

SETTLEMENT AGREEMENT BETWEEN
MISSOURI REAL ESTATE COMMISSION AND INVESTMENT BROKERS OF THE OZARKS INC
AND KRISTOPHER HOLMES

Come now Investment Brokers of the Ozarks Inc. ("Investment Brokers") and Kristopher Holmes ("Holmes") (collectively "Licensees") and the Missouri Real Estate Commission ("Commission") and enter into this settlement agreement for the purpose of resolving the question of whether Investment Brokers' license as a real estate corporation and Holmes' licenses as a real estate broker associate and real estate broker officer will be subject to discipline.

Pursuant to the terms of § 536.060, RSMo,¹ the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri ("AHC") regarding cause to discipline the Licensees' licenses, and, additionally, the right to a disciplinary hearing before the Commission under § 621.110, RSMo.

Licensees acknowledge that they understand the various rights and privileges afforded them by law, including the right to a hearing of the charges against them; the right to appear and be represented by legal counsel; the right to have all charges against them proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against them; the right to present evidence on their own behalf at the hearing; the right to a decision upon the record by a fair and impartial administrative hearing commissioner concerning the charges pending against them and, subsequently, the right to a disciplinary hearing before the Commission at which time they may present evidence in mitigation of discipline; and the right to recover attorney's fees incurred in defending this action against their licenses. Being aware of these rights provided them by operation of law, Licensees knowingly and voluntarily waive each and every one of these rights and freely enter into this Settlement Agreement and agree to abide by the terms of this document, as they pertain to them.

Licensees acknowledge that they have received a copy of the documents relied upon by the Commission in determining there was cause to discipline their licenses, along with citations to law and/or regulations the Commission believes were violated.

¹ All statutory references are to Missouri Revised Statutes 2000, as amended, unless otherwise indicated.

For the purpose of settling this dispute, Licensees stipulate that the factual allegations contained in this Settlement Agreement are true and stipulates with the Commission that their licenses, numbered 2006014712 (Investment Brokers), 2005040611 (Holmes) and 2011028168 (Holmes) are subject to disciplinary action by the Commission in accordance with the provisions of Chapter 621 and §§ 339.010-339.205 and 339.710-339.855, RSMo.

Joint Stipulation of Facts and Conclusions of Law

1. The Commission is an agency of the state of Missouri created and established pursuant to § 339.120, RSMo, for the purpose of licensing all persons engaged in the practice as a real estate broker or salesperson in this state. The Commission has control and supervision of the licensed occupations and enforcement of the terms and provisions of Sections 339.010-339.205 and 339.710-339.855, RSMo.

2. Licensee, Investment Brokers, holds a real estate corporation license from the Commission, license number 2006014712. The Commission issued Investment Brokers' license on April 20, 2006 and it expires June 30, 2020. Licensee's license was not current and active at all relevant times herein. Investment Brokers' license expired June 30, 2018 and was not renewed until August 8, 2018. Licensee Kristopher Holmes is the designated broker for Investment Brokers.

3. Licensee, Kristopher Holmes, holds a broker officer license from the Commission, license number 2005040611. The Commission issued Holmes' broker officer license, license number 2005040611 on December 9, 2005. Licensee's license, number 2005040611, expires June 30, 2020 and was not current and active at all relevant times herein. Licensee's license, number 2005040611, expired June 30, 2018 and was not renewed until August 8, 2018. Holmes also holds a broker associate license, number 2011028168. The Commission issued Holmes' broker associate license, number 2011028168, on August 23, 2011. Licensee's license, number 2011028168, expired June 30, 2018 and was not renewed until August 8, 2018. The license now current and active but was not at all relevant times herein.

4. On August 9-11 and 15-18, 2016, the Commission conducted an audit of Licensees. The Commission's audit revealed the following violations:

- a. In violation of section 339.105.1, RSMo, there was a \$3,671.52 shortage in the property management escrow account, Bear State Bank, account number ending 7532 (Account 7532)

which can be partially identified as a \$989.39 identified shortages due to a negative owner balance and an unidentified shortage of \$2,682.13.

