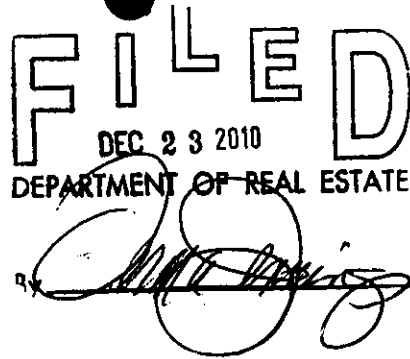


1 Department of Real Estate
2 320 W. 4th St., Room 350
3 Los Angeles, California 90013
4 Telephone: (213) 576-6982
5
6



7 BEFORE THE DEPARTMENT OF REAL ESTATE

8 STATE OF CALIFORNIA

9 * * *

10 In the Matter of the Accusation of) No. H-36160 LA
11) L 2010 050 656
12 K. I. S. FINANCIAL SERVICES, INC.,)
13 and ARNITHA JOHNSON) STIPULATION AND AGREEMENT
14 individually and as)
15 designated officer of)
16 K. I. S. Financial Services, Inc.,)
Respondents.)

17 It is hereby stipulated by and between ARNITHA JOHNSON
18 (sometimes referred to as Respondent), and her attorney, Frank
19 M. Buda, and the Complainant, acting by and through James R.
20 Peel, Counsel for the Department of Real Estate, as follows for
21 the purpose of settling and disposing of the Accusation filed on
22 August 5, 2009, in this matter.

23
24 1. All issues which were to be contested and all
25 evidence which was to be presented by Complainant and Respondent
26 at a formal hearing on the Accusation, which hearing
27 was to be held in accordance with the provisions of the

1 Administrative Procedure Act ("APA"), shall instead and in place
2 thereof be submitted solely on the basis of the provisions of
3 this Stipulation and Agreement ("Stipulation").

4 2. Respondent has received, read and understands the
5 Statement to Respondent, the Discovery Provisions of the
6 Administrative Procedure Act ("APA") and the Accusation filed by
7 the Department of Real Estate in this proceeding.

8 3. On August 13, 2009, Respondent filed a Notice of
9 Defense pursuant to Section 11506 of the Government Code for the
10 purpose of requesting a hearing on the allegations in the
11 Accusation. Respondent hereby freely and voluntarily withdraws
12 said Notices of Defense. Respondent acknowledges that she
13 understands that by withdrawing said Notices of Defense she will
14 thereby waive her right to require the Commissioner to prove the
15 allegations in the Accusation at a contested hearing held in
16 accordance with the provisions of the APA and that she will
17 waive other rights afforded to her in connection with the
18 hearing, such as the right to present evidence in defense of the
19 allegations in the Accusation and the right to cross-examine
20 witnesses.

21 4. This Stipulation is based on the factual
22 allegations contained in the Accusation filed in this
23 proceeding. In the interest of expedience and economy,
24 Respondent chooses not to contest these factual allegations, but
25 to remain silent and understands that, as a result thereof,
26 these factual statements, will serve as a prima facie basis for
27

1 the disciplinary action stipulated to herein. The Real Estate
2 Commissioner shall not be required to provide further evidence
3 to prove such allegations.

4 5. This Stipulation and Respondent's decision not to
5 contest the Accusation is made for the purpose of reaching an
6 agreed disposition of this proceeding and is expressly limited
7 to this proceeding and any other proceeding or case in which the
8 Department of Real Estate ("Department"), the state or federal
9 government, or an agency of this state, another state or the
10 federal government is involved.

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

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

DETERMINATION OF ISSUES

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

The conduct, acts and/or omissions of Respondent ARNITHA JOHNSON, as set forth in the Accusation, constitute cause for the suspension or revocation of all of the real estate licenses and license rights of Respondent under the provisions of Section 10177(g) of the Business and Professions Code ("Code").

