

*Sachs Flay*

1 Department of Real Estate  
320 West 4th Street, Suite 350  
2 Los Angeles, California 90013-1105

**FILED**

SEP - 5 2013

BUREAU OF REAL ESTATE

By *Zohi Gan*

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DEPARTMENT OF REAL ESTATE

STATE OF CALIFORNIA

\* \* \* \*

In the Matter of the Accusation of )  
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)  
THE ST JAMES REAL ESTATE SERVICES )  
CORPORATION and WILLIAM ARTHUR )  
ROSSWORN, individually, as )  
designated officer of The St )  
James Real Estate Services )  
Corporation and STEPHEN MARK )  
POWELL and ROBERT LEWIS FIRTH, )  
individually, and as former )  
designated officers of The St )  
James Real Estate Services )  
Corporation, )  
)  
Respondents. )

DRE No: H-38516 LA  
OAH NO: 2013010341

STIPULATION AND  
AGREEMENT

It is hereby stipulated by and between Respondent  
WILLIAM ARTHUR ROSSWORN, and the Complainant, acting by and  
through James A. Demus, Counsel for the Department of Real  
Estate, as follows for the purpose of settling and disposing of  
the Accusation filed on November 1, 2012, in this matter:

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

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

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

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

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

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

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

5           8. Respondent understands that by agreeing to this  
6 Stipulation, Respondent agrees to pay, pursuant to Business and  
7 Professions Code Section 10148, one-third of cost of the audit  
8 which led to this disciplinary action. One-third of said cost is  
9 \$3,893.52.

10           9. Respondent has received, read, and understands the  
11 "Notice Concerning Costs of Subsequent Audit." Respondent  
12 further understands that by agreeing to this Stipulation, the  
13 findings set forth below in the Determination of Issues become  
14 final, and the Commissioner may charge Respondents for the cost  
15 of any subsequent audit conducted pursuant to Business and  
16 Professions Code Section 10148 to determine if the violations  
17 have been corrected. The maximum cost of the subsequent audit  
18 will not exceed \$3,893.52.

19                           DETERMINATION OF ISSUES

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

22           The conduct of WILLIAM ARTHUR ROSSWORN, as described in  
23 Paragraph 4, hereinabove, is in violation of Business and  
24 Professions Code Sections 10145, 10148, 10159.2, and 10160 and  
25 provides a basis for discipline of his license and license rights  
26 pursuant to Business and Professions Code Sections 10165,

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1 10177(d) and 10177(h).

2 ORDER

3 WHEREFORE, THE FOLLOWING ORDER is hereby made:

4 I.

5 All licenses and licensing rights of Respondent WILLIAM  
6 ARTHUR ROSSWORN under the Real Estate Law are revoked; provided,  
7 however, a restricted real estate broker license shall be issued  
8 to Respondent pursuant to Section 10156.5 of the Business and  
9 Professions Code if Respondent makes application therefor and  
10 pays to the Department of Real Estate the appropriate fee for the  
11 restricted license within 90 days from the effective date of this  
12 Decision. The restricted license issued to Respondent shall be  
13 subject to all of the provisions of Section 10156.7 of the  
14 Business and Professions Code and to the following limitations,  
15 conditions and restrictions imposed under authority of Section  
16 10156.6 of that Code:

17 1. The restricted license issued to Respondent may be  
18 suspended prior to hearing by Order of the Real Estate  
19 Commissioner in the event of Respondent's conviction or plea of  
20 nolo contendere to a crime which is substantially related to  
21 Respondent's fitness or capacity as a real estate licensee.

22 2. The restricted license issued to Respondent may be  
23 suspended prior to hearing by Order of the Real Estate  
24 Commissioner on evidence satisfactory to the Commissioner that  
25 Respondent has violated provisions of the California Real Estate  
26 Law, the Subdivided Lands Law, Regulations of the Real Estate  
27 Commissioner or conditions attaching to the restricted license.

1               3.    Respondent shall not be eligible to apply for the  
2 issuance of an unrestricted real estate license nor for the  
3 removal of any of the conditions, limitations or restrictions of  
4 a restricted license until two years have elapsed from the  
5 effective date of this Decision.

