

# GOVERNOR RICK SCOTT

## QUARTERLY AGENCY ACHIEVEMENT REPORT

### OFFICE OF FINANCIAL REGULATION

January – March 2017

#### JANUARY THROUGH MARCH 2017 ACHIEVEMENTS

##### 1. Quarterly Statistics

- Division of Securities
  - Examinations Opened: 78
  - Examinations Closed: 65
  - Complaints Received: 74
  - Complaints Closed: 60
  - Applications Received: 15,989
  - Applications Approved: 15,453
  - Applications Denied/Withdrawn: 275
  
- Division of Consumer Finance
  - Examinations Opened: 125
  - Examinations Closed: 147
  - Complaints Received: 430
  - Complaints Closed: 397
  - Applications Received: 9,232
  - Applications Approved: 8,734
  - Applications Denied/Withdrawn: 158
  
- Division of Financial Institutions
  - Examinations Opened: 11
  - Examinations Closed: 15
  - Complaints Received: 127
  - Complaints Closed: 169
  - Applications Received: 9
  - Applications Approved: 10
  - Applications Withdrawn: 1
  
- Bureau of Financial Investigations
  - Investigations Opened: 32
  - Investigations Closed: 40

##### 2. Communications and Outreach Activities

On January 10, 2017, the OFR released a press release regarding the release of its annual Fast Facts.

[Press Release: Florida Office of Financial Regulation Releases Annual Fast Facts](#)

On January 12, 2017, the OFR released a press release regarding the \$500,000 fine of three consumer finance companies.

[Press Release: Consumer Finance Companies Fined \\$500,000](#)

On January 17, 2017, the OFR released a consumer alert on tax-refund fraud.

[Consumer Alert: Tax-Refund Fraud](#)

On January 26, 2017, a member of the Division of Financial Institutions participated on a safety and soundness seminar regulatory panel held by the Florida Bankers Association.

On January 27, 2017, the OFR released a press release regarding the conviction of a Flagler Beach former pastor for investment fraud.

[Press Release: Former Associate Pastor Convicted of Investment Fraud](#)

On January 30, 2017, a member of the Division of Consumer Finance participated in a meeting in Washington D.C., with Conference of State Banking Supervisors staff and contractors regarding the next generation of the Nationwide Multi-State Licensing System (NMLS 2.0). The purpose of the meeting was to discuss the core tenets of the NMLS 2.0 capabilities, including feedback and conclusions reached from the meetings held with licensees.

On January 31, 2017, eight members of the Division of Financial Institutions attended the annual National Credit Union Association meeting to discuss exam related topics for 2017.

On February 1, 2017, the OFR released a press release regarding the guilty plea of an unlicensed debt collector for fraud.

[Press Release: Unlicensed Debt Collector Pleads Guilty to Fraud](#)

On February 2, 2017, a member of the Division of Securities participated in the U.S. Securities and Exchange Commission (SEC) White Collar Crime Roundtable meeting at the SEC Regional Office in Miami. Approximately 45 people from the state of Florida and federal law enforcement and regulatory agencies attended.

On February 2, 2017, the OFR released a press release regarding the arrest of a St. Petersburg Man in an advance fee loan scam.

[Press Release: St. Petersburg Man Arrested in Advance Fee Loan Scam](#)

On February 23, 2017, a member of the Division of Securities represented the OFR on a panel discussion at the Hillsborough County Bar Association Securities Law Section meeting in Tampa. Other panelists included representatives from

the securities industry, Financial Industry Regulatory Authority (FINRA) and the local judiciary. Panelists discussed current hot topics, examination and investigations priorities, recent examination deficiency trends, senior investor protection and product suitability, social media, cybersecurity and senior investors. Approximately 50 attorneys attended.

On February 27, 2017, the OFR released a consumer alert celebrating America Saves Week.

[Consumer Alert: America Saves Week](#)

On February 28, 2017, a member of the Division of Securities participated in a panel discussion at the CNA Insurance and Broker Dealer Conference in Tampa. Registered representative and investment adviser business practices were discussed. Approximately 85 securities and insurance industry members attended.

On February 28 - March 2, 2017, the OFR, in conjunction with the National White Collar Crime Center, held a Financial Records Examination and Analysis class in Orlando. The program was attended by 25 OFR employees from Division of Securities, Division of Finance and Bureau of Financial Investigations. The course covered the acquisition, examination, and analysis of many types of financial records, including bank statements and checks, wire transfer records, and business records.

On March 7, 2017, Deputy Commissioner Pam Epting and a member of the Division of Securities attended the Association of Registration Management Conference in Amelia Island. Deputy Commissioner Epting spoke on the North American Securities Administrators Association (NASAA) Regulator Panel. Topics discussed included state enforcement trends in the broker dealer and investment adviser area, state legislative and regulatory issue initiatives focusing on registration and licensing and senior investor issues. Approximately 171 members of the regulatory and securities industry attended the conference.

On March 8, 2017, a member of the Division of Securities was a panelist for a webinar called "Leave it to the States – Compliance and Registration Priorities for Broker Dealers and Investment Advisers." The webinar was hosted by the National Society of Compliance Professionals. Approximately 230 securities compliance and registration professional participated.

On March 8, 2017, several members of the Division of Financial Institutions participated in the Florida Directors College and Executive Forum sponsored by the National Association of State Credit Union Supervisors in Orlando.

On March 24, 2017, two member of the Division of Consumer Finance met with the Florida Collectors Association in Tallahassee. Topics included trends in

complaints, enforcement issues, registration trends and recent renewal statistics. Approximately 10 members of the Florida Collectors Association were present.

During the months of January - March of 2017, two members of the Division of Securities organized and conducted training programs for the Division's examination and legal staff. The programs consisted of training on the examination life cycle, exam techniques, regulatory and examination databases, and other new examiner related materials. The training programs were conducted via webinars or conference calls. A total of approximately 35 staff members participated in these training sessions.

On March 29, 2017, the OFR issued a press release regarding the sentencing of a former Flagler beach pastor in an investment fraud case.

