

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING JANUARY 23, 2014

Successes for Week Ending January 23, 2014

1. Licensing and Registration

- Division of Securities
 - Applications Received: 1,524
 - Applications Approved: 1,514
 - Applications Denied/Withdrawn: 8

- Division of Consumer Finance
 - Applications Received: 893
 - Applications Approved: 914
 - Applications Denied/Withdrawn: 13

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 - Applications Denied/Withdrawn: 0

2. Regulatory Actions

On January 17, 2014, the Division of Consumer Finance entered a Final Order against Frank Barecich denying the renewal application for licensure as a Loan Originator. An informal hearing was held on December 5, 2013 and the Hearing Officer recommended issuing a Final Order denying the renewal application. The Final Order follows a Notice of Intent to Deny which alleged Frank Barecich was the subject to a felony prosecution for criminal charges of "Conspiracy to Commit Wire Fraud, Wire Fraud and Conspiracy to Commit Money Laundering".

3. Enforcement Actions

Boca Raton Area Man Charged with Theft in Connection with Investment Scheme

On January 17, 2014, Victor Bauza, 49, was arrested by the Palm Beach County Sheriff's Office. Bauza was charged by the Florida Office of Statewide Prosecution with securities violations, grand theft and organized scheme to defraud. The defendant allegedly solicited more than \$800,000 from 20 investors to purchase shares of Medical Informatics Xchange (MIX). The arrest was a result of a joint investigation by the OFR and the Boca Raton Police Department. The investigation determined that from February 2010 through November of 2011, the defendant sold shares of MIX for between \$1 and \$1.50 a share and

allegedly told investors that MIX would be conducting an initial public offering in the near future. Bauza purportedly told investors that the price of the shares would rise between \$4 and \$6 a share once they began trading on public exchanges. The investigation revealed, however, that a substantial portion of the money raised from investors was used to pay commissions and for the personal benefit of the defendant. None of the victims received shares of the company and MIX never conducted an initial public offering of its shares. The principals of MIX are not believed to have participated in the alleged fraudulent scheme. Contrary to the defendant's representations, MIX principals claimed that the company was never involved in preparing an initial public offering of its stock. The charges filed against Bauza are only accusations and the defendant is presumed innocent until proven guilty.

[Boca Raton Area Man Charged with Theft in Investment Scheme Resulting in \\$800,000 Loss to Investors](#)

Seminole man arrested in \$6 million Ponzi scheme

On January 16, 2014, David George Dreslin surrendered to the Pinellas County Sheriff's Office following the issuance of a warrant for his arrest on charges of securities fraud, sale of unregistered securities, sale of a security by an unregistered dealer, organized fraud and racketeering. Gary Gauthier was also charged in the scheme. The investigation revealed that Dreslin and Gauthier were engaged in a Ponzi type scheme, soliciting investors for various real estate projects. Dreslin, a CPA, would convince clients to purchase shares or units in a variety of real estate development projects promising large returns in a short period of time. Gauthier promoted investment opportunities on Christian radio programs broadcast in the Tampa Bay area on Saturday mornings called "It's God's Money" and "It's all about Florida Real Estate." Analysis of bank records revealed that Dreslin and Gauthier raised in excess of \$6,000,000 from Florida investors. Investor funds were used to make interest payments to other investors and payments to themselves and their individual business organizations. Contrary to their representations, Gauthier and Dreslin rarely contributed their own capital to the projects. The charges filed against Dreslin and Gauthier are only accusations and the defendants are presumed innocent until proven guilty. This investigation was conducted jointly with FDLE.

[Seminole Man Arrested in \\$6 Million Ponzi Scheme](#)

New Issues

No new issues to report this week.