ORDER

All licenses and licensing rights of Respondent ARNITHA JOHNSON under the Real Estate Law are suspended for a period of ninety (90) days from the effective date of this Decision; provided, however, that sixty (60) days of said suspension shall be stayed for two (2) years upon the following terms and conditions:

1. Respondent shall obey all laws, rules and regulations governing the rights, duties and responsibilities of a real estate licensee in the State of California; and

2. That no final subsequent determination be made, after hearing or upon stipulation that cause for disciplinary action occurred within two (2) years of the effective date of this Decision. Should such a determination be made, the Commissioner may, in his discretion, vacate and set aside the

1 stay order and reimpose all or a portion of the stayed
2 suspension. Should no such determination be made, the stay
3 imposed herein shall become permanent.

4 3. Provided, however, that if Respondent petitions,
5 the remaining thirty (30) days of said ninety (90) day
6 suspension shall be stayed upon condition that:

7 a. Respondent pays a monetary penalty pursuant to
8 Section 10175.2 of the Business and Professions Code at the rate
9 of \$100 for each day of the suspension for a total monetary
10 penalty of \$3,000.

11 b. Said payment shall be in the form of a
12 cashier's check or certified check made payable to the Recovery
13 Account of the Real Estate Fund. Said check must be received by
14 the Department prior to the effective date of the Decision in
15 this matter.

16 c. No further cause for disciplinary action
17 against the real estate licenses of Respondent occurs within two
18 (2) years from the effective date of the Decision in this
19 matter.
20

21 d. If Respondent fails to pay the monetary
22 penalty in accordance with the terms and conditions of the
23 Decision, the Commissioner may, without a hearing, order the
24 immediate execution of all or any part of the stayed suspension
25 in which event the Respondent shall not be entitled to any
26 repayment nor credit, prorated or otherwise, for money paid to
27 the Department under the terms of this Decision.

1 e. If Respondent pays the monetary penalty and if
2 no further cause for disciplinary action against the real estate
3 license of Respondent occurs within two (2) years from the
4 effective date of the Decision, the stay hereby granted shall
5 become permanent.

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

13
14 DATED: Oct. 19, 2010

James R. Peel
JAMES R. PEEL, Counsel for the
Department of Real Estate

15
16 * * *

17 I have read the Stipulation and Agreement, and its
18 terms are understood by me and are agreeable and acceptable to
19 me. I understand that I am waiving rights given to me by the
20 California Administrative Procedure Act (including but not
21 limited to Sections 11506, 11508, 11509 and 11513 of the
22 Government Code), and I willingly, intelligently and voluntarily
23 waive those rights, including the right of requiring the
24 Commissioner to prove the allegations in the Accusation at a
25 hearing at which I would have the right to cross-examine
26 witnesses against me and to present evidence in defense and
27

mitigation of the charges.

Respondent 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 Department at the following telephone/fax number: (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Department a fax copy of his or her actual signature as it appears on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondent as if the Department had received the original signed Stipulation and Agreement.

Further, if the Respondent is represented, the Respondent's counsel can signify his or her agreement to the terms and conditions of the Stipulation and Agreement by submitting that signature via fax.

DATED: _____

ARNITHA JOHNSON
Respondent

DATED: _____

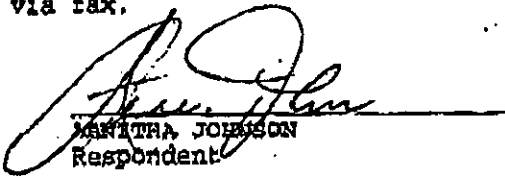
FRANK M. BUDA
Counsel for Respondent

mitigation of the charges.

Respondent 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 Department at the following telephone/fax number: (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Department a fax copy of his or her actual signature as it appears on the Stipulation and Agreement, that receipt of the faxed copy by the Department shall be as binding on Respondent as if the Department had received the original signed Stipulation and Agreement.

Further, if the Respondent is represented, the Respondent's counsel can signify his or her agreement to the terms and conditions of the Stipulation and Agreement by submitting that signature via fax.