[Press Release: Former Flagler Beach Pastor Sentenced in Investment Fraud Case](#)

### **3. Enforcement Actions**

#### **Man Pleads Guilty for Role in Investment Fraud**

On January 9, 2017, Timothy Roberts, of Chesterfield, Missouri, pleaded guilty to wire fraud for his role in the operation of Savtira Corporation, Inc., a purported internet technology firm which operated from 2010 until 2012. Roberts was the CEO and Chairman of the Board of Savtira. The conviction follows a federal grand jury indictment unsealed on September 9, 2015, in U.S. District Court in Tampa, against Roberts and Terrance Taylor, a resident of North Fort Myers, and Savtira's Executive Vice President of Finance. The indictment charged Roberts and Taylor with one count each of conspiracy to commit wire fraud and five counts of wire fraud. Taylor is currently set for trial in April 2017. Incorporated in 2011, the company purportedly offered a centralized, cloud-based shopping cart platform for online and traditional retailers to sell goods. Roberts and Taylor are alleged to have sold stock in Savtira to victim investors by making false claims upon which those investors relied. The alleged bogus claims included misrepresentations about the company's profitability, the company's supposed contracts with nationally recognized technology firms, the company's ownership of certain patents and the overall valuation of the company. Roberts and Taylor are also alleged to have failed to disclose to investors that Roberts was a party to a settlement agreement with the Securities and Exchange Commission (SEC) in 2008 that required him to pay a fine and banned him from selling unregistered securities. The joint OFR-FBI investigation revealed that the stock certificates that Roberts and Taylor sold to investors were essentially worthless and that the proceeds from those sales were used by both men for personal expenses and cash withdrawals. Contrary to the defendants' representations, Savtira did not own any patents or a working product. Instead, in order to give the appearance of a thriving business, Roberts and Taylor are alleged to have generated bogus invoices and receivables, making it appear as if Savtira had millions in revenue, falsely bolstering the company's value and ability to factor invoices for cash. In all, Roberts and Taylor raised approximately \$5.3 million from investors

nationwide and from factoring bogus invoices. Simultaneous with the unsealing of the indictment, the SEC filed a separate, civil enforcement action against the defendants, charging them with securities fraud. The case is being prosecuted by the United States Attorney's Office for the Middle District of Florida in Tampa. A sentencing date for Roberts is pending.

#### Pembroke Pines Viatical Settlements Provider Sentenced to Four Years in Federal Prison for Investment Fraud Scheme

On January 12, 2017, Giovanni Vasquez, of Pembroke Pines, was sentenced to 48 months in federal prison for his role in an elaborate investment fraud scheme involving the purchase of life insurance policies from individuals with a short life expectancy (a practice known as life or viatical settlements) using funds obtained from investors. Vasquez was the CEO of Global Wealth Creations, LLC ("GWC") and was in direct control of the business and its fraudulent practices. The OFR's investigation revealed that GWC operated from 2008 through 2011, resulting in combined losses of approximately \$4.2 million dollars to approximately 40 victims. As part of the scheme, Vasquez maintained an office in Miami from which he would recruit financial advisors to target seniors with substantial retirement savings. Vasquez is also believed to have sold viatical settlements in some cases directly to certain investors. Investors in GWC were led to believe that their investments were safe because the company invested only in life insurance policies that were "secured" by life insurance companies. Investors were falsely promised a 10 percent annual return on their investments over a five-year period and were given investment performance letters that grossly misrepresented the company's financial condition, inflating the amount of profits the company supposedly generated from its investments. Contrary to these representations, the investigation found that GWC only purchased one life insurance contract and that contract never resulted in a benefit payout due to misrepresentations. Rather than using investor funds to purchase additional insurance contracts, the investigation revealed that investors' funds were used for the benefit of Vasquez, who paid himself a salary and bonuses with the money, or used it for personal or unrelated business expenses. Vasquez is scheduled to begin his four-year prison sentence on February 9, 2017, after which he will serve three years of probation. Vasquez was further ordered to pay \$4,283,604.76 in restitution. This investigation was developed jointly with the FBI and was prosecuted by the U.S. Attorney's Office in Miami.

#### Flagler Beach Former Pastor Convicted of Investment Fraud

On January 26, 2017, following a three-day trial in Flagler County Circuit Court, a jury returned a guilty verdict against Wesley Alan Brown on 19 felony charges including the sale of unregistered securities, the sale of securities by an unregistered dealer, securities fraud, theft and organized scheme to defraud. From December 2010 through June 2012, Brown, a former associate pastor at a Flagler Beach area church, solicited church members to invest in the stock of Maverick International, Inc. Brown told investors that Maverick was a diversified private company located in Delaware that invested in precious metals and commodities. He also told investors that he invested in the company himself and

that the investments had no risk and high potential for growth. Brown did not make any other disclosures to investors as required by law. In or around October 2012, Brown informed investors that their entire investment in Maverick was lost due to a collapse of a third-party commodities brokerage firm that held Maverick's investments. The investigation revealed, however, that Maverick, which was operated by Brown's brother in law, invested in highly speculative commodities futures and suffered substantial losses as a result of unsuccessful trading. Additionally, it was determined that Brown deposited at least \$60,000 of investors' money directly into his personal account in the name of "Wesley Alan Brown DBA Maverick International," and used the funds for his personal expenses. Bank records also revealed that Maverick paid Brown's credit card bills totaling more than \$84,000. The investigation did not find evidence that Brown invested any of his own funds in Maverick as represented to investors. Following the trial, Brown was remanded into the custody of the Flagler County Jail to await sentencing. A sentencing hearing is tentatively scheduled for March 2017. Brown is facing up to 5 years in prison for each felony conviction related to the securities and theft charges. Additionally, Brown is facing up to 30 years in prison for the conviction in the organized scheme to defraud charge. This investigation was conducted in conjunction with the Flagler County Sheriff's Office, the Flagler County State Attorney's Office and the Commodities Futures Trading Commission. The case was prosecuted by the State Attorney's Office, 7th Judicial Circuit, Flagler County.

