

# Kentucky Real Estate NEWS

A Publication of the Kentucky Real Estate Commission

## ***Governor Re-appoints Commissioner Bob Roberts***



On April 23, 2013, Governor Beshear appointed Commissioner Bob Roberts to a four-year term on the Commission. His term expires on June 19, 2017. Mr. Roberts was first appointed to the Commission in May of 1990, and served until July of 2005. In 2009, he was again appointed by Governor Beshear. Commissioner Roberts serves as the consumer member.

Mr. Roberts is a resident of Richmond, Ky. In 1971 he graduated from Eastern Kentucky University with a degree in political science. He established R.J.Roberts, Inc that same year, a full service Insurance and Investment Company. Mr. Roberts' two sons, Joe and John, are principals in the company.

Mr. Roberts received the Chartered Life Underwriter designation from American College in Bryn Mawr, Pennsylvania. He was inducted into the ECU Hall of Distinguished

Alumni 1994. He is a 40-year consecutive member of the Million Dollar Round Table and has attained Court of the Table and Top of the Table status. He is a lifetime and Quarter Century member of the Million Dollar Round Table, signifying that he has met the organizations highly selective standards for service, production and ethical behavior in 25 different years.

Mr. Roberts has been a valuable member of the Commission during his 19 years. With his extensive experience in insurance, Mr. Roberts has been instrumental in the success of the Commission's group errors and omissions insurance program. He has reviewed and advised on the bid specifications for the contract and Kentucky still has one of the lowest premiums in the country for any mandated program.

Mr. Roberts is a member of the Association of Real Estate License Law Officials, the Kentucky Real Estate Educators Association, and the National Real Estate Educators Association. The commissioners and staff are very pleased to have Mr. Roberts on board for another four years.

Mr. Roberts lives in Richmond, Kentucky with his wife, Cathy. In addition to their two sons, they are also the proud grandparents of six year-old granddaughter, Claire.

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Issue No. 221, Summer 2013

## **Kentucky Real Estate Commission**

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**James H. Huff**  
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**Ken Perry**  
Cold Spring

**Bob Roberts**  
Richmond

**Kimberly Sickles**  
Louisville

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Dianna Rogers  
Patricia Farris

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## **Comments from the Chair**

**by: Linda Gibson Cecil,  
Chair**



I am pleased to report that the Kentucky Real Estate Commission has approved a \$10,950 request from the Kentucky Association of Realtors® (KAR) for sponsorship of its speaker lineup for the KAR Annual Convention & Expo, being held September 24-26, 2013, at the Galt House, in Louisville. The KREC funds will be used to underwrite speaker fees, related expenses, conference materials, and room rental.

Since 2006, the KREC has contributed over \$94,000 to the KAR to underwrite activities related to the Annual Convention & Expo.

On July 18, 2013, the KREC hosted the first meeting of the Education Review Work Group. In the coming months, the work group will address issues relating to the Commission's educational requirements for Kentucky real estate licensees. The group will engage in this review with the goal of providing recommendations to the Commission regarding how the Commission should proceed in adapting its educational laws to best suit the needs and climate for today's Kentucky real estate brokering profession. Some of the topics the group will be addressing are: pre-licensing education, active licensee continuing education, the potential establishment of post-licensing educational requirements, education requirements for escrow licensees, review of the CORE class birthday cycle, and other education-related changes to KRS Chapter 324 and 201 KAR Chapter 11.

Members of the Education Review Work Group include: Linda Gibson Cecil, Chair, (representing the KREC); Kristen Reese, Director of Education and Licensing, (representing KREC); Sandye Hackney, Associate Professor/Real Estate Option

Coordinator, Bluegrass Community and Technical College (representing the Kentucky Real Estate Educators Association); Beverly McCormick, Professor of Real Estate, Morehead State University (representing the Kentucky Real Estate Educators Association); Phaedra King, Director of Professional Development, Greater Louisville Association of Realtors (KAR Representative); Linda J. Wiley, Keller Williams Bluegrass Realty (KAR Representative); Virginia Lawson, Attorney, Virginia L. Lawson & Associates, P.S.C. (real estate attorney representative); Charlie Collier, Lake Barkley Realty (at-large broker); and Michael Becker, Re/Max Affiliates (at-large salesperson).

