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10 BEFORE THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION
OF THE STATE OF CALIFORNIA

11 In the Matter of:
12 THE COMMISSIONER OF FINANCIAL
13 PROTECTION AND INNOVATION,
14 Complainant,
15 v.
16 ROBINSON SERVICES, and TAFARA
ROBINSON,
17 Respondents.

STATEMENT IN SUPPORT OF ORDER
LEVYING ADMINISTRATIVE
PENALTIES

(Cal. Fin. Code § 90015 and Cal. Corp. Code
§ 25252)

19 The Commissioner of Financial Protection and Innovation (Commissioner) is informed and
20 believes, and based upon such information and believe, alleges and charges as follows:

21 **I.**

22 **INTRODUCTION**

23 1. The Commissioner has jurisdiction over the regulation of persons engaged in offering
24 or providing a consumer financial product or service in California under the California Consumer
25 Financial Protection Law (Cal. Fin. Code §§ 90000-90019) (CCFPL).

26 2. The Commissioner is authorized to administer and enforce the provisions of the
27 Corporate Securities Law of 1968 (Cal. Corp. Code §§ 25000-25707) (CSL), which includes the
28 regulation of the offer and sale of securities in California.

1 account records of account balances through “Robinson Services – Financial Services Brokerage.”
2 These records and Robinson’s communications led the Consumers to falsely believe that their money
3 was earning profits through Robinson’s efforts. Nor did Robinson allow the Consumer to withdraw
4 any funds, even when they asked.

5 10. Robinson’s representations set forth in Paragraph 8 above constitute deceptive acts or
6 practices with respect to a consumer financial product or service, to wit, engaging in deposit-taking
7 activities, transmitting or exchanging funds, or otherwise acting as a custodian of funds or any
8 financial instrument on behalf of a consumer.

9 11. Financial Code section 90003 prohibits a covered person from engaging or proposing to
10 engage in any unlawful, unfair, deceptive, or abusive act or practice with respect to consumer financial
11 products or services. A “financial product or service” includes, among other things, “[e]ngaging in
12 deposit-taking activities, transmitting or exchanging funds, or otherwise acting as a custodian of funds
13 or any financial instrument for use by or on behalf of a consumer.” Cal. Fin. Code § 90005(k)(4).

14 **Violations of Cal. Fin. Code §§ 90003 (a)(1) and 90005(k)(8)(B)**

15 **(Deceptive Act or Practice relating to Debt Relief Services)**

16 12. Beginning in at least May 2019, Robinson offered to help consumers with debt relief by
17 stating, “We will look into debt relief / student loan balance reduction payment and settlement options
18 for you.”

19 13. In one case, at least one Consumer agreed to pay Robinson one thousand dollars for
20 debt relief services. However, after the Consumer paid Robinson, Robinson never provided any
21 services.

22 14. Robinson’s representations set forth in Paragraph 13 above constitute deceptive acts or
23 practices with respect to a consumer financial product or service, to wit, by representing that Robinson
24 would provide debt relief services, but upon receiving payment no services were ever provided.

25 15. Financial Code section 90003 prohibits a covered person from engaging or proposing to
26 engage in any unlawful, unfair, deceptive, or abusive act or practice with respect to consumer financial
27 products or services. A “financial product or service” includes, among other things, “[p]roviding
28 financial advisory services . . . including . . . [p]roviding services to assist a consumer with debt

1 management or debt settlement, modifying the terms of any extension of credit, or avoiding
2 foreclosure.” Cal. Fin. Code § 90005 (k)(8)(B).

3 **Violation of Cal. Corp. Code § 25110**

4 **(Unqualified, Non-Exempt Offer and Sale of Securities)**

5 16. Beginning in at least May 2019, after Robinson obtained custody of Consumer’s funds,
6 Robinson offered and sold securities in the form of investment contracts – in California, through
7 telephone calls and email correspondence.

8 17. The purported purpose of the securities offering was to raise money from members of
9 the public and in return Robinson promised a 10% annual return.

10 18. Robinson sold investment contracts to approximately two investors, residing in
11 California and elsewhere, in at least two separate transactions. Robinson raised at least \$194,000.00
12 from investors.

13 19. Corporations Code section 25110 prohibits the offer or sale of unqualified, nonexempt
14 securities in issuer transactions in the State of California. The securities offered and sold by Robinson
15 Services and Tafara Robinson are subject to qualification under the CSL. These securities were offered
16 or sold in this state in issuer transactions. The Department has not issued a permit or other form of
17 qualification authorizing any person to offer or sell these securities in this state. The offer or sale of
18 these securities is not exempt.

19 **Violation of Cal. Corp. Code § 25401**

20 **(Misrepresentations of Material Facts regarding the Offer and Sale of Securities)**

21 20. Robinson and their agents solicited investors and prospective investors through
22 telephone calls and email correspondence.

23 21. In connection with the offer and sale of securities, Robinson made, or caused to be
24 made, misrepresentations of material fact to investors and potential investors, including that Robinson
25 Services was a brokerage services company. In fact, neither the California Department of Financial
26 Protection and Innovation (Department) nor the United States Securities and Exchange Commission
27 has ever issued a broker-dealer certificate to Robinson.

