Welcome to Platinum Benefit Planning, Inc.

At Platinum we are committed to helping your family gain government benefits while providing compassion, cheerfulness and expertise!

Since 1996 we have helped nearly 2,000 families like yours, throughout the State of Florida, legally, ethically and strategically protect an estimated $200,000,000 in assets.

Further, we pay special attention to carefully evaluating and structuring income in such a way as to maximize the amount of money a community spouse can keep to live on and still qualify a loved one for Home Health Care, Assisted Living, and Nursing Home benefits.

Platinum Benefit Planning are experts in the field of nursing home Medicaid filing, financial planning, estate planning and elder planning which includes asset protection, asset preservation, Medicaid eligibility, Medicaid qualification, the Diversion Program, and ICP Medicaid.

We Help Clients

> Develop probate avoidance strategies
> Protect assets
> Increase spendable income

Recent Post

> Nursing Home Care Moves Home bill that will dramatically affect Medicaid Planning for our elders
> Kaiser Family Foundation bill that will dramatically affect Medicaid Planning for our elders

Quick Contact

| Name |
| Phone Number |
| Email |
| Tell us how we can help |

Choose below to schedule an appointment.

- **In My Home**
  - **Schedule an Asset Protection Meeting**

- **By Telephone**
  - **Request an Asset Protection Meeting**

- **In Platinum’s Office**
  - **Schedule an Asset Protection Meeting**

Medicaid Resources

- 34-Item Checklist
- Florida Medicaid Application

Latest News

- The three Medi’s: Medicare, Medigap and Medicaid...
  - Read More
- DRA Legislative Language
- Legislation to help seniors
Mission Statement

"To file for and receive optimal government benefits, after properly protecting maximum resources, for seniors needing Long Term Care in the State of Florida."
Asset Planning

There are multiple strategies and tools that may be integrated into your financial plan to protect your assets. Platinum Benefit Planning can help you select and refine the appropriate asset protection and asset diversification strategies for your financial asset needs. Your Asset Plan should include a legal will, powers of attorney, an estate plan, and potentially a trust—all of which will help you keep more of your hard-earned money and pass on more of your assets to your heirs (rather than the IRS). Platinum Benefit Planning can assist you and your family with long-term care planning. Perhaps you don’t need long-term care today; but being prepared for a long-term illness now can alleviate stress and associated costs in the future, whether you purchase long-term care insurance or not.

Planning how to properly protect, preserve, and pass along your estate to your heirs is one of the most vital components of your overall financial well-being. Platinum Benefit Planning will work with you to customize a strategy to meet your long-term goals and needs. Whether you are trying to minimize the impact of taxes or simply guarantee your heirs will receive what you originally planned, Platinum Benefit Planning will work with you in planning today, and with your heirs in executing future strategies.
Medicaid Planning

Medicaid is a federal and state funded program that provides health coverage to nearly 80 million Americans, including seniors and individuals with disabilities. In order to participate in Medicaid, Federal law requires US States to cover certain population groups and gives them the flexibility to cover other population groups. States establish and administer their own Medicaid programs, and determine the types, amounts, duration, and scope of services within broad federal guidelines. States are required to cover certain "mandatory benefits," and can choose to provide other "optional benefits" including prescription drugs. States receive federal matching funds to provide these benefits.

States have the option to charge premiums and to establish out of pocket spending requirements for Medicaid enrollees. Out of pocket costs may include co-payments, coinsurance, deductibles, and other similar charges. The Social Security Act authorizes multiple waiver and demonstration authorities to allow states flexibility in operating Medicaid programs. Each authority has a distinct purpose, and distinct requirements.

Medicaid Planning early should not be ignored as high costs of long-term care can deplete your life savings very quickly. When we place a loved one in a long-term care facility it is a stressful time for families. Medicaid benefits help to pay nursing home costs through the Institutional Care Program (ICP). Medicaid Benefits may also be available for assisted living costs or care at home through the Medicaid Diversion program.

Medicaid is a program with many technical laws and regulations you must meet in order to qualify for benefits. Medicaid law and Medicaid regulations change frequently and sometimes without notice. Let Platinum Benefit Planning help your family and loved ones qualify for Medicaid benefits.
Program Requirements

There are essentially Three Medicaid Programs that cover Long Term Care in the State of Florida.

1. **The Medicaid Waiver Program** – A program funded by the state and federal government and administered at the county level covering limited home health care and assisted living care. Limited funding. (Possible work around)

2. **The Medicaid Diversion Program** – A program funded by the state and federal government and administered at the state level covering limited home health care and assisted living care. Limited funding. (Possible work around)

3. **The Medicaid Institutional Care Program (ICP)** – A program funded by the state and federal government covering the cost of nursing home care. Non-Limited funding.

All three programs have virtually identical primary requirements from a qualification standpoint.

1. Must meet a [nursing home level of care](#)
   a. Determined by a doctor on form 3006 for nursing home care
   b. Determined by the CARES unit for HHC and ALF

2. Must meet [asset requirements](#) (to follow)

3. Must meet [income requirements](#) not to exceed (Gross Income)
   a. $2,094 Individual (unless a Qualified Income Trust is utilized)
   b. Unlimited for Community Spouse

The home health care benefits are non-standardized and subject to DCF's subjective determination.