- b. In violation of section 339.105.1, RSMo, on two instances, there were temporary shortages in Account 7532: \$470.25 from July 15-16, 2016 due to bank fees and between \$600.00 and \$2,249.39 from July 15-16, 2016 due to a negative owner balance.
- c. In violation of section 339.105.1, RSMo, there was commingling in the property management account, Bear State Bank, account number ending 3664 (Account 3664) as a result of Licensees paying broker expenses from the security deposit escrow account.
- d. In violation of section 339.105.1, RSMo, there was an unidentified overage of \$16,324.44 in Account 3664.
- e. In violation of section 339.105.1, RSMo, on two instances, there were temporary shortages in Account 3664: \$236.94 from July 15-29, 2016 due to broker expenses and bank fees and \$87.94 from October 7 to November 12, 2015 due to brokerage expenses paid from the escrow account.
- f. In violation of section 339.105.2, RSMo, on two instances, Licensees failed to notify the Commission within ten business days of a change in the property management escrow account in that the bank's name changed from Metropolitan National Bank to Bear State Bank on February 20, 2016.
- g. In violation of section 339.760.1, RSMo, Licensee Holmes' written policy did not describe the relationship in which the designated broker and affiliated licensees may engage with any seller, landlord, buyer, or tenant in that the policy identified other agency relationships but did not describe them.
- h. In violation of section 339.780.2, RSMo, and regulation 20 CSR 2250-8.090(9)(G), on 15 instances, Licensees' management agreement with the landlord did not contain a statement that permits or prohibits an offer of subagency.
- i. In violation of regulation 20 CSR 2250-8.090(9)(I), on four instances, Licensees' management agreement did not include a statement which permits or prohibits the licensee from acting as a transaction broker.

- j. In violation of regulations 20 CSR 2250-4.030(1) and 2250-8.010(2), Investment Brokers' business sign did not bear the name under which the brokerage was licensed and Licensees did not provide the Commission a copy of the fictitious name registration.
- k. In violation of regulation 20 CSR 2250-8.096(1), Licensee Holmes failed to disclose the brokerage relationship in writing.
- l. In violation of regulation 20 CSR 2250-8.096(1)(A)5, on three instances, Licensees' written brokerage relationship disclosure was not signed and dated by the landlord.
- m. In violation of regulation 20 CSR 2250-8.096(1)(A)5, Licensees' written brokerage relationship disclosure was not dated by the tenant.
- n. In violation of regulation 20 CSR 2250-8.096(1)(A)6, on five instances, Licensees' written brokerage relationship disclosure was not signed and dated by the disclosing licensee on or before the signing of the lease.
- o. In violation of regulation 20 CSR 2250-8.160(2), Licensees failed to retain records. A management agreement was obtained during the audit.
- p. In violation of regulation 20 CSR 2250-8.220(1), on multiple instances for one owner, Licensees disbursed funds from the property management escrow account, Account 7532, when the owner's balance was not sufficient to cover disbursement.
- q. In violation of regulations 20 CSR 2250-8.220(1) and 2250-8.220(2), on two instances, Licensees maintained owner funds, a total of \$488.33, in the security deposit account without written authorization.
- r. In violation of regulation 20 CSR 2250-8.220(2), on six instances, Licensees failed to maintain security deposits intact in that Licensee Holmes paid brokerage expenses from the security deposit escrow account, Account 3664.

5. On June 4-7 and 12-13, 2018, the Commission conducted a re-audit of Licensees. The

Commission's re-audit revealed the following violations:

- a. In violation of sections 339.100.2(3) and 339.790.2(1), RSMo, on 14 instances, Licensee Holmes failed to remit funds that belonged to others (funds related to properties Licensees no longer managed).