6                               II.

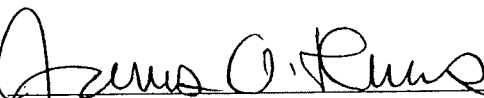
7               Pursuant to Section 10148 of the Business and  
8 Professions Code, Respondent shall pay the Commissioner's  
9 reasonable cost for: a) one-third of the audit which led to this  
10 disciplinary action and b) a subsequent audit to determine if  
11 Respondent has corrected the trust fund violations found in the  
12 Determination of Issues. In calculating the amount of the  
13 Commissioner's reasonable cost, the Commissioner may use the  
14 estimated average hourly salary for all persons performing  
15 audits of real estate brokers, and shall include an allocation  
16 for travel costs, including mileage, time to and from the  
17 auditor's place of work and per diem. Respondent shall pay such  
18 costs within 60 days of receiving an invoice from the  
19 Commissioner detailing the activities performed during the audit  
20 and the amount of time spent performing those activities. The  
21 Commissioner may, in his discretion, vacate and set aside the  
22 stay order, if payment is not timely made as provided for  
23 herein, or as provided for in a subsequent agreement between the  
24 Respondent and the Commissioner. The vacation and the set aside  
25 of the stay shall remain in effect until payment is made in  
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1 full, or until Respondent enters into an agreement satisfactory  
2 to the Commissioner to provide for payment.

3 III.

4 All licenses and licensing rights of Respondent WILLIAM  
5 ARTHUR ROSSWORN are indefinitely suspended unless or until  
6 Respondent provides proof satisfactory to the Commissioner, of  
7 having taken and successfully completed the continuing education  
8 course on trust fund accounting and handling specified in  
9 paragraph (3) of subdivision (a) of Section 10170.5 of the  
10 Business and Professions Code. Proof of satisfaction of this  
11 requirement includes evidence that respondent has successfully  
12 completed the trust fund account and handling continuing  
13 education course within 120 days prior to the effective date of  
14 the Decision in this matter.

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17 DATED: 6/28/13



18 JAMES A. DEMUS, Counsel for  
19 the Department of Real Estate

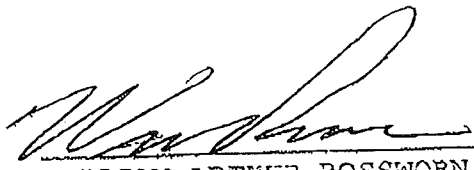
20 EXECUTION OF THE STIPULATION

21 I have read the Stipulation. Its terms are understood  
22 by me and are agreeable and acceptable to me. I understand that  
23 I am waiving rights given to me by the California Administrative  
24 Procedure Act (including but not limited to Sections 11506,  
25 11508, 11509 and 11513 of the Government Code), and I willingly,  
26 intelligently and voluntarily waive those rights, including the  
27 right of requiring the Commissioner to prove the allegations in

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1 the Accusation at a hearing at which I would have the right to  
2 cross-examine witnesses against me and to present evidence in  
3 defense and mitigation of the charges.

4 Respondent can signify acceptance and approval of the  
5 terms and conditions of this Stipulation by faxing a copy of its  
6 signature page, as actually signed by Respondent, to the  
7 Department at the following telephone/fax number: James A. Demus  
8 at (213) 576-6917. Respondents agree, acknowledge and understand  
9 that by electronically sending to the Department a fax copy of  
10 Respondent's actual signature as it appears on the Stipulation,  
11 that receipt of the faxed copy by the Department shall be as  
12 binding on Respondent as if the Department had received the  
13 original signed Stipulation.

14  
15  
16 DATED: 6-28-13   
17 WILLIAM ARTHUR ROSSWORN, Respondent

18 The foregoing Stipulation and Agreement is hereby  
19 adopted as my Decision as to Respondent WILLIAM ARTHUR ROSSWORN  
20 and shall become effective at 12 o'clock noon on  
21 October 7, 2013.

22 IT IS SO ORDERED July 31, 2013.

23 Real Estate Commissioner  
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26  
27 By: JEFFREY MASON  
Chief Deputy Commissioner