



**State of Tennessee**  
**Department of State**  
Administrative Procedures Division  
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Nashville, Tennessee 37243-1102  
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June 14, 2016

Commissioner Julie Mix McPeak  
Tennessee Department of Commerce &  
Insurance  
Office of Legal Counsel  
12<sup>th</sup> Floor, Davy Crockett Tower  
500 James Robertson Parkway  
Nashville, Tennessee 37243-5065

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8<sup>th</sup> Floor, Davy Crockett Tower  
500 James Robertson Parkway  
Nashville, Tennessee 37243-0569

Migdalia  
P.O. Box 12032  
Murfreesboro, TN 37129

RE: In the Matter of: New Horizons Financial Services, LLC, MJ Management, and  
Migdalia Freyre, a/k/a Mig Christian  
Docket No. 12.01-135665J

Enclosed is an Initial Order rendered in connection with the above-styled case.

Administrative Procedures Division  
Tennessee Department of State

/aem  
Enclosure

RECEIVED  
JUN 17 2016  
DEPT OF COMMERCE AND INSURANCE  
LEGAL OFFICE

BEFORE THE COMMISSIONER OF THE TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE

IN THE MATTER OF:

NEW HORIZONS FINANCIAL  
SERVICES, LLC, MJ MANAGEMENT,  
AND MIGDALIA FREYRE, A/K/A MIG  
CHRISTIAN

DOCKET NO. 12.01-135665J

NOTICE

ATTACHED IS AN INITIAL ORDER RENDERED BY AN ADMINISTRATIVE  
JUDGE WITH THE ADMINISTRATIVE PROCEDURES DIVISION.

THE INITIAL ORDER IS NOT A FINAL ORDER BUT SHALL BECOME A FINAL  
ORDER UNLESS:

1. THE ENROLLEE FILES A WRITTEN APPEAL, OR EITHER PARTY FILES  
A PETITION FOR RECONSIDERATION WITH THE ADMINISTRATIVE PROCEDURES  
DIVISION NO LATER THAN June 29, 2016.

YOU MUST FILE THE APPEAL, PETITION FOR RECONSIDERATION WITH THE  
ADMINISTRATIVE PROCEDURES DIVISION. THE ADDRESS OF THE  
ADMINISTRATIVE PROCEDURES DIVISION IS:

SECRETARY OF STATE  
ADMINISTRATIVE PROCEDURES DIVISION  
WILLIAM R. SNODGRASS TOWER  
312 ROSA PARKS AVENUE, 8<sup>th</sup> FLOOR  
NASHVILLE, TENNESSEE 37243-1102

IF YOU HAVE ANY FURTHER QUESTIONS, PLEASE CALL THE ADMINISTRATIVE  
PROCEDURES DIVISION, **615/741-7008 OR 741-5042, FAX 615/741-4472**. PLEASE  
CONSULT APPENDIX A AFFIXED TO THE INITIAL ORDER FOR NOTICE OF APPEAL  
PROCEDURES.

STATE OF TENNESSEE  
DEPARTMENT OF COMMERCE AND INSURANCE

TENNESSEE SECURITIES  
DIVISION,

Petitioner,

vs.

NEW HORIZONS FINANCIAL  
SERVICES, LLC, MJ  
MANAGEMENT, and MIGDALIA  
FREYRE, a/k/a MIG CHRISTIAN,  
Respondents.

Docket No. 12.01-135665J  
TSD No. 15-010

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**NOTICE OF DEFAULT AND INITIAL ORDER**

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This matter came to be heard on May 20, 2016, before Jerome Cochran, an Administrative Judge assigned to the Secretary of State, Administrative Procedures Division, and sitting for the Commissioner of Commerce and Insurance. Jesse D. Joseph, Assistant General Counsel for the Department represented the Petitioner. The Respondents, New Horizons Financial Services, LLC, MJ Management, and Migdailia Freyre, a/k/a Mig Christian were not present at the hearing, nor did an attorney appear on their behalf.

**ORDER OF DEFAULT**

This matter was heard upon the Petitioner's Motion for Default and Motion to Deem Service Sufficient, due to the failure of the Respondents to appear or to be represented at the hearing on May 20, 2016, after receiving proper notice thereof. The record indicates that the Respondents were properly served with the March 1, 2016 NOTICE OF HEARING AND CHARGES under the provisions of TENN. CODE ANN. § 48-1-124(e) & (f) more than thirty (30) days before the date of this hearing.