DATED: 10/14/10


YANITHA JOHNSON
Respondent

DATED: 10/14/10

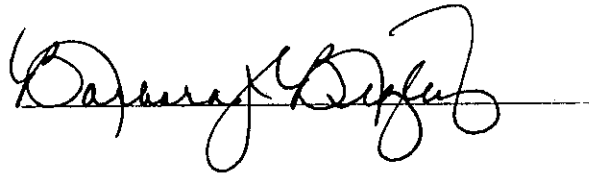

FRANK M. BUDA
Counsel for Respondent

* * *

1 The foregoing Stipulation and Agreement is hereby
2 adopted as my Decision and Order in this matter, and shall
3 become effective at 12 o'clock noon on JAN 12 2011
4

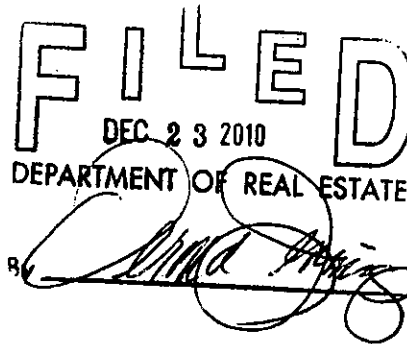
5 IT IS SO ORDERED 11-1-2010
6

7 JEFF DAVI
8 Real Estate Commissioner

9 
10

11 BY: Barbara J. Bigby
12 Chief Deputy Commissioner
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BEFORE THE DEPARTMENT OF REAL ESTATE
STATE OF CALIFORNIA

* * *

In the Matter of the Accusation of	)	No. H-36160 LA
	)	
<u>K.I.S. Financial Services, Inc.,</u>	)	
and ARNITHA JOHNSON	)	
individually and as	)	
designated officer of	)	
K.I.S. Financial Services, Inc.,	)	
	)	
Respondents,	)	
	)	

ORDER ACCEPTING VOLUNTARY SURRENDER OF REAL ESTATE LICENSE

On August 5, 2009, an Accusation was filed in this matter against Respondent K.I.S. FINANCIAL SERVICES, INC.

On October 14, 2010, Respondent petitioned the Commissioner to voluntarily surrender its real estate broker license pursuant to Section 10100.2 of the Business and Professions Code.

IT IS HEREBY ORDERED that Respondent K.I.S. FINANCIAL SERVICES, INC.'s petition for voluntary surrender of its real estate broker license is accepted as of the effective date of

1 this Order as set forth below, based upon the understanding and
2 agreement expressed in Respondent's Declaration dated October 14,
3 2010 (attached as Exhibit "A" hereto). Respondent's license
4 certificates, pocket cards and any branch office license
5 certificate shall be sent to the below listed address so that
6 they reach the Department on or before the effective date of this
7 Order:

8 DEPARTMENT OF REAL ESTATE
9 Attn: Licensing Flag Section
10 P. O. Box 187000
Sacramento, CA 95818-7000

11 This Order shall become effective at 12 o'clock noon

12 on JAN 12 2011

13 DATED: 11/1, 2010

14
15 JEFF DAVI
16 Real Estate Commissioner

17
18 

19
20 BY: Barbara J. Bigby
21 Chief Deputy Commissioner
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BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

★ ★ ★

In the Matter of the Accusation of) No. H-36160 LA
K. I. S. FINANCIAL SERVICES, INC.,)
Respondent.)

DECLARATION

My name is Arnitha Johnson and I am currently an officer of K. I. S. FINANCIAL SERVICES, INC. which is licensed as a real estate broker and/or has license rights with respect to said license. I am authorized and empowered to sign this declaration on behalf of K. I. S. FINANCIAL SERVICES, INC. I am acting on behalf of K. I. S. FINANCIAL SERVICES, INC. in this matter.

In lieu of proceeding in this matter in accordance with the provisions of the Administrative Procedure Act (Sections 11400 et seq., of the Government Code) K. I. S. FINANCIAL SERVICES, INC. wishes to voluntarily surrender its real estate

1 license issued by the Department of Real Estate ("Department")
2 pursuant to Business and Professions Code Section 10100.2.

3 I understand that by so voluntarily surrendering its
4 license, K. I. S. FINANCIAL SERVICES, INC. can only have it
5 reinstated in accordance with the provisions of Section 11522 of
6 the Government Code. I also understand that by so voluntarily
7 surrendering its license, K. I. S. FINANCIAL SERVICES, INC.
8 agrees to the following:

9 (1) The filing of this Declaration shall be deemed as its
10 petition for voluntary surrender.