- b. In violation of section 339.100.2(3), RSMo, on 14 instances, Licensee Holmes failed to timely account for monies that belonged to others.
- c. In violation of section 339.100.2(3), RSMo, Licensee Holmes failed to remit monies that belonged to others.
- d. In violation of section 339.105.1, RSMo, as a result of Licensee Holmes' actions, there was a net overage of \$6,486.44 in the security deposit escrow account, Bear State Bank account number ending 3664 (Account 3664). The overage was partially identified as:
 - i. \$7,078.50 in identified overages (\$7,078.50 due to holding security deposits for three properties Licensees no longer managed and \$900.00 due to Licensee holding security deposits for 6603 Prairie Trail, which the owner was supposed to hold;
 - ii. \$5.00 in identified shortages due to a non-sufficient-funds bank fee for D.C. property not reimbursed by the tenant or landlord; and
 - iii. \$1,487.06 net unidentified shortage.
- e. In violation of section 339.105.1, RSMo, there was a net overage of \$1,256.37 in the property management escrow account, Bear State Bank account ending number 7532 (Account 7532). The overage is partially identified as:
 - i. Identified overages of \$1,652.35 due to not remitting funds for properties in which management had been terminated (\$1,132.35) and due to not remitting funds in which services had not been fulfilled (\$520.00);
 - ii. Identified shortages of \$326.67 due to a negative owner balance (\$151.67), bank fees (\$100.00) and negative owner balances for properties in which management was terminated (\$75.00);
 - iii. A net unidentified shortage of \$69.31.
- f. In violation of section 339.105.1, RSMo, there were temporary shortages to the property management account, Account 7532 on three instances:
 - i. Between \$54.80 and \$483.80 from May 2, 2017 to April 12, 2018 due to bank fees for no broker funds in the account;
 - ii. \$575.00 from September 15, 2017 to September 29, 2017 due to a late deposit; and

- iii. \$641.17 from September 29, 2017 to October 3, 2017 due to a late deposit.
- g. In violation of section 339.105.1, RSMo, there was a temporary shortage of \$700.00 in Account 3664 from February 21, 2018 to April 15, 2018 due to a late deposit.
- h. In violation of section 339.105.2, RSMo, and regulation 20 CSR 2250-8.220(7), on two instances, Licensee Holmes registered the property management escrow accounts incorrectly in that the bank name should have been Bear State Bank not Bear State as Holmes identified.
- i. In violation of section 339.730.1(1), RSMo, on two instances, Licensee Holmes failed to perform the terms of the written agreement with the owner in that Licensee used a management agreement in place of a lease listing and held the security deposit instead of the owner.
- j. In violation of section 339.780.3, RSMo, Licensee Holmes acted as an agent of the buyer without obtaining a written agency agreement.
- k. In violation of regulation 20 CSR 2250-4.030(1), Licensee Holmes failed to register the fictitious name, Investment Brokers, with the Missouri Secretary of State.
- l. In violation of regulation 20 CSR 2250-8.090(9)(C), on five instances, Licensees' management agreement did not specify whether prepaid rents would be held by the broker or owner.
- m. In violation of regulation 20 CSR 2250-8.096(1)(A)6, on two instances, Licensees' written brokerage relationship disclosure was not signed and dated by the disclosing licensee on or before the contract date.
- n. In violation of regulation 20 CSR 2250-8.100(3), Licensee Holmes failed in his duties because a change on the contract was not initialed by the buyer.
- o. In violation of regulations 20 CSR 2250-8.150(3) and 2250-8.160(1), Licensees failed to retain a copy of the seller's closing statement but did obtain it from the title company during the audit.
- p. In violation of regulation 20 CSR 2250-8.160(2), Licensees failed to retain records, an invoice.
- q. In violation of regulation 20 CSR 2250-8.220(1), on numerous instances, Licensees disbursed funds from Account 7532 when the owner's account balance was not sufficient to cover the disbursement.