If you would like to offer comments or suggestions for the work group to consider, please send them to the attention of Kristen Reese, Kentucky Real Estate Commission, C/O Education Review Work Group, 10200 Linn Station Road, Suite 201, Louisville, KY 40223.

Finally, on a personal note, as I enter my last quarter as Chairperson of the Commission, I would like to thank my fellow commissioners, KREC staff, real estate licensees, and consumers throughout the Commonwealth for their support, work, and comments during the year. Your input and involvement have been critical to me and the KREC in serving Kentucky's real estate professionals and consumers. I want to take this opportunity to offer my sincere gratitude to all of you who have supported my efforts and those of my fellow commissioners. I look forward to continuing my service to licensees and consumers as a member of the KREC.



## From the Director's Desk

By: **Michael W. Wooden,**  
**Executive Director**

Last year, the Kentucky General Assembly passed House Bill 499 (amending KRS 131.1817) giving the Kentucky Department of Revenue the authority to obtain lists of businesses and individuals who have obtained a license, certification or permit to conduct business in the Commonwealth of Kentucky. Since passage of the legislation, the Kentucky Department of Revenue has been working with many state agencies, including the KREC, to obtain those lists.

This year, the General Assembly passed House Bill 440 further extending the Department of Revenue's authority to include the denial and/or revocation of these licenses, permits, and certifications for delinquent taxpayers. The legislation will allow state officials to revoke professional licenses (including real estate licenses), drivers' licenses, and motor vehicle registrations when taxpayers fail to remit state income taxes and other state taxes, excluding property taxes and local taxes which are exempt. This article will provide you with a summary of the major provisions of the new law and plans of the KREC to comply with the legislation.

Major licensing provisions of House Bill 440 include the following:

\* A delinquent taxpayer is defined as a taxpayer with an overdue state tax liability; one that is not covered by a current installment payment agreement; for which protest and appeal rights under the law have expired; and about which the Department of Revenue has contacted the taxpayer; or a taxpayer that has not filed a required tax return within ninety days following the due date of the return, or if the due date was extended, within ninety days following the extended due date of the return.

\* Licenses impacted by the legislation would include any occupational or professional certification, license, registration, or certificate issued by a licensing agency that is required to engage in an occupation, profession, or trade in the Commonwealth. The determination regarding the revocation of a license to practice law in the Commonwealth would be made by the Kentucky Supreme Court. The state Transportation Cabinet would have responsibility for revocation of a driver's license or denial of the ability to register a motor vehicle in the Commonwealth.

\* To begin the process of revocation of a license or suspension of the ability to register a motor vehicle, the Department of Revenue is required to notify the delinquent taxpayers at least twenty (20) days prior to submission of the name of a delinquent taxpayer to the relevant state agency. The notice will state the reason for the action; set forth the amount of any overdue tax liability, including any applicable penalties and interest; explain any other area of noncompliance that must be satisfied to prevent the submission of the taxpayer's name to the licensing agency as a delinquent taxpayer; and list all licenses or registrations for which revocation will be sought.

\* After passage of at least twenty (20) days from the date of the delinquent notice, if the issues identified in the notice are not resolved to the satisfaction of the Department of Revenue, the department may submit the name of the delinquent taxpayer to the licensing agency or Transportation Cabinet or Supreme Court. Upon notification that the licensee or motor vehicle owner is a delinquent taxpayer, the licensing agency shall deny or revoke any license held or applied for by the licensee, including the registration of a motor vehicle in the Commonwealth.

