

FILED

1 Department of Real Estate
2 320 W. 4TH Street, Suite 350
3 Los Angeles, CA 90013-1105

OCT 15 2012

4 Telephone: (213) 576-6982

DEPARTMENT OF REAL ESTATE
BY: Jama B. Brown

9 BEFORE THE DEPARTMENT OF REAL ESTATE

10 STATE OF CALIFORNIA

11 * * *

12 In the Matter of the Accusation of)

No. H-37618 LA
2011110923

13 COAST TO COAST FINANCIAL)
14 CORPORATION, and JEFFREY ALLAN)
15 SMITH, individually and as former)
designated officer of Coast to)
Coast Financial Corporation,)

STIPULATION
AND
AGREEMENT

16 Respondents.)

17
18 It is hereby stipulated by and between JEFFREY ALLAN
19 SMITH, represented by Mary E. Work, Esq. and the Complainant,
20 acting by and through James A. Demus, Counsel for the Department
21 of Real Estate, as follows for the purpose of settling and
22 disposing of the Accusation filed on October 24, 2011, in this
23 matter:

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 was to be
27 held in accordance with the provisions of the Administrative

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

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

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

20 4. This Stipulation is based on the factual
21 allegations contained in the Accusation. In the interest of
22 expedience and economy, Respondent chooses not to contest these
23 allegations, but to remain silent and understands that, as a
24 result thereof, these factual allegations, without being admitted
25 or denied, will serve as a prima facie basis for the disciplinary
26 action stipulated to herein. The Real Estate Commissioner shall
27 not be required to provide further evidence to prove said factual

1 allegations.

2 5. This Stipulation is made for the purpose of
3 reaching an agreed disposition of this proceeding and is
4 expressly limited to this proceeding and any other proceeding or
5 case in which the Department of Real Estate ("Department"), the
6 state or federal government, or any agency of this state, another
7 state or federal government is a party.

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

18 7. The Order or any subsequent Order of the Real
19 Estate Commissioner made pursuant to this Stipulation shall not
20 constitute an estoppel, merger or bar to any further
21 administrative or civil proceedings by the Department of Real
22 Estate with respect to any matters which were not specifically
23 alleged to be causes for Accusation in this proceeding but do
24 constitute a bar, estoppel and merger as to any allegations
25 actually contained in the Accusation against Respondents herein.

26 8. Respondent understands that by agreeing to this
27 Stipulation, Respondents agrees to pay, pursuant to Business and

1 Professions Code Section 10148, the cost of the audit which led
2 to this disciplinary action. The amount of said cost is
3 \$2,953.50.

4 9. Respondent has received, read, and understand the
5 "Notice Concerning Costs of Subsequent Audit." Respondent
6 further understands that by agreeing to this Stipulation, the
7 findings set forth below in the Determination of Issues become
8 final, and the Commissioner may charge Respondent for the cost of
9 any subsequent audit conducted pursuant to Business and
10 Professions Code Section 10148 to determine if the violations
11 have been corrected. The maximum cost of the subsequent audit
12 will not exceed \$2,953.50.

13 DETERMINATION OF ISSUES

14 By reason of the foregoing, it is stipulated and agreed
15 that the following determination of issues shall be made:

16 I.

17 The conduct of JEFFREY ALLAN SMITH as described in
18 Paragraph 3, hereinabove, is in violation of Business and
19 Professions Code ("Code") Section 10145 and provides a basis for
20 discipline of his license and license rights pursuant to Code
21 Sections 10177(g) and 10177(h).

22 ORDER

23 WHEREFORE, THE FOLLOWING ORDER is hereby made:

24 I.

25 All licenses and licensing rights of Respondent
26 JEFFREY ALLAN SMITH under the Real Estate Law are suspended for a
27 period of one hundred eighty (180) days from the effective date

1 of this Decision; provided, however, that one hundred twenty
2 (120) days of said suspension, shall be stayed for two (2) years
3 upon the following terms and conditions:

4 A.

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

8 2. That no final subsequent determination be made,
9 after hearing or upon stipulation that cause for disciplinary
10 action occurred within two (2) years of the effective date of
11 this Decision. Should such a determination be made, the
12 Commissioner may, in his discretion, vacate and set aside the
13 stay order and reimpose all or a portion of the stayed
14 suspension. Should no such determination be made, the stay
15 imposed herein shall become permanent.