The record also reflects that Respondent Migdalia Freyre, a/k/a Mig Christian, has evaded or attempted to evade properly addressed certified return receipt mail enclosing copies of the NOTICE OF HEARING AND CHARGES sent to her last known work and residential addresses, and to a P.O. Box she requested the Petitioner's staff to use for further mail in early April 2016. Further, the record reflects that Ms. Freyre acted in a deceptive fashion in that she affirmatively agreed to come in to the Petitioner's offices on April 15, 2016, to accept personal service of the NOTICE OF HEARING AND CHARGES, but she failed to appear or communicate further with Petitioner's staff in this regard.

Service by certified mail return receipt requested sent to Ms. Freyre and service upon the Commissioner as the Respondents' agent for service of process under TENN. CODE ANN. § 48-1-124(f) was legally sufficient in accordance with TENN. CODE ANN. § 4-5-307 and TENN. COMP. R. & REGS. ("RULE") 1360-04-01-.06. The Court further finds that Ms. Freyre owned the businesses referred to as New Horizons Financial Services, LLC, and MJ Management, that these entities were her sole proprietorships, and were not registered as businesses with the Tennessee Secretary of State.

It is determined that Petitioner properly served the NOTICE OF HEARING AND CHARGES on the Respondents New Horizons Financial Services, LLC, MJ Management, and Migdailia Freyre, a/k/a Mig Christian in accordance with RULE 1360-04-01-.06. Based on the failure of these Respondents to appear for the hearing, pursuant to TENN. CODE ANN. § 4-5-309 and RULE 1360-04-01-.15, these Respondents were held in default. Pursuant to RULE 1360-04-01-.15(2)(b), the hearing was conducted as an uncontested proceeding.

#### **INITIAL ORDER**

The subject of this hearing was the proposed assessment of civil penalties and the proposed entry of an order requiring Respondents to cease and desist from further

violations of the Tennessee Securities Act and permanently barring the Respondents from engaging in the securities business in Tennessee.

After consideration of the argument of counsel, the evidence adduced at hearing, and the record as a whole, it is the decision of this Administrative Judge that Respondents have violated the Tennessee Securities Act as alleged in the NOTICE OF HEARING AND CHARGES. Further, it is the decision of this Administrative Judge that Respondents are assessed fifty thousand dollars (\$50,000) in civil penalties, that they are permanently barred from any further conduct as a broker-dealer, agent of a broker-dealer, investment adviser, or investment adviser representative from or in the State of Tennessee, and that they are permanently barred from conducting securities transactions on behalf of others from, in, or into the State of Tennessee.

This decision is based upon the following findings of fact and conclusions of law.

### **FINDINGS OF FACT**

1. Respondent Migdalia Freyre ("Freyre") is a citizen of Tennessee, with a last known residential address of 1718 Pennington Drive, Murfreesboro, Tennessee 38129. Freyre also uses the name "Mig Christian" and as of April 2016, is listed on the internet as a mortgage lender for Guaranty Trust Mortgage Company, with an office address of 214 Centerview Drive, Suite 205, Brentwood, TN 37027. In early April 2016, Freyre has provided the Petitioner's staff a P.O. Box 12032, Murfreesboro, TN 37129 address.

2. Respondents New Horizons Financial Services, LLC ("New Horizons") and MJ Management (collectively, "Business Entity Respondents") have never been registered as business entities with the Tennessee Secretary of State, and have been

referred to by Ms. Freyre as sole proprietorships which she owned. At all relevant times, the Business Entity Respondents maintained last known business addresses at 567 Cason Lane, Suite A, Murfreesboro, Tennessee 37128, and at 272 Heritage Park Drive, Suite B, Murfreesboro, TN 37129.

3. The Business Entity Respondents have never been registered as business entities with the Tennessee Secretary of State and are not now nor have they ever been registered with the Financial Industry Regulatory Authority (“FINRA”) or with the TSD as broker-dealers, broker-dealer agents, investment advisers, or investment adviser representatives.

4. Respondent Freyre is not currently nor has she ever been registered with the Financial Industry Regulatory Authority (“FINRA”) or with the TSD as a broker-dealer, broker-dealer agent, investment adviser, or investment adviser representative.

5. In early 2010, Oscar Lara Del Cid contacted Ms. Freyre regarding his desire to purchase a house, based on a referral from a friend. Ms. Freyre’s and her husband’s (George Freyre) business cards given to Mr. Lara Del Cid at this time stated she was an Executive Director of “Home 1st Lending” at the 567 Cason Lane address in Murfreesboro, and that Mr. Freyre worked as an affiliate real estate broker with Exit Realty Network.

6. Freyre showed Mr. Lara Del Cid several homes for sale which were out of his price range for a few months in early 2010, and at some point during their discussions, offered him an investment opportunity which she claimed would generate large profits every three (3) months for him to use as a down payment on a new home. Freyre indicated to Mr. Lara Del Cid that his investment would be used in her plan to refurbish homes which she already owned for resale. Freyre told Mr. Lara Del Cid that if

he invested with her, he could afford houses which might appear out of his budget as the mortgage could be paid with the interest he would receive on the investment.

