

GOVERNOR RICK SCOTT

QUARTERLY AGENCY ACHIEVEMENT REPORT

OFFICE OF FINANCIAL REGULATION

DECEMBER 2014

OCTOBER THROUGH DECEMBER 2014 ACHIEVEMENTS

1. Quarterly Statistics

- Division of Securities
 - Examinations Opened: 96
 - Examinations Closed: 45
 - Complaints Received: 61
 - Complaints Closed: 70
 - Applications Received: 11,355
 - Applications Approved: 11,123
 - Applications Denied/Withdrawn: 193

- Division of Consumer Finance
 - Examinations Opened: 93
 - Examinations Closed: 138
 - Complaints Received: 562
 - Complaints Closed: 679
 - Applications Received: 4,785
 - Applications Approved: 4,552
 - Applications Denied/Withdrawn: 183

- Division of Financial Institutions
 - Examinations Opened: 29
 - Examinations Closed: 30
 - Complaints Received: 223
 - Complaints Closed: 244
 - Applications Received: 22
 - Applications Approved: 34
 - Applications Denied/Withdrawn: 0

- Bureau of Financial Investigations
 - Investigations Opened: 47
 - Investigations Closed: 39

2. Communications and Outreach Activities

On October 1, 2014, the OFR issued a consumer alert on the unauthorized use of OFR information and branding.

[Consumer Alert: Unauthorized Use of OFR Information and Branding](#)

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](#)

On October 15, 2014, a member of the Division of Financial Institutions participated on a regulator panel at the South Florida Banking Institute's BSA/AML/OFAC Regulatory meeting in Miami, Florida. Approximately 100 people were in attendance.

On October 15, 2014, members of the Division of Securities participated in a panel discussion with the U.S. Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA) at the Hillsborough County Bar Association, Securities Section meeting. The panel discussed communications between regulatory agencies, investment adviser registration requirements, cyber security and examination/enforcement trends. Approximately 80 members of the local legal community attended.

On October 20, 2014, the OFR issued a press release regarding Administrative Complaints against two businesses acting as unlicensed mortgage lenders.

[Press Release: Office of Financial Regulation Charges Two South Florida Businesses Acting as Unlicensed Mortgage Lenders](#)

On October 24, 2014, a member of the Division of Financial Institutions participated in a regulator panel at the Florida Bankers Association's 10th Annual BSA/AML School in Orlando.

On October 27, 2014, a member of the Division of Financial Institutions met with Flagler College offices regarding establishing a recruitment relationship network with the division.

On October 28, 2014, the OFR issued a press release regarding a Final Order against two men for operating a boiler room scheme and fines totaling more than \$1.5 million.

[Press Release: Florida Office of Financial Regulation Fines Two South Florida Men for Operating Boiler Room Scheme](#)

On October 27-29, 2014, the Division of Securities held its annual training program in Orlando, FL. All enforcement exam staff and management were in attendance as well as personnel from the Securities legal section, the Securities registration bureau and the OFR Bureau of Investigations. Deputy Commissioner Gregory Hila attended and made a presentation to the group. The training

focused on enforcement trends, procedures, Chapter 517, F.S., and Chapter 69W, F.A.C. The attendees were exposed to the examination, registration, investigative and legal aspects of our enforcement program.

On November 13, 2014, the OFR issued a press release regarding classic schemes identified as top investor threats.

[Press Release: New Products in Classic Schemes Identified as Top Investor Threats](#)

On November 18, 2014, the OFR issued a press release highlighting Fraud Awareness Week.

[Press Release: Florida Office of Financial Regulation Highlights Fraud Awareness Week](#)

On November 20, 2014, an opinion editorial by Commissioner Drew J. Breakspear appeared in the Miami Herald.

[Miami Herald: Combating financial crime is an OFR priority](#)

On November 20, 2014, a member of the Division of Securities participated in a panel discussion with the Financial Industry Regulatory Authority (FINRA) and the U.S. Securities and Exchange Commission (SEC) at the 2014 FINRA South Regional Compliance Seminar in Ft. Lauderdale. The panel discussed current regulatory developments, initiatives and priorities. Approximately 350 members of the securities industry attended.

