

# GOVERNOR RICK SCOTT

## WEEKLY AGENCY REPORT

### OFFICE OF FINANCIAL REGULATION

WEEK ENDING JANUARY 19, 2017

#### Successes for Week Ending January 19, 2017

#### 1. Licensing and Registration

- Division of Securities
  - Applications Received: 1,554
  - Applications Approved: 1,577
  - Applications Denied/Withdrawn: 34
  
- Division of Consumer Finance
  - Applications Received: 678
  - Applications Approved: 773
  - Applications Denied/Withdrawn: 4
  
- Division of Financial Institutions
  - Applications Received: 1
  - Applications Approved: 0
  - Applications Denied/Withdrawn: 0

#### 2. Regulatory Actions

##### Final Order for \$19,980 Fine Against an Associated Person for Unregistered Activity

On January 11, 2017, the Division of Securities entered a final order against James E. Hearn for engaging in unregistered investment advisory business activity. A \$19,980 administrative fine was paid.

##### Final Order Barring a Check Casher from Licensure for Prohibited Business Practices

On January 11, 2017, the Division of Consumer Finance entered a final order against Tienda Mexicana Los Hermanos, LLC and Osmar Osario Moran for acting as a money services business/check casher without a license. Respondents agreed to not seek a license or act as an affiliated party of another money services business for a period of twenty years in lieu of an administrative fine.

##### Denial of an Associated Person

On January 13, 2017, the Division of Securities entered a final order against Robert Juan Escobio denying his applications for registration as an associated

person for being the subject of a decision by a national commodities or option association (National Futures Association) involving violations of its rules.

### **3. Enforcement Results**

#### **Man Pleads Guilty for Role in Investment Fraud**

On January 9, 2017, Timothy Roberts, of Chesterfield, Missouri, pleaded guilty to wire fraud for his role in the operation of Savtira Corporation, Inc., a purported internet technology firm which operated from 2010 until 2012. Roberts was the CEO and Chairman of the Board of Savtira. The conviction follows a federal grand jury indictment unsealed on September 9, 2015, in U.S. District Court in Tampa, against Roberts and Terrance Taylor, a resident of North Fort Myers, and Savtira's Executive Vice President of Finance. The indictment charged Roberts and Taylor with one count each of conspiracy to commit wire fraud and five counts of wire fraud. Taylor is currently set for trial in April 2017.

Incorporated in 2011, the company purportedly offered a centralized, cloud-based shopping cart platform for online and traditional retailers to sell goods. Roberts and Taylor are alleged to have sold stock in Savtira to victim investors by making false claims upon which those investors relied. The alleged bogus claims included misrepresentations about the company's profitability, the company's supposed contracts with nationally recognized technology firms, the company's ownership of certain patents and the overall valuation of the company. Roberts and Taylor are also alleged to have failed to disclose to investors that Roberts was a party to a settlement agreement with the Securities and Exchange Commission (SEC) in 2008 that required him to pay a fine and banned him from selling unregistered securities. The joint OFR-FBI investigation revealed that the stock certificates that Roberts and Taylor sold to investors were essentially worthless and that the proceeds from those sales were used by both men for personal expenses and cash withdrawals. Contrary to the defendants' representations, Savtira did not own any patents or a working product. Instead, in order to give the appearance of a thriving business, Roberts and Taylor are alleged to have generated bogus invoices and receivables, making it appear as if Savtira had millions in revenue, falsely bolstering the company's value and ability to factor invoices for cash. In all, Roberts and Taylor raised approximately \$5.3 million from investors nationwide and from factoring bogus invoices.

Simultaneous with the unsealing of the indictment, the SEC filed a separate, civil enforcement action against the defendants, charging them with securities fraud. The case is being prosecuted by the United States Attorney's Office for the Middle District of Florida in Tampa. A sentencing date for Roberts is pending.

## **New Issues**

### **1. Communications and Outreach Activities**

On February 2, 2017, the OFR released a consumer alert on Tax-Refund Fraud.

[Consumer Alert: Tax-Refund Fraud](#)