

GOVERNOR RICK SCOTT

WEEKLY AGENCY REPORT

OFFICE OF FINANCIAL REGULATION

WEEK ENDING August 25, 2016

Successes for Week Ending August 25, 2016

1. Licensing and Registration

- Division of Securities
 - Applications Received: 1,137
 - Applications Approved: 1,173
 - Applications Denied/Withdrawn: 12

- Division of Consumer Finance
 - Applications Received: 380
 - Applications Approved: 464
 - Applications Denied/Withdrawn: 5

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 - Applications Denied/Withdrawn: 0

2. Regulatory Sanctions

Final Order for \$15,000 Fine Against an Investment Adviser Firm for Violations of Rules

On August 12, 2016, the Division of Securities entered a final order against Investment By Planning, Inc., for violations of rules by failing maintain an accurate Form ADV, prepare and maintain written investment advisory client suitability information for all of its clients, maintain accurate investment advisory contracts, file audited financial statements, send clients itemized invoices and comply with the safekeeping and custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. In addition, the firm exercised discretion of a client's account without first obtaining written discretionary authority from the client. A \$15,000 administrative fine was paid.

3. Enforcement Results

Man Pleads Guilty to Investment Fraud

On August 16, 2016, Anthony St. Prix pleaded guilty to charges of racketeering, conspiracy to commit racketeering, grand theft and organized scheme to defraud in connection with a fraudulent real estate investment scheme. He will be sentenced on November 1, 2016. Wanda Morales, St. Prix's wife and co-conspirator in the scheme, pled guilty to conspiracy to racketeering and was

sentenced to five years of supervised release. This case was opened based upon investor complaints to the Florida Attorney General's Office, which were referred to the OFR. From approximately July 2005 to September 2008, St. Prix and Morales operated a real estate investment scam victimizing more than 140 primarily Haitian-Americans in South and Southwest Florida. St. Prix is alleged to have sought investors to participate in "pooled investments" for property development in Southwest Florida as well as investments in foreign currencies, commodities and collateralized mortgage obligations. The investigation revealed that all were fraudulent offerings involving misrepresentations by St. Prix. The victims signed contracts and invested more than \$3 million based on those misrepresentations. In a separate matter, St. Prix is alleged to have defrauded another investor out of \$170,000 in February 2016. The investor was promised a return of \$1,000,000 within 15 days of his investment of \$20,000 in a Venezuelan bond. St. Prix is alleged to have taken a \$150,000 advance fee from the investor victim on the promise of obtaining a \$10,000,000 loan for his business. The investigation could not confirm the existence of a Venezuelan bond or find evidence that a \$10,000,000 loan was being secured by St. Prix. A trial is still pending in this matter. The Office of Statewide Prosecution is prosecuting both cases against St. Prix.

New Issues

No new issues to report this week.