On November 26, 2014, an opinion editorial by Commissioner Drew J. Breakspear appeared in the Pensacola News-Journal.

[Pensacola News-Journal: Viewpoint: State regulators protect Floridians](#)

During the months of November and December 2014, two members of Division of Securities' staff participated in the *Junior Achievement (JA) Our Nation* education program, which was offered to Ms. Magnuson's Florida State University School students. *JA Our Nation* was offered through the Junior Achievement Big Bend, which provides practical information about the need for employees who can meet the demands of the 21st century job market, particularly high-growth, high-demand jobs. The program helps students understand the skills, especially in science, technology, engineering, and math, which will make their futures brighter. Twenty four 5th grade students participated in program.

On December 2, 2014, a member of the Division of Financial Institutions attended the NASCUS Directors College in Lake Mary. Approximately 40 people were in attendance.

On December 10, 2014, Division of Securities staff participated in the Quarterly Roundtable meeting held by the U.S. Securities and Exchange Commission in Miami. Other participants included the Financial Industry Regulatory Authority,

the Federal Bureau of Investigation, the United States Attorney's Office and other State and Federal regulatory and law enforcement agencies. The meeting was held to discuss updates from participating agencies on new and/or significant trends or concerns in securities and/or investment fraud matters. Other issues discussed included whistleblower programs and suggestions for joint outreach events. Approximately 45 securities regulatory members attended.

On December 16, 2014, the OFR Office of Communications released a consumer alert regarding advance fee loan scams.

[Consumer Alert: Advance Fee Loan Scams](#)

On December 14, 2014, a letter to the editor by Commissioner Drew J. Breakspear appeared in the Palm Beach Daily News.

[Palm Beach Daily News: Florida office polices securities industry](#)

3. Substantial Regulatory Actions

Final Order for \$6,500 Fine Against an Investment Adviser Firm and Associated Person for Prohibited Business Practices

On September 30, 2014, the Division of Securities entered a Final Order against Wellspring Wealth Management, LLC, and Michael H. Reynolds for engaging in prohibited business practices by failing to file audited financial statements, maintain required net capital, send clients itemized invoices, and comply with the custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$6,500 administrative fine was paid.

Permanent Bar Against an Investment Adviser Firm and Associated Person for Prohibited Business Practices

On September 30, 2014, the Division of Securities entered a Final Order against TL Taylor Financial Group, LLC, and Tousant Leonard Taylor for engaging in prohibited business practices by charging performance fees to an unqualified client, charging a customer unreasonable advisory fees, and entering into an advisory contract that failed to disclose an accurate fee structure. TL Taylor Financial Group, LLC, and Tousant Leonard Taylor are permanently barred from affiliating or seeking future registration with a dealer, investment adviser or associated person under the Florida Securities and Investor Protection Act, Chapter 517, F.S. In addition, TL Taylor Financial Group, LLC's website is required to be removed from the Internet.

Final Order for \$50,400 Fine Against a Broker Dealer

On September 30, 2014, the Division of Securities entered a Final Order against J.P. Morgan Securities, LLC, for failing to establish an adequate system to monitor the registration status of client services associates and ensure the firm's client services associates were properly registered in Florida. The Final Order follows an investigation into the registration of J.P. Morgan Securities, LLC's client service associates and supervisory system by the North American

Securities Administrators Association (NASAA) Multi-State Working Group. A \$50,400 administrative fine was paid.

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 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.

Permanent Bar and \$1,580,000 in Total Fines Against a Precious Metals Broker and Agents for Fraud

On October 15, 2014, the Division of Securities entered a Final Order against Vertical Integration Group LLC, d/b/a Churchill Clearing Corp, Richard V. Morello, Jr., and Junior L. Alexis permanently barring the firm and individuals from registration with the Office, after they failed to request a hearing. The Final Order follows an Administrative Complaint, which alleged the firm and individuals operated a boiler room, misrepresented and omitted material facts to investors and conducted fraudulent securities transactions. A total of \$1,580,000 in administrative fines was assessed.

