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

4 Telephone: (213) 576-6982

**FILED**  
MAR 20 2013  
DEPARTMENT OF REAL ESTATE

by James B. Demus

8 BEFORE THE DEPARTMENT OF REAL ESTATE

9 STATE OF CALIFORNIA

10 \* \* \*

11 In the Matter of the Accusation of )  
12 TMG FINANCIAL SERVICES INC, and )  
13 KIRK LAWRENCE CONRAD, )  
14 individually, and as designated )  
15 officer of TMG Financial Services )  
16 Inc, )  
17 Respondents. )

DRE No: H-37778 LA  
OAH No: 2012061241

STIPULATION  
AND  
AGREEMENT

16 It is hereby stipulated by and between KIRK LAWRENCE  
17 CONRAD, represented by Frank M. Buda, Esq. and the Complainant,  
18 acting by and through James A. Demus, Counsel for the Department  
19 of Real Estate, as follows for the purpose of settling and  
20 disposing of the Accusation filed on January 10, 2012, in this  
21 matter:

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

1 Stipulation and Agreement ("Stipulation").

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

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

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

27           5. This Stipulation is made for the purpose of

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

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

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

24           8. Respondent understands that by agreeing to this  
25 Stipulation, Respondents agrees to pay, pursuant to Business and  
26 Professions Code Section 10148, the cost of the audit which led  
27 to this disciplinary action. The amount of said cost is \$5,108.





1 not timely made as provided for herein, or as provided for in a  
2 subsequent agreement between the Respondent and the Commissioner.  
3 The vacation and the set aside of the stay shall remain in effect  
4 until payment is made in full, or until Respondent enters into an  
5 agreement satisfactory to the Commissioner to provide for  
6 payment.

7 III.

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

19 IV.

20 Respondent KIRK LAWRENCE CONRAD shall within six (6)  
21 months from the effective date of the Decision herein, take and  
22 pass the Professional Responsibility Examination administered by  
23 the Department including the payment of the appropriate  
24 examination fee. If Respondent KIRK LAWRENCE CONRAD fails to  
25 satisfy this condition, the Commissioner may order suspension of  
26 Respondent KIRK LAWRENCE CONRAD's license until Respondent passes  
27 the examination.

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2  
3 DATED: 2/8/13

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

5 EXECUTION OF THE STIPULATION

6 I have read the Stipulation and discussed it with my  
7 counsel. Its terms are understood by me and are agreeable and  
8 acceptable to me. I understand that I am waiving rights given to  
9 me by the California Administrative Procedure Act (including but  
10 not limited to Sections 11506, 11508, 11509 and 11513 of the  
11 Government Code), and I willingly, intelligently and voluntarily  
12 waive those rights, including the right of requiring the  
13 Commissioner to prove the allegations in the Accusation at a  
14 hearing at which I would have the right to cross-examine  
15 witnesses against me and to present evidence in defense and  
16 mitigation of the charges.

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

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DATED: Feb 08 - 2013

  
KIRK LAWRENCE CONRAD

DATED: 2-8-13

  
FRANK M. BUDA  
Attorney for Respondent

The foregoing Stipulation and Agreement is hereby adopted as my Decision as to Respondent KIRK LAWRENCE CONRAD and shall become effective at 12 o'clock noon on \_\_\_\_\_, 2013.

IT IS SO ORDERED \_\_\_\_\_, 2013.

Real Estate Commissioner

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DATED: \_\_\_\_\_

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KIRK LAWRENCE CONRAD

DATED: \_\_\_\_\_

\_\_\_\_\_  
FRANK M. BUDA  
Attorney for Respondent

The foregoing Stipulation and Agreement is hereby  
adopted as my Decision as to Respondent KIRK LAWRENCE CONRAD and  
shall become effective at 12 o'clock noon on  
APR 19 2013, 2013.

IT IS SO ORDERED March 14, 2013.

WAYNE S. BELL  
Real Estate Commissioner