#### Unlicensed Debt Collector Pleads Guilty to Fraud

On January 30, 2017, Robert Dana Brown, formerly of Ft. Myers, entered a guilty plea in Lee County Circuit Court to a charge of communications fraud. Brown was arrested in June of 2015, for his role in a scheme to defraud homeowners' associations (HOAs) in Lee County by claiming to provide the services of a debt collector but failing to remit payments to his clients as required by law. Brown received a withhold of adjudication and was sentenced to time served and two years of probation. Brown was also ordered to pay cash restitution of more than \$105,135 to 12 HOAs and agreed to never again act as a debt collector in Florida. Brown was previously licensed as a debt collector from 2008 to 2012. In his role as president and owner of Leading Association Solutions, Inc., (a formerly licensed consumer collection agency), Brown collected at least \$56,000 in outstanding homeowners' association dues on behalf of three HOAs in Lee and Collier Counties. Brown was further alleged to have failed to remit those collected funds to their rightful owners. On July 2, 2014, Circuit Judge Keith Kyle of Lee County issued a search warrant for the seizure of more than \$180,000 maintained by Brown at First Citizens Bank in Ft. Myers. All funds seized were shown to have been derived from Brown's consumer collection activities. The investigation revealed that from 2008 to 2012, Leading Association Solutions collected more than \$4 million from more than 400 client accounts to satisfy property liens held on behalf of the HOAs. The investigation also revealed that Brown owed more than \$48,000 to an additional nine HOAs that did not file a complaint and possibly were not aware of the money owed them. The OFR was

the lead investigative agency in this matter working in conjunction with the Lee County Sheriff's Office. The U.S. Marshalls Service in Seattle effected Brown's arrest. The case was prosecuted by the State Attorney's Office, 20th Judicial Circuit for Lee County.

#### St. Petersburg Man Arrested in Advance Fee Loan Scam

On January 30, 2017, Darien Levar Bell of Levar & Associates, LLC located in St. Petersburg, was arrested by the St. Petersburg Police Department on a felony warrant issued in Hillsborough County three days earlier. The warrant was issued as a result of an OFR investigation that found that Bell acted as a loan originator without a current, active license and assessed and collected an advance fee from a borrower to provide services as a loan broker. It is alleged that Bell and his Tampa victim met online via a Craigslist ad. Bell's victim sought a \$90,000 mortgage loan to purchase two properties. Bell assured the victim that he would be able to obtain the loan and informed the victim that the victim was required to pay Bell a \$2,500 "refundable commitment fee." After receiving the victim's \$2,500 advance fee, Bell continued to request more documentation and provided multiple excuses as to why the loan was being delayed. A mortgage loan never materialized and the victim has not been refunded the \$2,500 advance fee paid to Bell. This case is being prosecuted by the Hillsborough County State Attorney's Office. Bell was booked into the Pinellas County jail and later released on \$4,000 bond.

#### Duo Plead Guilty to Mortgage Fraud

On February 10, 2017, defendant David Cevallos was adjudicated guilty after having signed a plea agreement with the United States Attorney's Office on February 8, 2017. On January 31, 2017, defendant Osbel Sanchez was adjudicated guilty after having signed a plea agreement with the United States Attorney's Office on January 9, 2017. Each of the two defendants pled guilty to charges of conspiracy to commit wire fraud affecting a financial institution and face a maximum penalty of 30 years in federal prison. On April 29, 2015, Sanchez along Cevallos, were indicted in U.S. District Court for the Middle District of Florida. Sanchez was charged with one count of conspiracy to commit wire fraud and three individual counts of wire fraud. The charges stem from their roles in an elaborate mortgage fraud scheme involving properties in Central and South Florida. Cevallos and Sanchez, in concert with others, bought or facilitated the sale of condominium units at highly inflated prices, funding the purchases through mortgage loans obtained from various financial institutions. The investigation revealed that these mortgage loans were made to credit-worthy straw buyers, who, without the lenders' knowledge or consent, had been recruited by Sanchez and Cevallos to act as borrowers in exchange for compensation. The inflated property valuations allowed the sellers in the transactions, also co-conspirators in the scheme, to sell the homes for significantly more than market value. The proceeds from the sales would then be divided amongst the participants in the scheme. The indictments alleged that Sanchez and Cevallos conspired with others to falsify settlement statements and

mortgage loan applications in order to receive substantial and undisclosed kickbacks from the sellers. Their activities are alleged to have resulted in \$4.2 million in losses. This investigation was part of the U.S. Attorney's Middle District of Florida Mortgage Fraud Initiative and was developed jointly with the OFR/FBI and the Federal Housing Finance Agency. The activities averred in the indictments are alleged to have occurred between 2007 and 2008. Further indictments in the case are anticipated.

#### Duo Plead Guilty to Mortgage Fraud

On February 10, 2017, defendant David Cevallos was adjudicated guilty after having signed a plea agreement with the United States Attorney's Office on February 8, 2017. On January 31, 2017, defendant Osbel Sanchez was adjudicated guilty after having signed a plea agreement with the United States Attorney's Office on January 9, 2017. Each of the two defendants pled guilty to charges of conspiracy to commit wire fraud affecting a financial institution and face a maximum penalty of 30 years in federal prison. On April 29, 2015, Sanchez along Cevallos, were indicted in U.S. District Court for the Middle District of Florida. Sanchez was charged with one count of conspiracy to commit wire fraud and three individual counts of wire fraud. The charges stem from their roles in an elaborate mortgage fraud scheme involving properties in Central and South Florida. Cevallos and Sanchez, in concert with others, bought or facilitated the sale of condominium units at highly inflated prices, funding the purchases through mortgage loans obtained from various financial institutions. The investigation revealed that these mortgage loans were made to credit-worthy straw buyers, who, without the lenders' knowledge or consent, had been recruited by Sanchez and Cevallos to act as borrowers in exchange for compensation. The inflated property valuations allowed the sellers in the transactions, also co-conspirators in the scheme, to sell the homes for significantly more than market value. The proceeds from the sales would then be divided amongst the participants in the scheme. The indictments alleged that Sanchez and Cevallos conspired with others to falsify settlement statements and mortgage loan applications in order to receive substantial and undisclosed kickbacks from the sellers. Their activities are alleged to have resulted in \$4.2 million in losses. This investigation was part of the U.S. Attorney's Middle District of Florida Mortgage Fraud Initiative and was developed jointly with the OFR/FBI and the Federal Housing Finance Agency. The activities averred in the indictments are alleged to have occurred between 2007 and 2008. Further indictments in the case are anticipated.