7. Based on this offer, Mr. Lara Del Cid entered into a "Certificate of Pledge" with New Horizons Financial Services, LLC on April 2, 2010, and invested twenty thousand dollars (\$20,000) thousand dollars (\$20,000) with New Horizons, writing a check made payable to MJ Management as directed by Freyre that same day.

8. The investment paperwork provided to Mr. Lara Del Cid stated that New Horizons was acting as a private investment group, that MJ Management would manage the investment, and that quarterly account statements would be mailed to him as account owner.

9. The term of this Certificate of Pledge was twelve (12) months, with interest to be paid at an annual rate of eighteen percent (18%) and compounded monthly. Accumulated interest and principal were to be paid to Mr. Lara Del Cid in one lump sum on April 2, 2011.

10. However, Mr. Lara Del Cid did not receive the quarterly account statements or the interest and principal lump sum payment on April 2, 2011, as Respondents promised, and he has not received any return of his principal investment or accrued interest from Respondents through the present. By approximately October 2010, Mr. Lara Del Cid learned that the Respondents had moved their offices from 567 Cason Lane, Suite A, to 272 Heritage Park Drive, Suite B in Murfreesboro. Despite repeated attempts, Mr. Lara Del Cid was unable to contact Freyre through mid- July, 2011.

11. On July 18, 2011, Mr. Lara Del Cid filed a complaint with the Murfreesboro Police Department against Freyre, alleging theft and fraud.

12. Deborah A. Watley first met Freyre in 2009 through Renee Davis, a friend who previously worked for Freyre. Ms. Watley was persuaded by Ms. Davis that Freyre could be trusted with investments.

13. On December 4, 2009, Ms. Watley received an \$80,000 settlement from a pending workers' compensation suit, and told Ms. Davis that she was receiving her settlement check that day. Ms. Watley loaned Ms. Davis \$1,000 that day and deposited a certain amount from the settlement into her personal bank account.

14. Based on Ms. Davis' reference, on December 4, 2009, Ms. Watley entered into a "Certificate of Pledge" with New Horizons Financial Services, LLC, and invested forty thousand dollars (\$40,000) from her settlement with New Horizons, delivering a cashier's check to Freyre as requested, made payable to MJ Management, that same day.

15. The terms of Ms. Watley's investment were identical to those for Mr. Lara Del Cid, and all accumulated interest and principal were due to be paid to Ms. Watley in one lump sum on December 4, 2010.

16. Ms. Watley was facing foreclosure on her home by the fall of 2010, and on November 4, 2010, this investor emailed Freyre indicating that she needed her money by December 1 and didn't want to lose her home. Freyre emailed a reply on December 5, 2010, stating that she would "follow up" on Ms. Watley's request and offering "to help" with the foreclosure.

17. Between December 6 and 13, 2010, Freyre and Ms. Watley exchanged numerous emails wherein Freyre stated that Ms. Watley's request for the return of her investment was "submitted and being processed," that it "took time to process" the request, and that the issue with the private investment group was the "disbursement date," given that "funds are reinvested just like a 401K." On December 13, 2010, Freyre

advised Ms. Watley by email that she would be “receiving a confirmation of funds disbursement which needs your signature and must be notarized,” and that “the disbursement process could take up to 60 days.”

18. In her emails to Ms. Watley dated January 3, 2011, Freyre stated that it could take “even 90 days to get your funds after you request your money,” that “private and silent investors” were involved “who reinvest funds into projects...[h]ence the high return..,” and that she would email Ms. Watley a copy of a statement of account which Ms. Watley was “scheduled for at mid year point.”

19. By January 11, 2011, Freyre claimed within an email that she was “fighting the system to get [Ms. Watley’s] money,” and told Ms. Watley that “the funds come in from a 3<sup>rd</sup> party down to the investment company then to you.”

20. By emails dated March 9 and June 8, 2011, Freyre was still advising Ms. Watley that she was checking on the status of Ms. Watley’s funds and that she was waiting “to hear back.” On all of the emails exchanged with Ms. Watley from November 2010 to June 2011, Freyre used an email address of [homeloancity@aol.com](mailto:homeloancity@aol.com) .

21. To date, Ms. Watley has never received the return of any of her \$40,000 principal investment and accrued interest, nor any account statements or disbursement request forms from Respondents as promised.