\* Any taxpayer who has had a license denied or revoked, or who has been denied the ability to register a motor vehicle, shall have the right to appeal to the licensing agency or Transportation Cabinet, provided that appeals shall only be permitted based upon a mistake in facts relied upon by the Department of Revenue, the licensing agency, or the Transportation Cabinet.

\* A license that has been denied or revoked shall not be reissued or renewed, or registration of a motor vehicle, shall not be permitted until a tax clearance has been issued by the Department of Revenue.

While there have been discussions by several legislators to make changes in the legislation, including the possible repeal of the licensing provisions of House Bill 440, these issues will not be addressed until the Regular Session of the Kentucky General Assembly convenes in January of 2014.

Until such time as changes are made or the legislation is repealed, the Kentucky Real Estate Commission must fully comply with the mandates of the statute and subsequent administrative regulations. The KREC will provide real estate licensee information to the Department of Revenue and will cooperate fully in implementing the licensing provisions of House Bill 440. The Commission will keep you informed of developments regarding the implementation of House Bill 440.

## KREC Commissioners



Linda Cecil, Chair



Jim Huff, Vice-Chair



Bob Roberts



Ken Perry



Kimberly Sickles

## IMPORTANT UPDATES TO THE KREC WEBSITE

There have been some recent changes and updates to the Commission's website, specifically the [Online Licensee Login System](#), and the [KREC Database](#). The Commission has been continually working to update the system to include additional electronic licensing functions and transactions. The Commission is doing this with the hope that it will create a more efficient means of serving the needs of real estate licensees and that it will also help reduce the amount of paper used for these transactions. Some of the new additions to the online system are as follows:

### PRINCIPAL BROKERS CAN NOW PRINT LICENSES ONLINE

The Commission is no longer printing or mailing licenses. Principal brokers are now able to view and print licenses from the online [Licensee Login](#). As soon as a licensee change has been made or a new licensee is added to an office, the licensee's name appears on the principal broker's list of licensees on the [Online Licensee Login System](#), under the [Licensee & Escrow Account Management](#). Consequently, this system now serves as a means of electronic storage for all active licenses.

### RELEASING LICENSEES

Principal brokers must now release licensees online. Once a licensee has been released online, a principal broker should destroy the license. The paper license no longer needs to be returned to the Commission, and as stated above, all new licenses are now stored and available electronically.

### FIRM MAINTENANCE

Principal brokers can also update escrow account information under the [Licensee and Escrow Account Management](#) function on the [Online Licensee Login System](#) instead of using Form #406 to update this information.

### UPDATES TO THE KREC DATABASE

Everyone can access the KREC Database to search for licensee information and E & O insurance information.

E & O Insurance – Commission Group E

& O insurance proration amounts can be found by searching under the principal broker's name in the [KREC Database](#). Click on the details tab next to the principal broker's name, then click the [E & O/Licensee](#) tab and select the firm/branch with which the licensee is associated. Then click the green E & O price tag. Please be aware that E & O is prorated on a quarterly basis and the amount due will change April 1, July 1, October 1, and January 1 of each year.

### NEW APPLICANT CHECKLISTS

The Commission has created new applicant checklists under the [Licensing](#) section of the website, which a principal broker can use as a guide when accepting a new applicant. Click on [New Applicants](#) and the checklists will appear on the right hand side of the webpage.

### ESCROWING YOUR LICENSE

Licensees will now be able to place their licenses in escrow electronically by using the [Online Licensee Login System](#) throughout the year, rather than mailing in Form #203. Licensees must first be released from their firm in order to utilize the online escrow request and will be able to pay with a credit or debit card.

The Commission continues to work on developing the [Online Licensee Login System](#) to provide quick, easy and convenient licensing and renewal services for Kentucky real estate licensees. By that same token, the [KREC Database](#) has had updates added to it that provide pertinent information to licensees, such as listing a licensee's continuing education course histories. Please take some time to peruse the website and these systems to learn how they are most useful to you in managing and maintaining your real estate license. We will continue to update you as we incorporate additional changes and services onto our website and the Licensee Login system.