#### Doral Real Estate Agent Arrested for Investment Fraud

On March 16, 2017, Javier Ortiz, was arrested on charges of organized fraud and grand theft in connection with his alleged role in promoting a fraudulent real estate investment scheme that victimized at least one Florida investor. Ortiz, Managing Member of JOM Property Group, LLC, is alleged to have sold a fraudulent investment opportunity to a South Florida investor based on misrepresentations that the investor's money would be used to purchase and

rehabilitate investment properties. Ortiz is alleged to have told the investor that he had a lifetime of experience in real estate investing and in profiting from flipping homes. In August 2013, the investor gave Ortiz a personal check for \$230,000 to be utilized by JOM Property Group to buy and renovate homes. Contrary to Ortiz's alleged representations, however, an OFR investigation revealed that Ortiz used most of the investor's money for his personal living expenses. Although Ortiz would later purchase a residential property, renovate it, and sell it, he did not share the profits with the investor. The investor made numerous attempts to recover the investment funds with no results. OFR investigators interviewed other investors who placed funds with Ortiz and JOM Property Group. These investors claimed that Ortiz represented himself as a general contractor and accepted funds for various contracting jobs. He is alleged to have taken various deposits on jobs and subsequently failed to perform the work. Ortiz is licensed by the Department of Business and Professional Regulation as a Real Estate Sales Associate but does not hold a General Contractor's license or a license to sell securities. The OFR was assisted in the arrest of Ortiz by detectives with the Florida Department of Financial Services, Division of Investigative and Forensic Services. The case is being prosecuted by the Miami-Dade County State Attorney's Office.

#### **4. Substantial Sanctions and Fines**

##### Final Order for \$3,500 Fine Against an Investment Adviser Firm and Associated Person for Violations of Rules

On December 29, 2016, the Division of Securities entered a final order against Robert Bishop Financial Planning & Services and Robert Thomas Bishop, III, for violations of rules by failing to maintain an accurate Form ADV, send clients itemized invoices, file audited financial statements, maintain and provide accurate investment advisory agreements and comply with the custody and safekeeping requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$3,500 administrative fine was paid.

##### Final Order for \$4,250 Fine Against an Investment Adviser Firm and Associated Person for Violations of Rules

On December 30, 2016, the Division of Securities entered a final order against Ronald W. Crisp, a sole proprietorship, and Ronald W. Crisp, individually, for violations of rules by failing to send clients itemized invoices, maintain required net capital, timely notify the OFR of the firm's net capital deficiency, file audited financial statements, maintain an accurate Form ADV, maintain current investment advisory client suitability information and comply with the custody and safekeeping requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$4,250 administrative fine was paid.

##### Final Order for \$107,750 Fine Against a Check Casher for Unlicensed Activity

On January 5, 2017, the Division of Consumer Finance entered a final order against Step-In Food Mart, Inc., for conducting business as a check casher without a license.

#### Final Order for \$319,500 Against a Money Transmitter for Unlicensed Activity

On January 5, 2017, the Division of Consumer Finance entered a final order against Metavante Payment Services, LLC for conducting business as a money transmitter without a license.

#### Permanent Bar Against an Investment Adviser Firm for Violations of Florida Statutes and Rules

On January 9, 2017, the Division of Securities entered a final order against Atlas One Capital Management, LLC permanently barring the firm from applying for registration as a dealer or investment adviser under the Florida Securities and Investor Protection Act, Chapter 517, F.S. Atlas One Capital Management, LLC was found to have violated Florida Statutes and Rules by failing to maintain an accurate Form ADV, maintain required net capital, timely file financial statements, hire an independent party or certified public accountant to review all fees, expenses and capital withdrawals or conduct an audit of the pooled accounts while having custody of client funds. Pursuant to the final order, Atlas One Capital Management, LLC agreed to offer to purchase investor interests in an investment fund at their net asset value and to immediately withdraw its application for registration from the OFR.

#### Final Order Barring a Check Casher from Licensure for Prohibited Business Practices

On January 11, 2017, the Division of Consumer Finance entered a final order against Tienda Mexicana Los Hermanos, LLC and Osmar Osario Moran for acting as a money services business/check casher without a license. Respondents agreed to not seek a license or act as an affiliated party of another money services business for a period of twenty years in lieu of an administrative fine.

#### Denial of an Associated Person

On January 13, 2017, the Division of Securities entered a final order against Robert Juan Escobio denying his applications for registration as an associated person for being the subject of a decision by a national commodities or option association (National Futures Association) involving violations of its rules.

#### Final Order Barring a Check Casher from Licensure for Prohibited Business Practices

On January 13, 2017, the Division of Consumer Finance entered a final order against Bharat Corporation, Bharat Patel, and Sangita Patel for failing to maintain copies of the personal ID presented for cashing a payment instrument, thumbprints on payment instruments it cashed over \$1,000, a complete electronic log on payment instruments it cashed over \$1,000 and for failing to timely update and amend their license application with accurate financial information and list of officers. Respondents voluntarily surrendered their license

and agreed to not seek a license or act as an affiliated party of another money services business for a period of ten years in lieu of an administrative fine.

#### Final Order Barring a Check Casher from Licensure for Prohibited Business Practices

On January 13, 2017, the Division of Consumer Finance entered a final order against Pro Checks Online, LLC and Pedro Salazar for failure to maintain required customer files, thumbprints on payment instruments it cashed over \$1,000, and endorsements at the time of acceptance on payment instruments it cashed. Additionally, the respondents failed to timely update bank account information on file with the OFR, file currency transaction reports, timely file currency transaction reports, implement their anti-money laundering program, and to provide currency immediately for a payment instrument received and cashed. Respondents agreed to a revocation of their license and agreed to not seek a license or act as an affiliated party of another money services business for a period of fifteen years in lieu of an administrative fine.