11 (2) It shall also be deemed to be an understanding and
12 agreement by K. I. S. FINANCIAL SERVICES, INC. that it waives all
13 rights it has to require the Commissioner to prove the
14 allegations contained in the Accusation filed in this matter at a
15 hearing held in accordance with the provisions of the
16 Administrative Procedure Act (Government Code Sections 11400 et
17 seq.), and that it also waives other rights afforded to it in
18 connection with the hearing such as the right to discovery, the
19 right to present evidence in defense of the allegations in the
20 Accusation and the right to cross-examine witnesses.

21 (3) I further agree on behalf of K. I. S. FINANCIAL
22 SERVICES, INC. that upon acceptance by the Commissioner, as
23 evidenced by an appropriate order, all affidavits and all
24 relevant evidence obtained by the Department in this matter prior
25 to the Commissioner's acceptance, and all allegations contained
26 in the Accusation filed in the Department Case No. H-36160 LA may
27 be considered by the Department to be true and correct for the

1 purpose of deciding whether to grant relicensure of K. I. S.
2 FINANCIAL SERVICES, INC.'s license pursuant to Government Code
3 Section 11522.

4 (4) K. I. S. FINANCIAL SERVICES, INC. freely and
5 voluntarily surrenders all of its licenses and license rights
6 under the Real Estate Law.

7 (5) This Declaration is not an admission by K. I. S.
8 FINANCIAL SERVICES, INC. as to the allegations in the Accusation.
9 This Declaration is made for the purpose of reaching a resolution
10 of allegations contained in Case No. H-36160 LA and is expressly
11 limited to this proceeding and any other proceeding where the
12 Department of Real Estate is a party and shall not be admissible
13 nor can be relied upon by any third parties for any purpose.

14 I declare under penalty of perjury under the laws of
15 the State of California that the above is true and correct and
16 that I am acting freely and voluntarily on behalf of K. I. S.
17 FINANCIAL SERVICES, INC. to surrender its license and all license
18 rights attached thereto.

19 This Declaration is executed on _____, 2010, at
20 _____, California.

21
22 K. I. S. FINANCIAL SERVICES, INC.
23 By: Arnitha Johnson
24
25
26
27

10/14/2010 THU 14:23 FAX --- Frank Buda

0003/011

1 purpose of deciding whether to grant relicensure of K. I. S.
2 FINANCIAL SERVICES, INC.'s license pursuant to Government Code
3 Section 11522.

4 (4) K. I. S. FINANCIAL SERVICES, INC. freely and
5 voluntarily surrenders all of its licenses and license rights
6 under the Real Estate Law.

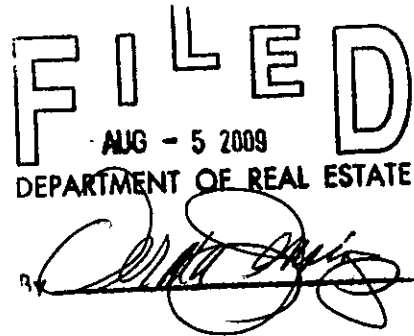
7 (5) This Declaration is not an admission by K. I. S.
8 FINANCIAL SERVICES, INC. as to the allegations in the Accusation.
9 This Declaration is made for the purpose of reaching a resolution
10 of allegations contained in Case No. R-36160 LA and is expressly
11 limited to this proceeding and any other proceeding where the
12 Department of Real Estate is a party and shall not be admissible
13 nor can be relied upon by any third parties for any purpose.

14 I declare under penalty of perjury under the laws of
15 the State of California that the above is true and correct and
16 that I am acting freely and voluntarily on behalf of K. I. S.
17 FINANCIAL SERVICES, INC. to surrender its license and all license
18 rights attached thereto.

19 This Declaration is executed on 10/14/10, 2010, at
20 San Jose, California.

21 K. I. S. Financial Services, Inc.
22 by Arnitha Johnson
23 K. I. S. FINANCIAL SERVICES, INC.
24 By: Arnitha Johnson
25
26
27

1 JAMES R. PEEL, Counsel (SBN 47055)
2 Department of Real Estate
3 320 West Fourth Street, Suite 350
4 Los Angeles, CA 90013-1105
5 Telephone: (213) 576-6982
6 -or- (213) 576-6913 (Direct)
7



8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 * * *

11 In the Matter of the Accusation of)	No. H-36160 LA
12)	
13 K.I.S. FINANCIAL SERVICES, INC.,)	<u>A C C U S A T I O N</u>
14 and ARNITHA JOHNSON)	
15 individually and as)	
16 designated officer of)	
17 K.I.S. Financial Services, Inc.,)	
18)	
19 Respondents.)	

