

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING November 19, 2015

Successes for Week Ending November 19, 2015

1. Licensing and Registration

- Division of Securities
 - Applications Received: 1,117
 - Applications Approved: 1,077
 - Applications Denied/Withdrawn: 7

- Division of Consumer Finance
 - Applications Received: 1,117
 - Applications Approved: 1,187
 - Applications Denied/Withdrawn: 8

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 - Applications Denied/Withdrawn: 0

2. Regulatory Actions

Final Order for \$10,000 Fine Against an Investment Adviser Firm and Associated Person for Prohibited Business Practices

On November 10, 2015, the Division of Securities entered a final order against Longboat Key Financial Group, LLC and Craig D. Meldahl for engaging in prohibited business practices by failing to maintain an accurate Form ADV, send clients itemized invoices, file audited financial statements, maintain required net capital, timely notify the office of the firm's net capital deficiency and for inaccurately identifying the firm on business cards and the firm's website. A \$10,000 administrative fine was paid.

3. Enforcement Results

Defendants Sentenced to Combined 20+ Year Prison Term in Fraudulent Factoring Scheme

On November 5, 2015, Brian Newton and Victoria Snow were sentenced in federal court in Orlando for their role in defrauding more than 60 victims out of more than \$7.2 million. Newton was sentenced to 15 years and 8 months, and Snow was sentenced to 4 years and 9 months. They were both ordered to pay more than \$7.2 million in restitution. Newton and Snow were convicted following a July 2015 jury trial in which each defendant was found guilty of 25 counts of

mail and wire fraud in relation to an investment fraud and receivables factoring scheme. The verdict followed an April 2014 arrest and indictment of the pair on charges that they had defrauded investors and factoring companies out of approximately \$6 million. Newton and Snow took money from investors based on misrepresentations that their funds would be used to expand the operations of Prestige Funding Group, a company that they claimed purchased and held millions in uncollected receivables from various businesses. Victims who invested with Prestige received promissory notes in exchange for their money. They were to receive quarterly interest ranging from 10-20 percent per year and a 3-6 percent bonus at maturity. However, Newton diverted more than \$3 million into his personal account. This case was prosecuted by the U.S. Attorney's Office for the Middle District of Florida and was developed jointly with the FBI. [Press Release: Duo Sentenced for Investment Fraud Scheme](#)

New Issues

1. Communications and Outreach Activities

On October 16, 2015, the OFR issued a press release celebrating International Fraud Awareness Week.

[Press Release: The Office of Financial Regulation Celebrates International Fraud Awareness Week](#)

On November 16, 2015, the OFR provided an interview for an editorial for the Palm Beach Post.

[Editorial: Debt collection underworld must be brought into the light](#)