Bureau of Real Estate 320 West Fourth Street, Ste. 350 Los Angeles, California 90013

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BUREAU OF REAL ESTATE

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STATE OF CALIFORNIA

TO: No. H-04684 SD THE CAREER COMPASS INC.;

> WELLINGTON D. PENDELL; TINA L. PARKER; and WAYNE ORDER TO DESIST & REFRAIN

RAPP, individually, and doing business as GOLD COAST (B&P Code Section 10086)

SCHOOLS

The Commissioner ("Commissioner") of the California Bureau of Real Estate

("Bureau") caused an investigation to be made of the activities of THE CAREER COMPASS

INC. ("CAREER COMPASS"), WELLINGTON D. PENDELL ("PENDELL"), TINA L.

PARKER ("PARKER") and WAYNE RAPP, doing business as GOLD COAST SCHOOLS

(sometimes collectively referred to as "GOLD COAST"). Based on that investigation the

Commissioner has determined that CAREER COMPASS, PENDELL, PARKER and GOLD

COAST have engaged in or are engaging in activities which constitute violations of Section

10170.4 of the California Business and Professions Code ("Code") and of Title 10, Chapter 6,

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ORDER TO DESIST & REFRAIN THE CAREER COMPASS INC., WELLINGTON D. PENDELL

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Article 25 (Continuing Education Requirements), California Code of Regulations

("Regulations"), and specifically Section 3007.6 of the Regulations, by knowingly advertising,
displaying, publishing, disseminating, or causing or permitting to be advertised, displayed,
published, or disseminated, advertising and promotional materials that include false and/or
misleading statements or representations as to CAREER COMPASS' authorization to sponsor or
promote continuing education coursework meeting the requirements for the renewal of a
California real estate license within the meaning of Code Section 10170.5. Based on the findings
of that investigation, set forth below, the Commissioner hereby issues the following Findings of
Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086 of
the Code.

FINDINGS OF FACT

- 1. CAREER COMPASS is a California corporation engaged in the business of offering motivational and other seminars to members of the public, including California real estate licensees. PARKER is the president and chief executive officer of CAREER COMPASS, and PENDELL is the chief financial officer.
- 2. Whenever acts referred to below are attributed to CAREER COMPASS, those acts are alleged to have been done by CAREER COMPASS, PARKER, or PENDELL, whether acting alone or together, and/or by or through one or more agents.
- 3. On or about May 28, 2014, in Case No. H-04486 SD, after an administrative hearing attended by CAREER COMPASS, PENDELL and their counsel, the Bureau withdrew its approval for CAREER COMPASS to sponsor continuing education course offerings to the Bureau's real estate licensees. The order of withdrawal was made pursuant to Section 3010 of the

Regulations based on CAREER COMPASS' violation of Code Section 10170.4 and of the following sections of the Regulations: Sections 3006(d) and 3007.3(n) relating to the regulation of final examinations, Section 3006(b) relating to the requirement for the physical presence of course attendees, Section 3007(j) relating to course completion certificates, and Sections 3006(f)(2) relating to grounds for withdrawal of approval for continuing education course offerings.

- 4. At no time after May 28, 2014, was CAREER COMPASS approved by the Bureau to sponsor continuing education course offerings for California real estate licensees.
- 5. At all times relevant herein GOLD COAST, Bureau Sponsor I.D. No. 3831, has been approved by the Bureau to act as a sponsor of the following continuing education correspondence course offerings:
 - a. California Financing Tools for 18 units/hours
 - b. Trust Fund Handling for 3 units/hours
 - c. Ethics for 3 units/hours
 - d. Fair Housing for 3 units/hours
 - e. Agency for 3 units/hours
 - f. Risk Management for 3 units/hours
- 6. Though CAREER COMPASS is prohibited from sponsoring continuing education course offerings, as is alleged in Paragraphs 3 and 4, above, commencing after May 28, 2014, CAREER COMPASS advertised, published, distributed, or caused to be advertised, published or distributed, on an internet website and in e-mails directed to California real estate licensees and others, statements and representations which were false and/or misleading in that

CAREER COMPASS offered continuing education credit/hours to real estate licensees who signed up for one of its seminars. CAREER COMPASS made the following misrepresentations in its advertising and promotional material:

Example: "THE CAREER COMPASS is the most unique seminar in Real Estate. THE CAREER COMPASS has amazing training that is unlike any seminar in the industry today. In addition to this training, we offer the opportunity to test for 45 credit/hours - full license renewal!"

