

BEFORE THE IOWA REAL ESTATE COMMISSION
1918 SE HULSIZER ·
ANKENY, IOWA

IN RE:)	
)	
	)	CASE NUMBER: 94-099
HARRY E. STIMSON (B27256))	
Broker	)	STATEMENT OF CHARGES
)	
401 1st Street West)	
Independence, Iowa 50644-2508)	

The Iowa Real Estate Commission has jurisdiction of this matter pursuant to Iowa Code chapters 17A, 543B, and 272C (1993).

Licenses issued by the Commission are subject to the laws of the state of Iowa and to the administrative rules of the Commission.

HARRY E. STIMSON is, and was at all times during the following events, a licensed real estate broker. His license number is B27256. HARRY E. STIMSON IS is a sole-proprietor broker in Independence, Iowa.

COUNT I

The Respondent is charged with engaging in a practice harmful or detrimental to the public by disbursing trust funds without the informed written consent of the parties or in accordance with commission rules, in violation of Iowa Code sections 543B.29(3) and 543B.34(8), (1993), and Iowa Administrative Code Chapter 193E, sections 1.27(7) and 4.40(6)(b).

COUNT II

The Respondent is charged with professional incompetency and engaging in a practice harmful or detrimental to the public by making changes in an offer signed by the parties at the direction of the buyer without obtaining proper signatures or initials of the seller and the buyer acknowledging the modifications to the terms, in violation of 543B.29(2) and (3), and 543B.34 (8), and 543B.46(4) and Iowa Administrative Code Chapter 193E, section 4.40(10).

COUNT III

The Respondent is charged with professional incompetency and engaging in a practice harmful or detrimental to the public by transferring trust funds to another broker prior to closing without the informed written consent of the parties or in accordance with commission rules, in violation of Iowa Code sections 543B.29(2) and (3) and 543B.34(8), (1993), and Iowa Administrative Code Chapter 193E, sections 1.27(7) and 4.40(6)(b).

CIRCUMSTANCES OF THE COMPLAINT

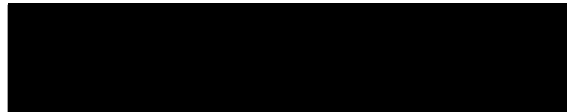
1. On or about August 7, 1992, Peggy Phariss, buyer, gave Stimson Real Estate a \$5000 earnest money check with an offer on the Clark Estate, that was not accepted.
2. On or about August 27, 1992, Tim McInteer, a salesperson licensed with the Respondent, wrote an offer for a 72.5 acre parcel of the Ralph Wegner Farms, for \$43,500 signed by Peggy Phariss, buyer, with \$5000 earnest money to be held by Stimson and Associates Real Estate.
3. On or about August 27, 1992, at the direction of the buyer to split the \$5000 for two offers, the Respondent changed the \$5000 earnest money term of the agreement to \$2500, and did not get the change signed or initialed.
4. On or about August 27, 1992, the seller accepted the offer after the change from \$5000 to \$2500 earnest money had been made.
5. On or about August 28, 1992, the Respondent prepared offer for a different parcel of the Ralph Wegner Farms, an acreage for \$30,000, contingent upon financing at least \$43,500 with \$2,500 earnest money to be held by Stimson Real Estate.
6. On September 16, 1992, the transaction involving the acreage closed.
7. Problems developed and the transaction involving the 72.5 acres failed to close.
8. In an effort to see if another broker could complete the transaction, on or about November 24, 1992 Respondent issued check #2121 in the amount of \$2,500 to Larry Karsten Real Estate, without written authorization of the parties. The check was not cashed and eventually voided by the Respondent on January 19, 1993.

9. On September 3, 1993 Respondent issued check #2333 in the amount of \$2500 to Ralph Wegner, releasing the earnest money from the 72.5 acres failed transaction to the seller, without the authorization of the parties or in accordance with commission rules.

FINDING OF PROBABLE CAUSE

On November 3, 1994, the Iowa Real Estate Commission found probable cause to file this Statement of Charges and to order that a hearing be set in this case.

