STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

In re: Sussex Group, Inc., a Nevada corporation Respondent.	**NOTICE OF INTENT TO REVOKE ESCROW AGENCY LICENSE AND NOTICE OF RIGHT TO REQUEST HEARING**

The licensing and regulation of escrow agencies and escrow agents in the State of Nevada is governed by Chapter 645A of the Nevada Revised Statutes (hereinafter "NRS") and Chapter 645A of the Nevada Administrative Code (hereinafter "NAC"). The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter the "Division") has the general duty to exercise supervision and control over escrow agencies and escrow agents, as well as escrow agency activity. *See* NRS 645A.050, NRS 645A.090 and NRS 645A.110. Pursuant to that authority, the Division makes the following Factual Allegations, Conclusions of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Based upon information and belief, Sussex Group, Inc. (hereinafter "Respondent") is a corporation organized and existing under the laws of the State of Nevada since on or about February 23, 2007. The Nevada Secretary of State currently classifies Respondent's corporate status as "default."

2. Pursuant to NRS chapter 645A, the Division issued Respondent an escrow agency license (License No. 3150) on February 17, 2009.

3. At all relevant times herein mentioned, Respondent operated within the State of Nevada as a licensed escrow agency. The Division currently classifies Respondent's license

as "closed." All factual allegations herein occurred while Respondent held an active escrow agency license.

4. Based on information and belief, and at all relevant times herein mentioned, the Respondent's sole shareholder, and 100% owner, was Barry L. Fulco (hereinafter "Fulco").

5. Pursuant to NRS 645A.050(2)(c) "[i]n addition to the other duties imposed upon him by law, the Commissioner shall:... [c]onduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter..."

6. On February 9, 2010 the Division received a complaint from SW against Respondent (hereinafter "SW's complaint"). In conducting its investigation of the complaint, a Division investigator visited Respondent's licensed office location at 8861 W. Sahara Avenue, Suite 110, Las Vegas, NV 89117 only to find that the premises were vacant; the Division was subsequently advised that the Respondent had moved its offices to 5440 W. Sahara Avenue, 3rd floor, Las Vegas, NV 89146.

7. Pursuant to NRS 645A.050(2)(d), "[i]n addition to other duties imposed upon him by law, the Commissioner shall...[c]onduct such examinations, investigations and hearings, in addition to those specifically provided for by law, as may be necessary and proper for the efficient administration of the laws of this State relating to escrow.

8. On February 23, 2010 the Division attempted an examination of Respondent at its 5440 W. Sahara Avenue, 3rd floor location. The 3rd floor common area receptionist telephoned Respondent's office to inform Respondent of the Division examiner's presence but then advised the examiner that no one of authority was available, and that no one would let the examiner into Respondent's office.

9. On February 24, 2010 the Division again attempted to conduct an examination of Respondent, at which time the examiner was advised that Respondent was no longer located at the 5440 W. Sahara Avenue, 3rd floor location.

10. Pursuant to NRS 645A.036, "1. Every escrow agency shall maintain a definite place of business within the State, which must be a room or rooms used for the transaction of escrows, or such business and any allied businesses, and which must serve as the office for the transaction of business pursuant to the authority granted in the license. 2. The place of business must be specified in the application for the license and so designated on the license. 3. A license does not authorize the licensee to transact business from any office other than that designated in the license."

11. Respondent did not inform the Division that it intended to vacate its licensed branch office at 8861 W. Sahara Avenue, Suite 110, Las Vegas, NV 89117.

12. Pursuant to NRS 645A.085, "1. An escrow agency shall immediately notify the Commissioner of any change in the ownership of 5 percent or more of its outstanding voting stock. 2. An application must be submitted to the Commissioner, pursuant to NRS 645A.020, by a person who acquires: (a) At least 25 percent of the outstanding voting stock of an escrow agency; or (b) Any outstanding voting stock of an escrow agency if the change will result in a change in the control of the escrow agency.