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1 29. Based on the foregoing findings, the Commissioner finds that Robinson engaged in
2 deceptive acts or practices with respect to consumer financial products or services, which includes
3 deposit-taking activities and debt relief services, in violation of Financial Code section 90003 (a)(1).

4 30. Pursuant to Financial Code sections 90012 (c)(1)(A)(i) and 90015 (c), the
5 Commissioner hereby provides notice of intent to levy administrative penalties against Robinson for
6 the statutory amount of not more than the greater of either five thousand dollars (\$5,000.00) for each
7 day during which the violation or failure to pay continues, or two thousand five hundred dollars
8 (\$2,500.00) for each act or omission in violation, or according to proof, for Robinson’s repeated
9 violations of Financial Code section 90003 (a)(1).

10 WHEREFORE, good cause showing, and pursuant to Financial Code sections 90012
11 (c)(1)(A)(i) and 90015 (c), the Commissioner prays for an order levying administrative penalties,
12 individually, jointly and severally, against Robinson Services and Tafara Robinson, as follows:

13 a. That pursuant to Financial Code section 90012 (c)(1)(A)(i), the Commissioner
14 levy administrative penalties of \$2,500.00 for each violation, as listed below, for a total amount of
15 \$22,500.00 or according to proof:

- 16 i. \$2,500.00 for the deceptive act in paragraph 9a, made to two California
17 residents;
- 18 ii. \$2,500.00 for the deceptive act in paragraph 9b, made to two California
19 residents;
- 20 iii. \$2,500.00 for the deceptive act in paragraph 9c, made to two California
21 residents;
- 22 iv. \$2,500.00 for the deceptive act in paragraph 9d, made to two California
23 residents; and
- 24 v. \$2,500.00 for the deceptive act in paragraph 14, made to one California
25 consumer.

26 The total amount of administrative penalties for violations of Financial Code section 90003 (a)(1) is
27 \$22,500.00, or according to proof.

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1 **B. CSL**

2 31. Corporations Code section 25252 (a) authorizes the Commissioner to issue an order
3 levying administrative penalties against any person for willful violations of any provisions of the CSL
4 and any rules promulgated thereunder.

5 32. Based on the foregoing findings, the Commissioner finds that Robinson offered and
6 sold unqualified, non-exempt securities in an amount of at least \$194,000.00, and made numerous
7 material misrepresentations and omissions of fact, to at least two investors, in violation of
8 Corporations Code sections 25110 and 25401.

9 33. Pursuant to Corporations Code section 25252 (a), the Commissioner hereby provides
10 notice of intent to levy administrative penalties against Robinson for the statutory amount of not more
11 than one thousand dollars (\$1,000.00) for the first violation, and not more than two thousand five
12 hundred dollars (\$2,500.00) for each subsequent violation, or according to proof, for Robinson's
13 repeated willful violations of section 25110 and 25401.

14 WHEREFORE, good cause showing, and pursuant to Corporations Code section 25252 (a), the
15 Commissioner prays for an order levying administrative penalties, individually, jointly and severally,
16 against Robinson Services and Tafara Robinson, as follows:

17 a. That pursuant to Corporations Code section 25252 (a), the Commissioner levy
18 administrative penalties of \$1,000.00 for the first violation of Corporations Code section 25110 and
19 \$2,500.00 for each subsequent violation, as listed below, for a total amount of \$3,500.00 or according
20 to proof:

- 21 i. First violation: \$1,000.00 for the first sale of a security; and
- 22 ii. Additional violations: \$2,500.00 for the second sale of a security.

23 b. That pursuant to Corporations Code section 25252 (a), the Commissioner levy
24 administrative penalties of \$2,500.00 for each violation, as listed below, for a total amount of
25 \$25,000.00, or according to proof:

- 26 i. \$2,500.00 for the misrepresentation in paragraph 21, made in the two
27 transactions;

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- ii. \$2,500.00 for the misrepresentation in paragraph 22.(1), made in the two transactions;
- iii. \$2,500.00 for the misrepresentation in paragraph 22.(2), made in the two transactions;
- iv. \$2,500.00 for the misrepresentation in paragraph 22.(3), made in the two transactions;
- v. \$2,500.00 for the misrepresentation in paragraph 22.(4), made in the two transactions.

The total amount of administrative penalties for violations of Corporations Code sections 25110 and 25401 is \$28,500.00, or according to proof.

IV.

CONCLUSION

Based upon the foregoing, the Commissioner finds that grounds exist, and that it is in the public interest, to enter an order levying administrative penalties, pursuant to Financial Code sections 90012 (c)(1)(A)(i) and 90015 (c), and Corporations Code section 25252 (a). The total amount of administrative penalties for violations of Financial Code section 90003 (a) and Corporations Code sections 25110 and 25401 is \$51,000.00, or according to proof. The Commissioner hereby notifies Robinson Services and Tafara Robinson of her intention to make such orders final.

Dated: August 5, 2024
Sacramento, California

CLOTHILDE V. HEWLETT
Commissioner of Financial Protection and Innovation

By _____
RYAN M. CASSIDY
Counsel
Enforcement Division