

1 **STATE OF CALIFORNIA**
2 **BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY**
3 **DEPARTMENT OF BUSINESS OVERSIGHT**

4 TO: Compassionate Care Community Services, Inc.
5 aka 420 Delivery Service aka www.420delivery.com
6 Norman Cray Jones aka Norman Jones
7 670 N Arrowhead Ave., Ste. C
8 San Bernardino, California 92401-1102

9 **DESIST AND REFRAIN ORDER**
10 **(For violations of sections 25110 and 25401 of the Corporations Code)**

11 The Commissioner of Business Oversight finds that:

12 1. At all relevant times herein, Compassionate Care Community Services, Inc.; aka 420
13 Delivery Service (“Compassionate Care”) is, or was, a California corporation whose registered
14 address is located at 670 N Arrowhead Ave., Ste. C, San Bernardino, California 92401.

15 Compassionate Care maintains a website at www.420delivery.com/business-opportunity from which
16 it appears Compassionate Care provides delivery service of medical marijuana to its clients.

17 2. At all relevant times herein, Norman Cray Jones aka Norman Jones (“Jones”) is, or
18 was, the president and registered agent of Compassionate Care.

19 3. Beginning in or about November 2013, Jones and Compassionate Care offered and
20 sold unqualified, non-exempt securities in the form of investment contracts to at least one California
21 resident by making unsolicited telephone contact and raised at least \$2,500.00.

22 4. The purported purpose of the offering was to raise funds that would be used to grow
23 and harvest medical marijuana.

24 5. Jones said the California resident would become a “grow investor” after investing in
25 Compassionate Care. Jones and the California resident signed an agreement which provided that
26 “Grow Investor investments is [sic] for the collective Jan/Feb. harvest.” The investment contract
27 provided that in return for the investment of \$2,500.00, the investor would receive a return of
28 \$10,000.00 which “shall be paid within 14 to 30 days after said harvest.” Jones made a one-time
payment of \$400.00 to the California resident on February 28, 2014 and has since not made any

1 further payments. When the California resident demanded that Jones return the investment funds
2 along with the promised return, Jones threatened that the California resident would not get any
3 money back if the California resident kept calling him. To date, the California resident has not
4 received either a return of the initial investment or the \$10,000.00 return promised by Jones and
5 Compassionate Care (other than the one-time payment of \$400.00 mentioned in the preceding
6 paragraph).

7 6. In addition to cold-calling investors, Jones and Compassionate Care through its
8 website located at www.420delivery420delivery.com/business-opportunity, solicited investors to
9 invest “in our New... 420 COMFORT CAFÉ.” This website advertised as follows: “Invest \$5,000
10 return 5% of net \$15,000 up yearly... Invest \$10,000 return 10% of net \$35,000 up yearly....Invest
11 \$15,000 return 15% of net \$50,000 yearly.... Invest \$20,000 return 20% of net \$80,000 up yearly.”

12 7. The security was offered and sold in this state in an issuer transaction by Jones and
13 Compassionate Care. The Department of Business Oversight has not issued a permit or other form of
14 qualification authorizing any person to offer or sell this security in this state.

15 8. In connection with the offer and sale of the security, Jones and Compassionate Care
16 made material misrepresentations of facts and also omitted to state material facts necessary in order
17 to make the statements made, in the light of the circumstances under which they were made, not
18 misleading. These misrepresentations and omissions included, but are not limited to, the following:

19 a. representing that the investor “shall” receive a return of \$10,000.00 on an
20 investment when in reality the investor only received \$400.00 of the promised return;

21 b. misrepresenting that the investor “shall” receive the promised return “14 to 30
22 days” after the “Jan/Feb. harvest.”

23 Based upon the foregoing findings, the Commissioner of Business Oversight is of the opinion
24 that the investment contract that has been offered or sold by Compassionate Care and Jones are being
25 or have been offered or sold without being qualified in violation of Corporations Code section 25110.

26 Pursuant to Corporations Code section 25532 of the Corporate Securities Law of 1968,
27 Compassionate Care Community Services, Inc.; aka 420 Delivery Service; aka
28 www.420delivery420delivery.com and Norman Cray Jones aka Norman Jones are hereby ordered to

1 desist and refrain from the further offer or sale in the State of California of securities, including but
2 not limited to investment contracts, unless and until qualification has been made under the law or
3 unless exempt.

4 Furthermore, the Commissioner of Business Oversight is of the opinion that the security
5 offered and sold by Compassionate Care and Jones was offered and sold in this state by means of
6 written or oral communications that included untrue statements of material fact or omitted to state
7 material facts necessary in order to make the statements made, in the light of the circumstances under
8 which they were made, not misleading, in violation of section 25401 of the Corporate Securities Law
9 of 1968.

10 Pursuant to Section 25532 of the Corporate Securities Law of 1968, Compassionate Care
11 Community Services, Inc.; aka 420 Delivery Service; aka www.420delivery420delivery.com and
12 Norman Cray Jones aka Norman Jones are hereby ordered to desist and refrain from offering or
13 selling or buying or offering to buy any security in the State of California, including, but not limited
14 to, investment contracts by means of any written or oral communication which includes an untrue
15 statement of a material fact or omits to state a material fact necessary in order to make the statements
16 made, in the light of the circumstances under which they were made, not misleading.

17 This Order is necessary, in the public interest, for the protection of investors and consistent
18 with the purposes, policies, and provisions of the Corporate Securities Law of 1968 and the
19 California Financial Code.

20 Dated: October-28, 2014
21 Los Angeles, California

JAN LYNN OWEN
Commissioner of Business Oversight

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23
24 By _____
MARY ANN SMITH
25 Deputy Commissioner
26 Enforcement Division
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