- r. In violation of regulation 20 CSR 2250-8.220(3), on two instances, Licensees failed to deposit funds within 10 banking days including a security deposit to Account 3664 and rent to Account 7532.
6. Section 339.040.1, RSMo, states, in relevant part:
1. Licenses shall be granted only to persons who present, and corporations, associations, limited liability companies, and professional corporations whose officers, managers, associates, general partners, or members who actively participate in such entity's brokerage, broker-salesperson, or salesperson business present, satisfactory proof to the commission that they:
 - (1) Are persons of good moral character; and
 - (2) Bear a good reputation for honesty, integrity, and fair dealing; and
 - (3) Are competent to transact the business of a broker or broker salesperson in such a manner as to safeguard the interest of the public.
7. Section 339.105, RSMo, states, in relevant part:
1. Each broker who holds funds belonging to another shall maintain such funds in a separate bank account in a financial institution which shall be designated an escrow or trust account. This requirement includes funds in which he or she may have some future interest or claim. Such funds shall be deposited promptly unless all parties having an interest in the funds have agreed otherwise in writing. No broker shall commingle his or her personal funds or other funds in this account with the exception that a broker may deposit and keep a sum not to exceed one thousand dollars in the account from his or her personal funds, which sum shall be specifically identified and deposited to cover service charges related to the account.
 2. Each broker shall notify the commission of his or her intent not to maintain an escrow account, or the name of the financial institution in which each escrow or trust account is maintained, the name and number of each such account, and shall file written authorization directed to each financial institution to allow the commission or its authorized representative to examine each such account; such notification and authorization shall be submitted on forms provided therefore by the commission. A broker shall notify the commission within ten business days of any change of his or her intent to maintain an escrow account, the financial institution, account numbers, or change in account status.
8. Section 339.730.1(1), RSMo, states, in relevant part:
1. A licensee representing a seller or landlord as a seller's agent or a landlord's agent shall be a limited agent with the following duties and obligations:

(1) To perform the terms of the written agreement made with the client[.]

9. Section 339.760, RSMo, states, in relevant part:

Every designated broker who has affiliated licensees shall adopt a written policy which identifies and describes the relationships in which the designated broker and affiliated licensees may engage with any seller, landlord, buyer, or tenant as part of any real estate brokerage activities.

10. Section 339.780, RSMo, states, in relevant part:

...

2. Before engaging in any of the activities enumerated in section 339.010, a designated broker intending to establish a limited agency relationship with a seller or landlord shall enter into a written agency agreement with the party to be represented. The agreement shall include a licensee's duties and responsibilities specified in section 339.730 and the terms of compensation and shall specify whether an offer of subagency may be made to any other designated broker.

3. Before or while engaging in any acts enumerated in section 339.010, except ministerial acts defined in section 339.710, a designated broker acting as a single agent for a buyer or tenant shall enter into a written agency agreement with the buyer or tenant. The agreement shall include a licensee's duties and responsibilities specified in section 339.740 and the terms of compensation.

11. Section 339.790.2(1), RSMo, states, in relevant part:

A real estate broker and an affiliated licensee owe no further duty or obligation after termination, expiration, completion or performance of the brokerage agreement, except the duties of:

(1) Accounting in a timely manner for all money and property related to, and received during, the relationship[.]

12. Regulation 20 CSR 2250-4.030(1) states, in relevant part:

Any broker doing business under any name other than the broker's legal name or entity doing business under any name other than the name registered with the secretary of state, shall first comply with the provisions of sections 417.200 – 417.230, RSMo on the registration of fictitious names and shall furnish the commission a copy of the registration within ten (10) days of receipt of the official registration from the secretary of state.

13. Regulation 20 CSR 2250-8.010(2) states, in relevant part:

A broker's business sign of sufficient size to identify it and bearing the name under which the broker or the broker's firm is licensed, or the regular business name, shall be displayed outside of the broker's regular place of business.

14. Regulation 20 CSR 2250-8.090 states, in relevant part:

...

(9) Every written property management agreement or other written authorization between a broker and the owners of the real estate shall:

...

(C) Specify whether security deposits and prepaid rents will be held by the broker or the owner;

...

(G) Contain a statement which permits or prohibits the designated broker from offering subagency (not applicable for transaction broker agreements);

...

(I) Contain a statement which permits or prohibits the designated broker and/or affiliated licensee from acting as a transaction broker and if permitted, the duties and responsibilities of a transaction broker[.]