The assisted living benefits are non-standardized because each facility negotiates its own contract and determines the amount of monthly cost that is for "Room and Board" which is payable by the patient. So while the patient may qualify for benefits the facility to be utilized will determine the patient's portion of bill responsibility.
Medicaid Asset Evaluation

1. Home (not to exceed $525,000 in equity)
2. $2,000 Individual
3. $113,640 community spouse
4. One car
5. Prepaid burial accounts
6. $2,500 burial account
7. Cash Value life insurance not to exceed $2,500 of face amount
8. Other Non-Countable Resources (The Key To Asset Protection)

MOST IF NOT ALL OF THESE ASSETS CAN, WITH SKILL AND PROPER STRUCTURING, BE SHIFTED TO NON-COUNTABLE STATUS AND THEREBY ALLOW MEDICAID ICP QUALIFICATION.

Any assets beyond these amounts will likely disqualify an individual for benefits. Assets that are included for calculating these numbers are cash, checking, savings, cd's, savings bonds, life insurance cash values, stocks, bonds, mutual funds, other securities, collectibles, real estate, time shares, promissory notes due you, automobiles, boats, motor homes, anything with a title, livestock, anything else of value.

Many of these excess assets can, with skill and proper structuring, be shifted to Non-Countable or exempt assets that will be “invisible” for calculating Medicaid benefits.

Quick Contact

| Name: |  |
| Phone Number: |  |
| Email: |  |
| Tell us how we can help |  |

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- **In Platinum’s Office**
  - Schedule An Asset Protection Meeting

- **In The Nursing Home**
  - Schedule An Asset Protection Meeting
Single or Married Applicant

A nursing home Medicaid applicant (married or single) can have gross income up to $2,094. If the applicant has more than $2,094 in gross income then an income trust is necessary to qualify for benefits.

An income trust is a MUST for excess income.

Essentially an income trust is a legal entity created on paper and used to open a bank account in the name of the trust with its own tax identification number. An income trust is irrevocable, meaning money cannot be taken back and the terms of the trust cannot be altered.

The excess gross income over the $2,094 MUST be deposited into the income trust in the month the income is received. Out of the trust only a few expenses can be paid - nursing home bills, other medical expenses and spousal diversion (explained in next section). Income left in the trust after the beneficiary (nursing home patient) passes away is payable to the state of Florida.
Spousal Income Diversion

Income diversion is designed to keep the community spouse from becoming impoverished if possible.

The way it works

If the confined spouse has any income and the community spouse has less than $1,892 of income then income from the confined spouse can be diverted to the community spouse. Further if housing expenses (mortgage payment, electric, taxes, insurance, water, garbage, association fees) is in excess of $568 per month then additional diversion can occur to the community spouse up to a maximum diversion of $2,841. The following is an example calculation and assumes the confined spouse has income to divert.

How Income Diversion is Calculated

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Spouse Resource Allowance (set annually)</td>
<td>$1,892 (min)</td>
</tr>
<tr>
<td>Community Spouse Income</td>
<td>$500</td>
</tr>
<tr>
<td>Diversion From Confined Spouse</td>
<td>$1,392</td>
</tr>
<tr>
<td>Housing Expenses above $568</td>
<td>$200</td>
</tr>
<tr>
<td>Total Diversion (not to exceed $2,841)</td>
<td>$1,992</td>
</tr>
</tbody>
</table>

Choose below to schedule an appointment.

- In My Home
- By Telephone
- In Patient’s Office
- In The Nursing Home
### Platinum Benefit eStore

<table>
<thead>
<tr>
<th>Documents</th>
<th>Pricing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Of Attorney</td>
<td>$9.99.00</td>
</tr>
<tr>
<td>Income Trust</td>
<td>$19.99.00</td>
</tr>
</tbody>
</table>

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Healthcare Professionals

- Medicaid related standards

Medicaid Manual

- Florida Department of Children and Families: ACCESS Policy Manual

Form Tools

1) Referral Release Options
2) Referral Release
3) Speed Script and Questionnaire

Quick Contact

Name
Phone Number
Email
Tell us how we can help

Choose below to schedule an appointment.
Platinum Benefit Planning, Inc. (Platinum)
Referral Form

The facility listed below has provided me several options of companies and/or professionals to help with the Medicaid planning and application process. The facility has made no recommendation as to which person or company I should use. By signing below I am requesting that the facility communicate with Platinum Benefit Planning, Inc. that I am interested in its services. I fully understand that I am free to pursue other professionals and services in addition to, or instead of, Platinum Benefit Planning Inc.

I, ______________________________________ (Client), on behalf of myself and as Durable Power of Attorney for ______________________________________ (Patient), authorize ______________________________________ (Facility), to release my contact information to Platinum Benefit Planning, Inc. (Platinum) so that its representative may contact me or be aware that I will be contacting them in regards to helping the Patient qualify for Medicaid ICP benefits. I also authorize the Facility to release other information regarding the Patient and myself to Platinum, as the facility and/or Platinum deems necessary.

__________________________________________ Date
On behalf of self and/or patient

__________________________________________
Name of Signor

__________________________________________ Date
Witness

__________________________________________
Name of Witness

__________________________________________
Contact Information

Contact (client) Name ________________________________

Contact (client) Address __________________________________ city_________ zip_______

Phone Number (h)__________________ (c)______________ (w)______________

Call me (circle one) Immediately __ On (date)____ (time)________

I will contact Platinum ______

Facility - Fax This Form Upon Completion To
Platinum Benefit Planning, Inc at (863) 904-0196

Facility questions can be directed to your field rep through the main switchboard at 1 (800) 582-1934 or directly to his/her cell phone. Melissa Hobkirk (863) 430-9331 - Jennifer Wade (352) 231-0109 - Antony Turbeville (863) 838-5802
Platinum Benefit Planning
Referral Form

I, ____________________________ (Client), on behalf of myself and as Durable Power of Attorney for ____________________________ (Patient), authorize ____________________________ (Facility), to release my contact information to Platinum Benefit Planning, Inc. (Platinum) so that it's representative may contact me in regards to helping Patient qualify for Medicaid ICP benefits. I also authorize Facility to release information regarding Patient and myself to Platinum, as Platinum deems necessary.

