

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING MARCH 21, 2013

Successes for Week Ending March 21, 2013

1. Licensing and Registration

- Division of Securities
 - Applications Received: 893
 - Applications Approved: 870
 - Applications Denied/Withdrawn: 12

- Division of Consumer Finance
 - Applications Received: 424
 - Applications Approved: 423
 - Applications Denied/Withdrawn: 15

- Division of Financial Institutions
 - Applications Received: 9
 - Applications Approved: 1
 - Applications Denied/Withdrawn: 0

2. Regulatory Sanctions

Final Order against an Insurance Agent for Unregistered Investment Advisory Business

On March 13, 2013, the Division of Securities entered a Final Order against Richard Edward Carter for engaging in investment advisory business in Florida without being registered. Mr. Carter agreed to not seek future registration as a dealer, investment adviser or associated person under the Florida Securities and Investor Protection Act, Chapter 517, F.S.

Final Order for \$20,000 Fine against a Broker Dealer Firm for Failure to Disclose Postage and Handling Fees to Customers

On March 14, 2013, the Division of Securities entered a Final Order against Hunter Scott Financial, LLC. Hunter Scott raised the postage and handling fee it charged to clients and also charged a separate fee for commissions. Hunter Scott failed to disclose to its clients that the handling fee included expenses incurred by the firm in conducting its day-to-day business and, further, the handling charge was not directly related to the postage-related expenses incurred by the firm in processing a client's transaction. The firm consented to

cease and desist from violations of Chapter 517, Florida Statutes and paid a \$20,000 administrative fine.

3. Enforcement Actions

On March 12, 2013, Aiby Pierre-Louis, of Focus Development Center, Inc., pled guilty to one count of conspiracy to commit mail fraud for his involvement in an affinity investment scheme resulting in losses of approximately six million dollars to investors, primarily from the Haitian community in South Florida. Pierre-Louis was indicted on the mail fraud charge in June of 2010 as a result of a joint OFR Bureau of Financial Investigations and U.S Postal Inspection Service investigation. The investigation revealed that Pierre-Louis and his co-defendants raised approximately eight million dollars from more than 770 investors. The defendants made presentations in churches and on local radio stations to convince prospective investors to participate in the investment program. During these presentations the defendants falsely claimed that Focus Development owned and operated successful businesses and that the monies they raised would be used to promote Haitian-American enterprise, create jobs and improve the community. Pierre-Louis had fled the United States and had been residing in Haiti since he was indicted. He was arrested at the United States Embassy in Port-au-Prince and brought back to Miami in October 2012 to face prosecution.

New Issues

No new issues to report this week.