



PAM BONDI  
ATTORNEY GENERAL  
STATE OF FLORIDA

OFFICE OF THE ATTORNEY GENERAL

Office of Citizen Services  
The Capitol  
Tallahassee, Florida 32399-1050

Toll-free In Florida: (866) 966-7226  
Telephone: (850) 414-3990  
Fax: (850) 410-1630

May 24, 2011

Mr. Neil J. Gillespie  
8092 Southwest 115th Loop  
Ocala, Florida 34481

Dear Mr. Gillespie:

Attorney General Pam Bondi received your correspondence regarding your experiences with the Florida Office of Financial Regulation (OFR). Attorney General Bondi asked that I respond. I am sorry for your difficulties.

We have reviewed your correspondence to determine if our agency can in any way be of assistance to you. Your complaint has been forwarded to the Attorney General's legal staff for further review. What action, if any, this office may take is unknown at this time. However, please be aware our office does not mediate on behalf of private individuals.

If you are dissatisfied with the handling of your concerns by OFR, you may wish to contact the OFR Inspector General for any assistance which may be available. The contact information is:

Office of Inspector General  
Office of Financial Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399-0370  
Telephone: (850) 410-9712

As the OFR is an agency under the direct authority of the Governor's Office, you may also wish to contact the Chief Inspector General for the State of Florida at (850) 922-4637.

Please consult a private attorney for any legal guidance you may need. The Florida Bar offers a Lawyer Referral Service toll-free at (800) 342-8060. If you cannot afford an attorney, you may be eligible for low cost or pro bono assistance through a local legal aid office. The Florida Bar can assist you with this process.

I hope you will understand the Attorney General's duties are prescribed by law. Thank you for taking the time to share your concerns with the Attorney General's Office.

Sincerely,

Brandon Brooks  
Office of Citizen Services



RICK SCOTT  
GOVERNOR

STATE OF FLORIDA  
**Office of the Governor**

THE CAPITOL  
TALLAHASSEE, FLORIDA 32399-0001

www.flgov.com  
850-488-7146  
850-487-0801 fax

April 13, 2011

Mr. Neil Gillespie  
8092 Southwest 115th Loop  
Ocala, Florida 34481

Dear Mr. Gillespie:

Thank you for contacting Governor Rick Scott's office about changes to the Office of Financial Regulation. The Governor asked that I respond on his behalf.

Governor Scott wants to know how people feel about the many issues we face and your input is important to him. As you know, the Governor and the Cabinet serve over the Office of Financial Regulation (OFR) together as the Financial Services Commission and make decisions about its functions. You may also wish to share your concerns with the Florida Cabinet: Attorney General Pam Bondi, Chief Financial Officer Jeff Atwater and Agriculture Commissioner Adam Putnam. Please do not hesitate to write again to share your concerns and ideas about issues that are important to you.

Thank you again for taking the time to contact the Governor's Office.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie A. Jordan".

Julie A. Jordan  
Office of Citizen Services

JAJ/cas

Attorney General Pam Bondi  
Office of Attorney General  
State of Florida  
The Capitol PL-01  
Tallahassee, FL 32399-1050

April 30, 2011

Chief Financial Officer Jeff Atwater  
Office of the Chief Financial Officer  
Florida Department of Financial Services  
200 East Gaines Street  
Tallahassee, FL 32399-0301

Agriculture Commissioner Adam Putnam  
Florida Department of Agriculture and Consumer Services  
The Capitol  
Tallahassee, FL 32399-0800

Dear Ms. Bondi, and Messrs. Atwater and Putnam:

Governor Scott suggested I share my concerns with the Florida Cabinet about my recent experience with the Office of Financial Regulation (OFR). In a word, it was awful. Enclosed you will find copies of the Governor's letter and my letter to him of February 22, 2011 about irregularities in the application of Marcelo Lima, foreign national, to obtain a controlling interest in a Community Bank of Manatee (CBM), a small (\$276M) nonmember FDIC insured bank.

The bank lost over \$10 million dollars in 2009 and 2010 and was under consent order until recently. CBM was founded in 1995 by William H. Sedgeman who is married to Circuit Judge Martha J. Cook in Hillsborough County. Judge Cook's 2009 Form 6 disclosure showed she was essentially insolvent. An insolvent judge lacks judicial independence and is a threat to democracy. That might explain her outrageous behavior while presiding over a civil lawsuit between me and my former lawyers. Judge Cook recused herself immediately upon my Petition For Writ of Prohibition, 2D10-5529, which included information about her insolvency.