_________________________________________  ____________________________
On behalf of self and/or patient                  Date

_________________________________________
Name of Signor

_________________________________________  ____________________________
Witness                                          Date

_________________________________________
Name of Witness

Contact Information

Contact (client) Name ____________________________

Contact (client) Address ____________________________ city_________________ zip________

Phone Number (h)_________ (c)_________ (w)_________

Call me (circle one)       Immediately ______ On (date)______ (time)______

I will contact Platinum ______

Facility - Fax This Form Upon Completion To
Platinum Benefit Planning, Inc at (863) 904-0196

Facility questions can be directed to your field rep through the main switchboard at 1 (800) 582-1934
Speed Script and Questionnaire

I am going to ask you a number of straightforward questions about your finances.

I must do this to determine if the patient qualifies for Governmental Benefits in the event he/she has to be here longer than Medicare and any supplement insurance is able to pay.

If it appears that the patient does qualify for benefits, our facility will be happy to apply for those benefits for you as a courtesy and you can provide ______ with all of the paperwork we will need.

I will provide you:

1) A list of that paperwork
2) The contact information for ______ who will be filing your application with Medicaid

If it appears the patient does not qualify for Government Benefits, you will have two choices:

1) Pay privately at a rate of approximately $_______ per month plus any incidental charges such as medications, incontinence products, etc.
2) Utilize a competent Medicaid Planner to help structure the patient’s affairs in such a way that Government Benefits are available –
   a. meaning, that the patient may only be responsible for
      i. little or
      ii. none of the bill
   b. This type of planning is a common practice
   c. While I cannot recommend a company –
      i. I can provide you a brochure of a company(ies) that specialize in this exact type of planning and
      1. type of planning and
      2. application process

Disclosure: It is very important that you think carefully about the questions; because if you forget something, it may later create a financial or legal problem for the patient or patient’s family that may be difficult or impossible to fix. My understanding is that most things can be fixed, if they are dealt with in advance.

In addition, if it appears that the patient does qualify, ______ here at the facility will be signing as your personal representative at Medicaid. That means ______ will be representing to Medicaid that the information provided is true and correct and while oversight is not considered “fraud”, intentionally not disclosing something is. Obviously no one would want that. Further, even oversights can later create problems with past benefits.

Does all of that make sense?

O.K., if any of the questions I will be asking are not clear, please ask me to repeat and/or clarify.

Provided Courtesy of Platinum Benefit Planning, Inc. (Office) 1-800-582-1934 (Fax) 863-904-0196
Speed Questionnaire (married)

Married Patient

Ask the following questions

Does the patient have more than $2,130 in GROSS monthly income

Yes  No

If yes – refer for an income trust

Is the estimated value of the home worth more than $536,000

Yes  No

If yes – refer to a Medicaid Planner

Does the combined assets of both the patient and spouse (excluding the most expensive automobile and the primary residence) equal more than $115,920? (consider using page 7 of the Platinum Benefit Planning, Inc. brochure as a quick memory jogger)

Yes  No

If yes – refer to a Medicaid Planner

Has either the spouse or patient given away anything more than a typical birthday or Christmas gift, church tithe, or sold something for less than it was worth in the last 5 years?

Yes  No

If Yes - refer to a Medicaid Planner

Has either the spouse or patient reimbursed ANYONE for expenses. For example, a child goes to Walmart, Sears, Target, a grocery store, auto repair shop, etc. and pays for something on Mom or Dad’s behalf and then has Mom or Dad reimburse them for the expense paid. Note: (unless there is a written reimbursement agreement in place prior to the reimbursement Florida Medicaid Policy considers such a reimbursement as a gift).

Yes  No

If Yes - refer to a Medicaid Planner

If all answers are “NO”, ask for 3 months *(PRIOR TO ADMISSION) bank statements, funeral agreements (irrevocable), life insurance policies, and any other documents related to finances, marriage certificate, Medicare and SS Cards (see attached list)

*This is a new requirement

Provided Courtesy of Platinum Benefit Planning, Inc. (Office) 1-800-582-1934 (Fax) 863-904-0196
Testimonials

"I was given Platinum name and information after my uncle fell and could no longer live on his own. Initially, I intended to handle my uncle's affairs myself. After all, my mother spent the last 2½ years in a nursing home in Illinois and I handled her placement. I was wrong. I soon found myself overwhelmed with the prospect of trying to preserve my uncle's hard earned assets and getting him the care he needed. I never could have maneuvered my way through the Medicaid maze of paperwork without the help of Platinum. I never would have been able to protect my uncle's assets without their help. It was well worth the money spent and I highly recommend them."

~ C. Staba, Naperville, IL.

"Platinum has proven their expertise in regard to seniors and their unique circumstances, and they have also proven themselves in the areas of compassion and care for those they serve. They've done right by everyone I have pointed their way."  

~ R. Bruck, Lakeland, FL

"I cannot thank Jenna and Lori enough for all the help and information they gave us. They answered all of our questions in a timely manner. They walked us through the things we didn't understand, and told us just what we had to do. My brother was accepted by Medicaid. It was well worth the money just for that, not to mention the money we did save. We would recommend Platinum to everyone."

~ C. Warnick, Lady Lake, FL

"Platinum did a great and professional job in getting and receiving Medicaid for our Mom. Lori's assistance and knowledge made us feel better about the problems we were facing. The staff at Platinum was and continues to be helpful in every visit and phone call. Without Platinum and their staff the process would not have been possible. Thank you so much!"