15. Regulation 20 CSR 2250-8.096 states, in relevant part:

(1) Licensees acting with or without a written agreement for brokerage services pursuant to sections 339.710 to 339.860, RSMo, are required to have such relationships confirmed in writing by each party to the real estate transaction on or before such party's first signature to the real estate contract. Nothing contained herein prohibits the written confirmation of brokerage relationships from being included or incorporated into the real estate contract, provided that any addendum or incorporated document containing the written confirmation must include a separate signature section for acknowledging the written confirmation that shall be signed and dated by each party to the real estate transaction.

(A) Written confirmation must –

...

5. Be signed and dated by the seller/landlord and buyer/tenant. If the landlord has entered into a written property management agreement pursuant to 20 CSR 2250-8.200 – 20 CSR 2250-8.210, the landlord shall not be required to sign the written confirmation;

6. Be signed and dated by the disclosing licensees on or before the contract date. If a landlord's agent or transaction broker is conducting property management pursuant to 20 CSR 2250-8.200 – 20 CSR 2250-8.210, the unlicensed office personnel may, in the performance of the duties enumerated in 339.010.5(5)(a)-(e), sign the

written confirmation on behalf of the landlord's agent or transaction broker.

16. Regulation 20 CSR 2250-8.100(3) states, in relevant part:

Any change to a contract shall be initiated by all buyers and sellers. Acceptance of each fully executed contract shall include the date at which final agreement was reached either by 1) specific acknowledgement of the final acceptance date; or 2) date of the last signature or initial to the contract.

17. Regulation 20 CSR 2250-8.150(3) states, in relevant part:

The brokers for the buyer and the seller shall retain legible copies of both buyer's and seller's signed closing statements.

18. Regulation 20 CSR 2250-8.160 states, in relevant part:

(1) Every broker shall retain for a period of at least three (3) years true copies of all business books; accounts, including voided checks; records; contracts; brokerage relationship agreements; closing statements and correspondence relating to each real estate transaction that the broker has handled. The records shall be made available for inspection by the commission and its authorized agents at all times during usual business hours at the broker's regular place of business. No broker shall charge a separate fee relating to retention of records.

(2) Every broker shall retain for a period of at least three (3) years true copies of all property management agreements, correspondence or other written authorization relating to each real estate transaction relating to leases, rentals or management activities the broker has handled. The broker must also retain all business books, accounts and records unless these records are released to the owner(s) or transferred to another broker by written detailed receipt or transmittal letter agreed to in writing by all parties to the transaction.

19. Regulation 20 CSR 2250-8.220 states, in relevant part:

(1) A broker shall establish and maintain a separate escrow account(s), to be designated as a property management escrow account(s), for the deposit of current rents and money received from the owner(s) or on the owner's(s') behalf for payment of expenses related to property management. Before making disbursements from a property management escrow account, a broker shall ensure that the account balance for that owner's(s') property(ies) is sufficient to cover the disbursements.

(2) All security deposits held by a broker shall be maintained, intact, in an escrow account other than the property management account(s), pursuant to section 339.105, RSMo, unless the owner(s) have agreed otherwise in writing.

(3) All money received by a broker in connection with any property management must be deposited within ten (10) banking days to the escrow account or trust account maintained by the broker.

...

(7) In addition to the notification required by section 339.105.2, RSMo, each broker, upon the request of the commission or its agent, shall consent to the examination and audit of the broker's property management escrow account(s) by the commission or its agent. As part of the consent, each broker shall execute a form presented to him/her by the commission or its agent entitled Consent to Examine and Audit Escrow or Trust Account.

20. Licensees' conduct, as described in paragraphs 4 and 5 above, constitutes cause to discipline Licensees' licenses.

21. Cause exists for the Commission to take disciplinary action against Licensees' licenses under § 339.100.2(3), (15), (16) and (19), RSMo, which states in pertinent part:

2. The commission may cause a complaint to be filed with the administrative hearing commission as provided by the provisions of chapter 621, RSMo, against any person or entity licensed under this chapter or any licensee who has failed to renew or has surrendered his or her individual or entity license for any one or any combination of the following acts:

...

