

**VIRGINIA AUCTIONEERS BOARD
INFORMAL FACT-FINDING CONFERENCES
OCTOBER 14, 2004 (10:00 A.M.)**

The Virginia Auctioneers Board convened in Richmond, Virginia, for the purpose of holding Informal Fact-Finding Conferences pursuant to the Administrative Process Act.

Buddy Updike, Board member, presided. No other Board members were present.

Jennifer Kazzie appeared for the Department of Professional and Occupational Regulation.

The conference was recorded by Inge Snead & Associates, LTD. and the Summaries or Consent Orders are attached unless no decision was made.

Disc=Disciplinary Case
Lic=Licensing Application
RF=Recovery Fund Claim
Trades=Tradesmen Application

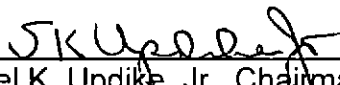
C=Complainant/Claimant
A=Applicant
R=Respondent/Regulant
W=Witness
Atty = Attorney

Participants

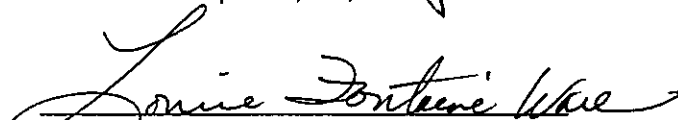
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|----|--|---|
| 1. | First Guarantee Credit Corp.
File Number 2003-02434 (Discp) | Azam M. Khan, Pres. – R
August Bequai – R's Atty |
| 2. | Kurt T. Earlywine
File Number 2004-00246 (Discp) | Kurt Earlywine – R |

The meeting adjourned at 12:30 PM

Virginia Auctioneers Board



Samuel K. Updike, Jr., Chairman



Louise Fontaine Ware, Secretary

COPY TESTE:

Custodian of Records

**IN THE
COMMONWEALTH OF VIRGINIA
VIRGINIA AUCTIONEERS BOARD**

Re: First Guarantee Credit Corp

File Number: 2003-02434
License Number: 2906000399

SUMMARY OF THE INFORMAL FACT-FINDING CONFERENCE

On August 11, 2004, the Notice of Informal Fact-Finding Conference ("Notice") was mailed, via certified mail, to First Guarantee Credit Corp., c/o Mr. August Bequai, Attorney. The Notice included the Report of Findings, which contained the facts regarding the regulatory and/or statutory issues in this matter. The certified mail was signed for and received. On August 20, 2004, Attorney Bequai faxed a letter to the Department requesting the Informal Fact-Finding Conference be rescheduled due to the fact that his client had scheduling problems. The presiding Board Member approved this request.

On September 15, 2004, a rescheduling letter was mailed, via certified mail, to First Guarantee Credit Corp., c/o Mr. August Bequai. The certified mail was signed for and received.

On October 14, 2004, an Informal Fact-Finding Conference ("IFF") was convened at the Department of Professional and Occupational Regulation.

The following individuals participated at the IFF: Azam M. Khan, President, First Guarantee Credit Corp., Respondent; August Bequai, Respondent's Attorney; Jennifer Kazzie, Staff Member; and Samuel Updike, Presiding Board Member.

RECOMMENDATION

Based upon the evidence and the IFF, the following is recommended regarding the Count as outlined in the Report of Findings:

Count 1: Board Regulation (Effective February 1, 2002)

First Guarantee Credit Corp.'s action of having been found guilty of violating another regulatory board or agency regulation is a violation of Board Regulation 18 VAC 25-21-180.A.3. During the IFF Bequai stated the underlying acts in Wisconsin occurred in 1997, 2000 and 2001. Bequai acknowledged the

Stipulation Agreement was entered into on February 19, 2002, and the Wisconsin Auctioneer Board entered a final order on March 4, 2002, which placed First Guarantee on probation for the violations of the Wisconsin Statutes and Wisconsin Administrative Code. Therefore, I recommend First Guarantee Credit, Corp. be placed on probation for a period of five (5) years. During this probationary period, First Guarantee Credit Corp. agrees not to violate any of the regulations of the Virginia Auctioneers Board, or any other local, state or national auctioneer regulatory body. If a violation occurs, First Guarantee Credit Corp.'s Virginia license will be automatically revoked.