#### Final Order for \$70,750 Fine Against a Check Casher for Prohibited Business Practices

On January 13, 2017, the Division of Consumer Finance entered a final order against Shreeji of Ocala, Inc., and Deep Patel for failure to provide annual anti-money laundering (AML) policy training and education and failure to have an annual independent audit review of the AML policy conducted. The respondent also failed to endorse payment instruments with their legal name, maintain copies of payment instruments cashed, maintain copies of the personal ID presented for cashing a payment instrument, maintain records of customer thumbprints, maintain an electronic log for payment instruments cashed over \$1,000 and maintain an active registration with the Financial Crimes Enforcement Network.

#### Final Order Barring a Mortgage Lender from Licensure for Prohibited Business Practices

On January 13, 2017, the Division of Consumer Finance entered a final order against Baralt Mortgage Company and Mary Baralt for submitting a financial audit report audited by an unlicensed certified public accountant. Respondents agreed to surrender their license and Mary Baralt shall not seek a license pursuant to Chapter 494, F.S., or act as a control person for any loan originator, mortgage broker or mortgage lender for a period of five years in lieu of an administrative fine.

#### Final Order for \$5,000 Fine Against an Investment Adviser Firm and Associated Person for Violations of Rules

On January 18, 2017, the Division of Securities entered a final order against Bhuta Wealth Management, LLC and Mahesh Bhuta for violations of rules by failing to send clients itemized invoices, maintain required net capital, timely notify the OFR of the firm's net capital deficiency, file audited financial

statements, maintain an accurate Form ADV and comply with the custody and safekeeping requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$5,000 administrative fine was paid.

Final Order Barring a Consumer Collection Agency from Licensure for Unregistered Activity

On January 20, 2017, the Division of Consumer Finance entered a final order against United Financial, LLC and Josephine Frazier for acting as an unregistered consumer collection agency, making a material misstatement or omission of fact on an initial or amended application and failure to maintain appropriate debtor account records. Respondents voluntarily surrendered their license and agreed to not seek a license or act as an affiliated party of another consumer collection agency for a period of ten years in lieu of an administrative fine.

Final Order for \$70,750 Fine Against a Check Casher for Unlicensed Activity

On January 20, 2017, the Division of Consumer Finance entered a final order against Tech Friends, Inc., for conducting business as a check casher without a license.

Final Order for \$56,600 and Revocation Against a Consumer Collection Agency from Licensure for Prohibited Business Practices

On January 23, 2017, the Division of Consumer Finance entered a final order against Fortress Management Services, LLC and Lynne Hernandez for failing to provide a written response to the OFR within 45 days after receipt of a written request for information concerning three consumer complaints and for failure to timely pay a previous fine imposed by the OFR.

Final Order Barring a Check Casher from Licensure for Unlicensed Activity

On January 25, 2017, the Division of Consumer Finance entered a final order against Chadi Barakat, Inc., d/b/a Speedway Food Store and Chadi Barakat for conducting business as a check casher without a license.

Final Order for \$7,500 Fine Against a Broker Dealer Firm for Violations of Rules

On January 30, 2017, the Division of Securities entered a final order against USA Financial Securities Corporation for violations of rules by failing to follow the firm's written supervisory procedures, maintain a registered representative Form U-4 and maintain the Form BR (Branch Office) to accurately reflect other business names that conducted investment-related activities at its Florida branch office. A \$7,500 administrative fine was paid.

Permanent Bar and \$25,000 Fine Against Unregistered Associated Person for Fraud

On February 3, 2017, the Division of Securities entered a final order against Robert Lananna, permanently barring him from applying for registration as a dealer, investment adviser or associated person under the Florida Securities and

Investor Protection Act, Chapter 517, F.S., after he failed to request a hearing. The final order follows an administrative complaint, which alleged that Mr. Lananna offered and sold unregistered securities engaged in securities business in Florida without being registered and obtained money by means of fraud. A \$25,000 administrative fine was assessed.

#### Final Order for \$8,000 Fine Against an Investment Adviser Firm for Violations of Rules

On February 3, 2017, the Division of Securities entered a final order against Loyd Capital Performance Partners, Inc., for violations of rules by failing to file audited financial statements and comply with the custody and safekeeping requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$8,000 administrative fine was paid.

#### Final Order for \$10,650 Against a Check Casher for Prohibited Business Practices

On February 3, 2017, the Division of Consumer Finance entered a final order against Giant Supermarket, LLC, Rasem Okab, and Rafik Abdel-halim for failure to maintain an electronic log for payment instruments cashed over \$1,000, complete files for customers who cashed corporate payment instruments exceeding \$1,000 and for failure to timely update its banking information with the OFR.

#### Final Order for \$18,000 Against a Check Casher for Prohibited Business Practices

On February 3, 2017, the Division of Consumer Finance entered a final order against D & D Business Solutions, Inc., and Daiva K. Antuchas for failure to maintain and deposit payment instruments it cashed into its own commercial bank account. Additionally, the respondents failed to maintain complete files for customers who cashed corporate payment instruments exceeding \$1,000, endorse payment instruments it cashed, timely update its banking information with the OFR, file currency transaction reports and timely file currency transaction reports.

#### Final Order for \$14,000 and a 40-Day Suspension Against a Check Casher for Prohibited Business Practices

On February 3, 2017, the Division of Consumer Finance entered a final order against NO. 5, Inc., d/b/a Quick Stop Food Store and Ashraf Abdelrahman for failure to endorse payment instruments it cashed and failure to maintain an electronic log for payment instruments cashed over \$1,000.

