

SETTLEMENT AGREEMENT
BETWEEN
MISSOURI REAL ESTATE COMMISSION
AND
SASI REAL ESTATE EDUCATION, LLC

SASI Real Estate Education, LLC (SASI) and the Missouri Real Estate Commission (MREC) enter into this Settlement Agreement for the purpose of resolving the question of whether SASI's accreditation as a real estate school, will be subject to discipline. Pursuant to § 536.060, RSMo,¹ the parties hereto waive the right to a hearing by the Administrative Hearing Commission of the State of Missouri and, additionally, the right to a disciplinary hearing before the MREC under § 621.110, RSMo Supp. 2013. The MREC and SASI jointly stipulate and agree that a final disposition of this matter may be effectuated as described below pursuant to § 621.045, RSMo Supp. 2013, and Rule 20 CSR 2250-7.090(4).

SASI acknowledges that it understands the various rights and privileges afforded it by law, including the right to a hearing of the charges against it; the right to appear and be represented by legal counsel; the right to have all charges proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing against it at the

¹ All statutory citations are to the 2000 Revised Statutes of Missouri unless otherwise noted.

hearing; the right to present evidence on its behalf at the hearing; the right to a decision upon the record of the hearing by a fair and impartial administrative hearing commissioner concerning the charges pending against it; the right to a ruling on questions of law by the Administrative Hearing Commission; the right to a disciplinary hearing before the MREC at which time SASI may present evidence in mitigation of discipline; the right to a claim for attorney fees and expenses; and the right to obtain judicial review of the decisions of the Administrative Hearing Commission and the MREC.

Being aware of these rights provided to it by law, SASI knowingly and voluntarily waives each and every one of these rights and freely enters into this Settlement Agreement and agrees to abide by the terms of this document as they pertain to it.

SASI acknowledges that it has received a copy of documents that were the basis upon which the MREC determined there was cause for discipline, along with citations to law and/or regulations the MREC believes were violated. SASI stipulates that the factual allegations contained in this Settlement Agreement are true and stipulates with the MREC that SASI's accreditation as a real estate school is subject to disciplinary action by the MREC in accordance with the relevant provisions of Chapter 621, RSMo, and

§§ 339.010 through 339.205 and §§ 339.710 through 339.855, RSMo, as amended.

The parties stipulate and agree that the disciplinary order agreed to by the MREC and SASI in Part II herein is based only on the agreement set out in Part I herein. SASI understands that the MREC may take further disciplinary action against it based on facts or conduct not specifically mentioned in this document that are either now known to the MREC or may be discovered.

I.
Joint Stipulation of Facts and Conclusions of Law

Based upon the foregoing, the MREC and SASI herein jointly stipulate to the following:

1. SASI Real Estate Education, LLC, is a Missouri limited liability company, charter no. LC1159063. SASI Real Estate Education, LLC does business under the fictitious name of SASI Real Estate Education LLC, which is registered with the Missouri Secretary of State.
2. SASI Real Estate Education, LLC is accredited by the MREC as a real estate education school.
3. The MREC has the authority to discipline the accreditation of real estate education providers pursuant to section 339.045.3, RSMo Supp. 2013, and Rule 20 CSR 2250-7.090(4) and (5), which provide in part:

Section 339.045.3, RSMo Supp. 2013:

3. From time to time as deemed necessary by the commission it shall be the duty of the commission through its executive secretary or other authorized representative to survey all accredited real estate schools operated in this state. If the commission determines that any accredited real estate school is not maintaining the standards required by the commission, notices thereof in writing specifying the defect or defects shall be given immediately to the school. The commission may file a complaint with the administrative hearing commission if a school fails to correct these conditions to the satisfaction of the commission within thirty days, or such longer period as may be authorized in writing by the commission. The hearing and any subsequent suspension or revocation of accreditation shall be governed by chapter 621.

20 CSR 2250-7.090(4) and (5):

(4) The commission may deny, suspend, revoke or place on probation the accreditation of any school if it is determined that the school, administrator, staff, instructor(s) or any person associated in any way have violated any of the requirements of Chapter 7 of these regulations or have performed or attempted to perform any acts identified in 20 CSR 2250-7.090(5).

(5) The commission may cause a complaint against the school to be filed with the Administrative Hearing Commission as provided by law when the commission believes there is a probability that a school or any person acting on its behalf has performed or attempted to perform any of the following acts:

(A) Fails to maintain the standards set out in Chapter 7 of these regulations;

...

