

# GOVERNOR RICK SCOTT

## WEEKLY AGENCY REPORT

### OFFICE OF FINANCIAL REGULATION

WEEK ENDING OCTOBER 16, 2014

#### Successes for Week Ending October 16, 2014

#### 1. Licensing and Registration

- Division of Securities
  - Applications Received: 1,103
  - Applications Approved: 1,091
  - Applications Denied/Withdrawn: 19
  
- Division of Consumer Finance
  - Applications Received: 607
  - Applications Approved: 592
  - Applications Denied/Withdrawn: 21
  
- Division of Financial Institutions
  - Applications Received: 1
  - Applications Approved: 2
  - Applications Denied/Withdrawn: 0

#### 2. Regulatory Sanctions

##### Revocation of Loan Originator License

On October 6, 2014, the Division of Consumer Finance entered a Final Order, revoking the loan originator license for Jose Ignacio Cortez. On February 26, 2014, the Montana Department of Administration revoked Mr. Cortez's loan originator license for failing to disclose a prior felony conviction for theft on his license application.

##### Final Order Issued Against Licensee

On September 30, 2014, the OFR issued a Final Order against Discount Mini Market, Inc. The Final Order suspends Discount Mini Market's money services business license for 120 days, orders the licensee to cease and desist all violations of Chapter 560, Florida Statutes, and assesses an administrative fine of \$47,700, which must be paid within 30 days of the Final Order. The OFR's Final Order stems from an examination of Discount Mini Market's check cashing activities wherein the OFR charged that the licensee failed to properly maintain an electronic log of all checks cashed in excess of \$1,000, to endorse all payment instruments accepted with the name of the licensee, to post in a conspicuous place a clearly legible schedule of fees charged, obtain a valid form of personal identification for the individual conductor presenting a payment

instrument to be cashed, to obtain a thumbprint of the conductor for each payment instrument cashed in excess of \$1,000, to maintain an electronic log that included aggregate payment instruments accepted for cashing that totaled more than \$1,000, to provide for an independent review to monitor and maintain an adequate anti-money laundering program and failure to timely file a quarterly report within 45-days of the quarter end date.

#### Final Order for Fines Totaling \$8,000 Against an Investment Adviser Firm and Associated Person for Prohibited Business Practices

On October 8, 2014, the Division of Securities entered a Final Order against SAB Group Financial, P. A., and Scot A. Bennett for engaging in prohibited business practices by failing to maintain an accurate Form ADV, file audited financial statements, send clients itemized invoices, comply with the custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, Florida Statutes, and entering into client advisory agreements that did not accurately disclose advisory rates. An \$8,000 administrative fine was paid.

#### Permanent Bar and \$42,500 Fine Against an Associated Person for Fraud

On October 10, 2014, the Division of Securities entered a Final Order against Darwin Hayle, permanently barring Mr. Hayle from registration with the OFR, after he failed to timely request a hearing. The Final Order follows an Administrative Complaint, which alleged Darwin Hayle offered and sold unregistered securities, engaged in prohibited business practices and conducted fraudulent securities transactions. An administrative fine of \$42,500 was assessed.

### **New Issues**

#### **1. Communications and Outreach Activities**

On October 6, 2014, a member of the Division of Financial Institutions met with the University of Florida Warrington School of Business officials regarding establishing a recruitment relationship network for the division.

On October 15, 2014, the OFR Office of Communications released a consumer alert regarding a counterfeit check scam.

[Consumer Alert: Counterfeit Check Scam](#)