#### Final Order for \$32,000 Against a Money Transmitter for Prohibited Business Practices

On February 3, 2017, the Division of Consumer Finance entered a final order against Sigue Corporation d/b/a Envois El Cid and Guillermo De La Vina for failure to timely submit required year-end audit reports, endorse payment

instruments it cashed, maintain copies of the personal ID presented for cashing a payment instrument, maintain records of customer thumbprints and maintain a complete payment log.

#### Termination of an Investment Adviser Firm and Associated Person for Violations of Rules

On February 8, 2017, the Division of Securities entered a final order against Mosaic Advisory Group and Donald W. Zimmerman for violations of rules by failing to send clients itemized invoices, maintain required net capital, timely notify the OFR of the firm's net capital deficiency, file audited financial statements, maintain an accurate Form ADV, maintain an accurate Form U-4, produce documents to prove the firm's brochure was offered to clients and to disclose the advisory fee calculation method in client investment advisory contracts. In addition, the Mosaic Advisory Group charged fees in excess to those stated in the Investment Advisory Contracts. Pursuant to the final order, Mosaic Advisory Group and Donald W. Zimmerman will withdraw their registrations with the state of Florida and are ineligible to re-apply for registration as investment advisers in the state of Florida.

#### Permanent Bar Against an Investment Adviser Firm and Associated Person for FINRA Sanctions

On February 8, 2017, the Division of Securities entered a final order against Golden Wealth Management, Inc., and Shaun Paul Golden, permanently barring them from applying for registration as a dealer, investment adviser or associated person under the Florida Securities and Investor Protection Act, Chapter 517, F.S., after they failed to request a hearing. The final order follows an administrative complaint, which alleged that Mr. Golden, principal, control person and director of Golden Wealth Management, Inc., was the subject of a permanent bar by FINRA, a national securities association and that he made a false statement in his application for registration with the state of Florida.

#### Permanent Bar and \$18,000 Fine Against Investment Adviser Firm for Violation of Rules

On February 9, 2017, the Division of Securities entered a final order against Target Capital Management, LLC permanently barring the firm from submitting an application or notification for registration with the OFR, after they failed to request a hearing. The final order follows an administrative complaint, which alleged that Target Capital Management, LLC failed to produce records, timely provide financial statements and timely update the Form ADV. A \$18,000 administrative fine was assessed.

#### Termination of an Investment Adviser Firm and \$2,000 Fine for Violations of Rules

On February 14, 2017, the Division of Securities entered a final order against Daniel T. Cook & Partners, LLC and Daniel Timothy Cook for violations of rules by failing to send clients itemized invoices, maintain required net capital, timely

notify the OFR of the firm's net capital deficiency, file audited financial statements, maintain an accurate Form ADV, maintain an accurate Form U-4, maintain and provide accurate written investment advisory contracts and comply with the custody and safekeeping requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. Pursuant to the final order, the firm will withdraw its registration as an investment adviser with the state of Florida and Daniel Timothy Cook is ineligible to apply for registration as associate person of an investment adviser in the state of Florida, of which he is an owner, for a period of five years. A \$2,000 administrative fine was paid.

#### Final Order Revoking a Check Cashers license for Prohibited Business Practices

On February 14, 2017, the Division of Consumer Finance entered a final order against Shiv Shradha, Inc., d/b/a King Food Store and Pankaj Patel for failure to maintain a complete anti-money laundering program, failure to maintain an electronic log for payment instruments exceeding \$1,000, copies of payment instruments cashed, endorse payment instruments it cashed, maintain records of customer thumbprints, complete customer files for customer who cashed corporate payment instruments and maintain copies of IDs taken.

#### Final Order for \$28,100 Fine Against a Check Casher for Prohibited Business Practices

On February 14, 2017, the Division of Consumer Finance entered a final order against Hossain Investments Inc., d/b/a/ Bushnell Shell and M.D. Hossain for submitting a false anti-money laundering independent review to the OFR, failure to file quarterly reports, maintain records of fees charged for payment instruments cashed and maintain copies of payment instruments cashed.

#### Final Order for \$13,250 Fine Against a Check Casher for Prohibited Business Practices

On February 14, 2017, the Division of Consumer Finance entered a final order against Saniya Enterprises, Inc., D/b/a Lake Weir Chevron and Nizar N. Dhamani for failure to endorse payment instruments cashed, maintain records of customer's thumbprints, copies of IDs taken to cash payment instruments, maintain an electronic log for payment instruments exceeding \$1,000, report a change in initial application information to the OFR, maintain a complete anti-money laundering policy and failure to register with FinCEN as a money services business.

#### Final Order for \$6,000 Fine Against an Investment Adviser Firm and Associated Person for Violations of Rules

On February 15, 2017, the Division of Securities entered a final order against Jackson Private Wealth Management, Inc., and Scott Jackson for violations of rules by failing to maintain an accurate Form ADV, send clients itemized invoices, file audited financial statements, file accurate financial statements, maintain an accurate form U-4, prepare and maintain accurate investment advisory agreements and comply with the custody and safekeeping requirements

of the Florida Securities and Investor Protection Act, Chapter 517, F.S. In addition, the firm and Mr. Jackson deducted fees from client accounts which differed from the contracted advisory fees. A \$6,000 administrative fine was paid.

Final Order for \$9,000 Fine Against an Investment Adviser Firm and Associated Person for Violations of Rules

On February 17, 2017, the Division of Securities entered a final order against Blackstone Wealth Management and Alexander J. Blackstone for violations of rules by failing to maintain an accurate Form ADV, send clients itemized invoices, file audited financial statements, maintain required net capital, timely notify the OFR of the firm's net capital deficiency, maintain trial balances and internal audit papers and comply with the custody and safekeeping requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$9,000 administrative fine was paid.

Final Order for \$3,000 Fine Against an Investment Adviser Firm for Violations of Rules

On February 27, 2017, the Division of Securities entered a final order against Smyth Landis Asset Management, Inc., for violations of rules by failing to maintain an accurate Form ADV, file a Form ADV Part 2B Brochure Supplement, maintain an accurate Form U-4, file audited financial statements, maintain required net capital, timely notify the OFR of the firm's net capital deficiency, and comply with the custody and safekeeping requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$3,000 administrative fine was paid.

