

# GOVERNOR RICK SCOTT

## WEEKLY AGENCY REPORT

### OFFICE OF FINANCIAL REGULATION

WEEK ENDING OCTOBER 13, 2016

#### Successes for Week Ending October 13, 2016

#### 1. Licensing and Registration

- Division of Securities
  - Applications Received: 1,231
  - Applications Approved: 1,252
  - Applications Denied/Withdrawn: 7
  
- Division of Consumer Finance
  - Applications Received: 205
  - Applications Approved: 341
  - Applications Denied/Withdrawn: 31
  
- Division of Financial Institutions
  - Applications Received: 0
  - Applications Approved: 0
  - Applications Denied/Withdrawn: 0

#### 2. Regulatory Sanctions

##### Final Order for \$6,000 Fine Against an Investment Adviser Firm and Associated Person for Violations of Rules

On October 6, 2016, the Division of Securities entered a final order against Investment Management Services Group, LLC and Thomas Markosky for violations of rules by failing to maintain an accurate Form ADV, maintain an accurate Form U4, maintain accurate professional designation information on the firm's website and establish and maintain written supervisory policies and procedures pertaining to the firm's branch offices. In addition, Mr. Markosky misrepresented his certification and professional designations by improperly identifying himself as a certified financial planner. A \$6,000 administrative fine was paid.

##### Permanent Bar and \$5,000 Fine Against Investment Adviser Firm for Violations of Florida Statutes and Rules

On October 6, 2016, the Division of Securities entered a final order against Sine Capital, Inc., permanently barring the firm from applying for registration as a dealer or investment adviser under the Florida Securities and Investor Protection Act, Chapter 517, F.S., after the firm failed to request a hearing. The final order follows an administrative complaint, which alleged that Sine Capital, Inc., failed to

produce books and records pursuant to the division's written request. A \$5,000 administrative fine was assessed.

Permanent Bar and \$46,500 Fine Against Investment Adviser Firm and Associated Person for Fraud

On October 6, 2016, the Division of Securities entered a final order against Carhart Capital Management, LLC and Owen Thomas Carhart permanently barring the firm and Mr. Carhart from applying for registration as a dealer, investment adviser or associated person under the Florida Securities and Investor Protection Act, Chapter 517, F.S., after they failed to request a hearing. The final order follows an administrative complaint, which alleged that Carhart Capital Management, LLC and Owen Thomas Carhart failed to maintain an accurate Form ADV, file audited financial statements, maintain required net capital, timely notify the OFR of the firm's net capital deficiency and comply with the safekeeping and custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. In addition, the administrative complaint alleged that Carhart Capital Management, LLC and Owen Thomas Carhart engaging in fraudulent transactions by overcharging one or more clients excessive advisory fees. A \$46,500 administrative fine was assessed.

**New Issues**

No new issues to report this week.