## How Changing Firms May Affect Your Errors and Omissions Coverage

The following article was submitted by Rice Insurance Services Company, LLC

Changing real estate firms can offer new and exciting opportunities. But did you know that you should consider whether moving to a new firm affects your errors and omissions (E&O) coverage for professional services performed with your old firm? You should be aware of what steps you can take to ensure you maintain coverage for potential future claims relating to transactions you were involved with at your prior firm. Unfortunately, many professional liability claims arise years after the underlying transaction occurred.

Rice Insurance Services Company, LLC (RISC) administers real estate licensee E&O insurance policies issued by Continental Casualty Company in twelve states that require licensees to maintain such coverage. Insurance through RISC is issued to individual licensees and follows you when you move to a new firm. It applies regardless of the firm the licensee is associated with when professional services are performed or when a claim is made. Other providers may sell a standard firm policy that insures the real estate firm and the firm's licensees. However, these standard firm policies typically only protect the firm's licensees for professional services the licensees provide while they are associated with the insured firm. Under a standard firm policy, there is likely no coverage for claims involving professional services you performed before you were associated with that particular firm.

While our policies vary from state to state, it is uniformly important to maintain continuous coverage and to have coverage on the date a claim is made. The policy or an extended reporting period (ERP) must be in effect when a claim is made for there to be coverage for the claim. If you are not renewing your RISC policy for any reason, including moving to a firm with a standard firm policy, you may want to consider maintaining individual coverage through RISC or purchasing an ERP endorsement (often called "tail coverage") to protect against potential future claims relating to professional services you performed before joining your new firm. RISC offers ERP endorsements of one, two, and three years. These endorsements extend the policy's reporting date, so that the policy applies to claims made and reported to the carrier during the ERP. Please note ERP endorsements must be purchased within ninety days of your RISC policy's termination date.

RISC's policies, like most E&O policies, are claims-made and reported policies. Four dates are important in determining whether a claim will be covered under a claims-

made and reported policy: (1) The date the claim is made against the insured, (2) the policy's retroactive date, (3) the date of the professional services giving rise to the claim, and (4) the date the insured reports the claim to the carrier in writing.

Coverage is considered under the policy in effect the date the claim is made. If a claim arises after the licensee's policy expires and there is no ERP in effect, then there would be no applicable policy available to cover the claim. RISC's policies only cover claims that relate to professional services provided on or after the retroactive date, which are established separately for each insured licensee. The retroactive date is the date from which the licensee first obtained and continuously maintained uninterrupted E&O coverage. For there to be any available coverage for a claim, the insured must have coverage or an effective ERP on the date the claim is made against the insured, have had coverage on the date of the professional services, and have continuously maintained coverage between the date of the professional services and the date of the claim. Further, the claim must be timely reported in writing.

### **Example: Changing Real Estate Firms**

Mr. Licensee worked with Happy Property Real Estate from the time he was first licensed on January 1, 2004 to May 1, 2006. On May 1, 2006, Mr. Licensee left Happy Property Real Estate and began working with Green Acres Realty, where he worked until December 31, 2010. Mr. Licensee maintained continuous coverage while he was with Happy Property Real Estate and Green Acres Realty by purchasing individual policies through RISC. Mr. Licensee's last RISC policy expired January 1, 2011.

**Example A:** While Mr. Licensee was with Happy Property Real Estate, he worked with a seller in a transaction that closed on December 1, 2004. On June 1, 2006, just a month after Mr. Licensee left Happy Property Real Estate, the seller made a claim against him. Mr. Licensee timely reported the claim to RISC. For purposes of this example, assume the claim would otherwise be covered under the policy.