Executed this 8th day of FEBRUARY, 1995.



Roger L. Hansen, Executive Secretary
Iowa Real Estate Commission

cc: Pam Griebel, Assistant Attorney General

BEFORE THE IOWA REAL ESTATE COMMISSION
1918 S.E. HULSIZER
ANKENY, IOWA

IN RE:	)	DIA NO. 95DOCRE-2
	)	CASE NO. 94-099
HARRY E. STIMSON)	
BROKER (B27256)	)	FINDINGS OF FACT,
	)	CONCLUSIONS OF LAW,
401 1ST Street West	)	DECISION AND ORDER
Independence, Iowa 51503)	

On February 8, 1995, the Iowa Real Estate Commission (hereinafter Commission) filed a Statement of Charges against Harry E. Stimson, a licensed Iowa broker (hereinafter Respondent). The Statement of Charges alleged that the Respondent violated Iowa Code sections 543B.29(2), (3), 543B.34(8), and 543B.46(4) and 193E Iowa Administrative Code sections 1.27(7) and 4.40(6)(b) and (10). A Notice of Hearing set the hearing for April 13, 1995 at 9:30 a.m.

The hearing was held on April 13, 1995 at 9:45 a.m. The following members of the Commission were present and participated in making the decision: Theresa Loffredo, Jack Knapp, Jerry Duggan, Russ Nading, and Evelyn Rank. The State was represented by Heather Adams, Assistant Attorney General. The Respondent did not appear and was not represented by counsel. Margaret LaMarche, Administrative Law Judge from the Iowa Department of Inspections and Appeals, presided.

The hearing was recorded by a certified court reporter. The hearing was open to the public, pursuant to Iowa Code section 272C.6(1)(1993). After hearing the testimony and examining the exhibits, the Commission convened in closed session, pursuant to Iowa Code section 21.5(1)(f)(1995) to deliberate their decision. The administrative law judge was instructed to draft the Findings of Fact, Conclusions of Law, Decision and Order, in accordance with their deliberations.

THE RECORD

The record includes the Statement of Charges, Notice of Hearing, testimony of the witnesses, and the following exhibits:

- State Exhibit A: Check, Phariss to Stimson & Associates Trust, 8/7/92
- State Exhibit B: Deposit Slip, 8/7/92
- State Exhibit C: Stimson Individual Trust Funds Ledger, 8/10/92 deposit
- State Exhibit D: Disclosure of Representation, 8/27/92

94-099

State Exhibit E: Disclosure of Representation, 8/28/92
State Exhibit F: Real Estate Sales Agreement, 8/27/92
State Exhibit G: Real Estate Sales Agreement, 8/27/92
State Exhibit H: Real Estate Sales Agreement, 8/28/92
State Exhibit I: Stimson record for acreage in Fairbank,
8/28/92, deposit
State Exhibit J: Buyer's & Seller's Closing Statement for
acreage, 9/16/92
State Exhibit K: Stimson Individual Trust Funds Ledger,
9/16/92, amount received
State Exhibit L: Stimson record for pastureland in Fair-
bank
State Exhibit M: Check #2333, Stimson & Associates to
Wegner, 9/2/93
State Exhibit N: Stimson Trust Funds Journal, 9/2/93 dis-
bursement
State Exhibit O: Return receipt card dated 2/11/95
Respondent Exhibit 1: Letter dated 4/13/95 (Stimson to
Hansen)

FINDINGS OF FACT

The Iowa Real Estate Commission finds as follows:

1. The Commission has jurisdiction of this matter under Iowa Code Chapters 17A, 272C, and 543B, as well as the administrative rules found in Chapter 193E of the Iowa Administrative Code.
2. The Respondent is a licensed real estate broker, license number B27256. He is a sole-proprietor broker in Independence, Iowa.
3. On August 7, 1992, Peggy Phariss, buyer, gave Stimson & Associates Real Estate a \$5000.00 earnest money check with an offer on the Clark Estate. The offer was not accepted. (Testimony of Peggy Phariss; State Exhibits A-C)
4. On or about August 27, 1992, Tim McInteer, a salesperson licensed with the Respondent, wrote an offer to purchase a 72.5 acre parcel of the Ralph Wegner Farms for \$43,500.00. The offer