13. During its investigation of SW's complaint, the Division discovered that on or about November 22, 2009 Fulco and Donald R. Grisley (hereinafter "Grisley") negotiated and executed a "Corporate Interest Assignment Agreement" wherein Grisley agreed to become Respondent's sole shareholder and assume all of Respondent's rights, interests and assets.

14. The Division subsequently discovered that on December 31, 2009 Fulco and Grisley attempted to retroactively rescind such transaction to November 22, 2009; however, Fulco never advised the Division of the change of ownership or of any attempted rescission of such change.

15. Pursuant to NRS 645A.110, "[t]he Commissioner may conduct an investigation if it appears that an escrow agent or agency is conducting business in an unsafe and injurious

manner or in violation of this chapter..." and may "[o]rder the person to discontinue conducting business in an injurious manner or in violation of this chapter. A person may, within 30 days after receiving the order, file a verified petition with the Commissioner for a hearing..."

16. Pursuant to NRS 645A.110, on March 17, 2010 an "Order to Discontinue (Cease and Desist), Order Imposing Licensure Conditions, Notice of Intent to Impose Fine, and Notice of Right to Request Hearing" (hereinafter, "Order to Cease and Desist) (a true and correct copy of which is attached hereto as **Exhibit A** and incorporated herein by reference as though set forth in full) was served upon Sussex Escrow at 8861 W. Sahara Avenue, Suite 110, Las Vegas, NV 89117 (Sussex's licensed location with the Division); 5440 W. Sahara Avenue, 3rd floor, Las Vegas, NV 89146; 633 South Fourth Street, Suite 7, Las Vegas, Nevada 89101 (the office of attorney Shawn Perez, Esq., counsel for Don Grisley); and 222 West Comstock Ave., Suite 202, Winter Park, FL 32789; and 4316 Messina Drive, Lake Mary, FL 32746 (the last known addresses of Barry Fulco).

17. The Order to Cease and Desist indicated, among other things, that, within three (3) business days from the date of service of the Order on Respondent, Respondent provide to the Commissioner in writing a list of all open escrow transactions and loan pool transactions and the office address and telephone number for every office location of Respondent, along with the location or locations where its books and records are located; to date, Respondent has failed to provide such information.

18. The Order to Cease and Desist also indicated that, within ten (10) days from the date of service of the Order on Respondent, Respond provide to the Commissioner in writing a complete accounting of all moneys held in trust for any person for whom Respondent is acting in an escrow capacity and, in the event Respondent transferred control of any such trust moneys to a third person or entity, Respondent should immediately provide to the Division the name, address and telephone number of such third person or entity, along with a copy of any

written agreement between Respondent and such third person or entity for the handling of such trust moneys; to date, Respondent has failed to provide such information.

19. Pursuant to NRS 645B.100, the Division entered a Final Order on April 20, 2010 regarding the above-matters due to Respondent's failure to request a hearing or otherwise respond to the Order to Cease and Desist within the specified twenty (20) day time period.

20. Pursuant to NRS 645A.090, "[t]he Commissioner...may suspend or revoke any license...for each violation...[if the] licensee... [h]as violated any provision of this chapter or any regulation adopted pursuant thereto or has aided and abetted another to do so... [or] [h]as refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter..." *See* NRS 645A.090(1)(b) and (i).

VIOLATIONS OF LAW

After investigation, the Division determined that Respondent violated NRS 645A.036, NRS 645A.050, and NRS 645A.085, in that the Respondent (1) failed to permit an examination by the Division, (2) failed to maintain a place of business in a licensed location, and (3) changed ownership without approval of the Division.

