

**STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION**

IN THE MATTER OF:)
)
ROBINSON CAPITAL INVESTMENTS, LLC) ADMINISTRATIVE ORDER
BRYAN KEVIN ROBINSON) NO.CD-2015-0024
)
RESPONDENTS)

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, and having confirmed information of the offers for sale and/or sale of securities, into, within or from the state of Alabama, has determined as follows:

RESPONDENTS

1. **ROBINSON CAPITAL INVESTMENTS, LLC (ROBINSON CAPITAL INVESTMENTS)** is an Alabama limited liability company with offices and principal place of business at 412 South Court Street, Florence, AL 35630.

2. **BRYAN KEVIN ROBINSON (ROBINSON)** is the Managing Member of **ROBINSON CAPITAL INVESTMENTS** with offices and principal place of business at 412 South Court Street, Florence, AL 35630.

STATEMENT OF FACTS

3. On or about the fall of calendar year 2014, ROBINSON sponsored a presentation at a local restaurant in Florence, Alabama, regarding an investment opportunity. The presentation was given by ROBINSON. The investment opportunity was the Real Estate Investor Program offered by ROBINSON CAPITAL INVESTMENTS.

4. During the presentation, **ROBINSON** represented that he had identified approximately eighty-five (85) single family houses in foreclosure that were available for purchase. According to **ROBINSON**, investors, through the **Real Estate Investor Program**, would provide funds to purchase the subject properties. Following the purchase of the subject properties, said properties were to be updated and/or repaired by **ROBINSON**. Subsequently, **ROBINSON CAPITAL INVESTMENTS** was to finance the sale of the properties.

5. In exchange for their investment, **ROBINSON CAPITAL INVESTMENTS** offered promissory notes to investors that were equal to the amount of their investment plus eleven percent (11%) interest per annum, with interest payments to be made monthly. In addition, each promissory note was to be secured with a mortgage on a property purchased with investor funds.

6. Investor JM and Investor CM, both from the local area, attended the presentation given by **ROBINSON**. Subsequently, based on representations made by **ROBINSON**, Investor JM invested \$300,000.00 in the **Real Estate Investor Program** and Investor CM made an investment of \$200,000.00.

7. In exchange for his investment, Investor JM received nine (9) promissory notes, issued by **ROBINSON CAPITAL INVESTMENTS**, totaling \$300,000.00. Each of the promissory notes was purportedly secured with a mortgage against a parcel of real property located in Madison County, Alabama. **ROBINSON** was responsible for properly recording the mortgages and did have each mortgage recorded in the office of the Probate Judge of Madison County, Alabama; however, a search of the records maintained by said Probate Judge reveals that there is no deed relating to the purchase of the subject real properties by **ROBINSON CAPITAL INVESTMENTS**. Accordingly, there is no record of **ROBINSON CAPITAL INVESTMENTS** having purchased or otherwise acquiring an ownership interest in the real property mortgaged to Investor JM.

8. Investor CM received six (6) promissory notes issued by **ROBINSON CAPITAL INVESTMENTS**. The promissory notes issued to Investor CM total \$200,000.00. Each promissory note was purportedly secured with a mortgage against a parcel of real property located in Madison County, Alabama. **ROBINSON** was also responsible for properly recording the mortgages and did have each mortgage recorded in the office of

the Probate Judge of Madison County, Alabama; however, a search of the records maintained by said Probate Judge reveals that there is no deed relating to the purchase of the subject real properties by **ROBINSON CAPITAL INVESTMENTS**. Accordingly, there is no record of **ROBINSON CAPITAL INVESTMENTS** having purchased or otherwise acquiring an ownership interest in the real property mortgaged to Investor CM.

9. Investor JH was introduced to **ROBINSON**, via telephone, by a mutual friend. During their telephone conversation, **ROBINSON** offered Investor JH a real estate investment opportunity. **ROBINSON** represented to Investor JH that investor funds were to be pooled. **ROBINSON** further represented that the pooled investment funds were to be used to purchase thirty-five (35) to fifty (50) houses that were in foreclosure.

10. Based on representations made by **ROBINSON** during the telephone conversation, Investor JH made two investments of \$50,000.00 each with **ROBINSON**. With regard to his first investment, **ROBINSON CAPITAL INVESTMENTS** issued a promissory note in the amount of \$50,000.00, payable to Investor JH. Said promissory note specified the payment of monthly interest based on eleven percent (11%) interest per annum and was purportedly secured with a mortgage against a parcel of real property located in Madison County, Alabama. A search of the records maintained by the office of the Probate Judge of Madison County, Alabama, reveals that the subject mortgage was not recorded prior to delivery to Investor JH who resides outside the State of Alabama. Further search of the records maintained by the Probate Judge of Madison County, Alabama reveals that there is no deed relating to the purchase of the subject real property by **ROBINSON CAPITAL INVESTMENTS**. Accordingly, there is no record of **ROBINSON CAPITAL INVESTMENTS** having purchased or otherwise acquiring an ownership interest in the real property mortgaged to Investor JH.