By: _____
Samuel Updike
Presiding Board Member

VIRGINIA AUCTIONEERS BOARD

Date: _____

MONETARY PENALTY TERMS

THE TOTAL MONETARY PENALTY RECOMMENDED HEREIN SHALL BE PAID WITHIN SIXTY (60) DAYS FROM THE DATE OF ENTRY OF THE FINAL ORDER IN THIS MATTER. FAILURE TO PAY THE TOTAL MONETARY PENALTY ASSESSED WITHIN SIXTY (60) DAYS OF THE DATE OF ENTRY OF SAID FINAL ORDER WILL RESULT IN THE AUTOMATIC SUSPENSION OF THE LICENSE, CERTIFICATE, OR REGISTRATION UNTIL SUCH TIME AS SAID AMOUNT IS PAID IN FULL.

VIRGINIA DEPARTMENT OF PROFESSIONAL
AND OCCUPATIONAL REGULATION
COMPLIANCE & INVESTIGATIONS DIVISION
3600 WEST BROAD STREET
RICHMOND, VIRGINIA 23230-4917

REPORT OF FINDINGS

BOARD: Auctioneers
DATE: June 29, 2004

FILE NUMBER: 2003-02434
RESPONDENT: First Guarantee Credit Corp
LICENSE NUMBER: 2906000399
EXPIRATION: September 30, 2004

SUBMITTED BY: Investigations Administrator Kevin E. Hoeft

COMMENTS:

Board Chairman Linkous reviewed this complaint file and recommended that an Informal Fact-finding Conference be scheduled.

First Guarantee Credit Corp was at all times material to this matter a licensed auctioneer in Virginia (License Number 2906000399).

Based on the investigation of this matter, there is probable cause to believe the respondent has committed the following violation of the Board's regulation:

BACKGROUND:

On March 7, 2003, the Compliance & Investigations Division of the Department of Professional and Occupational Regulation received a certified copy of documents from the Wisconsin Department of Regulation and Licensing and from the Wisconsin Auctioneers Board (The Board) indicating that First Guarantee Credit Corp violated one provision of the Wisconsin Statutes and one provision of the Wisconsin Administrative Code. (Exh. C-1)

1. Board Regulation (Effective February 1, 2002)

18 VAC 25-21-180. Discipline.

A. The board has the power to fine any individual or firm licensee, or to suspend or revoke any license issued under the provisions of Chapter 6 (§ 54.1-600 et seq.) or Title 54.1 of the Code of Virginia and the regulations of the board pursuant to the provisions of the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia) if it finds that:

3. The licensed auctioneer or firm has been found by any regulatory board or agency to have violated any applicable regulations or laws in the course of performing auctioneer duties. A certified copy of a final order, decree or case decision by a court or regulatory agency with the lawful authority to issue such order shall be admissible as prima facie evidence of such conviction or discipline.

FACTS:

In a Stipulation Agreement signed February 19, 2002, (Exh. C-2) by its president, Azam M. Khan, First Guarantee Credit Corp consents to the entry of the Board's March 4, 2002, Final Decision and Order whereby First Guarantee Credit Corp agrees that it violated one provision of the Wisconsin Statutes and one provision of the Wisconsin Administrative Code. (Exh. C-3)

**IN THE
COMMONWEALTH OF VIRGINIA
VIRGINIA AUCTIONEERS BOARD**

Re: Kurt T. Earlywine

File Number: 2004-00246
License Number: 2907002410

SUMMARY OF THE INFORMAL FACT-FINDING CONFERENCE

On August 13, 2004, the Notice of Informal Fact-Finding Conference ("Notice") was mailed, via certified mail, to Kurt T. Earlywine to the address of record. The Notice included the Report of Findings, which contained the facts regarding the regulatory and/or statutory issues in this matter. The certified mail was returned by the post office with a notation "not deliverable as addressed".

On October 14, 2004, an Informal Fact-Finding Conference ("IFF") was convened at the Department of Professional and Occupational Regulation.

The following individuals participated at the IFF: Jennifer Kazzie, Staff Member; and Samuel Updike, Presiding Board Member. Neither Kurt T. Earlywine nor anyone on his behalf appeared at the IFF.

RECOMMENDATION

Based upon the evidence and the IFF, the following is recommended regarding the Counts as outlined in the Report of Findings:

Count 1: Board Regulation (Effective February 1, 2002)

Kurt T. Earlywine's action of having been found guilty of violating another regulatory board or agency regulation is a violation of Board Regulation 18 VAC 25-21-180.A.3. Therefore, I recommend that a monetary penalty of \$1,500.00 be imposed.