ORDER

NOW, THEREFORE, THE COMMISSIONER OF THE DIVISION HEREBY ORDERS, pursuant to NRS 645A.100, that upon written application to the Division within **twenty (20) days** of the date of this Order, Respondent shall be entitled to a hearing with regards to the contents of this Order referenced hereafter. At that hearing the Division will seek to:

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1. Revoke Respondent's escrow agency license for Respondent's violations of NRS 645A.036, NRS 645A.050, NRS 645A.085, and NRS 645A.090;

Should Respondent not request a hearing within **twenty (20) days** of the date of this Order, the Division will enter a Final Order in this matter against Respondent, as required by NRS 645B.100(2).

Dated this 14th day of June, 2010.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: Joseph L Waltuch
Joseph L. Waltuch,
Commissioner

EXHIBIT “A”

STATE OF NEVADA

DEPARTMENT OF BUSINESS AND INDUSTRY

DIVISION OF MORTGAGE LENDING

* * *

In re:

Sussex Group, Inc., a Nevada corporation

Respondent.

ORDER TO DISCONTINUE (CEASE AND DESIST)
ORDER IMPOSING LICENSURE CONDITIONS
NOTICE OF INTENT TO IMPOSE FINE AND
NOTICE OF RIGHT TO REQUEST HEARING

The licensing and regulation of escrow agencies and escrow agents in the State of Nevada is governed by Chapter 645A of the Nevada Revised Statutes (hereinafter "NRS") and Chapter 645A of the Nevada Administrative Code (hereinafter "NAC"). The State of Nevada, Department of Business and Industry, Division of Mortgage Lending (hereinafter the "Division") has the general duty to exercise supervision and control over escrow agencies and escrow agents, as well as escrow agency activity. *See*, NRS 645A.050, NRS 645A.090 and NRS 645A.110. Pursuant to that authority, the Division makes the following Factual Allegations, Conclusions of Law, and Order, as follows:

FACTUAL ALLEGATIONS

1. Sussex Group, Inc. (hereinafter "Respondent") is a licensed escrow agency operating within the State of Nevada. The Nevada Secretary of State currently classifies Respondent's corporate status as "active."

2. Pursuant to NRS chapter 645A, Respondent was issued an escrow agency license on February 17, 2009.

3. The Division currently classifies Respondent's escrow agency license status as 'closed'.

4. The Respondent's sole shareholder, and 100% owner, is Barry L. Fulco (hereinafter "Fulco").

5. Pursuant to NRS 645A.050(2)(c) "[i]n addition to the other duties imposed upon him by law, the Commissioner shall:... [c]onduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter...".

6. On February 9, 2010 the Division received a complaint from SW against Respondent (hereinafter "SW's complaint"). In conducting its investigation of the complaint, a Division investigator visited the Respondent's licensed office location at 8861 W. Sahara Avenue, Suite 110, Las Vegas, NV 89117 only to find that the premises were vacant. The landlord of the premises advised the investigator that Respondent vacated the premises over a weekend without paying rents.

7. The Division was subsequently advised that the Respondent had moved its offices to 5440 W. Sahara Avenue, 3rd floor, Las Vegas, NV 89146.

8. Pursuant to NRS 645A.050(2)(d), "[i]n addition to other duties imposed upon him by law, the Commissioner shall...[c]onduct such examinations, investigations and hearings, in addition to those specifically provided for by law, as may be necessary and proper for the efficient administration of the laws of this State relating to escrow.

9. On February 23, 2010 the Division attempted an examination of Respondent at its 5440 W. Sahara Avenue, 3rd floor location. The 3rd floor common area receptionist telephoned Respondent's office to advise of the Division examiner's presence but then advised the examiner that no one of authority was available, and that no one would let the examiner into Respondent's office. At no time was the examiner advised that Respondent was not located in that office location.

10. On February 24, 2010 the Division again attempted to conduct an examination of Respondent, at which time the examiner was advised that Respondent was no longer located at the 5440 W. Sahara Avenue, 3rd floor location.

11. DRG Properties (hereinafter "DRG") is located at 5440 W. Sahara Avenue, 3rd floor in the premises thought to belong to Respondent.

