby stipulated by and between LAWRENCE CECIL RUMBECK ("RUMBECK") and BP REALTY, INC. ("BPRI") (collectively "Respondents") and their attorney, Mahanvir S. Sahota of The Law Offices of Brunn & Flynn, and the Complainant, acting by and through Adriana Z. Badilas, Counsel for the Bureau of Real Estate ("Bureau"), as follows for the purpose of settling and disposing of the Accusation filed on December 8, 2017, in this matter:

1. All issues which were to be contested and all evidence which was to be presented by Complainant and Respondents at a formal hearing on the Accusation, which hearing was to be held in accordance with the provisions of the Administrative Procedure Act ("APA"), shall instead and in place thereof be submitted solely on the basis of the provisions of this Stipulation and Agreement.

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1 2. Respondents have received, read, and understand the Statement to
2 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Bureau in this
3 proceeding.

4 3. Respondents filed a Notice of Defense pursuant to Section 11505 of the
5 Government Code for the purpose of requesting a hearing on the allegations in the Accusation.
6 Respondents hereby freely and voluntarily withdraw said Notice of Defense. Respondents
7 acknowledge that Respondents will waive Respondents' right to require the Real Estate
8 Commissioner ("Commissioner") to prove the allegations in the Accusation at a contested
9 hearing held in accordance with the provisions of the APA and that Respondents will waive other
10 rights afforded to Respondents in connection with the hearing, such as the right to present
11 evidence in defense of the allegations in the Accusation and the right to cross-examine witnesses.

12 4. This Stipulation and Agreement and Respondents' decision not to contest
13 the Accusation are made for the purpose of reaching an agreed disposition of this proceeding and
14 are expressly limited to this proceeding and any other proceeding or case in which the Bureau,
15 the state or federal government, an agency of this state, or an agency of another state is involved.

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

23 6. This Decision and Order or any subsequent Order of the Commissioner
24 made pursuant to this Stipulation and Agreement shall not constitute an estoppel, merger or bar
25 to any further administrative or civil proceedings by the Bureau with respect to any matters,
26 which were not specifically alleged in Accusation H-3140 FR.

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1 DETERMINATION OF ISSUES

2 By reason of the foregoing stipulations, admissions, and waivers and solely for the
3 purpose of settlement of the pending Accusation without hearing, it is stipulated and agreed that
4 the following Determination of Issues shall be made:

5 I

6 The acts and/or omissions of RUMBECK, as described in the Accusation, are
7 grounds for the suspension or revocation of the licenses and license rights of RUMBECK under
8 Business and Professions Code ("Code") Sections 10145, 10159.2, and 10177(d), in conjunction
9 with the California Code of Regulations ("Regulations"), Title 10, Sections 2725, 2831.2, and
10 2832.1.

11 II

12 The acts and/or omissions of BPRI, as described in the Accusation, are grounds
13 for the suspension or revocation of the licenses and license rights of BPRI under Sections 10145
14 and 10177(d) of the Code, in conjunction with Section 2831.2 and 2832.1 of the Regulations.

15 ORDER

16 I. AS TO BPRI

17 All licenses and licensing rights of BPRI under the Real Estate Law are suspended
18 for a period of ninety (90) days from the effective date of this Order; provided, however, that:

19 1. Forty-five (45) days of said suspension shall be stayed upon the condition that
20 BPRI petitions pursuant to Section 10175.2 of the Code and pays a monetary penalty pursuant to
21 Section 10175.2 of the Code, at a rate of \$50 for each day of the suspension, for a total monetary
22 penalty of \$2,250.00.

23 a. Said payment shall be in the form of a cashier's check made payable to
24 the Bureau of Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag
25 Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this
26 Order.

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1 b. No further cause for disciplinary action against the real estate license
2 of BPRI occurs within two (2) years from the effective date of the Order in this matter.

3 c. If BPRI fails to pay the monetary penalty in accordance with the terms
4 and conditions of the Decision, the Commissioner may, without a hearing, order the immediate
5 execution of all or any part of the stayed suspension, in which event, BPRI shall not be entitled to
6 any repayment nor credit, prorated or otherwise, for money paid to the Bureau under the terms of
7 this decision.