Final Order for \$30,000 Fine Against a Broker Dealer Firm for Violations of Rules

On February 28, 2017, the Division of Securities entered a final order against Securities America, Inc., for violations of rules by failing to enforce written supervisory procedures and ensure a registered representative took a required alternative investment training course. A \$30,000 administrative fine was paid.

Permanent Bar and \$30,000 Fine Against Unregistered Associated Person

On February 28, 2017, the Division of Securities entered a final order against Louis A. Christensen, permanently barring him from submitting an application or notification for registration with the OFR, after he failed to request a hearing. The final order follows an administrative complaint, which alleged that Mr. Christensen offered and sold unregistered securities, and engaged in securities business in Florida without being registered. A \$30,000 administrative fine was assessed.

Permanent Bar and \$75,000 Fine Against Unregistered Firm

On February 28, 2017, the Division of Securities entered a final order against Big Spring Gold, LLC permanently barring the firm from submitting an application or notification for registration with the OFR, after they failed to request a hearing. The final order follows an administrative complaint, which alleged that Big Spring

Gold, LLC offered and sold unregistered securities, and engaged in securities business in Florida without being registered. A \$75,000 administrative fine was assessed.

Final Order for \$300,000 in Total Fines Against an Unregistered Broker Dealer and Associated Person for Unregistered Activity

On March 3, 2017, the Division of Securities entered a final order against Changes Worldwide, LLC and Timothy E. Baggett, II, after they failed to request a hearing. The final order follows an administrative complaint, which alleged Changes Worldwide, LLC and Timothy E. Baggett, II, sold unregistered securities and engaged in securities business in Florida without being registered. A total of \$300,000 in administrative fines was assessed.

Final Order for \$5,000 Fine Against an Investment Adviser Firm and Associated Person for Violations of Rules

On March 3, 2017, the Division of Securities entered a final order against Dwojeski, John J., a sole proprietorship and John H. Dwojeski for violations of rules by failing to file annual financial statements, maintain an accurate Form ADV, send clients itemized invoices, maintain an accurate Form U-4, maintain current investment advisory client suitability information, have written supervisory procedures, prepare and maintain written client investment advisory contracts and comply with the custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. A \$5,000 administrative fine was paid.

Permanent Bar Against an Investment Adviser Firm for Violations of Rules

On March 3, 2017, the Division of Securities entered a final order against CMJ Partners, LLC permanently barring the firm from registration as an investment adviser under the Florida Securities and Investor Protection Act, Chapter 517, F.S. CMJ Partners, LLC was found to have violated rules by failing to maintain an accurate Form ADV and to file audited financial statements. Pursuant to the final order, CMJ Partners, LLC agreed immediately terminate its registration as an Investment Adviser with the OFR.

Final Order for \$20,000 Fine Against a Broker Dealer Firm for Prohibited Business Practices

On March 3, 2017, the Division of Securities entered a final order against David Lerner Associates, Inc., for engaging in prohibited business practice by failing to maintain written reports evidencing prior branch office examinations, discover that the branch office supervisor did not initial written correspondence evidencing his review of the prior branch office examination, enforce certain written supervisory procedures relating to prior branch office examination reports and provide a signed, written report describing the firm's testing of written supervisory procedures, as well as a signed certification by the firm's chief executive office. A \$20,000 administrative fine was paid.

Final Order Revoking a Check Casher's License for Failure to Remit Full Payment of a Previous Fine

On March 3, 2017, the Division of Consumer Finance entered a final order against Azteca Supercentro 2000, Inc., for failing to remit full payment of a previous administrative fine in the amount of \$23,600 assessed by the OFR on May 31, 2016.

Final Order for \$10,000 Fine Against a Broker Dealer Firm for Prohibited Business Practices

On March 9, 2017, the Division of Securities entered a final order against Raymond James & Associates, Inc., for engaging in prohibited business practice by failing to enforce, create and maintain written supervisory procedures relating to non-registered residential locations. A \$10,000 administrative fine was paid.

Termination and Two-Year Bar of an Investment Adviser Firm and Associated Person for Violations of Rules

On March 9, 2017, the Division of Securities entered a final order against Alpha Investment Advisory and Management, Inc., and Paul M. Rogers for violations of rules by failing to maintain an accurate Form ADV, maintain an accurate Form U-4, file a written Form ADV, Part 2, create and file an accurate brochure supplement, offer and deliver the firm's brochure to clients, file complete annual financial statements and maintain current investment advisory client suitability information. In addition, the firm and Mr. Rogers exercised discretionary authority without written authority, misrepresented Mr. Rogers' qualifications, made false statements about historical returns, used advertisements containing false and misleading statement and did not provide clients agreements disclosing accurate advisory fee percentages. Pursuant to the final order, the firm will withdraw its registration as an investment adviser with the state of Florida, and Paul Rogers and Alpha Investment Advisory and Management, Inc., are barred for two years 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.

Final Order for \$12,500 Fine Against an Investment Adviser Firm and Associated Person for Violations of Rules

On March 9, 2017, the Division of Securities entered a final order against Joseph A Barbetta, sole proprietorship and Joseph Anthony Barbetta for violations of rules by failing to maintain an accurate Form ADV, maintain an accurate Form U-4, file audited financial statements, maintain required net capital, timely notify the OFR of the firm's net capital deficiency, send clients itemized invoices, maintain accurate investment advisory agreements and comply with the custody and safekeeping requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. In addition, the firm used advertisements containing false and misleading statement. A \$12,500 administrative fine was paid.

Final Order for \$35,800 Against a Check Casher/ Deferred Presentment Provider for Prohibited Business Practices

On March 10, 2017, the Division of Consumer Finance entered a final order against Alltrust Financial Co., and Susan Lewis for failing to endorse payment instruments it cashed, maintain copies of personal identification presented for cashing a payment instrument and maintain an electronic log for payment instruments cashed over \$1,000. Additionally, the respondent failed to document deferred presentment transactions in a written agreement, include their correct registration number on the written agreements, for presenting some drawer's check before the end of the deferment period, maintain receipts for deferred presentment transactions that were redeemed in cash, maintain bank statements, timely pay examination fees and notify the OFR of a change in bank account information.