Final Order Against an Investment Adviser Firm for Failure to File Financial Statements

On October 23, 2014, the Division of Securities entered a Final Order against Florida Wealth Advisors, LLC, for failure to properly file financial statements. The firm agreed to terminate its registration as an investment adviser with the State of

Florida and agreed not to seek registration as an investment adviser for three years.

Permanent Bar and \$110,000 Fine Against an Associated Person for Fraud

On October 24, 2014, the Division of Securities entered a Final Order against Ralph Oelbermann, permanently barring Mr. Oelbermann from registration with the OFR, after he failed to timely request a hearing. The Final Order follows an Administrative Complaint, which alleged Ralph Oelbermann falsified customer account documents and conducted fraudulent securities transactions. An administrative fine of \$110,000 was assessed.

Revocation of Associated Person

On November 3, 2014, the Division of Securities entered a Final Order against David Walton Matthews, Jr., revoking his registration as an associated person, after he failed to request a hearing. The Final Order follows a Notice of Intent to Revoke, which alleged Mr. Matthews was the subject of an administrative order issued by FINRA, a national securities association.

Final Order for \$20,000 Fine Against an Investment Adviser Firm and Associated Person for Prohibited Business Practices

On November 6, 2014, the Division of Securities entered a Final Order against Regent Investment Advisors, Inc., and Timothy C. Mingo for engaging in prohibited business practices by failing to maintain accurate financial statements, file audited financial statements, maintain required net capital, maintain an accurate Form ADV, send clients itemized invoices and comply with the custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$20,000 administrative fine was paid.

Suspension of Investment Adviser Firm and Associated Person

On November 6, 2014, the Division of Securities entered a Final Order against Hammond Asset Management, LLC, and Harry Shaw Hammond suspending their registration as an Investment Adviser and Associated Person with the Office. The suspension is for one year, to run concurrently with Mr. Hammond's suspension by FINRA, a national securities association.

Suspension and \$10,000 Fine Against an Associated Person for Prohibited Business Practices

On November 10, 2014, the Division of Securities entered a Final Order against Patrick McGrath, III, for engaging in prohibited business practices by accepting loans from a customer, failing to timely repay the loans and failing to obtain written pre-approval from his employing broker dealer firm for the lending arrangements with the customer. Pursuant to the Final Order, Mr. McGrath's registration as an associated person is suspended for 30 days. After the suspension is completed, Mr. McGrath will be subject to a registration agreement.

Two-Year Bar Against an Associated Person for Prohibited Business Practices

On November 17, 2014, the Division of Securities entered a Final Order against Jon Fred Larson for engaging in prohibited business practices by executing an unauthorized trade in a customer's account and failing to report the customer's complaint to his employing broker dealer firm. Jon Fred Larson is barred for two years from affiliating or seeking future registration with a dealer, investment adviser or associated person under the Florida Securities and Investor Protection Act, Chapter 517, F.S.

Permanent Bar and \$165,258 in Total Fines Against Unregistered Broker Dealers and Associated Persons for Fraud

On November 17, 2014, the Division of Securities entered a Final Order against Advanced Equity Partners, LLC, Advanced Equity Partners Management Group, Inc., JJHLD, LLC, Stuart Mark Rubens and Peter Dale Kirschner permanently barring them from affiliating or seeking future registration as a dealer, investment adviser or associated person under the Florida Securities and Investor Protection Act, Chapter 517, F. S. The Final Order follows an Administrative Complaint, which alleged the firms and associated persons offered and sold unregistered securities, engaged in securities business in Florida without being registered, operated a boiler room and conducted fraudulent securities transactions. A total of \$165,258 in administrative fines was assessed.

Denial of Associated Person

On December 9, 2014, the Division of Securities entered a Final Order against Richard Winsor Ohrn, 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. Ohrn is the subject of a pending enforcement action issued by FINRA, a national securities association.

Fine Assessed for Unlicensed Activity

On December 9, 2014, the Division of Consumer Finance entered a Final Order after receiving the first of four installments of \$50,437 from TransferMate, Inc. The fine was assessed for unlicensed money services business activity.

Revocation of Loan Originator License

On December 12, 2014, the Division of Consumer Finance entered a Final Order, revoking the loan originator license for Ronel Laurent. Ronel Laurent was arrested with two felony charges of robbery and grand theft. Ronel Laurent was also issued an administrative fine of \$1,000.