Good government benefits the well-being of Florida and its residents and has my support. Good government breaks down when special interests prevail, and that appears the case at OFR and a proposed merger between Judge Cook's bank and First Community Bank of America, Pinellas Park, Florida. I believe OFR Commissioner Cardwell is using his office to benefit the special interests of Judge Cook, her bank, and well-connected law firms who appear before Judge Cook, over the interests of the citizens of Florida. The proposed merger is between two money-losing banks that makes no financial sense given the poor economic conditions in the bank's market.

OFR granted my petition for a public hearing on the proposed merger (Admin. File No. 0828-FI-03/11) but stonewalled requests for information about the public hearing process. For example OFR failed to provide an agenda for the hearing. OFR counsel Janet Massin Anderson, Fla. Bar No. 054821, responded to my request for information stating "Please be advised that the public hearing in the matter of the proposed merger of Community Bank & Co. and First Community

Bank of America is being handled in accordance with Florida Statutes and the rules promulgated thereunder.” Clearly this is not useful in understanding the public hearing process.

Ms. Anderson also failed to provide the Order Granting Hearing as shown in the certificate of service, misconduct intended to impede my participation. Twenty-five hours before the hearing I filed a notice of withdrawal due to a renewed threat of incarceration on a bogus contempt order by Judge Cook in the civil litigation. Ms. Anderson failed to acknowledge the withdrawal, or confirm if the hearing would be canceled, until the next day, and less than 2 hours before the hearing commenced. Ms. Anderson’s misconduct should be disciplined by the Florida Bar.

Florida’s financial institutions have failed at a faster rate, and cost the FDIC disproportionately more than elsewhere. This past December Commissioner Cardwell reported to the Financial Services Commission that “Since January 2009, 44 financial institutions have failed: 14 in 2009, 29 in 2010 and one already in 2011. Florida is in the top five states nationally in the number of mortgage foreclosures.” The mortgage foreclosure crisis has resulted in the breakdown of the rule of law in Florida’s courts. Last month the ACLU sued Lee County for systematically denying homeowners a fair opportunity to defend their homes against foreclosure.

The Financial Crisis Inquiry Commission determined that the 2008 financial crisis was an “avoidable” disaster caused by widespread failures in government regulation, corporate mismanagement and heedless risk-taking by Wall Street. More recently the 650-page US Senate report, “Wall Street and the Financial Crisis: Anatomy of a Financial Collapse,” was released by the Senate Permanent Subcommittee on Investigations. Senator Carl Levin, co-chairman of the subcommittee, said in a New York Times interview, “The overwhelming evidence is that those institutions deceived their clients and deceived the public, and they were aided and abetted by deferential regulators and credit ratings agencies who had conflicts of interest.” (New York Times, April 13, 2011, *Naming Culprits in the Financial Crisis*).

I encourage each of you to read the documents in my petition for public hearing on the proposed merger, which are also published on Scribd. You will find OFR is a parody, Mr. Cardwell used his office to benefit a special interest, and Ms. Anderson is unethical.

Thank you for your consideration.

Sincerely,

Neil J. Gillespie  
8092 SW 115th Loop  
Ocala, Florida 34481

cc: Gov. Rick Scott (letter only)  
Enclosures



RICK SCOTT  
GOVERNOR

STATE OF FLORIDA  
**Office of the Governor**

THE CAPITOL  
TALLAHASSEE, FLORIDA 32399-0001

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April 13, 2011

Mr. Neil Gillespie  
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Dear Mr. Gillespie:

Thank you for contacting Governor Rick Scott's office about changes to the Office of Financial Regulation. The Governor asked that I respond on his behalf.

Governor Scott wants to know how people feel about the many issues we face and your input is important to him. As you know, the Governor and the Cabinet serve over the Office of Financial Regulation (OFR) together as the Financial Services Commission and make decisions about its functions. You may also wish to share your concerns with the Florida Cabinet: Attorney General Pam Bondi, Chief Financial Officer Jeff Atwater and Agriculture Commissioner Adam Putnam. Please do not hesitate to write again to share your concerns and ideas about issues that are important to you.

Thank you again for taking the time to contact the Governor's Office.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie A. Jordan".