~ E. Pearson, Ft. Meade, FL
Processing an application for Medicaid is a long and difficult process. From the initial interview with the owner of Platinum when all the options were discussed and the Plan was laid out for the application process was decided, it was evident all the details of the process would go according to the Plan. Jenna, Medicaid Coordinator for Platinum, proved to be very efficient and well informed in all the details that had to be processed, and the actions were accomplished in a timely fashion. With all the frustrations that come with this type of application, she was always calm and very pleasant, and she was a pleasure to work with.

~ G. Varney, Zephyrhills, FL

Platinum was very helpful and efficient while going through the process of enrolling my mother in Medicaid. Melissa and Lori were never too busy to answer questions, return my phone calls or make phone calls on my behalf. At first, I wasn't sure if I should spend the money to hire an outside service for the Medicaid paperwork. It was one of the best decisions I've ever made. It was all handled efficiently, and made my life much less stressful than it could have been.

~ D. Carr, Rochester, MN

Jenna has been very professional. She knows what she is doing and has made me feel like I could ask questions (which I certainly have) without feeling stupid or an inconvenience. The receptionists, whether on the phone or in person, have been very courteous and professional as well. Most importantly, Platinum sorted through the overwhelming mountain of issues that had accumulated to stand in my Mom's way of getting Medicaid and helped us find a way to get her there. I couldn't be more thankful. You have been a God send.

~ J. Burrows, Lakeland, FL
A Message from Antony L. Turbeville

These are just a few of the testimonials available from almost 2,000 happy clients. We are the most customer oriented, results focused firm in the Medicaid Planning business. Not only do we fix normal problems, we are sometimes hired to fix problems created by other "Medicaid Planners". It's a very technical business that many people don't understand. We understand it, work with it, and get your case through the bureaucratic maze and complex rules.

We want your business! In return, we'll do the job better than any other company in the business. We're so sure we'll be successful that we put in writing our refund policy - If we can't accomplish what we say! We will refund your fee in full. To our Knowledge no one else in the business does that.

If you're privately paying a nursing home, we are the answer.

Call Us: (855) 336-2438
Pricing

At Platinum, each case is customized. Unlike many firms and attorneys in this business, we have no cookie cutter approaches. Every family is unique and every "Medicaid Eligibility MasterPlan®" is also unique.

During our initial consultation, after we have evaluated all of the facts, resources, and strategies to be utilized, we will quote a flat fee that covers all of our costs. We will not bill you "extras". This flat fee includes the entire process. Even in the highly unlikely event a Fair Hearing becomes necessary, you pay nothing extra. Be aware however, that necessary legal documents, transaction costs related to Real Estate strategies and other outside costs, if any, are not included and must be paid separately.

Further, we guarantee in writing, our money back guarantee policy. If we do not obtain the benefits for the month applied for, we will refund your fee in full. We have never needed to refund a fee. Remember, we are "The Medicaid Experts®".

If you would like to immediately schedule a meeting to assess your family's income and asset protection options, even if your loved one is already in an assisted living facility or nursing home, please click the appropriate link on the right and we will schedule a meeting of your choice in the VERY NEAR FUTURE!

It is never too late to save assets for the family. Even if your loved one has been in a nursing home for months or years, as long as assets remain, most if not all of those assets can be saved!
Frequently Asked Questions

FAQ about Florida Medicaid for long term care: ICP (Institutional Care Program) or nursing home diversion.

Q: Do I have to sell my home to qualify for Florida Medicaid?
Answer: No, you do not have to sell your home in order to qualify for Medicaid in Florida. Your home is considered your homestead in Florida if it is your primary residence. Also, the statement of intent to return from the nursing home resident protects their home from attachment.

Q: Will my home equity make me ineligible for Florida Medicaid?
Answer: Effective with the implementation of the “New Rules” set forth by the Deficit Reduction Act of 2005, there is a maximum limit imposed of $525,000 of home equity value which could make one ineligible for Medicaid benefits. However, there are strategies for restructuring equity in order to qualify for benefits.

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Q: Is Medicaid in Florida the same as in other states?

Answer: There are some similarities and some differences. It is important to work with a knowledgeable financial planner or elder law attorney who is a Medicaid specialist and is familiar with the Medicaid rules in Florida and in other states.

Q: What should I expect from my Medicaid Planner?

Answer: A free consultation, sometimes more than once; expertise from years of working with DCF; representation at the Medicaid office for you; fee should be known before hiring your planner.

Q: Is it necessary to have an elder law attorney for Medicaid planning?

Answer: It is not necessary to have an elder law attorney do your Medicaid planning. You do need a person who knows Medicaid policy and understands the Medicaid application process. The Director of Marketing and Medicaid Services at Platinum Financial Planning, Inc. is Melissa Hobikirk, who has 18 years experience working in Medicaid for DCF and 9 years working with Certified Financial Planner Antony L Turbeville of Platinum Financial Planning. A competent attorney is available to assist with any legal paperwork that also needs to be done.

Q: If I gave away something 2 years ago, am I ineligible for Medicaid now?

Answer: One may become ineligible for Medicaid because of giving something away in the last 5 years. There are several variables to consider such as how much was given, when it was given and if a trust was involved.

Q: If my husband has to go into the nursing home, how will I be able to live on just my Social Security income which is rather small?

