

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING JANUARY 29, 2015

Successes for Week Ending January 29, 2015

1. Licensing and Registration

- Division of Securities
 - Applications Received: 1,047
 - Applications Approved: 1,040
 - Applications Denied/Withdrawn: 6

- Division of Consumer Finance
 - Applications Received: 428
 - Applications Approved: 431
 - Applications Denied/Withdrawn: 12

- Division of Financial Institutions
 - Applications Received: 3
 - Applications Approved: 0

2. Regulatory Sanctions

Final Order for \$5,000 Fine Against an Investment Adviser Firm for Prohibited Business Practices

On January 21, 2015, the Division of Securities entered a Final Order against Walsh Consulting Group, Inc., d/b/a Ashford Investment Advisors, for engaging in prohibited business practices by failing to file audited financial statements, send clients itemized invoices and comply with the custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$5,000 administrative fine was paid.

3. Enforcement Results

Man Sentenced for Role in IRS Tax Refund Fraud

On January 26, 2015, Ernest Freeman, sole owner of Freeman & Freeman, Inc., of Fort Myers, was sentenced to 44 months in federal prison to be followed by 24 months of supervised release. On October 27, 2014, a jury found defendant Freeman guilty on all charges including 11 counts of Title 18 U.S. Code § 641 related to theft of government funds and 11 counts of Title 18 U.S. Code § 1028A related to aggravated identity theft. The OFR became involved in this case at the request of the U.S. Attorney's Office for the Middle District of Florida who specifically was looking for expertise in financial crimes and Florida law. The federal investigation revealed that Freeman had the sole signature authority for a

bank account at Fifth Third Bank for Freeman & Freeman Inc., a construction company specializing in stucco and concrete work operating in Immokalee. The bank records revealed that from May 2011 through June 2012, Freeman doing business as Freeman & Freeman, deposited and cashed 121 IRS tax refund checks totaling \$677,127.91 that were fraudulently obtained by others. Freeman charged 10 – 15 percent of the face value of the check as a fee for his services. This case was prosecuted by Assistant U.S. Attorney Yolande Viacava.

New Issues

No new issues to report this week.