(3) Failing within a reasonable time to account for or to remit any moneys, valuable documents or other property coming into his or her possession which belongs to others;

...

(15) Violation of, or attempting to violate, directly or indirectly, or assisting or enabling any person to violate, any provision of sections 339.010 to 339.180 and sections 339.710 to 339.860*, or any lawful rule adopted pursuant to sections 339.010 to 339.180 and sections 339.710 to 339.860*;

(16) Committing any act which would otherwise be grounds for the commission to refuse to issue a license under section 339.040;

...

(19) Any other conduct which constitutes untrustworthy, improper or fraudulent business dealings, demonstrates bad faith or incompetence, misconduct, or gross negligence[.]

Joint Agreed Disciplinary Order

22. Based upon the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the Commission in this matter under the authority of §§ 536.060, 621.045.4 and 621.110, RSMo.

23. The terms of discipline shall include **Licensees' licenses shall be placed on probation for a period of two (2) years.** Licensees' licenses are hereby placed on two (2) years' probation. During the period of **probation** on their licenses, Licensees shall be entitled to practice as a real estate corporation, real estate broker officer and real estate broker associate provided they adhere to all the terms stated herein. The period of probation shall constitute the "disciplinary period."

24. **Terms and conditions of the disciplinary period.** Terms and conditions of the disciplinary period are as follows:

Specific Terms

a. Licensees shall, at their own expense, ensure that quarterly audits of their registered escrow accounts, Bear State Bank Accounts 3664 and 7532, are conducted and completed by a certified public accountant (CPA) approved by the Commission. Within 15 calendar days of the effective date of this Settlement Agreement, Licensees shall submit to the MREC in writing a list of at least three CPAs, including name, address, and relationship to Licensees. The Commission may approve one or more of the listed CPAs or may require Licensees, on grounds that are reasonable, to submit additional names for consideration and approval. Licensees shall, at their expense, retain an approved CPA to conduct and complete the quarterly audits for the disciplinary period. The first such quarterly audit shall begin with the quarter ending June 30, 2019 and continue through and conclude with the quarter ending June 2021. Further, within 30 days of completion of each quarterly audit period, the certified public accountant conducting and completing the audit will mail to the MREC by certified mail, return receipt requested, a signed statement from the CPA confirming that his/her firm completed a reconciliation of the account and matched the reconciled balance to the check register and the total of all reported owner and/or tenant balances. All documents necessary to prove the reconciliation should be submitted with the CPA's statement. If the CPA should find that the three-way reconciliation does not match, the CPA report should include the details and documentation necessary to show that all discrepancies were identified and corrected.

General Terms

- a. Licensees shall keep the MREC apprised at all times in writing of their current addresses and telephone numbers at each place of residence and business. Licensees shall notify the MREC in writing within ten days of any change in this information.
- b. Licensees shall timely renew Licensees' licenses, timely pay all fees required for license renewal, and comply with all other requirements necessary to maintain their licenses in a current and active state. During the disciplinary period, Licensees shall not place their licenses on inactive status as would otherwise be allowed under 20 CSR 2250-4.050. Alternatively, without violating the terms and conditions of this Settlement Agreement, Licensees may surrender their real estate licenses by submitting a Surrender of Licensure form to the MREC along with the original license and any duplicate copies issued to Licensee. If Licensees apply for a real estate license after surrender, Licensees shall be required to requalify as if original applicants. Licensees would have to apply as an original applicant for a salesperson license. The MREC will not be precluded from basing its decision, wholly or partially, on the findings of fact, conclusions of law, and discipline set forth in this Settlement Agreement.
- c. Licensees shall meet in person with the MREC or its representative at any such time and place as required by the MREC or its designee upon notification from the MREC or its designee. Said meetings will be at the MREC's discretion and may occur periodically during the probation period.
- d. Licensees shall immediately submit documents showing compliance with the requirements of this Order to the MREC when requested by the MREC or its designee.
- e. During the probationary period, Licensees shall accept and comply with unannounced visits from the MREC's representatives to monitor compliance with the terms and conditions of this Order.
- f. Licensees shall comply with all relevant provisions of Chapter 339, RSMo, as amended; all rules and regulations of the MREC; and all local, state, and federal laws. "State" as used herein refers to the State of Missouri and all other states and territories of the United States.
- g. Licensees shall report to the MREC each occurrence of Licensees' being finally adjudicated and found guilty, or entering a plea of guilty or nolo contendere, in a state or federal criminal prosecution, to felony or misdemeanor offenses, within ten business days of each such occurrence.

h. Licensee cannot change the status of a license, transfer their licenses or apply for any new or additional licenses without the prior written consent of the Commission.

