

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING July 7, 2016

Successes for Week Ending July 7, 2016

1. Licensing and Registration

- Division of Securities
 - Applications Received: 1,140
 - Applications Approved: 1,082
 - Applications Denied/Withdrawn: 17

- Division of Consumer Finance
 - Applications Received: 150
 - Applications Approved: 190
 - Applications Denied/Withdrawn: 11

- Division of Financial Institutions
 - Applications Received: 2
 - Applications Approved: 2
 - Applications Denied/Withdrawn: 0

2. Enforcement Results

Naples Man Arrested for Allegedly Duping Investors in Digital Advertising Business Scam

On June 30, 2016, Activision TV Founder and President David Locke Gothard was arrested by the Beaufort County Sheriff's Office in Beaufort, South Carolina based on an active Florida warrant related to charges of securities fraud, communications fraud and grand theft. The arrest was the result of a request from the Collier County Sheriff's Office that was searching for Gothard and received a tip on his whereabouts. Gothard's arrest warrant included an order to extradite him from anywhere in the United States. This joint OFR/OAG investigation was initiated based on a complaint from a Florida resident who alleged that he gave Gothard \$5,000 to purchase shares of Activision TV, Inc., based on promises of an initial public offering and representations by Gothard that the funds would be used to advance Activision's business. The investigation found that in addition to the complainant, at least nine other investors sent funds to Gothard to purchase Activision shares. The majority of these investors relied on Gothard's representations that their funds would be used to advance Activision's digital advertising display business. The investigation revealed that investor funds were not used to advance Activision's business, but were instead used by Gothard for his personal expenses. The Florida Office of the Attorney

General had previously filed a Securities Litigation Lawsuit (2014-CA-2774-01) against Gothard alleging racketeering and fraud related to investments in Activision. The lawsuit alleged that investors were misled by Gothard through misrepresentations of patented technology and through the production of fraudulent documentation. The 80-page lawsuit also alleged that Gothard stole millions of dollars from victims nationwide — many of them elderly — by making false promises and offering stocks that turned out to be worthless. The OFR is the lead investigative agency in this criminal enforcement case, teaming with the Florida Office of the Attorney General and the Collier County Sherriff's Office. The OFR appreciates the assistance of the Beaufort County, SC Sherriff's Office in Gothard's arrest. The Attorney General's Office of Statewide Prosecution is prosecuting the case.

New Issues

1. Communications and Outreach

On June 29, 2016, a member of the Division of Financial Institutions participated on a Florida International Bankers Association (FIBA) regulatory round table panel regarding funding, liquidity and interest rate risk management.