

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING September 10, 2015

Successes for Week Ending September 10, 2015

1. Licensing and Registration

- Division of Securities
 - Applications Received: 1,327
 - Applications Approved: 1,294
 - Applications Denied/Withdrawn: 9

- Division of Consumer Finance
 - Applications Received: 306
 - Applications Approved: 338
 - Applications Denied/Withdrawn: 50

- Division of Financial Institutions
 - Applications Received: 1
 - Applications Approved: 3
 - Applications Denied/Withdrawn: 0

2. Enforcement Results

Former Wellington Resident Found Guilty in \$50 Million Investment Fraud Scheme

On September 3, 2015, following a six-week federal jury trial, Joseph Paul Zada was found guilty of 15 counts of mail fraud for his role in orchestrating and perpetuating a Ponzi scheme that operated for more than 10 years before being discovered in 2009. Zada, who maintained residences in Michigan and Florida, initially preyed on wealthy equestrian sports enthusiasts. Zada purportedly told his victims that he was an expert in oil futures, that he sat on the board of directors of a major oil company and was the financial manager for Russian ice hockey players. The joint FBI/IRS/OFR investigation determined that from 1998 through 2009, Zada sold \$50 million of promissory notes that purported to pay annual rates of return between seven and 12 percent. The investors were led to believe Zada would use their money to invest in oil ventures. An analysis of the bank records revealed that instead of using the investors' money to invest in oil ventures, Zada used the money to support his lavish lifestyle and to pay returns to earlier investors. Zada faces up to 20 years in prison for each of the 15 counts for which he was found guilty. His sentencing is scheduled for November 20, 2015, before U.S. District Judge Kenneth A. Marra.

New Issues

1. Communications and Outreach Activities

On September 03, 2015, the OFR launched a new check cashing database. Florida now requires check cashing businesses to enter into a check cashing database any check cashed in excess of \$1,000 or a daily aggregated amount of more than \$1,000 in checks cashed by one person. With the implementation of the check cashing database, all licensed check cashers are required to use the database no later than October 1, 2015.

[Florida Office of Financial Regulation Announces New Tool to Combat Financial Fraud](#)