25. This Agreement does not bind the Commission or restrict the remedies available to it concerning facts or conduct not specifically mentioned in this Agreement that are either not known to the Commission or may be discovered.

26. This Agreement does not bind the Commission or restrict the remedies available to it concerning any future violations by Licensee of Chapter 339, RSMo, as amended, or the regulations promulgated thereunder, or of the terms of this Agreement.

27. All parties agree to pay all their own fees and expenses incurred as a result of this case, its settlement or any litigation.

28. The parties to this Agreement understand that the Missouri Real Estate Commission will maintain this Agreement as an open record of the Commission as provided in Chapters 339, 610 and 324, RSMo.

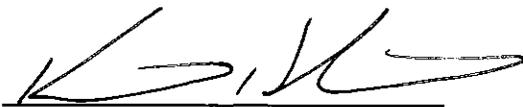
29. The terms of this Settlement Agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise provided herein, neither this Settlement Agreement nor any of its provisions may be changed, waived, discharged, or terminated, except by an instrument in writing signed by the party against whom the enforcement of the change, waiver, discharge, or termination is sought.

30. Licensees, together with Licensees' heirs and assigns, and Licensees' attorneys, do hereby waive, release, acquit and forever discharge the Commission, its respective members and any of its employees, agents, or attorneys, including any former Commission members, employees, agents, and attorneys, of, or from, any liability, claim, actions, causes of action, fees, costs and expenses, and compensation, including but not limited to, any claims for attorney's fees and expenses, including any claims pursuant to § 536.087, RSMo, or any claim arising under 42 U.S.C. § 1983, which may be based upon, arise out of, or relate to any of the matters raised in this case, its settlement, or from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of this Settlement Agreement in that it survives in perpetuity even in the event that any court of law deems this Settlement Agreement or any portion thereof to be void or unenforceable.

31. If no contested case has been filed against Licensees, Licensees have the right, either at the time the Settlement Agreement is signed by all parties or within fifteen days thereafter, to submit the Agreement to the Administrative Hearing Commission for determination that the facts agreed to by the parties to the Settlement Agreement constitute grounds for denying or disciplining the licenses of Licensees. If Licensees desire the Administrative Hearing Commission to review this Agreement, Licensees may submit this request to: **Administrative Hearing Commission, United States Post Office Building, 131 W. High Street, P.O. Box 1557, Jefferson City, Missouri 65102-1557.**

32. If Licensees have requested review, Licensees and Commission jointly request that the Administrative Hearing Commission determine whether the facts set forth herein are grounds for disciplining Licensees' licenses and issue findings of fact and conclusions of law stating that the facts agreed to by the parties are grounds for disciplining Licensees' licenses. Effective the date the Administrative Hearing Commission determines that the Agreement sets forth cause for disciplining Licensees' licenses, the agreed upon discipline set forth herein shall go into effect. If the Administrative Hearing Commission issues an order stating that the Settlement Agreement does not set forth cause for discipline, then the Commission may proceed to seek discipline against Licensees as allowed by law. If the Licensees do not submit the Agreement to the Administrative Hearing Commission for determination, the agreement shall become effective fifteen (15) days following the signature of the Commission's Executive Director.

LICENSEES



Investment Brokers of the Ozarks, Inc.
Kristopher Holmes, Designated Broker



Kristopher Holmes

Date August 2, 2019

COMMISSION



Terry W. Moore
Executive Director
Missouri Real Estate Commission

Date 08-09-19