12. Pursuant to NRS 645A.036, "1. Every escrow agency shall maintain a definite place of business within the State, which must be a room or rooms used for the transaction of escrows, or such business and any allied businesses, and which must serve as the office for the transaction of business pursuant to the authority granted in the license. 2. The place of business must be specified in the application for the license and so designated on the license. 3. A license does not authorize the licensee to transact business from any office other than that designated in the license."

13. Respondent did not inform the Division that it intended to vacate its licensed branch office at 8861 W. Sahara Avenue, Suite 110, Las Vegas, NV 89117. At the present time, the actual location of the Respondent's office is unknown to the Division.

14. Pursuant to NRS 645A.038 "[a] license issued pursuant to the provisions of this chapter does not give authority to perform any act specified in this chapter to any person other than the person to whom the license is issued, or from any place of business other than that specified therein."

15. Pursuant to NRS 645A.085, "1. An escrow agency shall immediately notify the Commissioner of any change in the ownership of 5 percent or more of its outstanding voting stock. 2. An application must be submitted to the Commissioner, pursuant to NRS 645A.020, by a person who acquires: (a) At least 25 percent of the outstanding voting stock of an escrow agency; or (b) Any outstanding voting stock of an escrow agency if the change will result in a change in the control of the escrow agency.

16. During its investigation of SW's complaint, the Division discovered that on or about November 22, 2009 Fulco and Donald R. Grisley (hereinafter "Grisley") negotiated and executed a "Corporate Interest Assignment Agreement" wherein Grisley agreed to become Respondent's sole shareholder and assume all of Respondent's rights, interests and assets.

17. The Division subsequently discovered that on December 31, 2009 Fulco and Grisley attempted to retroactively rescind such transaction to November 22, 2009.

18. Fulco never advised the Division of the change of ownership or of any attempted rescission of such change.

19. Pursuant to NRS 645A.090, the Commissioner may impose a fine of not more than $10,000 for each violation of Chapter 645A of NRS.

VIOLATIONS OF LAW

After investigation, the Division determined that Respondent violated NRS 645A.036, NRS 645A.050, and NRS 645A.085, in that the Respondent (1) failed to permit an examination by the Division, (2) failed to maintain a place of business in a licensed location, and (3) changed ownership without approval of the Division.

ORDER

NOW, THEREFORE, pursuant to NRS 622.080 and NRS 645A.110, the Commissioner of the Division hereby orders that Respondent **IMMEDIATELY DISCONTINUE CONDUCTING BUSINESS IN VIOLATION OF NRS CHAPTER 645A AND IMMEDIATELY CEASE AND DESIST** from soliciting and conducting any and all escrow agency activity in the State of Nevada except upon the following conditions:

1. Respondent shall immediately notify in writing every party involved in an open escrow transaction, loan servicing, payment collection or loan pool servicing of this Order;

2. Respondent shall delete from all advertising material, including but not limited to Respondent's websites, any and all references to its ability to conduct escrow activity in the

state of Nevada for which a license under Chapter 645A is required, and all references to its escrow agency license number.

3. Respondent shall, **within three (3) business days** from the date of service of this Order on Respondent, provide to the Commissioner in writing:

i. A list of all open escrow transactions and loan pool transactions;

ii. The office address and telephone number for every office location of Respondent, along with the location or locations where its books and records are located.

4. Respondent shall, within **ten (10) days** from the date of service of this Order on Respondent, provide to the Commissioner in writing:

i. A complete accounting of all moneys held in trust for any person for whom Respondent is acting in an escrow capacity. Such accounting shall include a complete list of all open transactions by party name and address, including loans and accounts being serviced or for which payments are being collected; a list of every person for whom trust moneys are being held, along with the amount of moneys held on each such person's behalf; and a list of all bank accounts (including bank account number and bank name and address) where any such trust moneys, however denominated (such as tax, insurance, loan payment , interest reserve or construction control accounts), are held, along with the balances in such accounts.

ii. In the event Respondent has transferred control of any such trust moneys to a third person or entity, Respondent shall immediately provide to the Division the name, address and telephone number of such third person or entity, along with (i) a copy of any written agreement between Respondent and such third person or entity for the handling of such trust moneys and (ii) the accounting required in the immediately preceding paragraph.

