

# GOVERNOR RICK SCOTT

## WEEKLY AGENCY REPORT

### OFFICE OF FINANCIAL REGULATION

WEEK ENDING FEBRUARY 28, 2013

#### Successes for Week Ending February 28, 2013

#### 1. Licensing and Registration

- Division of Securities
  - Applications Received: 853
  - Applications Approved: 915
  - Applications Denied/Withdrawn: 53
  
- Division of Consumer Finance
  - Applications Received: 508
  - Applications Approved: 533
  - Applications Denied/Withdrawn: 17
  
- Division of Financial Institutions
  - Applications Received: 1
  - Applications Approved: 2
  - Applications Denied/Withdrawn: 0

#### 2. Regulatory Sanctions

##### Denial of Associated Person

On February 19, 2013, the Division of Securities entered a Final Order against Mark Allen Remillard, denying his application for registration as an associated person, after he failed to request a hearing. The Final Order follows a Notice of Intent to Deny, which alleged Mr. Remillard made a material misrepresentation or misstatement on his application for registration.

#### 3. Enforcement Actions

On February 20, 2013, Stephen T. Muench was sentenced to three years in prison followed by seven years of probation after pleading guilty to two counts of sale of unregistered securities, two counts of sale of security by an unregistered dealer, and one count of organized fraud - a first degree felony. Muench was also ordered to pay \$1.3 million in restitution to victims. On December 8, 2011, Stephen Muench was charged for his role in the sale of unregistered securities issued by Trans Continental Airlines, which turned out to be a \$300 million Ponzi scheme run by Lou Pearlman. In 2008, Pearlman was sentenced to 25 years in federal prison after pleading guilty to charges of conspiracy, money laundering, and making false statements. Muench sold unregistered securities in the Trans Continental Airlines Employee Investment Savings Account (EISA) Program to

73 Florida Investors who invested more than \$8 million. Muench was paid more than \$500,000 in commissions on these transactions.

## **New Issues**

### **1. Outreach Activities**

On February 28, 2013, OFR Commissioner Breakspear conducted an interview with the Tampa Bay Business Journal. Topics discussed included direction and staffing of the agency.