Mr. Licensee's 2006 RISC policy, with effective dates of January 1, 2006 to January 1, 2007 applied to the claim because it was in effect when the claim arose. That policy's retroactive date was January 1, 2004, because that was the date from which Mr. Licensee had maintained continuous E&O coverage. The professional services giving rise to the claim occurred on December 1, 2004, after the policy's retroactive date.



## Errors and Omissions Coverage

### Continued from Page 5

Because RISC's individual policies are sold to individual licensees, the fact that Mr. Licensee changed real estate firms between the date of the transaction and the date the claim was made against Mr. Licensee does not affect coverage. Because Mr. Licensee had coverage when the claim was made, had E&O coverage at the time of the transaction, maintained continuous coverage between those dates, and timely reported the claim in writing, the claim was covered.

**Example B1:** On January 1, 2011, Mr. Licensee began working with Big City Real Estate. Big City Real Estate had coverage through another carrier's standard firm policy. Generally, standard firm policies cover the real estate firm and its agents for their professional services performed on behalf of the insured firm. Mr. Licensee chose not to purchase a RISC policy or ERP in 2011, because he believed he was adequately insured under Big City Real Estate's firm policy, which had effective dates of January 1, 2011 to January 1, 2012 and provided "prior acts" coverage.

On June 1, 2011, a buyer that Mr. Licensee worked with while he was with Green Acres Realty made a claim against Mr. Licensee relating to a transaction that closed on January 1, 2008. Big City Real Estate's firm policy would be the most likely to apply, because it was the policy in effect when the claim arose. Unfortunately, the firm policy only covered Mr. Licensee's professional services performed on behalf of Big City Real Estate. Because the claim involved Mr. Licensee's professional services performed on behalf of Green Acres Realty, Big City Real Estate's firm policy did not cover the claim. Disappointed, Mr. Licensee submitted the claim to RISC,

thinking it may be covered because he had a policy with RISC at the time of the transaction. However, the RISC policy did not apply to the claim, because it expired before the claim was made and there was no ERP in effect. Therefore, Mr. Licensee had no coverage for this claim.

**Example B2:** Instead of assuming he was adequately covered through Big City Real Estate's firm policy, as in Example B1, Mr. Licensee purchased a three-year ERP endorsement from RISC within ninety days after the January 1, 2011 expiration of his last RISC policy. The endorsement extended the policy's reporting period by three years to January 1, 2014. When Mr. Licensee received the buyer's claim on June 1, 2011, he timely submitted it to both Big City Real Estate's insurance carrier and RISC. Although there was no coverage under Big City Real Estate's firm policy, there was coverage under Mr. Licensee's last RISC policy, because the claim was made against Mr. Licensee and reported to the carrier during the ERP. For purposes of this example, assume the claim would otherwise be covered under the policy.

### Protect Yourself

If you have had individual coverage and are moving to a firm with a standard firm policy, talk to your broker or your firm's insurance agent to determine if the firm policy will cover professional services you performed before you became associated with the new firm. If not, you can continue to purchase individual coverage or you may be interested in an ERP endorsement. Your insurance coverage is important. Please take the time to read and understand your policy's coverage provisions, conditions, and exclusions. If you have any questions about RISC's insurance or would like sample copies of our policies, visit our website, [www.risceo.com](http://www.risceo.com), or call our administrative office at (800) 637-7319, extension 1.

### Commission Meeting Coming to Lexington!

*Please mark your calendar!*

**July 25, 2013 at 9:00 a.m.**

**Griffin Gate Marriott  
1800 Newtown Pike  
Lexington, KY 40511  
Salon D**

**We hope to see you there.**

### ARE YOU INTERESTED IN BEING A COMMISSIONER?

Any real estate licensee wishing to be considered for a 4-year term as a Kentucky Real Estate Commissioner should contact the Kentucky Association of REALTORS® (KAR). An application and detailed requirements can be found at [KAR.com](http://KAR.com) or by contacting the KAR directly at 1-800-264-2185. To qualify, a candidate must have been a resident of Kentucky for 10 years and have held an unescrowed Kentucky real estate license for 10 years. The deadline for submission is August 9, 2013. Submit your application to KAR, located at 161 Prosperous Place, Lexington, KY 40509.



