

GOVERNOR RICK SCOTT
WEEKLY EOG AGENCY REPORT
OFFICE OF FINANCIAL REGULATION
WEEK ENDING August 16, 2012

Successes for Week Ending August 16, 2012

1. Licensing and Registration

The Division of Consumer Finance received 496 applications, approved 483 applications, and 13 applications were denied or withdrawn.

The Division of Securities received 1,016 applications, approved 1,028 applications; and 4 applications were denied or withdrawn.

2. Enforcement Results

Global Bullion Trading Group

On August 9, 2012, a federal indictment was unsealed in Miami charging Arthur John Schlecht, Frederick Gomer, Carlos Rodriguez and Ricardo Padron with conspiracy to commit mail and wire fraud in connection with an elaborate precious metals investment fraud through Global Bullion Trading Group and WJS Funding, Inc.

The indictment alleges the defendants operated an in-house telemarketing operation which solicited the general public to invest in precious metals with leveraged/margin accounts. Investors were induced to believe that they were purchasing the physical metals and that their metals would be held in personalized accounts. Investors were told they had the ability to take possession of the precious metals at any time subject to handling fees, postage and insurance. The telemarketing operation brought in more than \$48 million from investors. The joint state and federal investigation revealed the defendants did not purchase precious metals or maintain individual accounts on behalf of investors and instead diverted substantial sums for their personal benefit.

Press Release: [Four Charged in Precious Metals Investment Scheme](#)

Michael Thomas Hardman

On August 8, 2012, Michael Thomas Hardman was arrested on state charges of two counts of sale of unregistered securities and sale of securities by an unregistered dealer. It is alleged that since at least March 2005, Hardman sold notes issued by Tech Support Systems, Inc., a company he owned and controlled, to friends and acquaintances he met primarily through Alcoholics Anonymous. He also found investors through the preparation of their income tax

returns. Hardman is further alleged to have told investors their money would be invested in a guaranteed fund and assured them their money was not at risk.

New Issues

1. Outreach Programs

The Division of Consumer Finance conducted a first time home buyer's seminar. The seminar was conducted in Pensacola and is part of an ongoing series of seminars conducted by the Division.