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3 **STATE OF CALIFORNIA**
4 **BUSINESS, TRANSPORTATION AND HOUSING AGENCY**
5 **DEPARTMENT OF CORPORATIONS**

6 **TO: Horizon Financial Services, Inc.**
7 **Jesse Alvin Cripps, Sr.**
8 2533 N. Carson Street, Suite 5047,
9 Carson City, Nevada, 89706-0147
10 and
11 P.O. Box 178
12 Exeter, CA 93221
13 and
14 15445 Avenida De Los Robles #10,
15 Visalia, California, 96329

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

18 The California Corporations Commissioner finds that:

- 19 1. At all relevant times, Horizon Financial Services, Inc. (“Horizon”) was a Nevada corporation
20 doing business in California at 15445 Avenida De Los Robles #10 Visalia, California, 96329 with a
21 principle place of business located at 2533 N. Carson Street, Suite 5047, Carson City, Nevada,
22 89706-0147.
23 2. At all relevant times, Jesse Alvin Cripps, Sr. (“Cripps”) was an individual doing business in
24 California at 15445 Avenida De Los Robles #10, Visalia, California and at 2918 W. Main Street,
25 Visalia, California. Cripps maintained the same office as Horizon.
26 3. The Central Registration Depository (“CRD”) records disclose that Cripps (CRD # 2988628)
27 was a registered representative from 1997 to February 2003. In or about 2004, Cripps was the subject
28 of disciplinary action by the National Association of Securities Dealers (“NASD”) regarding the
misuse of investor funds. In or about June 2005, Cripps was barred from employment as a registered
representative for the misuse of investor funds, recorded in NASD case number C05050036.
4. Beginning in or about 2003, Horizon and Cripps offered and sold securities in the form of
investment contracts. Pursuant to the terms of these investment contracts, a California investor would

1 pay to Horizon a lump sum of capital for the purpose of investing in the purchase of real estate for the
2 construction of single tract family homes located in California, in exchange for a monthly profit on
3 the capital invested. Investors would be “passive” investors. Specifically, investors would not have
4 any other involvement in the investment, other than providing investment capital for a profit and
5 being named as owner on the title for any property purchased. Capital from each investor would be
6 kept in an account with Horizon. Monthly statements would be sent to each investor detailing account
7 activity and profit interest earned.

8 5. These investment contracts were offered and sold in California in issuer transactions. The
9 Department of Corporations has not issued a permit or other form of qualification authorizing any
10 person to offer and sell these investment contracts in California.

11 6. Beginning in or about 2003, Horizon and Cripps misrepresented to investors during the offer
12 or sale of securities that investors would receive a profitable return on their investment; and each
13 investor would receive monthly income checks as profit from their initial investment.

14 7. Beginning in or about 2004, Horizon and Cripps failed to disclose to investors during the
15 offer or sale of securities that Cripps was the subject of a NASD disciplinary investigation involving
16 the misuse of investor customer funds; and capital invested would not be specifically used for the
17 purchase of property or construction of single-family homes.

18 8. Beginning in or about 2005, Horizon and Cripps failed to disclose to investors that Cripps was
19 barred from employment as a registered representative and prohibited from selling securities through
20 a brokerage firm by the NASD for the misuse of investor customer funds.

21 Based on the foregoing findings, the California Corporations Commissioner finds that the
22 investment contracts sold by Jesse Alvin Cripps, Sr. and Horizon Financial Services, Inc., are
23 securities subject to qualification under the California Corporations Code. These securities are or
24 were offered and sold without being qualified or exempt, in violation of Section 25110 of the
25 California Corporations Code.

26 Pursuant to section 25532 of the California Corporations Code, Jesse Alvin Cripps, Sr. and
27 Horizon Financial Services, Inc. are hereby ordered to desist and refrain from the further offer or sale
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1 in the State of California of securities, including investment contracts, unless and until qualification
2 has been made under said law or unless exempt.

3 Further, the California Corporations Commissioner is of the opinion that the securities in the
4 form of investment contracts were offered or sold in this State by means of a written or oral
5 communication which included an untrue statement of material fact or omitted to state a material fact
6 necessary to make the statement made, in the light of the circumstances under which they were made,
7 not misleading, in violation of section 25401 of the Corporate Securities Law of 1968.

8 Pursuant to section 25532 of the Corporate Securities Law of 1968, Jesse Alvin Cripps, Sr.
9 and Horizon Financial Services, Inc. are hereby ordered to desist and refrain from offering or selling
10 or buying or offering to buy any security in the State of California, including but not limited to
11 investment contracts, by means of any written or oral communication which includes an untrue
12 statement of material fact or omits to state a material fact necessary in order to make the statements
13 made, in the light of circumstances under which they were made, not misleading.

14 This Order is necessary, in the public interest, for the protection of investors and consistent
15 with the purposes, policies, and provisions of the California Corporations Code.

16 Dated: March 24, 2009
17 Sacramento, California

18 Sacramento, California
19 PRESTON DUFAUCHARD
20 California Corporations Commissioner

21 By _____
22 ALAN S. WEINGER
23 Acting Deputy Commissioner
24 Enforcement Division
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