Julie A. Jordan  
Office of Citizen Services

JAJ/cas

February 22, 2011

Governor Rick Scott  
Office of the Governor  
209 The Capitol  
400 South Monroe Street  
Tallahassee, FL 32399

RE: Office of Financial Regulation (OFR)

Dear Governor Scott:

Bank failures in Florida have cost the Federal Deposit Insurance Corp. the most money of any state in 2010. Florida's bank failures have cost about \$2.1 billion in losses to the FDIC's deposit insurance fund, or about 10% of the \$22.2 billion in losses in 2010.

From my personal experience with OFR this agency may bear significant responsibility for the financial mess facing Florida. In my view OFR is a government agency in need of overhaul.

The Financial Crisis Inquiry Commission determined that the 2008 financial crisis was an "avoidable" disaster caused by widespread failures in government regulation, corporate mismanagement and heedless risk-taking by Wall Street, according to a story in the New York Times January 25, 2011 'Financial Crisis Was Avoidable, Inquiry Finds'.  
<http://www.nytimes.com/2011/01/26/business/economy/26inquiry.html>

Lax government oversight allowed Bernie Madoff to operate a ponzi scheme for years, even when whistleblower Harry Markopoulos repeatedly alerted authorities. SEC regulators spent many hours watching pornography in their offices during the 2008 financial crisis. A summary requested by Senator Grassley of pornography-related investigations conducted by the SEC Inspector General shows senior level regulators and lawyers were involved.

On June 8, 2009 CBM Florida Holding Company made application for a certificate of approval to acquire a controlling interest in Community Bank of Manatee. CBM's principal investor is Marcelo Faria de Lima, a citizen of Brazil. Mr. Lima's prior direct bank experience was working for ABN AMRO Bank from 1989 to 1996, according to a OFR Report of Public Hearing dated July 22, 2009. However Mr. Lima failed to disclose during the hearing that in December 2005, ABN AMRO entered into a consent decree and paid penalties involving OFAC, the Board of Governors of the Federal Reserve System, the State of Illinois Department of Financial and Professional Regulation, the New York State Banking Department, De Nederlandsche Bank and the U.S. Treasury's Financial Crimes Enforcement Network.

This information was disclosed when the US Department of Justice announced May 10, 2010 another DOJ action against the bank: Former ABN AMRO Bank N.V. Agrees to Forfeit \$500 Million in Connection with Conspiracy to Defraud the United States and with Violation of the Bank Secrecy Act. <http://www.justice.gov/opa/pr/2010/May/10-crm-548.html>

Community Bank of Manatee entered a FDIC/ORF Consent Order November 25, 2009.

<http://www.fdic.gov/bank/individual/enforcement/2009-11-11.pdf>

The bank narrowly escaped collapse when CBM Florida Holding Company stepped in.

However there is a problem with CBM Florida Holding Company's application to the state, it contains a number or errors that John G. Alcorn, OFR's Bureau Chief cannot explain. OFR was also unaware of the connection between Mr. Lima, his former employer ABN AMRO, and the DOJ criminal actions for money laundering and other financial crimes.

When I brought this to Mr. Alcorn's attention he sent a letter to Mr. Lima asking about the DOJ criminal actions against his former employer that Mr. Lima failed to disclose during the OFR hearing in 2009. Mr. Lima responded with a letter denying any culpability. Mr. Alcorn thus concluded the matter as resolved. This is not competent regulatory oversight.

Mr. Alcorn could not explain an accounting error on CBM Florida Holding Company's application, page 5, Status of Capital Account, Present Capital Structure March 31, 2009. The application shows common stock of 2,094,762 shares @ \$2 par that was reported as \$4,194,000; I believe the correct amount is \$4,189,524, a difference of \$4,476.

Likewise Mr. Alcorn could not explain stock price irregularities on the same application. On 08/19/08 2,540 shares of stock sold \$4.75 a share. The same day another block of shares sold but for \$6.37 a share. Someone lost \$4,114.80 that day. Unable to answer, Mr. Alcorn referred the matter to Josephine Schultz, Chief Counsel. Ms. Schultz has obstructed efforts to get information in an apparent effort to prevent further analysis.

Change is needed at OFR. You have my support in that effort. Thank you.

Sincerely,



Neil J. Gillespie  
8092 SW 115th Loop  
Ocala, FL 34481  
(352) 854-7807

cc: J. Thomas Cardwell, Josephine Schultz, John Alcorn, John Pullen, Linda Charity,  
Amy Alexander