

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING May 26, 2016

Successes for Week Ending May 26, 2016

1. Licensing and Registration

- Division of Securities
 - Applications Received: 815
 - Applications Approved: 839
 - Applications Denied/Withdrawn: 20

- Division of Consumer Finance
 - Applications Received: 390
 - Applications Approved: 374
 - Applications Denied/Withdrawn: 21

- Division of Financial Institutions
 - Applications Received: 15
 - Applications Approved: 0
 - Applications Denied/Withdrawn: 0

2. Regulatory Sanctions

Revocation of a Broker Dealer Branch Office and \$10,000 Fine

On May 19, 2016, the Division of Securities entered a final order against Caldwell International Securities, Corp., revoking the firm's Jacksonville branch office notice filing, after the firm failed to request a hearing. The final order follows an administrative complaint, which alleged Caldwell International Securities, Corp., failed to provide the OFR with all of the information required within 30 days after a written request. A \$10,000 administrative fine was assessed.

Final Order for \$7,500 Fine Against an Investment Adviser Firm for Prohibited Business Practices

On May 20, 2016, the Division of Securities entered a final order against Stewardship Matters, Inc., for engaging in prohibited business practices by failing to file and prepare generally accepted accounting principles (GAAP) compliant audited financial statements, maintain required net capital, timely notify the OFR of the firm's net capital deficiency and provide accurate investment adviser agreements. A \$7,500 administrative fine was paid.

3. Enforcement Results

\$10,000 Fine Against Loan Broker for Assessing Illegal Fees

On May 11, 2016, the OFR issued a final order against Andrew Mangini and his company First Solutions, Inc., d/b/a Credit One, ordering both to cease and desist from future violations of Chapter 687, F.S., and imposing a fine of \$10,000. The final order finds that Mangini violated Chapter 687, F.S., by engaging in prohibited practices as a loan broker. The final order adopts an administrative law judge's findings that Mangini took advance fees from prospective borrowers in violation of the law. The OFR's investigation leading up to the DOAH hearing found that Mangini targeted consumers online by offering to assist them in obtaining unsecured loans in exchange for an upfront fee. The evidence showed that over a sample period of approximately two months, Mangini took unlawful advance fees from more than 300 consumers who were each charged \$499 on the promise of securing a loan. The OFR's administrative complaint accused Mangini of operating the scheme for at least three years, beginning in 2011. No one is believed to have obtained a loan as a result of presenting an application to Mangini or his companies. A copy of the OFR's final order was provided to the State Attorney's Office in Broward County, which had earlier agreed to accept this case for criminal prosecution.

New Issues

1. Communications and Outreach

On May 18, 2016, a member of the Division of Financial Institutions participated as a panelist at the South Florida Banking Institute Regulatory Meeting in Coral Gables.

On May 19, 2016, Bureau of Financial Investigations Chief Steven Horn, Deputy Chief Alex Toledo and several Miami regional office investigators attended the annual Financial Institutions Security Association (FISA) training seminar. Topics included the latest trends in financial and electronic crimes. A keynote address was delivered by retired Miami-Dade Circuit Court Judge Israel Reyes on the subject of searches, seizures and Florida's Money Laundering Control Act. The event was well attended with approximately 100 participants from various law enforcement agencies and financial institutions. Chapters 560 and 655, F.S., (both within the OFR's enforcement authority) were also discussed at length during the presentations.

On May 24, 2016, the OFR issued a consumer alert regarding reducing financial fraud risk.

[Consumer Alert: 5 Action Steps to Reduce Your Financial Fraud Risk](#)