# Disciplinary Actions

**James Brian Snow**

Case No. 11-0106 (Henderson)

**Violation:** Mr. James Brian Snow refutes an ultimate conclusion that he has violated KRS 324.160(4)(u); (v); and (t), specifically 201 KAR 11:250 and 201 KAR 11:121, Section 1(4), by engaging in timbering activities on vacant land that initially was the subject of an enforceable listing agreement between Respondent's two seller-clients/owners and him. He does not stipulate to any violation of such laws or any other provision of Kentucky real estate license laws. He agreed that there is a legal basis for resolving this case pursuant to the terms of the Agreed Order.

**Disposition:** Mr. Snow agreed to immediately change his licensure status from "escrowed" to "voluntarily surrendered, permanently," in lieu of revocation. Mr. Snow is prohibited from engaging in real estate brokerage, as defined in KRS 324.010(1).

**Scott Truesdell**

Case No. 12-0029 (Lexington)

**Violation:** Mr. Scott Truesdell stipulated to a violation of KRS 324.160(4)(j) for entering a plea of guilty to a felony.

**Disposition:** Mr. Truesdell agreed to voluntarily and permanently surrender his license, in lieu of revocation.

**Debbie Little**

Case No. 11-0073 (Slade)

**Violation:** Ms. Debbie L. Little stipulated to violating KRS 324.160(4)(t) for violating 201 KAR 11:250, Section 4, 201 KAR 11:400; and KRS 324.360 and 201 KAR 11:350, resulting from her failure to include required financing provision in an offer that she prepared, to comply with agency disclosure requirements, and to comply with seller disclosure form requirements. She stipulated to violating KRS 324.160(4)(e) for failing to properly disclose that she and her husband, Lloyd Little, have an ownership interest in the properties

that are the subject of this proceeding; KRS 324.160(4)(m) for acting in the dual capacity of licensee and undisclosed principal in a real estate transaction; and KRS 324.160(4)(u) for improperly brokering the complained-of real estate transactions.

**Disposition:** Ms. Little agreed to have her license suspended for twelve (12) months, which was probated for twelve (12) months, and to pay a fine in the amount of one thousand dollars (\$1,000.00) and to successfully complete twelve (12) hours of continuing education, in addition to the hours that she is otherwise required to complete.

**Tiffany A. Klusacek**

Case No. 12-0076 (Clarksville, TN)

**Violation:** Ms. Tiffany A. Klusacek stipulated to a violation of KRS 324.160(4)(t), for violating 201 KAR 11:230, by failing to complete the requirements of her 2011 Continuing Education Delinquency Plan & Agreement.

**Disposition:** Ms. Klusacek agreed to voluntarily surrender her license for one (1) year.

**Brian K. Tooley**

Case No. 12-0117 (Bardstown)

**Violation:** Mr. Brian K. Tooley stipulated to a violation of KRS 324.160(4)(t), for violating 201 KAR 11:230, by failing to complete the requirements of his 2011 Continuing Education Delinquency Plan and Agreement.

**Disposition:** Mr. Tooley agreed to voluntarily surrender his license for one (1) year.

**Brandon D. Bray**

Case No. 12-0114 (Alexandria)

**Violation:** Mr. Brandon D. Bray stipulated to a violation of KRS 324.160(4)(t), for violating 201 KAR 11:230, by failing to complete the requirements of his 2011 Continuing Education Delinquency Plan and Agreement.

**Disposition:** Mr. Bray agreed to voluntarily surrender his license for one year, in lieu of suspension.

**Don Sebastian**

Case No. 10-0003 (Nicholasville)

**Violation:** Mr. Don Sebastian violated KRS 324.160(4)(u) by default for failing to properly handle a then-affiliated applicant's application for licensure, resulting in said applicant holding herself out as a licensed agent and engaging in real estate brokerage activity or activities without a Commission-issued license.