94-099

was signed by Peggy Phariss, buyer, and stated that the \$5000.00 earnest money was to be held by Stimson & Associates. (Testimony of Peggy Phariss; State Exhibit F)

5. On or about August 27, 1992 the Respondent suggested that Peggy Phariss split the \$5000.00 earnest money for two offers. Peggy Phariss verbally agreed to this, but did not sign or initial any change. The original offer to purchase the 72.5 acres was altered to provide for \$2500.00 in earnest money, instead of \$5000.00. In addition, a closing date of December 1, 1992 was added to the original offer to purchase. These alterations were not initialed by Phariss, nor did she sign the altered offer to purchase. Phariss did not see the altered offer to purchase until the day of the hearing. (Testimony of Peggy Phariss; State Exhibit F, G)

6. On or about August 28, 1992, the seller accepted the offer on the 72.5 acres after the change from \$5000.00 to \$2500.00 earnest money had been made. (Testimony of Peggy Phariss; Roger Hansen; State Exhibit G)

7. On or about August 28, 1992, the Respondent prepared an offer for a different parcel of the Ralph Wegner Farms, a 3.5 acre parcel with a house and a barn. The offer, which was for \$30,000.00, was made in conjunction with the prior offer, and was contingent upon financing at least \$43,500. The earnest money of \$2500.00 was to be held by Stimson Real Estate. (Testimony of Peggy Phariss; State Exhibits H, I)

8. On September 16, 1992 the transaction involving the 3.5 acre parcel closed. Problems developed, and the transaction involving the 72.5 acres failed to close. (Testimony of Peggy Phariss; State Exhibit J, K)

9. In September 1992 Peggy Phariss contacted the Respondent and asked for the return of her \$2500.00 earnest money from the failed transaction. The Respondent told her that he could not return the earnest money because he was afraid that the seller would sue him. The Respondent assured Phariss that the earnest money would remain in his trust fund. Phariss called the Respondent on several additional occasions to inquire about the earnest money, but the Respondent would not take her calls. (Testimony of Peggy Phariss)

10. In an effort to see if another broker could complete the transaction on the 72.5 acre parcel, on November 24, 1992 the Respondent issued check #2121 in the amount of \$2500.00 to Larry Karsten Real Estate. Check #2121 was issued without the written authorization of the parties. The check was not cashed and was voided by the Respondent on January 19, 1993. (Testimony of Roger Hansen; Peggy Phariss; State Exhibit L)

11. On September 3, 1993 the Respondent issued check #2333 in the amount of \$2500.00 to Ralph Wegner, thereby releasing the earnest money from the 72.5 acre failed transaction to the seller. Check #2333 was issued without notice to Peggy Phariss and without authorization of the parties. (Testimony of Peggy Phariss; Roger Hansen; State Exhibit M)

12. In a letter faxed to the Commission on April 12, 1995 the Respondent stated that he did not have the resources to expend contesting the charges. The Respondent stated that he thought all of his actions complied with the Commission's statutes and rules. The Respondent stated that he did not realize that he could not release trust funds without the written consent of both parties. (Respondent Exhibit 1)

13. The Respondent was served with the Statement of Charges and Notice of Hearing by certified mail on February 11, 1995. (State Exhibit O)

CONCLUSIONS OF LAW

1. 193E IAC 4.16 provides in relevant part that a written notice of hearing, together with a statement of the charges, shall be mailed to the licensee at least 20 days before the hearing by certified mail return receipt requested, to the last known business address of the licensee. The preponderance of the evidence established that the Respondent was properly served with the notice of hearing and statement of charges.