Final Order for \$49,300 Against a Check Casher/ Deferred Presentment Provider for Prohibited Business Practices

On March 10, 2017, the Division of Consumer Finance entered a final order against Giromas Inc., and Dulima Carrillo for depositing payment instruments into an account other than their own commercial account, failure to maintain copies of personal identification presented for a cashing a payment instrument, maintain records of customer thumbprints, maintain a complete electronic log of payment instruments cashed, endorse payment instruments it cashed, filing quarterly reports which contained false information and failure to timely pay examination fees.

Final Order for \$22,600 Against a Check Casher for Prohibited Business Practices

On March 10, 2017, the Division of Consumer Finance entered a final order against Moody Harb Services, Inc., and Muhammad Harb for failure to file currency transaction reports on payment instruments cashed with a value over \$10,000, maintain copies of personal identification presented for cashing a payment instrument, maintain complete customer files for each entity listed as the payee on a corporate payment instrument that exceeds \$1,000, maintain the required attestation that customer files were reviewed annually and notify the OFR of a change in bank account information within 30 days of the change.

Final Order for \$12,250 Against a Check Casher for Unlicensed Activity

On March 10, 2017, the Division of Consumer Finance entered a final order against Coastal Cash and Loans, LLC for acting as a check casher without a license.

Permanent Bar Against Unregistered Firms and an Associated Person

On March 10, 2017, the Division of Securities entered a final order against The Bracket Club, LLC, The National Network of Organ Donors, Inc., and Arthur Howard Brownstein, 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 Bracket Club, LLC, The National Network of Organ Donors, Inc., and Mr. Brownstein were found to have offered and sold unregistered securities and engaged in securities business in Florida without being registered.

Final Order Barring a Consumer Collection Agency from Licensure for Prohibited Business Practices

On March 22, 2017, the Division of Consumer Finance entered a final order against Recovera, Inc., d/b/a Sar & Associates and Alan Alvarez for failure to maintain required debtor/debt information and failure to make all books and records available to the OFR for examination.

Final Order for \$60,600 Fine Against a Consumer Collection Agency for Prohibited Business Practices

On March 22, 2017, the Division of Consumer Finance entered a final order against First Placement Financial, LLC and Daniel James Spurlock for failure to provide a written response to the OFR within 45 days after receipt of a written request from the OFR for information concerning a consumer complaint.

Final Order for \$11,250 Fine Against a Deferred Presentment Provider for Prohibited Business Practices

On March 22, 2017, the Division of Consumer Finance entered a final order against Cash Mart Express of Florida, LLC d/b/a Cash Tyme and Michael Walts for failure to include the complete license registration number, the transaction number assigned by the OFR's database, the signature of the authorized employee and/or date of execution, the correct driver's license of the drawer, the signature of the drawer within the notice to the drawer section of the agreement and the correct telephone number of the OFR within its deferred presentment agreements. The licensee also failed to provide an updated list of consumer credit counseling agencies to drawers, failed to provide copies of the deferred presentment contract to drawers, failed to maintain a copy of the check provided by the drawer for a deferred presentment transaction and failed to maintain transaction agreements and corresponding drawer checks that bore the same date, without alterations.

Final Order for \$15,000 Fine Against a Money Transmitter for Prohibited Business Practices

On March 22, 2017, the Division of Consumer Finance entered a final order against Payoneer, Inc., for failure to include all the required information in their daily record of payment instruments, failure to file accurate quarterly reports with the OFR, failure to maintain a surety bond in the required amount and failure to report changes in ownership and/or controlling shareholder or responsible person within 30 days of the change.

Final Order for \$5,000 Fine Against an Associated Person

On March 23, 2017, the Division of Securities entered a final order against Glenn Patrick Cumming for being the subject of an adverse administrative order issued by the Florida Department of Financial Services. A \$5,000 administrative fine was paid.

Final Order for \$46,000 Fine Against a Check Casher/ Deferred Presentment Provider for Unlicensed Activity and Prohibited Business Practices

On March 24, 2017, the Division of Consumer Finance entered a final order against Fast Payday Loans, Inc., Robert Reich, and Terry Fields for acting as an FT2 money transmitter without a license, acting as a title loan lender without a license, failure to timely submit a quarterly report to the OFR, failure to maintain records of the title of the employee who signs a deferred presentment agreement, failure to provide a dated receipt to the drawer of a deferred presentment agreement, failure to notify the OFR that a location closed within 60 days of the date that location closed and entering into a deferred presentment transaction with a person whose previous deferred presentment transaction has been terminated for less the 24 hours.

Permanent Bar Against Investment Adviser Firm for Violation of Rules and Termination of Associated Person

On March 28, 2017, the Division of Securities entered a final order against Coastline Wealth Guidance, LLC and Charles Radigan for violations of rules by failing to send clients itemized invoices, maintain required net capital, timely notify the OFR of the firm's net capital deficiency, file audited financial statements, maintain an accurate Form ADV, maintain an accurate Form U-4 and comply with the custody requirements of the Florida Securities and Investor Protection Act, Chapter 517, F.S. Pursuant to the final order, the firm will withdraw its registration as an investment adviser with the state of Florida and is permanently barred from submitting an application for registration with the OFR and Charles Radigan is ineligible to apply for registration as associate person of an investment adviser in the state of Florida, of which he is an owner, for a period of three years.

Fines Totaling \$85,355 for Unregistered Activity

From January 1 - March 29, 2017, the Division of Securities fined six associated persons and one firm for engaging in unregistered investment advisory activities in the state of Florida. Fines totaling \$85,355 were paid.

Denial of Applications

From January 1 - March 29, 2017, the Division of Securities denied two associated persons and one firm's applications for registration. The notices of intent to deny, in each case, alleged that the applicant made a material misrepresentation or misstatement on their application for registration as an associated person.