18 The Complainant, Robin L. Trujillo, a Deputy Real
19 Estate Commissioner of the State of California, for cause of
20 accusation against K.I.S. FINANCIAL SERVICES, INC. and ARNITHA
21 JOHNSON individually and as designated officer of K.I.S.
22 Financial Services, Inc., alleges as follows:

23 I

24 The Complainant, Robin L. Trujillo, acting in her
25 official capacity as a Deputy Real Estate Commissioner of the
26 State of California, makes this Accusation against K.I.S.
27 FINANCIAL SERVICES, INC. and ARNITHA JOHNSON.

1 II

2 K.I.S. FINANCIAL SERVICES, INC. and ARNITHA JOHNSON
3 individually and as designated officer of said corporation
4 (hereinafter referred to as "Respondents"), are presently
5 licensed and/or have license rights under the Real Estate Law
6 (Part 1 of Division 4 of the Business and Professions Code,
7 hereinafter Code).

8 III

9 Respondent K.I.S. FINANCIAL SERVICES, INC. was
10 originally licensed as a real estate broker on July 12, 2007.
11 Pursuant to Code Section 10159.2, Respondent ARNITHA JOHNSON is
12 responsible for the supervision and control of the activities
13 conducted on behalf of the corporation by its officers and
14 employees as necessary to secure full compliance with the
15 provisions of the real estate law, including the supervision of
16 salespersons licensed to the corporation in the performance of
17 acts for which a real estate license is required.

18 IV

19 At all times material herein, Respondents engaged in
20 the business of, acted in the capacity of, advertised or assumed
21 to act as a real estate broker in the State of California, within
22 the meaning of Section 10131(a) of the Code, including soliciting
23 buyers and sellers and negotiating the sale of real property.

24 V

25 In connection with Respondents' activities as a real
26 estate broker, as described above, Respondents violated Section
27 10137 of the Code in that during July and August, 2006,

1 Respondents employed Jerry Butler, who was not licensed as a real
2 estate broker or salesperson, to solicit and negotiate the sale
3 of real property located at 2013 W. 64th St., Los Angeles,
4 California, from Joanie J. and Kevin Anthony Cain to buyer Lois
5 Fletcher.

6 VI

7 The conduct, acts and/or omissions of Respondents
8 K.I.S. FINANCIAL SERVICES, INC. and ARNITHA JOHNSON, as alleged
9 above, subject their real estate licenses and license rights to
10 suspension or revocation pursuant to Sections 10137, 10177(d)
11 and/or 10177(g) of the Code.

12 VII

13 The conduct, acts and/or omissions of Respondent
14 ARNITHA JOHNSON in failing to ensure full compliance with the
15 Real Estate Law is in violation of Section 10159.2 of the Code
16 and subject her real estate licenses and license rights to
17 suspension or revocation pursuant to Sections 10177(d), 10177(g)
18 and/or 10177(h) of the Code.

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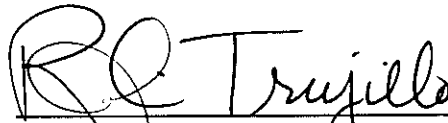
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1 WHEREFORE, Complainant prays that a hearing be
2 conducted on the allegations of this Accusation and that upon
3 proof thereof, a decision be rendered imposing disciplinary
4 action against all licenses and license rights of Respondents
5 K.I.S. FINANCIAL SERVICES, INC. and ARNITHA JOHNSON under the
6 Real Estate Law (Part 1 of Division 4 of the Business and
7 Professions Code) and for such other and further relief as may be
8 proper under other applicable provisions of law.

9 Dated at Los Angeles, California

10 this 5 day of August, 2009.

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13 

14 ROBIN L. TRUJILLO
15 Deputy Real Estate Commissioner
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24 cc: K.I.S. Financial Services, Inc.
25 Arnitha Johnson
26 Robin L. Trujillo
27 Sacto.
Phil Ihde