Example: "Did Compass have a very minor problem with BRE?

Yes. In fact, it was a small issue compared to many trainers who provide BRE courses . . . The BRE 'issue' had to do with courses that are no longer even provided by Compass. Everything has been resolved between Compass and the BRE."

7. Though CAREER COMPASS had no reasonable basis to assert an on-going ability to offer lifetime continuing education course offerings that complies with Code Section 10170.4 and the applicable Regulations, its advertising and promotional material made the following representations:

Example: "A <u>LIFETIME</u> TICKET TO THE CAREER COMPASS IS ONLY \$195. One Time – Never Another Charge – All Materials Included – Tax Deductible!

THECAREERCOMPASS.COM or (855) C.E. RENEW"

Example: "THE CAREER COMPASS, LIFETIME LICENSE RENEWAL.

(855) C.E. RENEW"

8. Though Section 10170.4 and Section 3006 of the Regulations provide for an all-encompassing application and approval process for all sponsors of continuing education programs, CAREER COMPASS falsely represented that it may validate its continuing education offerings by incorporating portions of the educational materials of a Bureau-approved continuing education sponsor. CAREER COMPASS made the following statements:

Example: "To make renewal easier, Compass has taken an amazing approach. Rather than Compass authoring BRE courses, they 'bundle' courses by other trainers, and conduct their seminars at amazing 5-star locations. This provides a seamless way to renew a BRE license."

Example: "All our seminars are in a 2.5 day format. The reason for this is to accommodate any attendees who wish to take advantage of the seminar as a testing opportunity for DRE credit/hours that are offered by the non-Compass affiliates we partner with to offer you a package of great training and DRE credit/hours. . . The COMPASS seminar and attendance therein is not connected to, nor is there any association to the affiliates who offer the opportunity to test for DRE Credit/Hours. . . ."

9. During the period August 22, 2014, to August 24, 2014, CAREER COMPASS held a seminar entitled "The Career Compass Real Estate Success Training" at the San Diego

Convention Center in San Diego, California ("San Diego Seminar"). The San Diego Seminar was advertised by CAREER COMPASS as an opportunity for real estate licensees to obtain continuing education course credit which fulfills the continuing education requirements necessary for renewal of a California real estate license.

10. Continuing education coursework materials approved for sponsorship by GOLD COAST as correspondence courses, as is alleged in Paragraph 5, were made available for download at CAREER COMPASS' website after payment of a registration fee of \$195 to CAREER COMPASS. This was done with the cooperation of GOLD COAST, and, further, without prior disclosure that the coursework materials were those of GOLD COAST as is required by Section 3007(f) of the Regulations.

11. Contrary to the provisions of Code Section 10170.4 and Section 3006, subdivisions (a) and (g), and Section 3007.3, subdivisions (b) and (j)(1), of the Regulations imposing an obligation on a continuing education sponsor to structure course offerings so that the student must devote a specified period of time to studying the coursework material, CAREER COMPASS conducted promotional advertising which falsely represented that reading the coursework materials for the correspondence courses which it made available on its website was optional to the real estate licensee's ability to earn qualifying continuing education hours/credit. CAREER COMPASS made the following misrepresentations:

Example: CAREER COMPASS described the downloadable coursework materials as "pre-study/review materials."

Example: "CLICK HERE & DOWNLOAD ALL 4 OF THE PRE-STUDY MATERIALS. These PDF downloads will allow you to

do any pre-studying you would like prior to the seminar. However we will be doing comprehensive reviews of all materials. It is NOT necessary to print out or bring these pre-study materials with you to the seminar. They are simply for your reference."

Example: "NOTE: YOU DO NOT NEED TO PRINT THEM [coursework materials] OUT, (unless you want to) it is like 230 pages" "DO save them to your computer and REVIEW them prior to the seminar (and from time to time) . . . It is all stuff that we are supposed to know as license [sic] Real Estate Agent/Broker—but often forget."