In addition, I recommend Kurt T. Earlywine be placed on probation for a period of five (5) years. During this probationary period, Kurt T. Earlywine agrees not to violate any of the regulations of the Virginia Auctioneers Board, or any other local, state or national auctioneer regulatory body. If a violation occurs, Kurt T. Earlywine's Virginia license will be automatically revoked.

By: _____
Samuel Updike
Presiding Board Member

VIRGINIA AUCTIONEERS BOARD

Date: _____

MONETARY PENALTY TERMS

THE TOTAL MONETARY PENALTY RECOMMENDED HEREIN SHALL BE PAID WITHIN SIXTY (60) DAYS FROM THE DATE OF ENTRY OF THE FINAL ORDER IN THIS MATTER. FAILURE TO PAY THE TOTAL MONETARY PENALTY ASSESSED WITHIN SIXTY (60) DAYS OF THE DATE OF ENTRY OF SAID FINAL ORDER WILL RESULT IN THE AUTOMATIC SUSPENSION OF THE LICENSE, CERTIFICATE, OR REGISTRATION UNTIL SUCH TIME AS SAID AMOUNT IS PAID IN FULL.

VIRGINIA DEPARTMENT OF PROFESSIONAL
AND OCCUPATIONAL REGULATION
COMPLIANCE & INVESTIGATIONS DIVISION
3600 WEST BROAD STREET
RICHMOND, VIRGINIA 23230-4917

REPORT OF FINDINGS

BOARD: Auctioneers
DATE: June 25, 2004

FILE NUMBER: 2004-00246
RESPONDENT: Kurt T. Earlywine
LICENSE NUMBER: 2907002410
EXPIRATION: March 31, 2003

SUBMITTED BY: Investigations Administrator Kevin E. Hoeft

COMMENTS:

Board Chairman Linkous reviewed this complaint file and recommended that an Informal Fact-finding Conference be scheduled to address this matter. Kurt T. Earlywine's auctioneer's license expired on March 31, 2003.

Kurt T. Earlywine was not at all times material to this matter a licensed auctioneer in Virginia (License Number 2907002410).

Based on the investigation of this matter, there is probable cause to believe the respondent has committed the following violation of the Board's regulation:

BACKGROUND:

On June 12, 2003, the Compliance & Investigations Division of the Department of Professional and Occupational Regulation received a certified copy of a Settlement Stipulation and Agreement and a Consent Order from the North Carolina Auctioneer Licensing Board indicating that Kurt T. Earlywine violated two provisions of the North Carolina General Statutes and six provisions of the North Carolina Administrative Code. (Exh. C-1 and C-2)

1. Board Regulation (Effective February 1, 2002)

18 VAC 25-21-180. Discipline.

B. The board has the power to fine any individual or firm licensee, or to suspend or revoke any license issued under the provisions of Chapter 6 (§ 54.1-600 et seq.) or Title 54.1 of the Code of Virginia and the regulations of the board pursuant to the provisions of the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia) if it finds that:

3. The licensed auctioneer or firm has been found by any regulatory board or agency to have violated any applicable regulations or laws in the course of performing auctioneer duties. A certified copy of a final order, decree or case decision by a court or regulatory agency with the lawful authority to issue such order shall be admissible as prima facie evidence of such conviction or discipline.

FACTS:

The licensee, Kurt T. Earlywine, was found guilty by the North Carolina Auctioneer Licensing Board in a Consent Order entered July 3, 2002. (Exh. C-1)

Through a Settlement Stipulation and Agreement, Kurt T. Earlywine agreed to pay a \$8,100.00 fine for violating two provisions of the North Carolina General Statutes and six provisions of the North Carolina Administrative Code. (Exh. C-2)

STATE AND LOCAL GOVERNMENT
CONFLICT OF INTEREST ACT

TRANSACTIONAL DISCLOSURE STATEMENT
for Officers and Employees of State Government

1. Name: Samuel Karl Updike, Jr.
2. Title: Presiding Board Member
3. Agency: Auctioneers Board
4. Transaction: Informal Fact-Finding Conferences on October 14, 2004
5. Nature of Personal Interest Affected by Transaction: None

6. I declare that:

(a) I am a member of the following business, profession, occupation or group, the members of which are affected by the transaction:

Auctioneers Regulatory Board

(b) I am able to participate in this transaction fairly, objectively, and in the public interest.

S.K. Updike, Jr.
Signature

Oct 14, 2004
Date