Two-Year Bar and \$7,500 Fine Against an Unregistered Associated Person

On December 12, 2014, the Division of Securities entered a Final Order against Chad E. Hill for selling unregistered securities and engaging in securities transactions in Florida without being registered. Mr. Hill is barred for two years from affiliating or seeking future registration with a dealer, investment adviser or

associated person under the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$7,500 administrative fine was paid.

Permanent Bar and \$5,000 Fine Against an Unregistered Associated Person

On December 18, 2014, the Division of Securities entered a Final Order against Gary M. Paulzak for selling unregistered securities and engaging in securities transactions in Florida without being registered. Mr. Paulzak is permanently barred from affiliating or seeking future registration with a dealer, investment adviser or associated person under the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$5,000 administrative fine was paid.

Revocation of Loan Originator License

On December 18, 2014, the Division of Consumer Finance entered a Final Order, revoking the loan originator license for Glorianny Guevara. Glorianny Guevara was arrested for public assistance fraud.

Fine Assessed for Unlicensed Activity

On December 18, 2014, the Division of Consumer Finance entered a Final Order after receiving the first of two installments of \$26,037 from CambioReal, Inc. The fine was assessed for unlicensed money transmission activity.

Denial of Associated Person Applications

From October 1 to December 31, 2014, the Division of Securities denied two applications for registration as an associated person. The Notices of Intent to Deny, in each case, alleged that the associated person made a material misrepresentation or misstatement on their application for registration as an associated person.

Fines Totaling \$81,000 for Unregistered Activity

From October 1 to December 31, 2014, the Division of Securities fined twelve associated persons and one firm for engaging in unregistered investment advisory or securities activities in the State of Florida. A total of \$81,000 in administrative fines were assessed.

4. Significant Enforcement Actions

Four Arrested in Alleged Palm Beach County Investment & Money Laundering Scheme

On October 24, 2014, the OFR, the Attorney General's Office and the Florida Department of Law Enforcement brought down a \$1.2 million money laundering scheme that targeted at least 17 people from around the country and their retirement funds. The collaborative investigation culminated with the arrest of four people who allegedly operated several shell companies to broker the buying and selling of precious metals as an investment option when, in reality, less than one percent of the money the victims withdrew from their retirement funds was used for these types of investments. The defendants assured the people they targeted, the majority of whom were senior citizens, that the investments would

turn a quick profit. The six defendants opened more than 30 bank accounts to which victims mailed checks or wired funds. The company shell names used by the defendants were Bowman & Poole, Inc., Cavallo Consulting Group, Inc., DMR & BMR Corp., DRBR Financial, Inc., JD&A Investment Services, Inc., JDC United Metals, Corp., Project Insider Development Investments, LLC, and Project Insider, Inc. All of the defendants are facing charges in a racketeering information for grand theft, fraudulent securities transactions, money laundering and unlicensed telemarketing. If convicted, they face substantial prison time, fines and restitution. Two of the six who participated in the scheme remain at-large. This was a joint investigation between OFR and FDLE. The Office of the Statewide Prosecution will be prosecuting this case.

[Press Release: Six Individuals to be Arrested for More Than \\$1.2 Million Scheme Targeting People's Retirement Funds](#)

Five Arrested in Investment Fraud Scheme

On October 28, 2014, federal grand jury indictments were unsealed against defendants Christopher Anzalone, Jeffrey Schuler, Jacob Bradshaw, David O. Boyce and Benjamin Williams. The defendants were charged with various offenses including mail fraud, wire fraud and conspiracy to commit mail and wire fraud. The charges they face stem from their involvement in an elaborate fraud scheme involving purported investments in precious metals and stocks. The investments were sold under various corporate names including Liberty International Holdings Corporation (LIHC), Liberty International Financial Services (LIFS), Allied Strategies, Inc., Allied Marketing, LLC, and DBA Clearing, LLC. The OFR investigation related to Allied Marketing, LLC, and Allied Strategies, Inc. (Allied). Allied's bank records along with investors' sworn statements revealed that defendants raised \$3.3 million from 23 investors from March 2013 to October 2013. Allied investors were led to believe that LIHC stock had value due to the company's holdings in real estate and/or precious metals, when in fact, LIHC had no holdings in real estate or precious metals. The review of financial records revealed that the money raised by Allied from investors was never used for the purposes represented to the investors. Instead, the money was used to pay sales commissions and for Anzalone's personal benefit. This investigation was developed jointly by the OFR and the FBI. The U.S. Attorney's Office in Miami is prosecuting the case.