**Disposition:** Mr. Sebastian's license was suspended for six months, which was probated for one (1) year, and he was ordered to pay a fine in the amount of one thousand dollars (\$1,000.00).

**Don Sebastian**

Case No. 12-0134 (Nicholasville)

**Violation:** Mr. Sebastian was found in violation of the terms of the Final Order in Case No. 10-0003 for not paying a fine in the amount of one thousand dollars (\$1,000.00).

**Disposition:** Mr. Sebastian's license was suspended for six months beginning on April 27, 2013.

**Terry L. Roth**

Case No. 12-0078 (Shepherdsville)

**Violation:** Mr. Terry L. Roth stipulated to a violation of KRS 324.160(4)(t), for violating 201 KAR 11:230, by failing to complete the requirements of his 2011 Continuing Education Delinquency Plan and Agreement. He also stipulated to a violation of the same for failing to timely complete the required continuing education hours for 2012.

**Disposition:** Mr. Roth agreed to pay a fine in the amount of one thousand two hundred fifty dollars (\$1,250.00) to the Commission. He also agreed to a formal reprimand.

**Kimberly M. Spell**

Case No. 11-0017 (Paducah)

**Violation:** Ms. Kimberly M. Spell

## Disciplinary Actions

*Continued from Page 7*

refutes an ultimate conclusion that she violated KRS 324.160(4)(b), (u) and (v), and she does not stipulate to any violation of such laws or any other provision of Kentucky's real estate license laws. She, nevertheless, expressly agrees that there is a legal basis for resolving this case pursuant to the terms of a Settlement Agreement. She stipulated to a violation of KRS 324.160(4)(t) for violating KRS 324.360 and 201 KAR 11:350, resulting from her failure to provide a Seller's Disclosure of Property Condition form. This violation resulted from her mistaken belief that the form was not required because the subject property was exempt from the requirement to provide it because it was a bank-owned foreclosed property.

**Disposition:** Ms. Spell agreed to pay a fine in the amount of one thousand dollars (\$1,000.00) and to complete six (6) hours of continuing education, in law, in addition to any hours she is otherwise required to complete.

### **Randall S. Strause**

Case No. 12-0080 (Prospect)

**Violation:** Mr. Randall S. Strause stipulated to a violation of KRS 324.160(4)(t), for violating 201 KAR 11:230, by failing to complete the requirements of his 2011 Continuing Education Delinquency Plan & Agreement.

**Disposition:** Mr. Strause agreed to pay a fine in the amount of seven hundred fifty dollars (\$750.00) and to complete the Commission's 6-hour Core Course in order to satisfy his 2011 delinquent continuing education hours and to accept a formal reprimand.

### **Stephanie M. Barnhill**

Case No. 11-0129 (Lexington)

**Violation:** Stephanie M. Barnhill stipulates to a violation of KRS 324.160(4)(t), specifically, 201 KAR 11:250 and (u), by failing to include,

in a purchase contract, who was to hold her buyer-client's purported earnest money; by failing to immediately inform the listing agent, on two separate occasions, that her buyer-client's earnest money check had been returned by the bank due to insufficient funds; and, by failing to take proper action after she became aware that her buyer-client could not satisfy the financing contingencies in his contract.

**Disposition:** Ms. Barnhill agreed to pay a fine to the Commission in the amount of seven hundred fifty dollars (\$750.00) and to accept a formal reprimand.

### **Phyllis E. Davis**

Case No. 12-0115 (Nashville, TN)

**Violation:** Ms. Phyllis E. Davis stipulated to a violation of KRS 324.160(4)(t) for violating 201 KAR 11:230 by failing to timely complete the requirements of her 2011 Continuing Education Delinquency Plan & Agreement, resulting from circumstances that do not warrant suspension of her escrowed license.

