

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING FEBRUARY 26, 2015

Successes for Week Ending February 26, 2015

1. Licensing and Registration

- Division of Securities
 - Applications Received: 902
 - Applications Approved: 962
 - Applications Denied/Withdrawn: 6

- Division of Consumer Finance
 - Applications Received: 196
 - Applications Approved: 261
 - Applications Denied/Withdrawn: 16

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

2. Regulatory Sanctions

Permanent Bar Against an Investment Adviser Firm and Associated Person for Fraud

On February 19, 2015, the Division of Securities entered a final order against Sunrock Financial Group and Matthew Watson Shaw for failing to provide information required on their registration forms, making misrepresentations or omissions of material facts and/or engaging in a practice which operated as a fraud and making false and misleading statements on the firm's website and advertisements. Mr. Shaw failed to submit or obtain approval from his employing firm to engage in outside business activities. Sunrock Financial Group failed to register two branch office locations. Sunrock Financial Group and Mr. Shaw are permanently barred from affiliating or seeking future registration as a dealer, investment adviser or associated person under the Florida Securities and Investor Protection Act, Chapter 517, Florida Statutes.

3. Enforcement Actions

Tampa Man Sentenced to 30 Months in Prison for Role in Investment Fraud

On February 20, 2015, Albert Joseph Scipione was sentenced to 30 months in federal prison to be followed by 36 months supervised release for his role in the operation of a fraudulent day trading company. He was also ordered to pay restitution in the amount of \$463,463.81. On November 18, 2014, Scipione

agreed to enter a plea of guilty to one count of conspiracy to commit wire fraud in violation of 18 U.S.C. § 371 for his role in the operation of Traders Café. Traders Café, located in downtown Tampa, offered a purported trading platform and 20:1 leverage to day traders identified through social media and internet web sites. Traders Café was established in July 2012 by Scipione and his Business Partner, Matthew Lonno. Scipione and Lonno represented to traders that they had a proprietary trading platform, that Traders Café maintained a secured escrow account and designated trading accounts that would be established for clients. Scipione and Lonno did not inform clients that their funds would be used to cover operating expenses as well as their own personal expenses. A total of \$473,000 was transferred to a bank account in the name of Traders Café. The funds were not placed into a designated trading account, but rather used to cover operational expenses of the Company and personal expenses of Scipione and Lonno. Traders Café, Scipione and Lonno were not registered with the SEC or the OFR in any capacity. Lonno was sentenced to 24 months in prison on January 14, 2015, in United States District Court, Middle District of Florida. This investigation was developed jointly by the OFR and the FBI. The U.S. Attorney's Office in Tampa prosecuted the case.

New Issues

1. Communications and Outreach Activities

On February 16 - 19, 2015, members of the Division of Consumer Finance represented the OFR at the NMLS (Nationwide Mortgage Licensing System) 2015 Annual Conference and Training in San Diego, California. Division Director Oaks moderated a panel discussing The Regulation of Debt Buyers. Registrations Bureau Chief Booth moderated a panel discussing NMLS User Notifications and Document Uploads. The conference attendees included state regulators and industry representatives from around the country. Feedback received from the industry was extremely positive. Florida is recognized as a leader in efficiency and process improvements resulting in improved processing times. The conference also gave state regulators a great opportunity to discuss best practices and continuously evaluate processes in an effort to yield further efficiencies. There were approximately 580 people attending the conference.

On February 19, 2015, the OFR issued a consumer alert with tips on preventing tax-refund fraud.

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

On February 23, 2015, the OFR issued a press release celebrating America Saves Week.

[Press Release: The Florida Office of Financial Regulation Celebrates America Saves Week](#)

On February 24, 2015, an article celebrating America Saves Week written by OFR Commissioner Drew J. Breakspear appeared in the Tampa Tribune.

[Tampa Tribune: Drew Breakspear: Make saving money a priority](#)