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All written communication to the Division must be sent by U.S. Postal Service or private carrier or delivery service to:

Commissioner
Division of Mortgage Lending
7220 Bermuda Road, Suite A
Las Vegas, NV 89119

IT IS FURTHER ORDERED that Respondent's failure to abide by any of the above-referenced conditions now imposed upon its license under NRS Chapter 645A shall constitute grounds for summary suspension, revocation or other discipline deemed appropriate in the discretion and within the statutory authority of the Commissioner.

IT IS FURTHER ORDERED that, pursuant to NRS 645A.110(2)(a), upon filing a verified petition with the Division, Respondent shall be entitled to a hearing with regard to the contents of the instant Order. At that hearing, the Division will seek:

a. The imposition of an administrative fine against Respondent in the amount of of Thirty Thousand Dollars and No Cents ($30,000) for Respondent's violations of NRS Chapter 645A, along with payment to the Division of its costs and attorney fees, to be proven at hearing.

b. Respondent's payment, in full, of the administrative fine, costs and fees to the Division within **thirty (30) days** of entry of the Final Order.

Should Respondent request a hearing, Respondent is advised of the following:

a) Respondent is entitled to be represented by legal counsel at its own cost and expense; b) At any hearing Respondent shall be entitled to respond and to present evidence and argument on all issues involved; c) Requests may be made to the Commissioner for the issuance of subpoenas; however, the Commissioner may request the proposed testimony of any such person prior to the issuance of the subpoena; and d) Unless precluded by law, the parties may agree to an informal resolution or settlement prior to any hearing.

Should Respondent not request a hearing within **thirty (30) days** of service of the instant Order, the Division will enter a Final Order in this matter. Respondent is advised, however, that the provisions of this Order are effective immediately upon Respondent being served therewith, whether or not Respondent requests a hearing.

Dated this 17th day of March, 2010.

State of Nevada
Department of Business and Industry
Division of Mortgage Lending

By: Joseph L. Waltuch
Joseph L. Waltuch, Commissioner

CERTIFICATE OF SERVICE

I certify that I am an employee of the State of Nevada, Department of Business and Industry, Division of Mortgage Lending, and that on , June 14, 2010, I deposited in the U.S. mail, postage prepaid via First Class Mail and Certified Return Receipt Requested, a true and correct copy of the foregoing, NOTICE OF INTENT TO REVOKE ESCROW AGENCY LICENSE AND NOTICE OF RIGHT TO REQUEST HEARING for SUSSEX GROUP, INC., A NEVADA CORPORATION, addressed as follows:

Barry Fulco
Sussex Escrow
8861 W. Sahara Avenue, Suite 110
Las Vegas, NV 89117

Certified Receipt Number: 7008 1830 0002 7959 6168

Barry Fulco
Sussex Group
5440 W. Sahara Avenue, 3rd Floor
Las Vegas, NV 89146

Certified Receipt Number: 7008 1830 0002 7959 6175

Barry Fulco
Sussex Group
222 W. Comstock Avenue, Suite 202
Winter Park, FL 32789

Certified Receipt Number: 7008 1830 0002 7959 6199

Barry Fulco
4316 Messina Drive
Lake Mary, FL 32746

Certified Receipt Number: 7008 1830 0002 7959 6205

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Shawn Perez, Esq.
633 South Fourth Street, Suite 7
Las Vegas, NV 89101

Certified Receipt Number: 7008 1830 0002 7959 6182

DATED this 14th day of June, 2010

By: Susan Slack
Employee of the Division