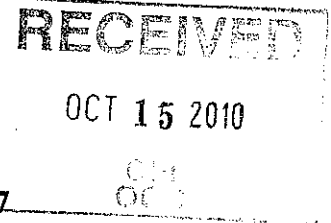


COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
ADMINISTRATIVE AGENCY ACTION NO. 2010-AH-1097



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

AGREED ORDER

ERIC GROSS

RESPONDENT

STATEMENT OF FACTS

1. The 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. Eric Gross ("Gross") is an individual residing at 12103 Maplewood Rd, Goshen, KY 40026.
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. During the examination, the DFI discovered that Gross acted as a loan originator on behalf of Blackhorse Mortgage Corporation in January 2009.

5. Gross was not registered with the DFI as a mortgage loan originator in January 2009.

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. Gross violated KRS 286.8-030(1)(c).

9. Pursuant to KRS 286.8-046(1), the Executive Director may assess a fine against any individual 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 avoid the expense, inconvenience, and uncertainty of further administrative proceedings, and without any admission of fault or wrongdoing by Gross, the DFI and Gross agree as follows:

- a. Gross agrees to a fine assessment in the amount of five hundred dollars (\$500.00) for the violation(s) described herein;
- b. Gross agrees to and shall pay the total fine assessed herein of five hundred dollars (\$500.00). The payments shall be in monthly installments of two hundred fifty dollars (\$250.00). The first installment is due August 20, 2010, the second installment is due September 20, 2010. The payments 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. Gross 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. Gross 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 execution of this Agreed Order, Gross 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 Gross 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. 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.

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

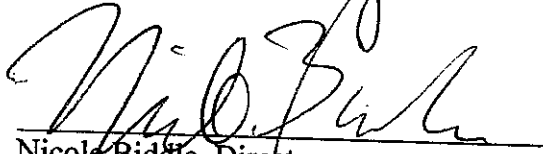
IT IS SO ORDERED on this the 5th day of October, 2010.



CHARLES A. VICE
COMMISSIONER


Consented to:

This 12th day of August, 2010.



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

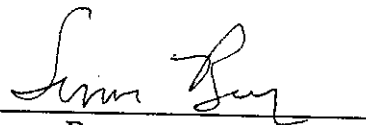
This 25 day of August 2010


Eric Gross
Respondent

Certificate of Service

I hereby certify that a copy of the foregoing **Agreed Order** was sent by certified mail return receipt requested and by regular mail on this the 7th day of October, 2010, to the following:

Eric Gross
12103 Maplewood Road
Goshen, KY 40026



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