(J) Fails to file with the commission, accurate, timely, and complete records[.]

4. Rule 20 CSR 2250-7.070(12), which requires timely notification of scheduled classes and cancellations of classes, states:

(12) Dates, times, and location(s) of classroom course offerings must be electronically submitted to the commission at least ten (10) days prior to each course offering. Should changes occur in this information, the school must submit the changes immediately via the reporting method prescribed by the commission.

5. SASI submitted class scheduling information less than 10 days before the classes, in violation of 20 CSR 2250-7.070(12), as follows:

<u>Date of Notification</u>	<u>Scheduled Class</u>
<u>Dates</u>	
January 9, 2014	January 13-15, 2014
March 6, 2014	March 10, 2014
March 25, 2014	March 14, 2014

6. SASI cancelled classes without providing timely notification to the MREC of the changes, in violation of 20 CSR 2250-7.070(12), as follows:

<u>Date of Notification</u>	<u>Scheduled Class</u>
<u>Dates</u>	
No notification.	May 2013
No notification.	June 2013
February 14, 2014	January 14-16, 2014
March 7, 2014	February 21 and 28, 2014

March 25, 2014

March 10, 2014

7. Rule 20 CSR 2250-7.070(17), which relates to the filing of course completion reports, including class rosters, states:

(17) Within no more than ten (10) days of the completion of a course, the school shall electronically submit to the commission in a format prescribed by the commission, a complete and accurate list of attendees who have satisfactorily completed the course.

8. Course completion reports, including class rosters were filed more than 10 days after the completion of the classes on the following dates, in violation of 20 CSR 2250-7.070(17):

- a. All 2012 classes;
- b. April 8-9, 2013 classes;
- c. February 7, 2014; and
- d. March 26, 2014.

9. The MREC's prescribed format for submission of the reports required by 20 CSR 2250-7.070(17) is for the real estate educators to upload their course rosters showing those who have completed a course directly into the MREC's secure file transfer protocol site for continuing education as a formatted text delimited file.

10. SASI submitted the course completion reports to the MREC by email, instead of performing the prescribed upload of the information into the

MREC's secure File Transfer Protocol site in the proper format, in violation of 20 CSR 2250-7.070(17), on the following dates: February 23, 2014 and May 28, 2014.

11. SASI failed to file with the commission accurate and complete records, as follows, providing cause to discipline the accreditation of SASI Real Estate Education, LLC pursuant to Section 339.045.3, RSMo Supp. 2013 and 20 CSR 2250-7.090(4) and (5)(A) and (J):

- a. On February 13, 2013, SASI submitted a course schedule of continuing education classes with an incorrect course number and title and with no instructor listed.
- b. On June 14, 2013, SASI submitted the 48-hour Salesperson Pre-Examination course for MREC review and approval with inconsistencies, typing errors, grammatical errors, incorrect word usage, and unfinished questions and sentences, which were returned to SASI for correction and resubmission;
- c. On January 9, 2014, SASI submitted scheduling information with an incorrect course number and scheduling a teacher for two separate courses at the same time; and

d. On March 6, 2014, SASI submitted an incorrect course number for March 31, 2014 class.

12. The MREC has provided numerous notices to SASI Real Estate Education, LLC of the violations noted above, and other similar violations, throughout 2012, 2013 and 2014, but SASI Real Estate Education, LLC, as continued to commit the same violations.

13. Based on the findings of fact and conclusions of law stipulated to herein, cause exists to discipline the accreditation of SASI Real Estate Education, LLC, pursuant to Section 339.045.3, RSMo Supp. 2013 and 20 CSR 2250-7.090(4) and (5)(A) and (J).

II. **Joint Agreed Disciplinary Order**

Based on the foregoing, the parties mutually agree and stipulate that the following shall constitute the disciplinary order entered by the MREC in this matter under the authority of §§ 339.045.3, RSMo, 536.060, RSMo, §§ 621.045.4 and 621.110, RSMo Supp. 2013, and Rule 20 CSR 2250-7.090(4).

14. **SASI's accreditation is on probation.** SASI's accreditation as a real estate school is hereby placed on PROBATION for a period of TWO YEARS. The period of probation shall constitute the "disciplinary period." During the disciplinary period, SASI shall be entitled to serve as a real estate school under § 339.045, RSMo, as amended, and rules 20 CSR 2250-7.010

through 20 CSR 2250-7.080, provided SASI adheres to all the terms of this agreement.

