

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING January 7, 2016

Successes for Week Ending January 7, 2016

1. Licensing and Registration

- Division of Securities
 - Applications Received: 146
 - Applications Approved: 181
 - Applications Denied/Withdrawn: 0

- Division of Consumer Finance
 - Applications Received: 191
 - Applications Approved: 219
 - Applications Denied/Withdrawn: 75

- Division of Financial Institutions
 - Applications Received: 1
 - Applications Approved: 0
 - Applications Denied/Withdrawn: 0

2. Regulatory Actions

Family Trust Company Application Received

On December 30, 2015, the OFR received the first application for a Family Trust Company to become registered.

Final Order for \$7,500 Fine Against an Associated Person

On December 30, 2015, the Division of Securities entered a final order against Alan Hagopian for failure to observe high standards of commercial honor and principals of trade by communicating with clients using an unapproved e-mail address. A \$7,500 administrative fine was paid.

Permanent Bar and \$75,000 Fine Against an Unregistered Broker Dealer for Fraud

On December 30, 2015, the Division of Securities entered a final order against Synergy Oil, LLC permanently barring the firm from registration with the OFR, after the firm failed to request a hearing. The final order follows an administrative complaint, which alleged Synergy Oil, LLC offered and sold unregistered securities, engaged in securities business in Florida without being registered and to have obtained money by means of fraud. A \$75,000 administrative fine was assessed.

Final Order for \$50,555.39 Fine Against a Broker Dealer Firm

On December 30, 2015, the Division of Securities, in conjunction with a multi-state settlement, entered a final order against LPL Financial, LLC for failing to implement, maintain and enforce an adequate supervisory system regarding the sale, through Florida representatives, of non-traded REITs. In accordance with the terms of the settlement, LPL Financial, LLC agrees to offer to remediate losses for non-traded REITs sold by the firm to Florida residents, to create a team to assist Florida investors with the remediation process and to pay an administrative fine of \$50,555.39 to the state of Florida.

Permanent Bar and \$25,000 Fine Against an Unregistered Associated Person for Fraud

On December 31, 2015, the Division of Securities entered a final order against Alan Goda, permanently barring Mr. Goda from registration with the OFR, after he failed to request a hearing. The final order follows an administrative complaint, which alleged Alan Goda offered and sold unregistered securities, engaged in securities business in Florida without being registered and to have obtained money by means of fraud. A \$25,000 administrative fine was assessed.

Permanent Bar and \$55,000 Fine Against an Unregistered Associated Person for Fraud

On December 31, 2015, the Division of Securities entered a final order against Tony Benjamin Pistilli, permanently barring Mr. Pistilli from registration with the OFR, after he failed to request a hearing. The final order follows an administrative complaint, which alleged Tony Benjamin Pistilli offered and sold unregistered securities, engaged in securities business in Florida without being registered and to have obtained money by means of fraud. A \$55,000 administrative fine was assessed.

Final Order for \$29,500 Fine Against an Investment Adviser Firm and Associated Person for Prohibited Business Practices

On December 31, 2015, the Division of Securities entered a final order against Agnello Financial Group, Inc., and Michael H. Agnello for engaging in prohibited business practices by failing to maintain an accurate Form ADV, maintain required net capital, timely notify the OFR of the firm's net capital deficiency, file audited financial statements and to comply with the custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$29,500 administrative fine was paid.

3. Enforcement Results

South Florida Check Casher's License Revoked

On December 21, 2015, the OFR entered a final order against respondents Jay Patel and New Bombay Beverages, Inc., imposing a fine of \$2,500 and revoking the respondents' Chapter 560, F.S., FT3 license. On May 8th, 2015, defendant Jay Patel, owner of New Bombay Beverages, Inc., pled guilty to five counts of

failing to keep records as a money services business, a third degree felony. He was sentenced to five years' probation with adjudication withheld. The criminal action stems from an OFR investigation developed jointly with the DFS Division of Insurance Fraud and the OFR Division of Consumer Finance. A search warrant was executed on November 15, 2013, based on evidence that 443 checks cashed by New Bombay Beverages, Inc., were made payable to known "shell" companies involved in workers' compensation insurance premium avoidance fraud. Patel was subsequently arrested on February 10, 2015. As part of the resolution of his criminal case, Patel was also ordered to pay \$17,157.13 in restitution and to pay investigative costs to the Department of Financial Services. The OFR final order was reached through a settlement stipulation with the respondent.

New Issues

No new issues to report this week.