193E IAC 4.25 provides that if a respondent, upon whom a proper notice of hearing has been served, fails to appear in person at the hearing, the commission or administrative law judge may proceed to conduct the hearing, and the respondent shall be bound by the results of such hearing to the same extent as if he was present. The Respondent failed to appear after proper notice, and he is bound by this decision of the Board to the same extent as if he had appeared.

2. Iowa Code section 543B.29(2) and (3), formerly found at Iowa Code section 117.29(2) and (3) (1991), provide in relevant part:

543B.29 Revocation or suspension

A license to practice the profession of real estate broker or salesperson may be revoked or suspended when the licensee is guilty of the following acts or offenses:

...

2. Professional incompetency.

3. ... engaging in unethical conduct or practice harmful or detrimental to the public. Proof of actual injury need not be established.

3. Iowa Code section 543B.34(8), formerly found at 117.34(8) (1991), provides in relevant part:

543.34 Investigations by commission.

The real estate commission may upon its own motion and shall upon the verified complaint in writing of any person, if the complaint together with evidence, documentary or otherwise, presented in connection with the complaint makes out a prima-facie case, request commission staff or any other duly authorized representative or designee to investigate the actions of any real estate broker, real estate salesperson, or other person who assumes to act in either capacity within this state, and may suspend or revoke a license issued under this chapter at any time...if the licensee is found to be guilty of any of the following:

...

8. Being unworthy or incompetent to act as a real estate broker or salesperson in such manner as to safeguard the interests of the public.

...

4. Iowa Code section 543B.46(4), formerly found at Iowa Code section 117.46(4) (1991), provides in relevant part:

543B.46 Trust Accounts.

...

4. Each broker shall only deposit trust funds received on real estate or business opportunity transactions as defined in section 543B.6 in said common trust account and shall not commingle the broker's personal funds or other funds in said trust account with the exception that a broker may deposit and keep a sum not to exceed one hundred dollars in said account from the broker's personal funds, which sum shall be specifically identified and deposited to cover the service charges relating to said trust account.

5. 193E IAC 1.27(7), which is currently in effect, provides generally that no funds shall be disbursed from the trust account prior to closing without the informed written consent of all the parties, except in accordance with the terms of the rule.

In November 1992, when the Respondent transferred the earnest money to another broker, a similar rule was in effect and found at 193E IAC 1.27(1):

1.27(1) No funds shall be disbursed from the trust account prior to the closing without the informed written consent of all the parties. In the event of a dispute over the return or forfeiture of any earnest deposit held

by a broker, the broker shall continue to hold the deposit in the trust account until a written release is received from all parties consenting to its disposition or until a civil action is filed to determine its disposition at which time payment may be made into court...

In September 1993, when the Respondent released the earnest money to the seller, the following rule, which is nearly identical to the current rule, was in effect and provided in relevant part:

1.27(7) No funds shall be disbursed from the trust account prior to the closing without the informed written consent of all the parties, except in accordance with this rule. In the event of a dispute over the return or forfeiture of any earnest money or escrow deposit held by a broker, the broker shall continue to hold the deposit in the trust account until:

1. The broker is in receipt of a written release from all parties consenting to the disposition of the deposit; or

2. The broker is in receipt of a final judgment of the court directing the disposition of the deposit; or

3. There is a final decision of a binding alternative dispute resolution process; or

4. A civil action is filed by one or more of the parties to determine the disposition of the deposit, at which time the broker may seek court authorization to pay the deposit into court.

...
b. In the absence of a pending civil action or written agreement, it shall not be grounds for disciplinary action where, upon passage of 30 days from the date of the dispute, a broker disburses the earnest money deposit to a buyer or lessee in a transaction based upon a good faith decision that a contingency has not been met, but disbursement shall be made only after the broker has given 30 days' written notice by certified mail to all parties concerned at their last known address, setting forth the broker's proposed action and the grounds for the decision.

c. In the absence of a pending civil action or written agreement, it shall not be grounds for a disciplinary action where, upon passage of six months from the date of the dispute, a broker disburses the earnest money deposit to a seller or lessor in a transaction based upon a good

faith decision that the buyer or lessee has failed to perform as agreed, but disbursement shall be made only after the broker has given 30 days' written notice by certified mail to all parties concerned at their last known address, setting forth the broker's proposed action and grounds for the decision.