Answer: Medicaid has a formula to determine the amount needed to be diverted from the 'nursing home spouse's' income to the 'community spouse' in order to allow the community spouse to continue living in their own home. This is the Minimum Monthly Maintenance Income Allowance, which provides the community spouse an income of at least $1,822 per month, including receiving money from the nursing home spouse's income, if needed. Excess diversion funding is available up to $2,739 monthly. If housing costs exceed $547 per month.
Q: What if someone in a nursing home wants to gift money to a family member?

Answer: Depending on a person's specific, individual circumstances and the timing of the gift, it may be possible to give some money to a family member without causing Medicaid ineligibility. Call us to see if this is appropriate for your situation.

Q: Does Medicaid look at assets or income for the person who is going into the nursing home?

Answer: Medicaid looks at the assets and income of the individual going into the nursing home. If a person is married, the income of each person is evaluated separately but their assets are evaluated as joint assets. Please look at the chart under the Medicaid ICP section on this website.

Q: What are the current income and asset limits for a person to qualify for long term care benefits in a nursing home or the nursing home diversion program?

Answer:

Income:
- Individual needing care: $2,022 month (unless an income trust is used)
- Community spouse (the one remaining at home): Unlimited income
- Couple, if both need care: $4,044 month
- Note: The individual needing care is allowed to keep $35 each month for personal needs, plus the amount of his or her monthly health insurance premium.

Assets:
- Individual needing care: $2,000
- Community spouse: $113,640
- Couple, if both need care: $3,000
Lakeland’s Brookstone Securities Closes While It Appeals Fines

By Jeremy Mardatu
THE LEDGER
Published: Thursday, June 14, 2012 at 6:00 p.m.

LAKELAND | Brookstone Securities in Lakeland closed its doors to business Thursday as the company appeals orders to pay more than $2.6 million in fines and restitution levied against it and several of its employees.

Brookstone’s owner, Antony Turbeville, said Thursday he does not plan to reopen the business at 2920 Drane Field Road in Lakeland.

“The firm has decided to close for business while we pursue our appeal,” he said.

The company has been in business since 2005, according to records at the Financial Industry Regulatory Authority.

Last week, the authority fined the company $1 million. Turbeville and broker Christopher Kline were ordered to pay more than $1.6 million in restitution because they "made fraudulent sales" to elderly clients without notifying them of potential risks, according to FINRA documents.

Turbeville and Kline were also barred from the securities industry, last week’s ruling said.

The authority also barred the company's chief compliance officer, David Locy, from any supervisory or principal capacity, suspended him in all capacities for two years and fined him $25,000.

But those penalties are on hold while the company appeals the ruling. Brookstone filed its appeal Tuesday, according to FINRA reports.

The company's current chief executive officer, Paul Richardson, did not return a call for comment.

FINRA found that between July 2005 and July 2007, Turbeville and Kline "intentionally made fraudulent misrepresentations and omissions" to elderly and unsophisticated customers regarding the risks associated with investing in collateralized mortgage obligations.

At the time, the investors were seeking safer alternatives to their equity investments, the ruling said, but Turbeville and Kline “preyed on their elderly customers’ greatest fears” to get them to invest in unstable investments.

During the two-year period, Brookstone made $492,500 in commissions on bond transactions from seven customers who lost $1,620,100, the ruling said.

The panel also noted Locy ignored his responsibility as chief compliance officer and...
"looked the other way while Turbeville and Kline traded CMO accounts that were unsuitable for their customers."

On Thursday, Turbeville said customers' investments are all held with First Southwest, a Texas-based company.

"We don't custody any money here," he said. "We will have someone here with liquidation orders."

Turbeville provided little information Thursday on what will happen to the company's nearly 20 employees.

"They will not be employed by Brookstone," he said. "That's a question you would need to have with each individual employee."

Turbeville said his other company, Platinum Financial Planning, which is in the same building as Brookstone, would not be able to absorb Brookstone's employees.

Platinum Financial, which has offices in Lakeland and Clearwater, specializes in financial planning for seniors.

Turbeville also has other companies he owns listed in FINRA documents.

The companies in which Turbeville has 100 percent ownership include T Squared Financial Group, Brookstone Capital Management LLC, Brookstone Note Services LLC and Broker Dealer Match LLC, according to FINRA reports.

He also has other business activities with Eastern Kentucky Land & Wildlife LLC; Forward Funding Partners LLC; American Heritage Hardwoods; and BD Switch LLC, which is described as a recruiting firm, the reports said.

Turbeville also is the former chairman of Community Southern Bank in Lakeland, the reports said. He resigned in July 2011.

[Jeremy Maready can be reached at jeremy.maready@theledger.com or 863-802-7592.]

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FINRA Hearing Panel Fines Brookstone Securities $1 Million for Fraudulent Sales of CMOs to Elderly

Full Restitution of Over $1.6 Million Ordered to Customers; Firm's CEO and Broker Barred; Former Compliance Officer Barred as Principal

WASHINGTON — The Financial Industry Regulatory Authority (FINRA) announced today that a FINRA hearing panel ruled that Brookstone Securities of Lakeland, FL, and the firm's Owner/CEO Antony Turbeville and one of the firm's brokers, Christopher Kline, made fraudulent sales of collateralized mortgage obligations (CMOs) to unsophisticated, elderly and retired investors. The panel fined Brookstone $1 million and ordered it to pay restitution of more than $1.6 million to customers, with $440,600 of that amount imposed jointly and severally with Turbeville, and the remaining $1,179,500 imposed jointly and severally with Kline.

The panel also barred Turbeville and Kline from the securities industry, and barred Brookstone's former Chief Compliance Officer David Locy from acting in any supervisory or principal capacity, suspended him in all capacities for two years and fined him $25,000. The ruling resolves charges brought by FINRA in December 2009.