8 d. If BPRI pays the monetary penalty, and if no further cause for
9 disciplinary action against the real estate license of BPRI occurs within two (2) years from the
10 effective date of the Decision herein, then the stay hereby granted shall become permanent.

11 2. The remaining forty-five (45) days of said suspension shall also be stayed for
12 two (2) years upon the following terms and conditions:

13 a. BPRI shall obey all laws, rules and regulations governing the rights,
14 duties and responsibilities of a real estate licensee in the State of California, and

15 b. That no final subsequent determination be made, after hearing or upon
16 stipulation, that cause for disciplinary action occurred within two (2) years from the effective
17 date of this Order. Should such a determination be made, the Commissioner may, in his
18 discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed
19 suspension. Should no such determination be made, the stay imposed herein shall become
20 permanent.

21 II. AS TO RUMBECK

22 All licenses and licensing rights of RUMBECK under the Real Estate Law are
23 suspended for a period of ninety (90) days from the effective date of this Order; provided,
24 however, that:

25 1. Forty-five (45) days of said suspension shall be stayed upon the condition that
26 RUMBECK petitions pursuant to Section 10175.2 of the Code and pays a monetary penalty
27 pursuant to Section 10175.2 of the Code, at a rate of \$50 for each day of the suspension, for a

1 total monetary penalty of \$2,250.00.

2 a. Said payment shall be in the form of a cashier's check made payable to
3 the Bureau of Real Estate. Said check must be delivered to the Bureau of Real Estate, Flag
4 Section at P.O. Box 137013, Sacramento, CA 95813-7013, prior to the effective date of this
5 Order.

6 b. No further cause for disciplinary action against the real estate license
7 of RUMBECK occurs within two (2) years from the effective date of the Order in this matter.

8 c. If RUMBECK fails to pay the monetary penalty in accordance with the
9 terms and conditions of the Decision, the Commissioner may, without a hearing, order the
10 immediate execution of all or any part of the stayed suspension, in which event, RUMBECK
11 shall not be entitled to any repayment nor credit, prorated or otherwise, for money paid to the
12 Bureau under the terms of this decision.

13 d. If RUMBECK pays the monetary penalty, and if no further cause for
14 disciplinary action against the real estate license of RUMBECK occurs within two (2) years
15 from the effective date of the Decision herein, then the stay hereby granted shall become
16 permanent.

17 2. The remaining forty-five (45) days of said suspension shall also be stayed for
18 two (2) years upon the following terms and conditions:

19 a. RUMBECK shall obey all laws, rules and regulations governing the
20 rights, duties and responsibilities of a real estate licensee in the State of California, and

21 b. That no final subsequent determination be made, after hearing or upon
22 stipulation, that cause for disciplinary action occurred within two (2) years from the effective
23 date of this Order. Should such a determination be made, the Commissioner may, in his
24 discretion, vacate and set aside the stay order and reimpose all or a portion of the stayed
25 suspension. Should no such determination be made, the stay imposed herein shall become
26 permanent.

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1 3. RUMBECK shall, within six (6) months from the effective date of this Order,
2 take and pass the Professional Responsibility Examination administered by the Bureau,
3 including the payment of the appropriate examination fee. If RUMBECK fails to satisfy this
4 condition, RUMBECK's real estate license shall automatically be suspended until RUMBECK
5 passes the examination.

6 4. All licenses and licensing rights of RUMBECK are indefinitely suspended
7 unless or until RUMBECK provides proof satisfactory to the Commissioner, of having taken and
8 successfully completed the continuing education course on trust fund accounting and handling
9 specified in paragraph (3) of subdivision (a) of Section 10170.5 of the Code. Proof of satisfaction
10 of these requirements includes evidence that RUMBECK has successfully completed the trust
11 fund accounting and handling continuing education course, no earlier than one hundred twenty
12 (120) days prior to the effective date of the Order in this matter. Proof of completion of the trust
13 fund accounting and handling course must be delivered to the Bureau of Real Estate, Flag
14 Section at P.O. Box 137013, Sacramento, CA 95813-7013 or by fax at 916-263-8785, prior to the
15 effective date of this Order.

