

ADMINISTRATIVE RELEASE

Investment Advisers Act of 1940
Release No. 2485 / February 8, 2006

Administrative Proceeding No. 3-12178

IN THE MATTER OF THOMAS J. ROBBINS

The Commission has instituted administrative proceedings against Thomas J. Robbins pursuant to Section 203(f) of the Investment Advisers Act of 1940 (Advisers Act). The Division of Enforcement (Division) alleges that on June 21, 2005, Robbins was enjoined from future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933, Section 10(b) and of the Exchange Act of 1934 and Rule 10b-5 thereunder and Sections 206(1) and 206(2) of the Advisers Act. Robbins subsequently moved to vacate the judgment; his motion was denied on January 19, 2006. The Commission filed its complaint against Robbins and others on February 9, 2005.

The Order Instituting Proceedings (Order) also alleges that the complaint in the underlying injunctive action alleged that, from at least January 2002 until February 2003, Robbins caused over 100 investors to invest \$4,545,723.44 in two bogus investment schemes. The complaint alleges that, among other things, Robbins solicited money from investors to provide Robbins with funds to day trade stocks in a brokerage account he managed. It is further alleged that Robbins misrepresented to clients and potential clients that he was using their money to successfully buy and sell stock for substantial profits when, in fact, he was consistently sustaining losses from his day-trading activity and misappropriating clients' funds for his own use without disclosing this fact. Finally, it is alleged that Robbins misrepresented to his clients that returns paid them were derived from trading profits when the returns were actually paid from new funds invested in the program by new clients.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide Robbins an opportunity to dispute these allegations, and to determine what sanctions, if any, are appropriate. The administrative law judge must issue an initial decision within 210 days after the order instituting proceedings has been served on Robbins.