6. At all times relevant to this proceeding, 193E IAC 4.40(6)(b) and (10) provided:

193E-4.40 Violations for which civil penalties may be imposed.

...
4.40(6) Improper trust account and closing procedures:

...
b. Disbursing trust funds prior to closing without written authorization.

...
4.40(10) Failing to obtain all signatures required on contracts or to obtain signatures or initials of all parties to changes in a contract.

COUNT I

The preponderance of the evidence established that the Respondent violated Iowa Code section 117.29(3) and 117.34(8) (1991) [currently codified at 543B.29(3) and 543B.34(8)] and 193E IAC 1.27(7) and 4.40(6)(b) when he engaged in a practice harmful or detrimental to the public by disbursing trust funds without the informed written consent of the parties or in accordance with commission rules.

COUNT II

The preponderance of the evidence established that the Respondent violated Iowa Code section 117.29(2) and (3), 117.34(8), and 117.46(4) (1991) [currently codified at 543B.29(2)(3), 543B.34(8), and 543B.46(4)] and 193E IAC 4.40(10), professional incompetency and engaging in a practice harmful or detrimental to the public, when he made changes in an offer signed by the parties without obtaining proper signatures or initials of the seller and the buyer acknowledging the modifications to the terms.

COUNT III

The preponderance of the evidence established that the Respondent violated Iowa Code sections 117.29(2) and (3) and 117.34(8) (1991) [currently codified at 543B.29(2), (3), and 543B.34(8)] and 193E IAC 1.27(1) and 4.40(6)(b), professional incompetency and engaging in a practice harmful or detrimental to the public, when he transferred trust funds to another broker prior to closing without

the informed written consent of the parties or in accordance with commission rules.

DECISION AND ORDER

The licensed broker is expected to be knowledgeable of the statutes and rules which govern the practice of real estate. The actions of the Respondent, altering the terms of an offer to purchase without obtaining the buyer's signature and initials and releasing earnest money without the written consent of both parties, clearly violate numerous statutes and rules of the commission. These are extremely serious violations which indicate that the Respondent is both incompetent and unworthy to act as a real estate broker. The broker's trustworthiness to handle funds belonging to others is critical to the practice of the profession of the broker and to the protection of the public.

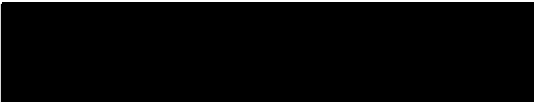
IT IS THEREFORE THE ORDER OF THE IOWA REAL ESTATE COMMISSION that the broker license of Harry E. Stimson, No. B27256, is hereby REVOKED, effective upon service of this Decision and Order.

IT IS FURTHER ORDERED that the Respondent shall pay a civil penalty of \$1,000.00 within thirty (30) days of service of this decision and order.

IT IS FURTHER ORDERED, pursuant to 193E IAC 2.13(1)"c"(5), that if the Respondent applies for reinstatement of his license and reinstatement is granted by the Board, that he shall be required to pay a reinstatement fee of \$1000.00.

IT IS FURTHER ORDERED, pursuant to 193E IAC 4.41, that the Respondent shall pay \$75.00 for costs associated with conducting the disciplinary hearing, within thirty (30) days of the date of this Order. In addition, the Executive Secretary shall bill the Respondent for any transcript costs associated with this hearing, and the Respondent shall remit payment within thirty (30) days of receipt of the bill.

Issued this 1st day of June , 1995.


Theresa Loffredo
Vice-Chairperson
Iowa Real Estate Commission

Judicial review of the commission's action may be sought in accordance with the Iowa administrative procedure Act, from and after the date of the commission's order. 193E IAC 4.35.

