

BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of

JEWELL ROBBINS a/k/a JEWELL A. BURGIN

Respondents.

PETITION FOR ORDER

File No. S-08104(EX)

The staff of the State of Wisconsin, Department of Financial Institutions, Division of Securities has conducted an investigation in this matter pursuant to § 551.56, Wis. Stats., and as a result thereof alleges as follows:

1. Jewell Robbins a/k/a Jewell A. Burgin (hereinafter "Robbins"), is a person with a last known home address of 128 Barkley Estates, Nicholasville, Kentucky 40356-2540, and business address at PO Box 54333, Lexington, Kentucky 40505;
2. During the spring of 2007, at least four persons in Wisconsin invested in investment contracts for a fractional interest of Robbins' purported interest in litigation filed on behalf of heirs of William R. Meadows for his interest in the Spindeltop oil strike in Texas;
3. The pre-dated contracts Jewell offered to the Wisconsin investors entitled "SALE AND ASSIGNMENT: WM. R. MEADOWS," provides: "Assignor does hereby sell, assign, transfer ... to and unto Assignee(s), a ____ % interest in so much of the amount, if any, that (i) Assignor receives pursuant to the Assignment from the heirs of Wm. R. Meadows, with respect to the assignments only, which is in excess of (ii) the sum of all expenses paid by or on behalf of Assignor in connection with or incidental to the recovery, settlement and/or other litigation of the Estate of Wm. R. Meadows, deceased, of Tarrant County, Texas, in consideration for the sum of \$ _____;"
4. The investment contracts offered and sold to the Wisconsin investors are investment contract securities as defined by DFI-Sec. § 1.02(6)(a), Wis. Admin. Code, and are therefore securities as defined by § 551.02(13), Wis. Stats.;
5. These investment contracts have never been registered for offer and sale in Wisconsin, pursuant to Ch. 551, Wis. Stats.;
6. The Kentucky Office of Financial Institutions issued an Order to Show Cause to the Robbins and others on August 23, 2005, based on allegations of selling unregistered securities, acting as an unregistered broker-dealer or agent, and making an untrue statement of material fact or omitting to state a material fact ... in the offer and sale of securities to persons in Kentucky" arising from the same conduct alleged herein;
7. The Kentucky Order to Show Cause stated, among other things, that, "... On or about July 9, 2002, in Duval County, Texas, Jewell Robbins and others obtained a judgment by default against City National Bank of Wichita Falls for compensatory damages in the amount of \$767,601.00 and punitive damages in the amount of \$500,000.00. City National Bank of Wichita Falls was defunct when said judgment was obtained and, in fact, no such entity existed when suit was filed nor when judgment was obtained. Since July 9, 2002, Jewell Robbins has sold percentage interests in said judgment to residents of the Commonwealth of Kentucky and from this state to residents in other states. While Robbins does not guarantee that the judgment

is collectible, neither does she inform investors or potential investors that judgment is uncollectible.;

8. On June 12, 2006 in the Franklin County, Kentucky circuit court, the Kentucky Office of Financial Institutions and Robbins entered into a Voluntary Permanent Injunction in which Robbins agreed to "cease and desist from selling any type of securities, including but not limited to sales or assignments of partial interests in litigation or judgments, in this state or out of it, until such contemplated sale has been approved by the Division of Securities of the Kentucky Office of Financial Institutions" and providing that failure to abide by the terms of the injunction would lead to a contempt charge;

9. Franklin Circuit Court (Kentucky) Judge Thomas D. Wingate signed an order on May 10, 2007, finding Jewell Robbins in contempt of court for a willful, knowing violation of the injunction, referred to in Paragraph 7 above, forbidding her from continuing to sell unregistered securities. The judge sentenced Robbins to 120 days in the Franklin County Jail but suspended the jail time on the condition that she comply with his order and the original injunction.;

10. On July 16, 2008, Jewell Robbins was sentenced to 120 days in jail by Judge Thomas D. Wingate in Franklin County, Kentucky Circuit Court as a result of being found in contempt of court because she continued to sell securities despite a court order;

11. In connection with her conduct regarding the offer and sale of the securities to the Wisconsin investors referred to in ¶¶ 2-3 above, Robbins failed to disclose the Order to Show Cause and Voluntary Permanent Injunction of the Kentucky Office of Financial Institutions as set forth in ¶¶ 6-8 above;

12. Robbins has violated § 551.41(2), Wis. Stats., by omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, in connection with the offer and sale of securities to persons in Wisconsin; and

13. The staff of the Division wrote to Robbins to request information and documents concerning the above-referenced securities-related activities with persons in Wisconsin, but despite the due date having passed on July 17, 2008, the Division has received no response.

Therefore, the staff of the Bureau of Enforcement petitions the Administrator of the Division of Securities for the issuance of the attached Order pursuant to Ch. 551, Wis. Stats.

Mark E. Dorman 10-2-08

Mark E. Dorman Date
Examiner

Leslie M. Van Buskirk 10/2/08

Leslie Van Buskirk Date
Attorney Supervisor