GOVERNOR RICK SCOTT

MONTHLY AGENCY ACHIEVEMENT REPORT

OFFICE OF FINANCIAL REGULATION

JULY 2012

JULY ACHIEVEMENTS

1. **Substantial Sanctions**

   Final Order for $100,000 Fine and Offer of Rescission to Florida Customers against an Unregistered Issuer Dealer and Agents for Offering and Selling Unregistered Securities

   On July 2, 2012, the Division of Securities issued a Final Order against LendingClub Corporation, Renaud Laplanche and Patrick Gannon for engaging in securities business in the state of Florida without being registered to conduct securities business in Florida and for offering and selling unregistered securities. From September 21, 2010 to January 8, 2012, LendingClub, Mr. Laplanche and Mr. Gannon offered and sold 849 member notes valued at initial issuance of $9,571,075 to Florida residents without being registered with the Office. LendingClub has agreed to offer rescission to their Florida customers who purchased the unregistered member notes and to pay a $100,000 administrative fine to the Office. Pursuant to the Final Order, LendingClub shall be registered as an Issuer Dealer and Mr. Laplanche shall be registered as an Issuer Dealer Agent.

   Final Order for $697,250 Fine and Permanent Bar against a Fund Issuer and Manager for Fraud

   On July 20, 2012, the Division of Securities entered a Final Order against Jose Salvador Rubio and Rubio Wealth Management, LLC, for the following: omissions and misrepresentations of material fact to investors regarding the Rubio Trading Group, LP Hedge Fund (RTG Hedge Fund); converting investors' monies in the RTG Hedge Fund to pay personal expenses; commingling investor funds with non-investor funds; and failure to provide investors with an audit of the RTG Hedge Fund. Administrative fines of $346,750 and $350,500 were assessed against Mr. Rubio and Rubio Wealth Management, LLC, respectively. Mr. Rubio and Rubio Wealth Management, LLC are permanently barred from submitting any application or notification for a license or registration with the Office.

2. Enforcement Results

On July 23, 2012, Defendant Julio Mercado, a resident of Wellington, Fla., was sentenced to five years in prison after he pled guilty to grand theft and organized scheme to defraud. From 2009 through 2010, Mercado stole a total of $304,500 from six investors by soliciting them to purchase precious metals and individual stocks by masquerading as a representative of Lexington Financial Group, a Massachusetts based investment firm with the same name. The investigation revealed Mercado never purchased metals or stocks; instead, he converted the investor funds for his personal benefit.

3. Outreach Programs

On July 30, 2012, Division of Securities staff participated in the *Securities and White Collar Crime Roundtable* meeting held in Miami with the U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Federal Bureau of Investigation and the United States Attorney's Office.

On July 13, 2012, representatives from the Division of Consumer Finance attended the Florida Association of Mortgage Professionals (FAMP) Annual Convention in Tampa. 420 participants attended the convention.
On July 13, 2012, 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.

On July 10, 2012, the Division of Consumer Finance conducted a military home buyer's seminar. The seminar was conducted in Fort Walton Beach and is part of an ongoing series of seminars conducted by the Division.

4. Monthly Statistics

- Division of Securities
    - Examinations Opened: 11
    - Examinations Closed: 16
    - Complaints Received: 11
    - Complaints Closed: 19
    - Applications Received: 3471
    - Applications Approved: 3434
    - Applications Denied/Withdrawn: 15

- Division of Consumer Finance
    - Examinations Opened: 14
    - Examinations Closed: 43
    - Complaints Received: 209
    - Complaints Closed: 260
    - Applications Received: 2244
    - Applications Approved: 2120
    - Applications Denied/Withdrawn: 81