94-099

BEFORE THE IOWA REAL ESTATE COMMISSION
1918 S.E. HULSIZER
ANKENY, IOWA

IN RE:	)	DIA NO. 95DOCRE-2
	)	CASE NO. 94-099
HARRY E. STIMSON)	
BROKER (B27256)	)	RULING ON MOTION
	)	FOR REHEARING
401 1st Street West	)	AND STAY
Independence, Iowa 51503)	

On June 8, 1995 the Respondent filed a Motion For Rehearing and Stay. The State filed a Response To Respondent's Motion For Rehearing on June 20, 1995. The Respondent filed a Reply on June 23, 1995. The Commission met by telephone conference call on Monday, June 26, 1995 at 11:00 a.m. to consider the motion. The following members of the Commission participated in the conference call: Theresa Loffredo, Jack Knapp, Russ Nading, and Evelyn Rank. Also present were Margaret LaMarche, Administrative Law Judge, and members of the Commission staff. After convening in open session, the Commission moved into closed session, pursuant to Iowa Code section 21.5(1)(f)(1995) to deliberate their decision.

Pursuant to 193E IAC 4.33, the Commission may grant the Respondent's Motion for Rehearing to consider facts which were not presented in the original proceeding only if:

- a. Such facts arose after the original proceeding; or
- b. The party offering such evidence was misled by any party as to the necessity for offering such evidence at the original proceeding; or
- c. The party offering the additional evidence was misled by any party as to the necessity for offering such evidence at the original proceeding, except that this subrule shall not relieve any party of its obligation to control its own evidence and defense.

The Respondent has not alleged any facts relevant to this case which have arisen subsequent to the hearing held on April 13, 1995. The Respondent received proper notice of the hearing and chose not to appear and present evidence. Instead, he faxed a letter to the Commission on the day of the hearing. The Respondent's Motion for a Rehearing to submit additional evidence is DENIED.

The Respondent also argues that he is entitled to a rehearing due to errors of law by the Commission. The Commission has reviewed the legal arguments of the Respondent and finds them to be without merit. The Commission is satisfied that 193E IAC 4.40(10) requires the licensee to obtain the signature or initials of the buyer when


94-099

the terms of the offer are changed. When those terms are agreed to by the seller, a contract is created, without further action by the buyer. In addition, the Commission is satisfied that the issuance of a check from the trust account, without the informed written consent of the parties, violates 193E IAC 1.27(7). The recipient of the check had the authority and the ability to negotiate the check and collect the funds. The later return of the check without negotiation was fortunate, but it does not erase the Respondent's violation. The Motion for Rehearing on these legal grounds is DENIED.

Finally, the Respondent requests, in the interests of justice, that he be allowed the opportunity to present additional evidence which may bear on the appropriate discipline to be imposed on the Respondent. As stated before, the Respondent has failed to establish that he is entitled to present new evidence. However, the Commission will grant the Respondent a limited rehearing, solely for the purpose of hearing argument on the appropriateness of the sanction to be imposed. The Respondent and his counsel and the assistant attorney general will each be permitted to present a maximum of twenty (20) minutes of oral argument on Thursday, July 27, 1995 at 9:30 a.m. in Room A & B at the Commission offices located at 1918 Hulsizer Avenue, Ankeny, Iowa 50021.

It is further ORDERED, that the Commission's order of revocation will be STAYED pending the rehearing on the sanction issue.

Issued this 28th day of June, 1995.


Theresa Loffredo
Chairperson
Iowa Real Estate Commission

cc: Richard G. Hileman Jr.
Simmons, Perrine, Albright & Ellwood, PLC
115 Third Street SE, Suite 1200
Cedar Rapids, IA 52401

Heather Adams
Assistant Attorney General
Hoover State Office Building
Second Floor
Des Moines, IA 50319

94-099

BEFORE THE IOWA REAL ESTATE COMMISSION

IN RE:	)	CASE NO. 94-099
)	
HARRY E. STIMSON (B27256),	)	SETTLEMENT AGREEMENT
Respondent.)	
)	

The Iowa Real Estate Commission (Commission) and Harry E. Stimson (Respondent) hereby enter into this Settlement Agreement pursuant to Iowa Code § 17A.10(2) (1995) and 193E Iowa Administrative Code § 4.12:

1. The Commission has jurisdiction of this matter pursuant to Iowa Code Chapters 17A, 543B, and 272C.
2. The Respondent was issued a broker's license to practice real estate on March 9, 1990, as evidenced by license number B27256.
3. A Statement of Charges was filed against the Respondent on February 8, 1995.
4. Respondent was served with the Statement of Charges and Notice of Hearing by certified mail on February 11, 1994.
5. A hearing on this matter was held before the Commission on April 13, 1995. The Respondent did not appear nor was he represented by counsel at the hearing.
6. The Commission entered Findings of Fact, Conclusions of Law, Decision and Order on June 1, 1995.
7. The Respondent filed a Motion for Rehearing and For Stay on June

94-099

7, 1995.

8. The State filed a Response to Respondent's Motion for Rehearing and For Stay on June 16, 1995.

9. The Respondent filed a Reply to the State's Response to Respondent's Motion for Rehearing on June 21, 1995.

10. The Commission entered a Ruling on the Motion for Rehearing and Stay on June 28, 1995, in which it set a rehearing on the sole issue of the sanction to be imposed on Respondent.

11. Respondent agrees that the State's counsel may present this Agreement to the Commission. Respondent hereby waives any right of notice of this meeting or any right which the Respondent might have to participate in the discussion of this Settlement Agreement among the Commission, the Commission staff, and the prosecuting attorney.

12. If the Commission approves this Agreement, Respondent waives his right to a rehearing.

13. This Agreement shall be part of the permanent record of Respondent and shall be considered by the Commission in determining the nature and severity of any disciplinary action to be imposed in the event of future violations.

14. This Agreement is a public record available for inspection and copying in accordance with the requirements of Iowa Code chapter 22.

15. Failure to comply with the provisions of this Agreement shall be

considered prima facie evidence of a violation of Iowa Code §§ 543B.29(3), 543.34(2) and 272C.3(2)(a). However, no action may be taken against Respondent for violations of these provision without a hearing as provided in Iowa Code § 543B.35.

16. This Agreement is subject to the approval of the Commission.

(a) If the Commission fails to approve this Agreement, it shall be of no force or effect on either party, and it shall not be admissible for any purpose in further proceedings on this matter.

(b) If the Commission approves this Agreement, it shall fully dispose of all issues in this case.

IT IS THEREFORE ORDERED:

A. Respondent shall pay a civil penalty of five hundred (500) dollars within thirty (30) days from the date this Agreement is signed by the Commission.

B. Respondent shall furnish proof of completion of twelve (12) hours of real estate continuing education in "Trust Account and Closing Procedures," which hours shall be in addition to all other real estate continuing education required by law for license renewal. The course must be approved as a "Broker Pre-License Course." Original certificate of attendance must be submitted to the Iowa Real Estate Commission within thirteen (13) months of the signing of this agreement by the Commission. The certificate of attendance must come under


a cover letter addressed to the Commission's executive secretary and must refer to case 94-099.

C. Respondent's broker's license number B27256 shall be suspended for a period of three (3) months. However, all but the period of time Respondent has already served shall be stayed.

D. Respondent is hereby reprimanded. Respondent shall at all future times fully comply with the statutes and administrative rules of the Commission.

AGREED AND ACCEPTED:



Harry E. Stimson, Respondent


Theresa Loffredo, Chairperson
Iowa Real Estate Commission

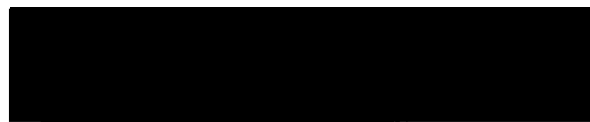
7/28/95
Date

8/4/95
Date

Approved as to form and content:


Richard G. Hileman, Jr.
Simmons, Perrine, Albright & Ellwood
115 Third Street SE, Suite 1200
Cedar Rapids, IA 52401

Attorney for Respondent


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Assistant Attorney General
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Attorney for the State of Iowa