16 III. AS TO BOTH BPRI & RUMBECK

17 1. All licenses and licensing rights of Respondents are indefinitely suspended
18 unless or until Respondents, jointly and severally, pay the sum of \$2,587.75 for the
19 Commissioner's reasonable costs of the investigation and enforcement which led to this
20 disciplinary action. Said payment shall be in the form of a cashier's check or certified check
21 made payable to the Bureau of Real Estate. The investigative and enforcement costs must be
22 delivered to the Bureau of Real Estate, Flag Section at P.O. Box 137013, Sacramento, CA
23 95813-7013, prior to the effective date of this Order.

24 2. Respondents, jointly and severally, shall pay the sum of \$4,915.93 for the
25 Commissioner's cost of the audit which led to this disciplinary action. Respondents shall pay
26 such cost within sixty (60) days of receiving an invoice therefore from the Commissioner. The
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1 Commissioner shall indefinitely suspend all licenses and licensing rights of Respondents
2 pending a hearing held in accordance with Section 11500, et seq., of the Government Code, if
3 payment is not timely made as provided for herein, or as provided for in a subsequent
4 agreement between Respondents and the Commissioner. The suspension shall remain in effect
5 until payment is made in full or until Respondents enter into an agreement satisfactory to the
6 Commissioner to provide for payment, or until a decision providing otherwise is adopted
7 following a hearing held pursuant to this condition.

8 3. Respondents, jointly and severally, shall pay the Commissioner's costs, not
9 to exceed \$6,144.91, of any audit conducted pursuant to Section 10148 of the Code to
10 determine if Respondents have corrected the violations described in the Determination of
11 Issues, above, and any other violations found in the audit which led to this disciplinary action.
12 In calculating the amount of the Commissioner's reasonable cost, the Commissioner may use
13 the estimated average hourly salary for all persons performing audits of real estate brokers, and
14 shall include an allocation for travel time to and from the auditor's place of work. Respondents
15 shall pay such cost within sixty (60) days of receiving an invoice therefore from the
16 Commissioner detailing the activities performed during the audit and the amount of time spent
17 performing those activities. If Respondents fail to pay such cost within the sixty (60) days, the
18 Commissioner shall indefinitely suspend all licenses and licensing rights of Respondents under
19 the Real Estate Law until payment is made in full or until Respondents enter into an agreement
20 satisfactory to the Commissioner to provide for payment. Upon full payment, the indefinite
21 suspension provided for in this paragraph shall be stayed.

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24 4/26/18
25 DATED


26 ADRIANA Z. BADILAS, Counsel
27 Bureau of Real Estate

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I have read the Stipulation and Agreement, have discussed it with my counsel, and its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the APA (including but not limited to Sections 11506, 11508, 11509, and 11513 of the Government Code), and I willingly, intelligently, and voluntarily waive those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which I would have the right to cross-examine witnesses against me and to present evidence in defense and mitigation of the charges.

Respondents can signify acceptance and approval of the terms and conditions of this Stipulation and Agreement by faxing a copy of the signature page, as actually signed by Respondent, to the Bureau at fax number (916) 263-3767 or by e-mail to adriana.badilas@DRE.ca.gov. Respondents agree, acknowledge, and understand that by electronically sending to the Bureau a fax copy of Respondents' actual signature as it appears on the Stipulation and Agreement, that receipt of the faxed copy by the Bureau shall be as binding on Respondents as if the Bureau had received the original signed Stipulation and Agreement.

4.26.18

DATED



BP REALTY, INC.
By: Lawrence Cecil Rumbeck, Designated Officer

4.26.18

DATED




LAWRENCE CECIL RUMBECK
Respondent

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1 *I have reviewed this Stipulation and Agreement as to form and content and have*
2 *advised my clients accordingly.*

3
4 4-26-2018

5 DATED


6 MAHANVIR S. SAHOTA
7 The Law Offices of Brunn & Flynn
8 Attorney for Respondents

9 * * *

8 The foregoing Stipulation and Agreement In Settlement and Order is hereby
9 adopted by the Real Estate Commissioner as his Decision and Order and shall become effective
10 at 12 o'clock noon on DEC 04 2018

11 IT IS SO ORDERED October 31, 2018

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13 DANIEL J. SANDRI
14 ACTING REAL ESTATE COMMISSIONER

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