[Press Release: Five Charged In \\$16 Million Investment Fraud](#)

Brevard Men Plead Guilty in Ponzi Scheme Involving Phony Certificates of Deposit

On November 12, 2014, Donald Ray Babb of Merritt Island and Ralph Ruth of Melbourne each pled guilty to one count of conspiracy to commit wire fraud in violation of 18 U.S.C. § 1349 in United States District Court for the Middle District of Florida. From June 2006 through December 2013, Babb and Ruth bilked 181 investors out of nearly \$19 million through their companies, First Merchant Capital, LLC, Capstar Industries, LLC, and Southeast Mutual Insurance and Investment, LLC, located in Melbourne and Tampa, Florida. Ruth and Babb

solicited investors through advertisements in local newspapers for Certificates of Deposit (CDs) with high rates of return. The companies were falsely represented as licensed financial institutions whose deposits were insured by the FDIC. Funds raised through CD sales were not used to purchase CDs, but rather were used to pay returns to other investors in the form of interest payments, as well as to pay the personal expenses of Babb and Ruth. Babb and Ruth mailed quarterly statements falsely detailing investor account balances from purported CDs sold by First Merchant, LLC, Capstar Industries, LLC, and/or Southeast Mutual Insurance and Investment, LLC. The charges carry a maximum penalty of up to 20 years in prison. The plea agreement calls for a forfeiture of assets and a money judgment in the amount of \$18,731,125.58. The OFR opened the investigation on First Merchant Capital on October 18, 2013. On November 27, 2013, the OFR obtained a court order imposing a Temporary Injunction and Appointment of Receiver against Babb and Ruth and the related companies. Michael Moecker & Associates was appointed as receiver. OFR Investigators worked with the receiver to uncover assets and secure the office locations. In addition to taking over the company, the receiver has frozen multiple bank accounts and uncovered assets including three boats, three aircrafts and four properties, which will be sold for the benefit of defrauded investors. This OFR investigation was developed jointly with the FBI and the Brevard County Sheriff's Office. The U.S. Attorney's Office in Orlando is prosecuting the case.

Tampa Man Enters Plea Agreement For Role in Investment Fraud

On November 18, 2014, Albert Joseph Scipione entered into a plea agreement in the United States District Court, Middle District of Florida. Scipione agreed to enter a plea of guilty to one count of conspiracy to commit wire fraud in violation of 18 U.S.C. § 371 for his role in the operation of Traders Café, a company located in downtown Tampa that offered a purported trading platform and 20:1 leverage to day traders identified through social media and internet web sites. Traders Café was established in July 2012 by Scipione and his business partner, Matthew Ionno, who pleaded guilty in July 2014 to conspiracy to commit wire fraud. Scipione and Ionno represented to traders that they had a proprietary trading platform, that Traders Café maintained a secured escrow account and designated trading accounts that would be established for clients. Scipione and Ionno did not inform clients that their funds would be used to cover operating expenses as well as their own personal expenses. The investigation determined that more than \$473,000 was transferred to a bank account in the name of Traders Café. The funds were not placed into a designated trading account, but rather used to cover operational expenses of the company and personal expenses of Scipione and Ionno. Traders Café, Scipione and Ionno were not registered with the SEC or the OFR in any capacity. Scipione is scheduled to enter a guilty plea on December 5, 2014. Ionno is scheduled to be sentenced January 14, 2015. They each face up to five years in prison and a judgment in the amount of \$473,741.74, representing restitution to the victims. This OFR investigation was developed jointly with the FBI. The U.S. Attorney's Office in Tampa is prosecuting the case.

