

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING FEBRUARY 19, 2015

Successes for Week Ending February 19, 2015

1. Licensing and Registration

- Division of Securities
 - Applications Received: 1,036
 - Applications Approved: 1,078
 - Applications Denied/Withdrawn: 4

- Division of Consumer Finance
 - Applications Received: 336
 - Applications Approved: 329
 - Applications Denied/Withdrawn: 19

- Division of Financial Institutions
 - Applications Received: 4
 - Applications Approved: 0

2. Regulatory Sanctions

Suspension and \$10,000 Fine Against an Associated Person for Prohibited Business Practices

On February 13, 2015, the Division of Securities entered a Final Order against Frankie R. Brin for engaging in prohibited business practices by submitting inaccurate information regarding the surrender charges in connection with variable annuity replacement transactions. Pursuant to the Final Order, Mr. Brin's registration as an associated person is suspended for 15 days. After the suspension is completed, Mr. Brin will be subject to a registration agreement. A \$10,000 administrative fine was paid.

Final Order for \$4,000 Fine Against an Associated Person for Unregistered Activity

On February 17, 2015, the Division of Securities entered a Final Order against Stephania Stanley Wilson for engaging in unregistered securities activities. A \$4,000 administrative fine was paid.

3. Enforcement Actions

Orlando Man Sentenced in "Sweetheart" Fraud Scheme

On Friday, February 13, 2015, Scott Campbell was sentenced to 20 years of imprisonment and 10 years of probation for his role in defrauding dozens of

investors throughout Florida in a long-running investment fraud scheme. The sentence follows a weeklong trial in December 2014, where Campbell was found guilty of first degree grand theft. From approximately 2003 until his arrest in June 2013 and beyond, Campbell operated a “sweetheart” investment scheme targeting single women with whom he had become acquainted through online dating websites. Campbell enticed more than 30 victims into investing in his purported musical recording and talent search business with promises that each would receive two percent of his companys’ future profits. The OFR investigation revealed, however, that Campbell spent most of the \$1 million in funds collected from investors on gambling and personal living expenses. Victims claim that Campbell solicited them for investments to develop a recording studio for BDO (Bank Deposits Only) Records. Although construction of a purported sound studio was begun in a friend’s backyard, the structure was not properly permitted by local authorities for a commercial business (Note: Campbell sought construction permitting only after several complaints had been registered against him with the OFR). The Office of Statewide Prosecution in Orlando prosecuted the case.

[Press Release: Orlando Man Sentenced in “Sweetheart” Fraud Scheme](#)

Palm Beach County Man Convicted in Investment Fraud Scheme

On Friday, February 13, 2015, Michael T. Hardman was convicted by a jury in Palm Beach County of two counts of grand theft for his role in defrauding more than 30 Florida victims in a fraudulent promissory note scheme. The joint OFR and Palm Beach County Sheriff’s Office investigation found that Hardman collected more than \$1.75 million dollars from his victims, some of whom were elderly clients of his deceased father’s securities brokerage business. Other victims were members of his Alcoholics Anonymous group. Hardman formed a company called Tech Support Systems and issued vague promissory notes promising returns as high as 7.5 percent. He used his company as the note issuer but could never explain to any of his investors what this company actually did. The notes offered his personal guarantee, but most of the investors lost their life savings. The Palm Beach County State Attorney’s Office prosecuted the case. Hardman is scheduled to be sentenced on April 7, 2015.

[Press Release: Palm Beach County Man Convicted in Investment Fraud Scheme](#)

New Issues

No new issues to report this week.