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FILED

MAR 17 2022

DEPT. OF REAL ESTATE

By *[Signature]*

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8
9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of) No. H-05284 SD
13)
14 FORBIX CAPITAL CORP. and) ACCUSATION
15 EMIL A KHODORKOVSKY,)
16 individually and as designated officer of)
17 Forbix Capital Corp.,)
18 Respondents.)
19)

20 The Complainant, Veronica Kilpatrick, a Supervising Special Investigator of the
21 State of California, for cause of Accusation against FORBIX CAPITAL CORP. and
22 EMIL A KHODORKOVSKY, individually and as designated officer of Forbix Capital Corp.
23 (“Respondents”), is informed and alleges as follows:

24 1.

25 The Complainant, Veronica Kilpatrick, acting in her official capacity as a
26 Supervising Special Investigator of the State of California, makes this Accusation against
27 Respondents FORBIX CAPITAL CORP. and EMIL A KHODORKOVSKY.

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Accusation of Forbix Capital Corp. and Emil A Khodorkovsky

1 2.

2 All references to the "Code" are to the California Business and Professions Code
3 and all references to "Regulations" are to Title 10, Chapter 6, California Code of Regulations.

4 LICENSE HISTORY

5 3.

6 Respondent FORBIX CAPITAL CORP. ("FORBIX") presently has license
7 rights under the Real Estate Law, Part 1 of Division 4 of the Code as a corporate real estate
8 broker. FORBIX also has a company mortgage loan originator license endorsement.

9 4.

10 Respondent EMIL A KHODORKOVSKY ("KHODORKOVSKY") presently
11 has license rights as a real estate broker. KHODORKOVSKY also has an individual mortgage
12 loan originator license endorsement.

13 5.

14 Respondent FORBIX is licensed by the Department of Real Estate
15 ("Department") as a corporate real estate broker by and through Respondent
16 KHODORKOVSKY, as the designated officer and broker responsible, pursuant to Code
17 section 10159.2, for supervising the activities requiring a real estate license conducted on behalf
18 of FORBIX, or by FORBIX'S officers, agents and employees.

19 BROKERAGE

20 FORBIX CAPITAL CORP.

21 6.

22 At all times mentioned, in the City of Sherman Oaks, County of Los Angeles,
23 Respondent FORBIX acted as a real estate broker, conducting licensed activities within the
24 meaning of Code section 10131(d) (solicits borrowers or lenders for or negotiates loans or
25 collects payments or performs services for borrowers or lenders or note owners in connection
26 with loans secured by real property).

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AUDIT
FORBIX CAPITAL CORP.

7.

On June 30, 2021, the Department completed audit examinations of the books and records of Respondent FORBIX pertaining to the activities described in Paragraph 6 which require a real estate license. The audit examinations covered a period of time from June 1, 2019, to November 30, 2020. The audit examinations revealed violations of the Code and the Regulations as set forth in the following paragraphs, and as more fully discussed in Audit Report LA200042 and the exhibits and workpapers attached to said audit report.

8.

Respondent FORBIX accepted or received funds in trust (“trust funds”). Thereafter, Respondent made deposits and or disbursements of such trust funds. During the examination period described in Paragraph 7 above, Respondent deposited or maintained trust funds in the following bank accounts:

Trust Account 1: City National Bank account ending in 867.

AUDIT VIOLATIONS OF THE REAL ESTATE LAW

9.

In the course of activities described in Paragraph 6 above and during the examination period described in Paragraph 7 above, Respondent FORBIX acted in violation of the Code and the Regulations in that:

9(a) Respondent FORBIX met the loan servicing threshold criteria of Code section 10232(a) and failed to timely notify the Department within 30 days, in violation of Code section 10232(e).

9(b) Respondent FORBIX did not maintain loan servicing agreements that satisfy the requirements of Code section 10238(k), in violation of Code section 10233(a).

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1 9(c) Respondent FORBIX commingled its own money with trust funds in
2 Trust Account 1, in violation of Code sections 10145 and 10176(e) and Regulations
3 section 2835.

4 9(d) Respondent FORBIX did not maintain a complete and accurate control
5 record of all trust funds received and disbursed, in violation of Code section 10145 and
6 Regulations section 2831.

7 9(e) Respondent FORBIX did not maintain a complete and accurate separate
8 record of all trust funds received and disbursed for each beneficiary in connection with
9 Respondent's brokerage activities, in violation of Code section 10145 and Regulations
10 section 2831.1.

11 9(f) Respondent FORBIX failed to timely notify the Department within
12 30 days of FORBIX'S first multilender transaction, in violation of Code section 10238(a).

13 10.

14 The conduct, acts, or omissions of Respondent FORBIX, described in
15 Paragraph 9 above, violated the Code and the Regulations as set forth below:

16	<u>PARAGRAPH</u>	<u>PROVISIONS VIOLATED</u>
17	9(a)	Code section 10232(e)
18	9(b)	Code section 10233(a)
19	9(c)	Code sections 10145 and 10176(e) and Regulations
20		section 2835
21	9(d)	Code section 10145 and Regulations section 2831
22	9(e)	Code section 10145 and Regulations section 2831.1
23	9(f)	Code section 10238(a)

24 The foregoing violations constitute cause for the suspension or revocation of all
25 the licenses, license endorsements, and license rights of Respondent FORBIX under the Real
26 Estate Law pursuant to the provisions of Code sections 10177(d) and 10177(g).

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SECOND CAUSE OF ACTION

SUPERVISION AND COMPLIANCE

11.

The conduct, acts, or omissions of Respondent KHODORKOVSKY, as described in Paragraphs 9 and 10 above, in failing to ensure compliance of the Real Estate Law by Respondent FORBIX, is in violation of Code section 10159.2 and Regulations 2725, and subjects all the licenses, license endorsements, and license rights of KHODORKOVSKY to suspension or revocation pursuant to Code sections 10177(d), 10177(g), and 10177(h).

12.

Code section 10148(b) provides, in pertinent part, that the Real Estate Commissioner shall charge a real estate broker for the cost of any audit if the Commissioner has found in a final decision, following a disciplinary hearing, that the broker has violated Code section 10145 or a Regulation or rule of the Commissioner interpreting said Code section.

13.

Code Section 10106 provides, in pertinent part, that in any order issued in resolution of a disciplinary proceeding before the Department of Real Estate, the Commissioner may request the administrative law judge to direct a licensee found to have committed a violation of this part to pay a sum not to exceed the reasonable costs of the investigation and enforcement of the case.

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WHEREFORE, Complainant prays that a hearing be conducted on the allegations of this Accusation and that upon proof thereof, a decision be rendered imposing disciplinary action against all the licenses, license endorsements, and license rights of Respondents FORBIX CAPITAL CORP. and EMIL A KHODORKOVSKY under the Real Estate Law, for the cost of audit, investigation, and enforcement as permitted by law, and for such other and further relief as may be proper under other applicable provisions of law.

Dated at San Diego, California
this 9th day of March, 2022

Veronica Kilpatrick
Veronica Kilpatrick
Supervising Special Investigator

cc: FORBIX CAPITAL CORP.
EMIL A KHODORKOVSKY
Veronica Kilpatrick
Sacto.
Audits