Defendant Sentenced for Role in Ponzi Scheme

On December 1, 2014, Ruth Rodriguez-Liverpool was sentenced to three years of time served in prison and seventeen years of probation for her role in an investment fraud scheme. On July 22, 2011, Liverpool was arrested and charged with first degree organized fraud. The OFR investigation revealed that from March 2007 through December 2008, Liverpool obtained \$2,485,000 from 60 investors nationwide. Liverpool claimed she managed and controlled an import and export company that purportedly generated profitable returns for investors by shipping materials to Haiti. The investigation determined little or no income was generated by the purported shipping operation and there was no way for Liverpool to generate the high rates of return promised to investors. Instead, Liverpool used new investors' funds to pay returns to earlier investors and misappropriated investors' money for her personal gain. The Broward County State Attorney's Office prosecuted this case.

Online Dating Conman Found Guilty of Grand Theft

On December 8, 2014, Scott Campbell was found guilty of one count of grand theft over \$100,000 after a weeklong trial. Campbell had previously been arrested on June 5, 2013, by Flagler County Sheriff's Deputies on an Osceola County warrant based on allegations that he had obtained in excess of \$1,000,000 from victims. Campbell is scheduled to be sentenced on February 13, 2015. The investigation revealed that, since 2003, Campbell had been approaching women, mostly through the use of online dating sites and offering them investment opportunities in his businesses: BDO Records, Inc. and Give Me A Chance Talent Agency, Inc. Campbell allegedly would show interest in building personal relationships with his victims, but quickly introduced them to his businesses and sought their investments instead. Campbell represented himself and his businesses as being successful and stated that the investments would be used for recordings and upcoming tours. In contrast to his promises, Campbell put the investors' funds to personal use including large amounts spent on gambling. The OFR was responsible for 100 percent of the investigative work on this case. The Osceola County Sheriff's Office, Brevard County Sheriff's Office, Flagler County Sheriff's Office and the Florida Department of Law Enforcement all assisted with Campbell's apprehension. The case was prosecuted by the Office of Statewide Prosecution.

[Press Release: Orlando Man Guilty in Online Dating Scheme](#)

Former North Miami Mayor Convicted for her Involvement in a Multi-Million Dollar Mortgage Fraud Scheme

On December 16, 2014, after a 12-day trial, a federal jury convicted former North Miami Mayor Marie Lucie Tondreau, a/k/a "Lucie Tondreau," 54, for her role in an \$8,000,000 mortgage fraud scheme. Tondreau is scheduled to be sentenced on March 20, 2015. As shown at trial, between December 2005 and May 2008, co-defendant Karl Oreste, 56, of Miramar, Florida, president of KMC Mortgage Corporation of Florida (KMC Mortgage), identified residential properties in South

Florida that were for sale. Oreste and Tondreau (who at the time was a community activist) hosted several radio show programs in the South Florida area where they advertised the services offered by KMC Mortgage. Oreste and Tondreau recruited and paid some of the listeners who responded to those advertisements, as well as other individuals, to pose as borrowers and purchase properties identified by Oreste. Oreste and co-defendant Okechukwu Josiah Odunna, a/k/a "O.J. Odunna," 49, of Lauderdale Lakes, Florida, as well as other co-conspirators, prepared or caused to be prepared loan applications on behalf of straw borrowers recruited by Oreste and Tondreau. Odunna was an attorney previously licensed to practice law in Florida, and president of O.J. Odunna, P.A. and Direct Title and Escrow Services (Direct Title). These loan applications included false information relating to employment, wages, assets and intent to make the property being purchased a primary residence. The loan applications and documents were submitted by co-conspirators to various mortgage lenders throughout the United States. At closing, a portion of loan proceeds were disbursed to Oreste who also transferred a substantial portion of the funds to Tondreau. Tondreau received in excess of \$300,000 into a business account controlled by her, and in excess of \$100,000 into her personal bank accounts. Oreste previously pled guilty to conspiracy to commit wire fraud and is scheduled to be sentenced on January 12, 2015. This investigation was developed jointly by OFR and the FBI. The U.S. Attorney's Office in Miami prosecuted the case. [Press Release: Former North Miami Mayor Convicted for Her Involvement in a Multi-Million Dollar Mortgage Fraud Scheme](#)