The panel found that from July 2005 through July 2007, Turbeville and Kline intentionally made fraudulent misrepresentations and omissions to elderly and unsophisticated customers regarding the risks associated with investing in CMOs. All of the affected customers were retired investors looking for safer alternatives to equity investments. According to the decision, Turbeville and Kline "preyed on their elderly customers' greatest fears," such as losing their assets to nursing homes and becoming destitute during their retirement and old age, in order to induce them to purchase unsuitable CMOs. By 2005, interest rates were increasing, and the negative effect on CMOs was evident to Turbeville and Kline, yet they did not explain the changing conditions to their customers. Instead, they led customers to believe that the CMOs were "government-guaranteed bonds" that preserved capital and generated 10 percent to 15 percent returns. During the two-year period, Brookstone made $492,500 in commissions on CMO bond transactions from seven customers named in the December 2009 complaint, while those same customers lost $1,620,100.

Two of Kline's customers were elderly widows with very limited investment knowledge, who, vulnerable after their husbands' deaths, were convinced to invest their retirement savings in risky CMOs. Kline told the widows that they could not lose money in CMOs because they were government-guaranteed bonds, and Kline further increased their risk by trading on margin.

Also, the panel noted that Locy completely ignored his responsibility as chief compliance officer and "should have been a line of defense against Turbeville's and Kline's egregious conduct," but instead "he looked the other way while Turbeville and Kline traded CMO accounts that were unsuitable for their customers."

The hearing panel concluded that Brookstone was responsible for Turbeville's and Kline's action. According to the decision, "the firm neither acknowledged nor accepted responsibility for the misconduct at issue in this matter. Instead, through Turbeville and Kline, it attempted to blame the customers for their own losses."

Unless the hearing panel's decision is appealed to FINRA's National Adjudicatory Council (NAC) or is called for review by the NAC, the hearing panel's decision becomes final after 45 days.
Investors can obtain more information about, and the disciplinary record of, any FINRA-registered broker or brokerage firm by using FINRA’s BrokerCheck. FINRA makes BrokerCheck available at no charge. In 2011, members of the public used this service to conduct 14.2 million reviews of broker or firm records. Investors can access BrokerCheck at www.finra.org/brokercheck or by calling (800) 289-9999. Investors may find copies of this disciplinary action as well as other disciplinary documents in FINRA’s Disciplinary Actions Online database.

FINRA, the Financial Industry Regulatory Authority, is the largest independent regulator for all securities firms doing business in the United States. FINRA is dedicated to investor protection and market integrity through effective and efficient regulation and complementary compliance and technology-based services. FINRA touches virtually every aspect of the securities business — from registering and educating all industry participants to examining securities firms, writing rules, enforcing those rules and the federal securities laws, informing and educating the investing public, providing trade reporting and other industry utilities, and administering the largest dispute resolution forum for investors and firms. For more information, please visit www.finra.org.

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Investment Firm Already Faces Fines

2 Agencies Investigate Troubled Lakeland Company Brookstone Securities

Brookstone also faces an investigation by the Florida Office of Financial Regulation.

By Jeremy Mearnsy
THE LEDGER
Published: Friday, June 22, 2012 11:08 p.m.

LAKELAND | Investigations continue into troubled investment firm Brookstone Securities, according to documents obtained by The Ledger.

Earlier this week, Robert Noyes, director of corporate security for the Financial Industry Regulatory Authority, requested an off-duty Polk County Sheriff's deputy accompany agency examiners, according to a Sheriff's Office document.

The off-duty contract was approved, and the deputy was assigned to Brookstone's Lakeland office at 2920 Drane Field Road on Tuesday and Wednesday.

The document didn't detail what the deputy would do. It only said, "Further information to follow."

FINRA, which is a non-governmental regulator for the securities industry, does not comment on ongoing investigations, spokeswoman Michelle Ong said.

Brookstone, which closed more than a week ago, also is facing an investigation by the Florida Office of Financial Regulation.

That state agency also won't discuss examinations, spokeswoman Amy Alexander said.

Brookstone's owner, Antony Turbeville, has said he doesn't plan to reopen the business. He did not return a call seeking comment Friday.

Earlier this month, FINRA fined the company $1 million, and Turbeville and broker Christopher Kline were ordered to pay more than $1.6 million in restitution because they "made fraudulent sales" to elderly clients without notifying them of potential risks, according to the agency's documents.

Turbeville and Kline were also barred from the securities industry, last week's ruling said, and the company's chief compliance officer, David Locy, was barred from any supervisory or principal capacity, suspended in all capacities for two years and fined $25,000.

Those penalties are on hold while the company appeals the ruling. Brookstone filed its appeal June 12, according to FINRA reports.

On Wednesday, Brookstone requested to terminate its registrations with FINRA and
the U.S. Securities and Exchange Commission, according to the agency's database.

The company also shut down its website. A short message directs clients who to call about their investments: "Brookstone Securities has ceased operations. For any servicing or questions related to your Brookstone account held at First Southwest Company please call 800-664-3792."

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BROOKSTONE SECURITIES

Complaints Dogged Shuttered Firm

At least one customer won a $55,000 judgment; other cases were settled, regulatory records show.

By Jerome Manor
THE LEDGER
Published: Sunday, June 17, 2012 at 3:12 a.m.

LAKELAND | A letter and an accompanying check for $55,000 from Lakeland-based Brookstone Securities capped off a nearly 3-year legal battle for Joseph Ertel.

At the top of the letter sent last year, a final message was inscribed by the Lakeland firm's owner, Antony Turbeville: "Mazel Tov! Tony!"