**Disposition:** Ms. Davis agreed to pay a fine to the Commission in the amount of seven hundred fifty dollars (\$750.00) and to accept a formal reprimand.

### **Brenda Monarrez**

Case No. 12-0116 (Lexington)

**Violation:** Ms. Brenda Monarrez stipulated to a violation of KRS 324.160(4)(t), for violating 201 KAR 11:230, by failing to complete the requirements of her 2011 Continuing Education Delinquency Plan & Agreement.

**Disposition:** Ms. Monarrez agreed to pay a fine, by September 30, 2013, in the amount of five hundred dollars (\$500.00) and to complete six (6) hours of continuing education to satisfy her delinquent 2011 continuing education hours. Three (3) of the six (6) hours shall be in law. She also agreed to complete six (6) additional hours of continuing education for the years of 2013 and 2014 and to accept a formal reprimand.

### **Rebekah Cox**

Case No. 11-0089 (Lexington)

**Violation:** Ms. Rebekah Cox stipulated to violation of KRS 324.160(4)(t) for violating 201 KAR 11:230 by failing to complete the requirements of a 2010 Continuing Education Delinquency Plan and Agreement, under circumstances that do not warrant suspension of her license.

**Disposition:** Ms. Cox agreed to pay a fine to the Commission in the amount of five hundred dollars (\$500.00) and to complete six (6) additional hours of continuing education each year for calendar years 2013 and 2014. She also agreed to accept a formal reprimand.

### **Ms. Judith A. Craft**

Case No. 11-0129 (Lexington)

**Violation:** Ms. Judith A. Craft stipulated to a violation of KRS 324.160(4)(u) for acting improperly when she failed to review the purchase contract to see that there was no indication as to who would hold the earnest money deposit.

**Disposition:** Ms. Craft agreed to pay a fine to the Commission in the amount of five hundred dollars (\$500.00) and to accept a formal reprimand.

### **Andrea K. Beasley**

Case No. 12-0014 (Nicholasville)

**Violation:** Ms. Andrea Beasley stipulated to a violation of KRS 324.160(4)(u), resulting from her failure to take proper action to ensure that an MLS sheet, which she completed online, clearly stated that the property described on it had "ceiling heat." This failure was caused by Ms. Beasley's reliance upon her mistaken assumption that including the information as a parenthetical notation beside "heat pump" on the MLS sheet would suffice.

**Disposition:** Ms. Beasley agreed to pay a fine to the Commission in the amount of three hundred fifty dollars (\$350.00) and to accept a formal reprimand.



## Attention Former Insight Communication Customers!

Recently, Time Warner Cable acquired Insight Communications. Former insightbb.com customers in Kentucky and Evansville, Indiana will have to change their e-mail addresses from insightbb.com to twc.com. Since most of our communications are now sent through e-mail, it is imperative that licensees maintain current e-mail addresses on file at the KREC. If you have already changed your insightbb.com e-mail address, please be sure that you have updated



your contact information on the KREC website. Click on the **Licensee Login** tab and type in your licensee number and the password you used at renewal. Then click on **Update My Contact Information** and make your appropriate changes. If you have not changed your insightbb.com e-mail address, you can do so by going to the Time Warner Cable website at [twcwelcome.com](http://twcwelcome.com) and follow the online registration process instructions.

**REMINDER - If you change firms or place your license in escrow, please remember to update your e-mail address at the KREC.**

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Rosters of new licensees and exam candidates are available through weekly e-mails. The cost is \$25.00 per month and you can subscribe by filling out Form #404. This form is located on our website under the "Forms" tab. The roster file contains names and addresses in excel format.

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Website Address: [krec.ky.gov](http://krec.ky.gov)

The Kentucky Real Estate Commission will be closed on:

September 2, 2013 (Labor Day)

November 11, 2013 (Veteran's Day)

November 28 & 29, 2013 (Thanksgiving)