11. With regard to the second investment of \$50,000.00 placed with **ROBINSON**, Investor JH received two (2) promissory notes. Each of the promissory notes specified the payment of monthly interest computed on eleven percent (11%) interest per annum, and each note was purportedly secured with a mortgage on a parcel of real estate located in Madison County, Alabama. A search of the records maintained by the office of the Probate Judge of Madison County, Alabama reveals that the subject mortgages were not recorded prior to delivery to Investor JH. Further search of the records maintained by the

Probate Judge of Madison County, Alabama reveals that there is no deed relating to the purchase of the subject real property by **ROBINSON CAPITAL INVESTMENTS**. Accordingly, there is no record of **ROBINSON CAPITAL INVESTMENTS** having purchased or otherwise acquiring an ownership interest in the real property mortgaged to Investor JH.

12. A search of the registration files maintained by the Commission reveals that neither **ROBINSON** nor **ROBINSON CAPITAL INVESTMENTS** is registered to conduct business in the securities industry in Alabama.

13. In addition, no record of registration was disclosed for the promissory notes offered and sold by **ROBINSON** and **ROBINSON CAPITAL INVESTMENTS**.

CONCLUSIONS OF LAW

14. Pursuant to Section 8-6-2(10), Code of Alabama 1975, the definition of a security includes "notes" and "investment contracts." The promissory notes issued by **ROBINSON** and **ROBINSON CAPITAL INVESTMENTS** are securities under the Act.

15. Pursuant to Section 8-6-2(5), Code of Alabama 1975, the definition of an "issuer" includes every person who proposes to issue, or has issued, any security. **ROBINSON CAPITAL INVESTMENTS**, by issuing securities, to wit: promissory notes, is an "issuer" as defined by the Act.

16. Pursuant to section 8-6-2(2) Code of Alabama 1975, the definition of "agent" includes any individual who represents a dealer or issuer in effecting or attempting to effect sales of securities. **ROBINSON**, by representing **ROBINSON CAPITAL INVESTMENTS** in effecting the sales of securities, to wit: promissory notes, is an agent as defined by the Act.

17. Pursuant to section 8-6-3(a) Code of Alabama 1975, it is unlawful for any person to transact business in the state as a dealer or agent for securities unless he is registered under the Act. **ROBINSON** as an agent of **ROBINSON CAPITAL INVESTMENTS** effected a securities transaction without benefit of registration, in violation of the Act.

18. Section 8-6-3(a), Code of Alabama, 1975, states that it is unlawful for any dealer or issuer to employ an agent unless the agent is registered pursuant to the Act. **ROBINSON CAPITAL INVESTMENTS** employed **ROBINSON**, an unregistered agent,

in violation of the Act.

19. Pursuant to section 8-6-4, Code of Alabama, 1975, it is unlawful for any person to offer or sell any security in this state unless said security: (1) is registered under the Act; (2) the security is exempt from registration under section 8-6-10; or (3) the transaction is exempt under section 8-6-11. **ROBINSON** offered and sold securities, to wit: promissory notes, that were neither registered nor subject to a perfected exemption from registration, in violation of the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Alabama Securities Act.

Additionally, if the allegations set forth herein are found to be true, though either administrative adjudication or default of the **RESPONDENTS**, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, *inter alia*, an administrative assessment imposed on **RESPONDENTS**, an additional administrative assessment for investigative cost arising from the investigation of the violations described herein against **RESPONDENTS**, and a permanent order to bar **RESPONDENTS** from participation in any securities related industry in the State of Alabama. Failure to respond within 28 days of service of the Order shall be deemed a waiver of the right to a hearing and will result in the entry of a final order directing **RESPONDENTS** to cease and desist from violating the Alabama Securities Act and permanently barring **RESPONDENTS** from participation in any securities related industry in the State of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that **ROBINSON CAPITAL INVESTMENTS, LLC**, and **BRYAN KEVIN ROBINSON** immediately **CEASE AND DESIST** from further offers or sales of any security into, within or from the State of Alabama.

Entered at Montgomery, Alabama, this 14th day of December, 2015.



ALABAMA SECURITIES COMMISSION
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(334) 242-2984

BY:

JOSEPH P. BORG
Director