It was the last correspondence the two had after a tumultuous, 5-year relationship.

The Ledger found Ertel's case among several that have faced the firm and Turbeville in recent years, according to documents from the Financial Industry Regulatory Authority. The authority has ordered Turbeville, his now-shuttered company and some employees to pay nearly $3 million in fines, fees and restitution.

Some of the previous cases had been settled, and Turbeville declined to comment on them, saying it would be a FINRA violation to do so.

Of that amount, Turbeville, along with his firm and two employees, were fined about $2.6 million last week because they "made fraudulent sales" to elderly clients without notifying them of potential risks, according to a ruling by FINRA.

Turbeville again denied the allegations of wrongdoing, and an appeal was filed Tuesday with the National Adjudicatory Council, documents showed.

On Thursday, Brookstone closed its doors for business at its 2920 Drane Field Road office. Turbeville said he didn't expect it to reopen.

If the initial appeal is denied, the case could be appealed to the Securities and Exchange Commission and then the U.S. Court of Appeals.

WRONG INVESTMENT

Though he ultimately prevailed in his case, Ertel said he wishes he never met Turbeville.

"My wife and I invested a considerable portion of our savings into what we were told was an investment in bonds that were guaranteed by the U.S. government," he said.

Turbeville told them he knew how and when to sell the bonds, boasted about 10 percent returns and suggested the couple buy on margin, which is borrowed money used to purchase securities, Ertel said.

"I instructed him to do what he thought was right for us," Ertel said.
Ertel and his wife, Jean, had moved to Lakeland from Illinois in 2003 and met Turbeville through a volunteer at the Lakeland SPCA, where Ertel worked as a veterinarian.

"I had just moved here after selling my practice," Ertel said. "I had that money, and I didn't want to put it in the stock market. We had experienced the dot-com loss, and that was like about 30 percent or so."

The befriended volunteer had experience with Turbeville through his other company, Platinum Financial.

"She was just a sweet, old lady," he said. "He (Turbeville) had helped her with a relative, and they had invested in his thing."

After some discussion, Ertel and his wife invested $200,000 with Brookstone in 2003, with the expectation that their money would grow.

Their portfolio manager, Clifford Popper, worked for another company — Archer Alexander in Kansas.

Turbeville, who also had worked for Archer Alexander between 2003 and 2005, provided Ertel a packet outlining what he was investing in — collateralized mortgage obligations — and said Popper would be assigned to them. Along with the packet, Ertel was given Popper's resume, which seemed impressive, including degrees from Northwestern University and the University of Florida.

"Mr. Popper began his career as a stock broker in Boca Raton, Florida, catering to the ultra-wealthy and sophisticated clients looking to participate in the equity and fixed income markets," Popper's biography page began.

The biography was neatly laid out on Platinum Financial letterhead. The company is not a registered FINRA member.

Ertel, who now works as the veterinarian for the Polk County Sheriff's Office, said he felt comfortable with his decision. But in his dealings with Turbeville, Ertel never spoke with Popper.

It wasn't until later that Ertel learned Archer Alexander was "expelled" from FINRA in February 2007 for failing to pay $108,000 in arbitration fees, according to FINRA documents. Popper also had a lengthy history with FINRA.

"It took me years to figure this out," Ertel said.

In January, amid a federal fraud trial in which Popper was accused of defrauding investors of more than $100 million, Popper killed himself, according to the Miami Herald. His body was found at his third-story condo in Highland Beach.

MAKING A COMPLAINT

Through statement after statement, Ertel watched nearly $50,000 of his money disappear.

It was 2008, and he wanted out.

Turbeville finally returned what was left of Ertel's investment after turning down numerous attempts to get it, Ertel said. By then, about 25 percent had been lost.

Ertel filed a complaint with FINRA in September 2008, and the case went before arbitrators. He learned the process and fought Brookstone's lawyers for his money, himself, rather than hire a lawyer.

In the end, he prevailed. Or so he thought.
Just days after the judgement from the FINRA arbitrators, Brookstone's lawyers filed an order to vacate with the circuit court in Hillsborough County.

"I couldn't believe it," Ertel said. "I became the defendant of my money."

He had 10 days to respond to the court filing and quickly began searching for a lawyer to represent him. But those recommended to him all had conflicts of interest in the case.

In one instance, a lawyer told Ertel his conflict was because he had a mortgage through Community Southern Bank, where Turbeville was then president. Turbeville is no longer with the company, according to FINRA filings.

Ertel finally decided to represent himself and found an online course that taught him how to navigate the legal system.

And after numerous depositions and arguments with high-powered lawyers, he won, according to a final judgement from Circuit Court Judge Herbert Baumann.

"They put me through hell," he said of the arbitration and legal processes. "They put me through everything."

Turbeville had little to say about Ertel's case.

"I think that that is a matter of public record," he said. "We certainly disagree with the ruling."

INVESTMENT TROUBLES

Ertel's case isn't the first finding against Brookstone.

In a review of FINRA documents, The Ledger found several instances in which either Brookstone Securities or Turbeville had been cited for trading violations. FINRA oversees nearly 4,405 brokerage firms, 162,780 branch offices and 629,865 registered securities representatives.

Since 2005, Brookstone has faced fines and censure and has been ordered to pay restitution for not following the laws that regulate investment firms. Some of those findings are pending appeal by the firm, while others have been settled.

Turbeville, Brookstone's owner, also has faced his share of fines and was briefly suspended from acting in "any principal capacity" by FINRA, according to documents. Last year, FINRA investigators suspended Turbeville between October 2011 and January 2012 and also fined him $10,000.

