

SACTO
Flag

FILED

AUG 15 2012

1 Department of Real Estate
320 West Fourth Street, #350
2 Los Angeles, California 90013

DEPARTMENT OF REAL ESTATE
BY: *Guozaly Valerius*

BEFORE THE DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

11 In the Matter of the Accusation of)
12)
13 HOME RETENTION AND FINANCIAL)
14 PROGRAMS INC, dba J L Richman and Associates)
15 Co, WINSTON CHI, JONATHAN ARNO and)
16 MICHAEL JEFFREY SIMPSON, individually, and)
17 as designated officers of Home Retention and)
18 Financial Programs Inc, LLOYDS INVESTMENT)
INC, and HAMID REZA LAVASSANI,)
19 individually, and as designated officer of Lloyds)
Investment Inc and ERNESTO GALINATO)
CARDENAS,)
20 Respondents.

No. H-37434 LA
L-2011090565

STIPULATION AND
AGREEMENT

21 It is hereby stipulated by and between WINSTON CHI (sometimes referred to
22 herein as "Respondent"), and his attorney of record, Edward O. Lear, and the Complainant,
23 acting by and through James A. Demus, Counsel for the Department of Real Estate, as follows
24 for the purpose of settling and disposing of the Accusation filed on August 9, 2011 in this
25 matter:

26 ///

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

6 2. Respondent has received, read and understands the Statement to
7 Respondent, the Discovery Provisions of the APA and the Accusation filed by the Department
8 of Real Estate in this proceeding.

9 3. On August 24, 2011, Respondent filed a Notice of Defense pursuant to
10 Section 11506 of the Government Code for the purpose of requesting a hearing on the
11 allegations in the Accusation. In order to effectuate this settlement, Respondent hereby freely
12 and voluntarily withdraws said Notice of Defense. Respondent acknowledges that he
13 understands that by withdrawing said Notice of Defense, he will thereby waive his right to
14 require the Commissioner to prove the allegations in the Accusation at a contested hearing held
15 in accordance with the provisions of the APA and that he will waive other rights afforded to
16 him in connection with the hearing such as the right to present evidence in defense of the
17 allegations in the Accusation and the right to cross-examine witnesses.

18 4. Respondent, pursuant to the limitations set forth below, although not
19 admitting or denying the truth of the allegations, will not contest the factual allegations
20 contained in the Accusation filed in this proceeding and the Real Estate Commissioner shall
21 not be required to provide further evidence of such allegations.

22 5. It is understood by the parties that the Real Estate Commissioner may
23 adopt the Stipulation and Agreement as his Decision in this matter, thereby imposing the
24 penalty and sanctions on Respondent's real estate license and license rights as set forth in the
25 below "Order". In the event that the Commissioner in his discretion does not adopt the
26 Stipulation and Agreement, it shall be void and of no effect, and Respondent shall retain the
27

1 restrictions of a restricted license until one year has elapsed from the effective date of this
2 Decision.

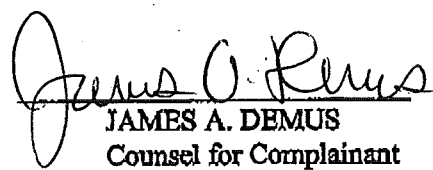
3 4. Pursuant to Section 10148 of the Business and Professions Code,
4 WINSTON CHI, shall, within six (6) months from the effective date of this Decision, jointly and
5 severally with JONATHAN ARNO and MICHAEL JEFFREY SIMPSON, pay the
6 Commissioner's reasonable cost for the audit which led to this disciplinary action. The cost of
7 said audit is \$7,162.16.

8 5. Respondent WINTSON CHI shall also pay the Commissioner's reasonable
9 cost for a subsequent audit to determine if Respondent WINSTON CHI is in compliance with
10 Real Estate Law. In calculating the amount of the Commissioner's reasonable cost, the
11 Commissioner may use the estimated average hourly salary for all persons performing audits of
12 real estate brokers, and shall include an allocation for travel costs, including mileage, time to and
13 from the auditor's place of work and per diem. Respondent shall pay such costs within 60 days
14 of receiving an invoice from the Commissioner detailing the activities performed during the audit
15 and the amount of time spent performing those activities. The Commissioner may, in his
16 discretion, suspend the license of Respondent, if payment is not timely made as provided for
17 herein, or as provided for in a subsequent agreement between the Respondent and the
18 Commissioner. The suspension shall remain in effect until payment is made in full, or until
19 Respondent enters into an agreement satisfactory to the Commissioner to provide for payment.

20 6. Respondent shall, within nine months from the effective date of this Decision,
21 present evidence satisfactory to the Real Estate Commissioner that Respondent has, since the
22 most recent issuance of an original or renewal real estate license, taken and successfully
23 completed the continuing education requirements of Article 2.5 of Chapter 3 of the Real Estate
24 Law for renewal of a real estate license. If Respondent fails to satisfy this condition, the
25 Commissioner may order the suspension of the restricted license until the Respondent presents
26 such evidence. The Commissioner shall afford Respondent the opportunity for a hearing
27 pursuant to the Administrative Procedure Act to present such evidence.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27


DATED: 5/17/12


JAMES A. DEMUS
Counsel for Complainant

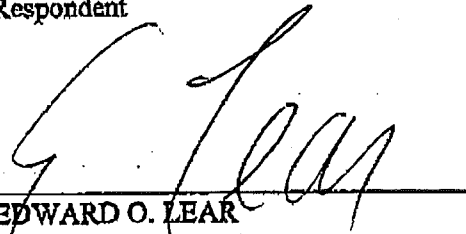
I have read the Stipulation and discussed it with my counsel. Its terms are understood by me and are agreeable and acceptable to me. I understand that I am waiving rights given to me by the California Administrative Procedure Act (including but not limited to Sections 11506, 11508, 11509 and 11513 of 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.

Respondent can signify acceptance and approval of the terms and conditions of this Stipulation by faxing a copy of its signature page, as actually signed by Respondent, to the Department at the following telephone/fax number: James A. Demus at (213) 576-6917. Respondent agrees, acknowledges and understands that by electronically sending to the Department a fax copy of Respondent's actual signature, as it appears on the Stipulation, 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.

DATED: 5/16/12


WINSTON CHI
Respondent

DATED: 5/18/12


EDWARD O. LEAR
Attorney for Respondent

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

The foregoing Stipulation and Agreement is hereby adopted as my Decision in
this matter and shall become effective at 12 o'clock noon on SEP 04 2012.

IT IS SO ORDERED June 6, 2012

Real Estate Commissioner



By WAYNE S. BELL
Chief Counsel