

**COMMONWEALTH OF KENTUCKY  
PUBLIC PROTECTION CABINET  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
ADMINISTRATIVE AGENCY ACTION NO. 2010-AH-1074**

DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

**AGREED ORDER**

ANDREW CORNELIUS

RESPONDENT

**STATEMENT OF FACTS**

1. The Kentucky Department of Financial Institutions (“DFI”) is responsible for regulating and licensing mortgage loan companies and mortgage loan brokers doing business in Kentucky in accordance with the provisions of KRS Chapter 286.8, the Mortgage Loan Company and Mortgage Loan Broker Act (the “Act”).

2. Andrew Cornelius (“Cornelius”) is an individual residing at 806 East Washington Street, Louisville, KY 40206.

3. Pursuant to the Act, the DFI conducted an examination of Blackhorse Mortgage Corporation in December 2009 to determine whether the activities of Blackhorse Mortgage Corporation were in compliance with applicable laws and regulations; whether the practices and policies of Blackhorse Mortgage Corporation had a potentially adverse impact on prospective borrowers; and whether the business was being operated efficiently, fairly, and in the public interest.

4. Based on the examination, the DFI determined that Cornelius acted as a loan originator on behalf of Blackhorse Mortgage Corporation in August and November 2007.

5. Cornelius was not registered with the DFI as a mortgage loan originator in August and November 2007.

### **LEGAL CONCLUSIONS**

6. Pursuant to KRS 286.8-030(1)(c), “it is unlawful for any natural person to transact business in Kentucky, either directly or indirectly, as a mortgage loan originator or mortgage loan processor, unless otherwise exempted, if the mortgage loan originator or mortgage loan processor is not registered in accordance with KRS 286.8-255.”

7. Pursuant to KRS 286.8-255(1), “no natural person shall transact business in Kentucky, either directly or indirectly, as a mortgage loan originator or mortgage loan processor unless such mortgage loan originator or mortgage loan processor is registered with the office and has been issued a current certificate of registration by the office, complies with all applicable requirements of this subtitle, and maintains a valid unique identifier issued by the Nationwide Mortgage Licensing System and Registry.”

8. Cornelius violated KRS 286.8-030(1)(c).

9. Pursuant to KRS 286.8-046(1), the Executive Director may assess a fine of not less than one thousand dollars (\$1,000) nor more than twenty-five thousand dollars (\$25,000) per violation, “plus the state’s costs and expenses for the examination, investigation, and prosecution of the matter, including reasonable attorney’s fees and

court costs” against any mortgage loan company or mortgage loan broker that violates any provision of the Act or accompanying regulations.

### AGREEMENT

10. In the interest of economically and efficiently resolving the violation(s) described herein, and without an admission or denial of the statement of facts and legal conclusions by Cornelius, the parties agree as follows:

- a. Cornelius agrees to a fine assessment in the amount of seven hundred fifty dollars (\$750.00) for the violation(s) described herein;
- b. Cornelius agrees to and shall pay the total fine assessed herein no later than July 15, 2010. The payment shall be in the form of a certified check or money order made payable to “Kentucky State Treasurer” and mailed to the Department of Financial Institutions, Attn: Simon Berry, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601.

11. Cornelius waives his right to demand a hearing at which he would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on his own behalf, or to otherwise appeal or set aside this Order.

12. Cornelius consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

13. In consideration of the execution of this Agreed Order, Cornelius for himself, and for his successors and assigns, hereby releases and forever discharges the

Commonwealth of Kentucky, DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that Cornelius ever had, now has, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

14. In consideration of the execution of this Agreed Order and payment in full of the fine assessment by Cornelius, the DFI and each of its members, agents and employees hereby release and forever discharge Cornelius from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law that the DFI ever had, now has, may have or claim to have for violation(s) of the Act while employed by Blackhorse Mortgage Corporation.

15. By signing below, the parties acknowledge they have read the foregoing Agreed Order, know and fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties.

16. This Agreed Order shall constitute the Final Order in this matter.

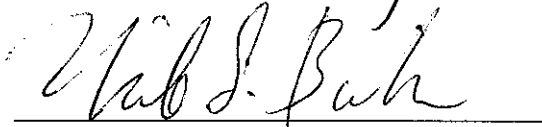
**IT IS SO ORDERED** on this the 20<sup>th</sup> day of July, 2010.

  
\_\_\_\_\_  
CHARLES A. VICE  
COMMISSIONER

**Consented to:**

This 11<sup>th</sup> day of July, 2010.

This 15 day of July 2010



Nicole Biddle, Director  
Division of Nondepository Institutions  
Department of Financial Institutions



Andrew Cornelius  
Respondent

**ACKNOWLEDGEMENT**

STATE OF Kentucky )  
COUNTY OF Jefferson )

On this, the 15 day of July, 2010, before me Marie Shuffitt, the undersigned, **Andrew Cornelius**, did personally appear, and that he, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: 3-6-2012

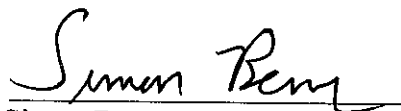
  
Notary Public

**Certificate of Service**

I hereby certify that a copy of the foregoing **Agreed Order** was sent by certified mail return receipt requested on this the 21<sup>st</sup> day of July, 2010, to the following:

Jon Salomon  
Tachau Meek PLC  
2400 National City Tower  
101 South Fifth Street  
Louisville, KY 40202

Andrew Cornelius  
806 East Washington Street  
Louisville, KY 40206



Simon Berry  
Department of Financial Institutions  
1025 Capital Center Drive, Suite 200  
Frankfort, Kentucky 40601  
(502) 573-3390 Ext. 232  
(502) 573-2183 (facsimile)