In that case, which was settled without any admission of wrongdoing, Turbeville faced allegations that he "failed to reasonably supervise a registered representative and failed to follow-up on red flags that should have alerted them to the need to investigate the representative's sales practices and determine whether trading restrictions, heightened supervision or discipline were warranted," FINRA investigators noted in reports.

The investigators also noted in the allegations that Turbeville was aware of a lack of supervisory controls, that the principals did not review trades or correspondence, and that the firm's account application process was flawed and Turbeville did not take steps to address the problems.

In other instances, Brookstone was cited twice in 2011 and three times in 2010 for various suspected violations, paying settlements of more than $250,000, and was censured, according to FINRA documents.

In each case, the firm settled and avoided admitting guilt, FINRA records showed.
Brookstone's lawyer, Marc Abramson, likened the company's decision to settle to a business decision that potentially could save money and time.

By paying the settlement costs, the firm and Turbeville avoided any uncertainties of a formal arbitration case and avoided increasing legal fees, he said.

Turbeville declined to comment on the cases, saying it would be inappropriate and would constitute a FINRA violation.

Some of the allegations listed in the FINRA documents, ones in which the firm neither accepted nor denied guilt, included misrepresentation, recklessly or knowingly failing to disclose risk, ignoring the investment wishes of its clients, failure to supervise representatives of the company, excessive use of margin and accounting flaws, the documents showed.

By comparison with other investment firms, Morgan Stanley Smith Barney's Lakeland branch has had no FINRA violations between 2005 and now. And Lakeland-based Allen & Company has had one in that time because of a clerical error.

A CURRENT CASE

Betty Baker, who met Turbeville through one of his many seminars that targeted elderly Polk residents, said she doesn't know whether she will get any of her $3,700 back from the troubled broker.

And at 88, the Winter Haven resident is not so sure it would happen in her lifetime. But she is hopeful that she has the same outcome as Ertel.

She provided statements to FINRA investigators in the most recent case and also provided some testimony at an arbitration hearing last year in South Florida.

There also were other victims in the case that corroborated her story and how customers were treated, FINRA reports said.

Baker's losses weren't as great as Ertel's, but on a fixed income, every little bit matters, she said.

"That's why we live in a beat-up mobile home," she said. "A lot of people fell for it."

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BROOKSTONE SECURITIES IN LAKELAND

Owner of Lakeland Investment Firm Fined $1 Million for "Fraudulent Sales"

Regulating agency also orders owner, broker to pay $1.6 million in restitution for "fraudulent sales" to elderly clients.

By Jeremy Maroaciu
THE LEDGER
Published: Monday, June 4, 2012 at 11:39 p.m.

LAKELAND | The owner of a Lakeland investment firm and one of its brokers have been ordered to pay more than $1.6 million in restitution because they "made fraudulent sales" to elderly clients without notifying them of potential risks, according to a ruling by Financial Industry Regulatory Authority.

The authority also levied a $1 million fine against the firm, Brookstone Securities of 2920 Drane Field Road in Lakeland, according to the ruling.

Brookstone's owner, Antony Turbeville, and broker Christopher Kline have been barred from the securities industry, the ruling said. The authority also barred the company's chief compliance officer, David Locy, from any supervisory or principal capacity, suspended him in all capacities for two years and fined him $25,000.

But the company is fighting the ruling and will continue to operate until the appeal is heard, said lawyer Marc Abramson, who is representing Brookstone and its employees.

"It is our understanding that all sanctions are stayed while the appeal is pending," he said Monday.

The company's current chief executive officer, Paul Richardson, said the appeals process typically takes between two and four years.

"This is a non-final decision by the FINRA hearing officer," he said. "We are appealing the decision and are refuting the underlying allegations."

Richardson, who was hired by the company last year, said there were "substantive errors" during the hearings and said he is confident the company and its workers will win on appeal.

The appeal first would be heard by the National Adjudicatory Council. If it is denied, the case could be appealed to the Securities and Exchange Commission and then the U.S. Court of Appeals.

"During that time, there's no penalty and no sanctions," Richardson said.

Turbeville and Locy referred all questions to their lawyer. Attempts to contact Kline were unsuccessful.

FINRA found that between July 2005 and July 2007, Turbeville and Kline "intentionally made fraudulent misrepresentations and omissions" to elderly and unsophisticated customers regarding the risks associated with investing in collateralized mortgage obligations.
At the time, the investors were seeking safer alternatives to their equity investments, but Turbeville and Kline "preyed on their elderly customers' greatest fears" to get them to invest in unstable investments, the ruling said.

Collateralized mortgage obligations are bundles of mortgages sold off in slices to investors, said Kevin Griffith, a certified financial planner and branch manager for Morgan Stanley Smith Barney in Lakeland. The buyers are typically paid an interest rate monthly or quarterly as the mortgages are paid off.

But part of what caused the national 2008 financial collapse was the fact that many of those mortgage holders defaulted on their loans, making the mortgage investments nearly worthless, Griffith said. The loss was then on the shoulders of the investors.

In the case of Turbeville and Kline, according to FINRA, they failed to notify their customers of the changing market conditions and led their customers to think the investments were government-guaranteed bonds that would generate up to 15 percent returns.

During the two-year period, Brookstone made $492,500 in commissions on bond transactions from seven customers who lost $1,620,000, the ruling said.

The panel also noted Locy ignored his responsibility as chief compliance officer and "looked the other way while Turbeville and Kline traded CMO accounts that were unsuitable for their customers."

Disclosure is key, Griffith said.

"When you don't disclose the risk to clients, you're always wrong," he said.
"Hopefully the clients can get some restitution for some of the money they lost."

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