16 B.

17 If Respondent petitions, an additional sixty (60) days
18 shall be stayed upon condition that:

19 1. Respondent pays a monetary penalty pursuant to
20 Section 10175.2 of the Code at the rate of \$100 for each day of
21 the suspension for a total monetary penalty of \$6,000.

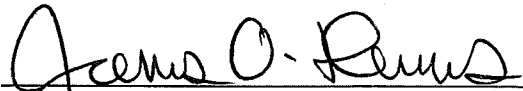
22 2. Said payment shall be in the form of a cashier's
23 check or certified check made payable to the Recovery Account of
24 the Real Estate Fund. Said check must be received by the
25 Department prior to the effective date of the Decision in this
26 matter.

1 receiving an invoice from the Commissioner detailing the
2 activities performed during the audit and the amount of time
3 spent performing those activities. The Commissioner may, in his
4 discretion, vacate and set aside the stay order, if payment is
5 not timely made as provided for herein, or as provided for in a
6 subsequent agreement between the Respondent and the Commissioner.
7 The vacation and the set aside of the stay shall remain in effect
8 until payment is made in full, or until Respondent enters into an
9 agreement satisfactory to the Commissioner to provide for
10 payment.

11 III.

12 Respondent JEFFREY ALLAN SMITH shall within six (6)
13 months from the effective date of the Decision herein, take and
14 pass the Professional Responsibility Examination administered by
15 the Department including the payment of the appropriate
16 examination fee. If Respondent JEFFREY ALLAN SMITH fails to
17 satisfy this condition, the Commissioner may order suspension of
18 Respondent JEFFREY ALLAN SMITH's license until Respondent passes
19 the examination.

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22 DATED: 7/17/12


23 JAMES A. DEMUS, Counsel for
24 the Department of Real Estate

25 EXECUTION OF THE STIPULATION

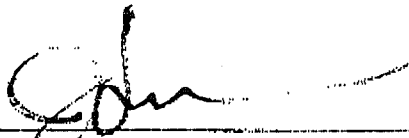
26 I have read the Stipulation and discussed it with my
27 counsel. Its terms are understood by me and are agreeable and

1 acceptable to me. I understand that I am waiving rights given to
 2 me by the California Administrative Procedure Act (including but
 3 not limited to Sections 11506, 11508, 11509 and 11513 of the
 4 Government Code), and I willingly, intelligently and voluntarily
 5 waive those rights, including the right of requiring the
 6 Commissioner to prove the allegations in the Accusation at a
 7 hearing at which I would have the right to cross-examine
 8 witnesses against me and to present evidence in defense and
 9 mitigation of the charges.

10 Respondent can signify acceptance and approval of the
 11 terms and conditions of this Stipulation by faxing a copy of its
 12 signature page, as actually signed by Respondent, to the
 13 Department at the following telephone/fax number: James A. Demus
 14 at (213) 576-6917. Respondent agrees, acknowledges and
 15 understands that by electronically sending to the Department a
 16 fax copy of Respondent's actual signature, as it appears on the
 17 Stipulation, that receipt of the faxed copy by the Department
 18 shall be as binding on Respondent as if the Department had
 19 received the original signed Stipulation.

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22 DATED:

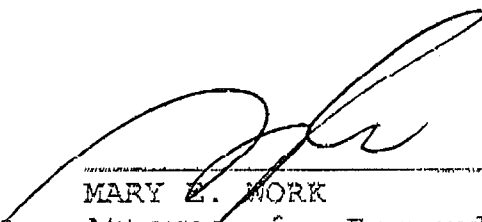
7/16/2012



 JEFFREY ALLAN SMITH

23
24
25 DATED:

7/17/12



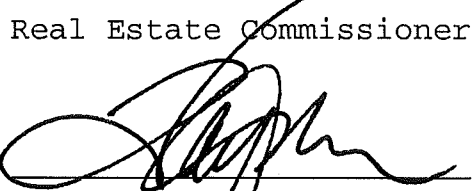
 MARY E. WORK
 Attorney for Respondent

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The foregoing Stipulation and Agreement is hereby
adopted as my Decision as to Respondent JEFFREY ALLAN SMITH and
shall become effective at 12 o'clock noon on
NOV - 5 2012, 2012.

IT IS SO ORDERED 9/11, 2012.

Real Estate Commissioner

By WAYNE S. BELL
Chief Counsel