15. **Terms and conditions of the disciplinary period.** The terms and conditions of the disciplinary period are as follows:

A. SASI shall keep the MREC apprised at all times of its current address and telephone number. SASI shall notify the MREC in writing within ten (10) days of any change in this information.

B. SASI shall timely renew its accreditation, timely pay all fees required for accreditation renewal and shall comply with all other requirements necessary to maintain its accreditation in a current and active status. Alternatively, without violating the terms and conditions of this Settlement Agreement, SASI may surrender its real estate school accreditation by submitting a letter to the MREC and complying with 20 CSR 2250-7.010(K)(6). If SASI applies for a real estate school accreditation after surrender, SASI shall be required to requalify as if an original applicant and 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. SASI shall meet in person with the MREC or its representative at any such time or 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. SASI shall immediately submit documents showing compliance with the requirements of this Settlement Agreement to the MREC when requested by the MREC or its designee.

E. During the probationary period, SASI shall accept and comply with unannounced visits from the MREC's representative to monitor compliance with the terms and conditions of this Settlement Agreement.

F. SASI shall comply with all relevant provisions of Chapter 339, RSMo, as amended, all rules and regulations duly promulgated thereunder, all local, state, and federal laws. "State" as used herein includes the State of Missouri and all other states and territories of the United States. Any cause to discipline SASI's accreditation as a real estate school under 20 CSR 2250-7.090(4) and (5), as amended, that accrues during the disciplinary period shall also constitute a violation of this Settlement Agreement.

16. Upon the expiration of the disciplinary period, the accreditation of SASI shall be fully restored if all requirements of law have been satisfied;

provided, however, that in the event the MREC determines that SASI has violated any term or condition of this Settlement Agreement, the MREC may, in its discretion, after an evidentiary hearing, vacate and set aside the discipline imposed herein and may suspend, revoke or otherwise lawfully discipline SASI's accreditation.

17. No additional discipline shall be imposed by the MREC pursuant to the preceding paragraph of this Settlement Agreement without notice and opportunity for hearing before the MREC as a contested case in accordance with the provisions of Chapter 536, RSMo.

18. This Settlement Agreement does not bind the MREC or restrict the remedies available to it concerning any future violations by SASI of §§ 339.010 through 339.205 and §§ 339.710 through 339.855, RSMo, as amended, or the regulations promulgated thereunder, or of the terms and conditions of this Settlement Agreement.

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

20. If any alleged violation of this Settlement Agreement occurred during the disciplinary period, the parties agree that the MREC may choose

to conduct a hearing before it either during the disciplinary period, or as soon thereafter as a hearing can be held, to determine whether a violation occurred and, if so, may impose further disciplinary action. SASI agrees and stipulates that the MREC has continuing jurisdiction to hold a hearing to determine if a violation of this Settlement Agreement has occurred.

21. Each party agrees to pay all their own fees and expenses incurred as a result of this case, its litigation, and/or its settlement.

22. The terms of this Settlement Agreement are contractual, legally enforceable, and binding, not merely recital. Except as otherwise contained 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.

23. The parties to this Settlement Agreement understand that the MREC will maintain this Settlement Agreement as an open record of the MREC as required by Chapters 324, 339, and 610, RSMo, as amended.

24. SASI, together with its partners, members, managers, heirs, assigns, agents, employees, representatives and attorneys, does hereby waive, release, acquit and forever discharge the MREC, its respective members, employees, agents and attorneys including former members, employees,

agents and attorneys, of, or from any liability, claim, actions, causes of action, fees, costs, expenses and compensation, including, but not limited to, any claim for attorney's fees and expenses, whether or not now known or contemplated, including, but not limited to, any claims pursuant to § 536.087, RSMo, as amended, or any claim arising under 42 U.S.C. § 1983, which now or in the future may be based upon, arise out of, or relate to any of the matters raised in this case or its litigation or from the negotiation or execution of this Settlement Agreement. The parties acknowledge that this paragraph is severable from the remaining portions of the Settlement Agreement in that it survives in perpetuity even in the event that any court or administrative tribunal deems this agreement or any portion thereof void or unenforceable.

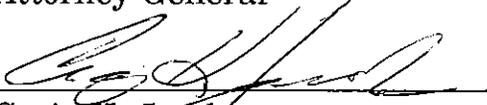
25. This Settlement Agreement goes into effect 15 days after the document is signed by the Executive Director of the MREC.

SASI REAL ESTATE EDUCATION,
LLC

MISSOURI REAL ESTATE
COMMISSION

By: Raleigh W. Saighman 01/16/15
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