

**FILED**

**MAR 16 2021**

DEPARTMENT OF REAL ESTATE

By           *By dew*          

1 DEPARTMENT OF REAL ESTATE  
2 P. O. Box 137007  
3 Sacramento, CA 95813-7007  
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7 Telephone: (916) 576-8700

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of: ) Case No. H-6909 SAC  
12 )  
13 FRANKLIN CREDIT MANAGEMENT ) STIPULATION AND AGREEMENT  
14 CORPORATION and DONALD EDWARD ) IN SETTLEMENT AND ORDER  
15 WATSON )  
16 Respondents. )

17 It is hereby stipulated by and between Respondent DONALD EDWARD  
18 WATSON ("WATSON"), acting by and through attorney Mary E, Work, and the Complainant,  
19 acting by and through Adriana Z. Badilas, Counsel for the Department of Real Estate  
20 ("Department"), as follows for the purpose of settling and disposing of the Accusation filed on  
21 March 5, 2020, in this matter:

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

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1                   2. WATSON has received, read and understands the Statement to Respondent,  
2 the Discovery Provisions of the APA, and the Accusation filed by the Department in this  
3 proceeding.

4                   3. Respondent 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 Respondent hereby freely and voluntarily withdraws said Notices of Defense. Respondent  
7 acknowledge that he understands that by withdrawing said Notices of Defense he will thereby  
8 waive his rights to require the Commissioner to prove the allegations in the Accusation at a  
9 contested hearing held in accordance with the provisions of the APA and that he will waive  
10 other rights afforded to him in connection with the hearing such as the right to present evidence  
11 in defense of the allegations in the Accusation and the right to cross-examine witnesses.

12                   4. Respondent, pursuant to the limitations set forth below, hereby admits that  
13 the factual allegations as set forth in the Accusation filed in this proceeding are true and correct  
14 and the Commissioner shall not be required to provide further evidence of such allegations.

15                   5. This Stipulation and Agreement is made for the purpose of reaching an  
16 agreed disposition of this proceeding and is expressly limited to this proceeding and any other  
17 proceeding or case in which the Department, the state or federal government, any agency of  
18 this state, or an agency of another state is involved.

19                   6. It is understood by the parties that the Real Estate Commissioner may adopt  
20 the Stipulation and Agreement as his Decision in this matter, thereby imposing the below  
21 "Order." In the event that the Commissioner in his discretion does not adopt the Stipulation  
22 and Agreement, it shall be void and of no effect, and Respondent shall retain the right to a  
23 hearing and proceeding on the Accusation under all the provisions of the APA and shall not be  
24 bound by any admission or waiver made herein.

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

3 DECLARATION OF DONALD EDWARD WATSON

4 In lieu of proceeding in this matter in accordance with the provisions of the APA,  
5 WATSON wishes to voluntarily surrender his real estate license(s) issued by the Department,  
6 pursuant to Code Section 10100.2 on or by December 31, 2020. By voluntarily surrendering his  
7 license(s), WATSON agrees to the following:

8 1. WATSON will not seek to re-apply for licensure or an endorsement of any  
9 kind with the California Department of Real Estate.

10 2. It shall also be deemed to be an understanding and agreement by  
11 WATSON that he waives all rights he has to require the Commissioner to prove the allegations  
12 contained in the Accusation filed in this matter at a hearing held in accordance with the  
13 provisions of the APA, and that WATSON also waives other rights afforded to him in  
14 connection with the hearing such as the right to discovery, the right to present evidence in  
15 defense of the allegations in the Accusation and the right to cross-examine witnesses.

16 3. Although WATSON agrees to not seek to re-apply for licensure or an  
17 endorsement of any kind with the California Department of Real Estate, should WATSON later  
18 challenge the subject Declaration and Order by the Commissioner, WATSON further agrees that  
19 all affidavits and all relevant evidence obtained by the Department in this matter prior to the  
20 Commissioner's acceptance, and all allegations contained in the Accusation filed in Department  
21 Case No. H-6909 SAC, may be considered by the Department for the purpose of deciding  
22 whether to grant re-licensure or reinstatement pursuant to Government Code section 11522.

23 4. WATSON freely and voluntarily surrenders all of WATSONS's licenses  
24 and license rights under the Real Estate Law.

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27 ORDER

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WATSON's petition for voluntary surrender of his real estate broker license is accepted and will become effective January 1, 2021, based upon the understanding and agreement expressed in WATSON's Declaration, incorporated herein as part of this Stipulation and Agreement. WATSON's license certificates, pocket cards and any branch office license certificates shall be sent to the below listed address so that they reach the Department no later than January 15, 2021: DEPARTMENT OF REAL ESTATE, Attn: Licensing Flag Section, P. O. Box 137013, Sacramento, CA 95815-7013.

12-9-20

DATED



ADRIANA Z. BADILAS  
Counsel for the Department of Real Estate

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Respondent has read the Stipulation and Agreement in Settlement and Order and its terms are understood by Respondent and are agreeable and acceptable to Respondent. Respondent understand that Respondent is waiving rights given to him by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of the Government Code), and Respondent willingly, intelligently, and voluntarily waives those rights, including the right of requiring the Commissioner to prove the allegations in the Accusation at a hearing at which Respondent would have the right to cross-examine witnesses against him and to present evidence in defense and mitigation of the charges

11-5-2020

DATED



DONALD EDWARD WATSON  
Respondent

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*I have reviewed the Stipulation and Agreement as to form and content and have advised my client accordingly.*

11/5/2020  
DATED

  
MARY E. WORK  
Attorney for WATSON

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The foregoing Stipulation and Agreement is hereby adopted as my Decision in this matter and shall become effective at 12 o'clock noon on JAN 01 2021.

IT IS SO ORDERED 2.12.21.

REAL ESTATE COMMISSIONER

  
DOUGLAS R. McCAULEY