

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 83957 / August 27, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18685

In the Matter of

Lynette M. Robbins,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Lynette M. Robbins (“Respondent” or “Robbins”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over her and the subject matter of these proceedings and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities and Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that

1. At all relevant times, Robbins, 72, was a resident of The Villages, Florida. Robbins, through Knowles Systems, Inc. ("Knowles"), an entity she owned and controlled with her husband, acted as an unregistered broker or dealer by selling the securities of Woodbridge Group of Companies, Inc. ("Woodbridge"). Robbins did not hold any securities licenses and was never registered as or associated with a registered broker-dealer.

2. On August 23, 2018, a final judgment was entered by consent against Robbins, permanently enjoining her from future violations of Section 5 of the Securities Act of 1933 ("Securities Act") and Section 15(a)(1) of the Exchange Act, in the civil action entitled Securities and Exchange Commission v. Lynette M. Robbins et al., Civil Action Number 18-cv-23368-FAM, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that, among other things, between June 2014, and December 2017, Robbins, through Knowles, offered and sold Woodbridge securities. Neither Knowles, Robbins, nor Woodbridge were associated with Commission-registered broker dealers and none of Woodbridge's securities offerings were registered with the Commission. Robbins sold investors two primary types of securities: (1) a twelve-to-eighteen month term promissory note bearing 5%-8% interest that Woodbridge described as First Position Commercial Mortgages ("FPCM"), and (2) seven different private placement fund offerings with five-year terms ("Fund Offerings"). For the FPCMs, Robbins, through Knowles, received a transaction based commission from Woodbridge equivalent to the difference of the 9% wholesale annual interest rate Woodbridge offered to Knowles and Robbins and the 5% to 8% annual interest Knowles and Robbins offered to investors. For the Fund Offerings, Robbins, through Knowles, received a 5% sales commission that Woodbridge purposefully mischaracterized as a "marketing bonus," to avoid the appearance of paying transaction based commissions. Robbins, through Knowles, received approximately \$8.8 million in transaction based commissions from Woodbridge earned as a result of raising \$147 million through the sale of Woodbridge securities to more than 870 investors.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for

purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Brent J. Fields
Secretary