12. Contrary to the provisions of Code Section 10170.4(e) and the applicable Regulations, specifically Section 3006(d), Section 3007.2(a) and Section 3007.3, subdivisions (a) and (h), of the Regulations, which set forth the Bureau's criteria for the review and approval of proposed final examinations, some examination questions provided to the San Diego Seminar attendees by CAREER COMPASS materially deviated from the approved examination questions submitted to the Bureau by GOLD COAST during the educational program approval process.

Paraphrased below are examples of questions in the examination administered by CAREER COMPASS for the course entitled "California Financing Tools" which deviated from the examination questions contained in GOLD COAST's application for approval of its course offerings:

a. Question: What perspectives does Compass teach? Answer: North, West, East and South;

b. Question: Out of the following, which is the best method of prospecting?

Answer: Referral strategic planning;

- c. Question: What is the business card technique? Answer: Business partners offer discounts on back of business card; and
- d. Question: Door knocking effectively includes what? Answer: Leaving something valuable and long-lasting.
- 13. Contrary to the provisions of Code Sections 10170.4(e) and 10170.5, subdivisions (b) and (d), and Sections 3006(d) and 3007.3, subdivisions (a), (h) and (o) of the Regulations, providing that passage of a final examination is determinative of successful completion of a continuing education course offering, CAREER COMPASS' representative coached course participants in advance as to the correct answers to the examination questions for Agency, Trust Fund Handling, Ethics, Risk Management and Fair Housing.
- 14. Despite CAREER COMPASS' knowledge that the final examination testing described in Paragraphs 9, 10 and 11, above, failed to meet the requirements for earning continuing education hours/credit, CAREER COMPASS made the following misrepresentation in its promotional advertising for the San Diego Seminar:

"You get your [course completion] certificate at the seminar...

Once you have completed the FULL 2.5 days and tested you will leave the seminar with your certificate and your FULL Continuing Education Credits. That is what is needed for your FULL renewal requirement."

15. CAREER COMPASS' representation that the course completion certificates provided to the San Diego Seminar attendees were valid for license renewal was false in that the certificates issued by CAREER COMPASS bore the name "GOLD COAST," and were signed by PARKER from CAREER COMPASS, who was not the prescribed signatory for GOLD COAST under the provisions of Section 3007(j) of the Regulations.

16. By permitting CAREER COMPASS to utilize GOLD COAST's Bureauapproved course offerings to promote the San Diego Seminar WAYNE RAPP of GOLD COAST impliedly authorized and approved the foregoing false and misleading advertising.

CONCLUSIONS OF LAW

17. Based on the information contained in the Findings of Fact, above, CAREER COMPASS, PENDELL, PARKER and GOLD COAST violated Section 3007.6 of the Regulations in that they knowingly advertised, printed, displayed, published, distributed, or caused or permitted to be advertised, printed, displayed, published, distributed, advertisements or promotional material with regard to continuing education course offerings purporting to fulfill the requirements for the renewal of a California real estate license which contained false and/or misleading statements or representations.

DESIST AND REFRAIN ORDER

Based on the FINDINGS OF FACT and CONCLUSIONS OF LAW stated herein, it is hereby ordered that THE CAREER COMPASS, INC., whether doing business under the name THE CAREER COMPASS or any other name(s), WELLINGTON D. PENDELL, TINA L. PARKER and WAYNE RAPP, individually, and doing business as GOLD COAST SCHOOLS, immediately desist and refrain from disseminating any advertising or promotional material for a

1	continuing education offering fulfilling, or purporting to fulfill, the requirements for renewal of a
2	California real estate license, as set forth in Code Section 10170.5 and Section 3006 et seq. of the
3	Regulations, that contains false and/or misleading statements or representations in violation of
4	Section 3007.6 of the Regulations.
5	In particular each of them is ORDERED TO DESIST AND REFRAIN from
6 7	stating or implying that they, or any of them, are approved by the Bureau to act as a sponsor of an
8	educational offering without having complied with all the provisions of Code Section 10170.4
9	and Section 3006 et seq. of the Regulations.
LO	DATED: DECEMBER 31, 2014.
L1	Real Estate Commissioner
L2	
L3 L4	
15	By: JEFFREY MASON Chief Deputy Commissioner
16	cc: The Career Compass, Inc. Wellington D. Pendell
L7	Tina L. Parker Wayne Rapp, doing business as Gold Coast Schools
L8	Shelly Wilson Sacto.
L9	
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