22. In early 2012, Ms. Watley filed a lawsuit against Freyre and New Horizons in Rutherford County Circuit Court alleging fraud. As of late December 2015, this suit was still pending. In September 2014, Ms. Watley was awarded a Judgment of \$74,800 against New Horizons and Freyre, which included a substantial amount of prejudgment interest. Her attorney in the circuit court case has not uncovered any assets of Ms. Freyre which might satisfy, or partially satisfy, this judgment.

23. Ms. Watley has not been employed since August of 2008. From 2009 through 2012, other than the workers' compensation settlement, her only income was unemployment compensation, which was not continuous. In 2012, she began to receive social security disability payments, which is her only regular income. Freyre knew of Ms. Watley's financial circumstances and the fact she was not employed during the time of Ms. Watley's investment with Freyre.

24. With respect to both Mr. Lara Del Cid and Ms. Watley, Freyre created an unsigned "Addendum to Pledge – Promissory Note" for each of these investors dated April 2 and December 4, 2010, respectively, wherein Freyre acknowledged the Respondents' obligation to pay the principal plus accrued annual interest on these investments at 18%. Freyre indicated within these unsigned addenda that the investments were to be used "for the acquisition, improvement, or marketing of real estate property at will and as deemed necessary" by Freyre.

25. Freyre never presented the unsigned "Addendum to Pledge – Promissory Note" to either Mr. Lara Del Cid or, Ms. Watley, and these investors did not agree with the terms of these documents.

### **CONCLUSIONS OF LAW**

1. In accordance with RULES 1360-04-01-.02(7) and 1360-04-01-.15(3), the Petitioner has proven by a preponderance of evidence that the facts alleged in the NOTICE OF HEARING AND CHARGES pertaining to Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian are true and that the issues raised therein should be resolved in its favor.

2. The “Certificates of Pledge” with New Horizons Financial Services, LLC investment opportunities offered and sold by Respondents to Mr. Lara Del Cid and Ms. Watley in this matter are investment contracts pursuant to *King v. Pope*, 91 S.W. 3d 314, 322 (Tenn. 2002). Accordingly, they satisfy the definition of “security” pursuant to TENN. CODE ANN. § 48-1-102(17)(A), were not registered as securities with the TSD as required by TENN. CODE ANN. § 48-1-104, and were not subject to any exemption under TENN. CODE ANN. § 48-1-103.

3. In this case, Mr. Lara Del Cid and Ms. Watley, the offerees, relied on Respondent Freyre’s recommendations and representations of substantial returns (18% interest over a 1 year investment term) in deciding to invest the cumulative amount of \$60,000 in what was represented to be “Certificates of Pledge” to facilitate Freyre’s investment plan to refurbish homes which she already owned for resale. This initial value given by the Mr. Lara Del Cid and Ms. Watley was subject to the risks of Freyre’s investment strategy, over which these offerees had no control. Therefore, the “Certificates of Pledge” investment opportunities recommended, offered for sale, and sold by these Respondents in this case were securities.

4. It is unlawful for any person to sell any security unless it is registered under the Act, the security or transaction is exempt under the Act, or the security is a covered security. TENN. CODE ANN. §§ 48-1-102(17)(A), 48-1-103 & 48-1-104(a).

5. The Petitioner has shown, by a preponderance of the evidence, that the Respondents sold securities in Tennessee that were not registered with the TSD to be sold in Tennessee.

6. TENN. CODE ANN. § 48-1-104(b) provides:

The commissioner may, after notice and opportunity for a hearing under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5,

impose a civil penalty against any person found to be in violation of this section, or any regulation, rule or order adopted or issued under this section, in an amount not to exceed ten thousand dollars (\$10,000) per violation.

7. It is determined that the proof adduced at trial provides adequate grounds for the imposition of a civil penalty on Respondents in the amount of twenty thousand dollars (\$20,000) for their two (2) sales of unregistered securities in violation of TENN. CODE ANN. § 48-1-104(a) to Mr. Lara Del Cid and Ms. Watley, or ten thousand dollars (\$10,000) for each violation.

8. It is unlawful for any person to transact business from or in this state as a broker-dealer or agent unless such person is registered as a broker-dealer or agent under the Act. TENN. CODE ANN. § 48-1-109(a). In addition, it is unlawful for any person to transact business from or in this state as an investment adviser or investment adviser representative unless such person is registered as an investment adviser or investment adviser representative under the Act. TENN. CODE ANN. § 48-1-109(c).

9. The Petitioner has shown by a preponderance of the evidence that Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian recommended for sale, offered to sell, and sold securities in Tennessee without any of them being registered under the Act to recommend, offer to sell, or to sell securities in Tennessee.

10. These Respondents' offers to sell and their sales of securities without being registered in Tennessee to engage in the offering and sale of securities from, in, or into Tennessee, provide adequate grounds for the imposition of a civil penalty on these Respondents not to exceed ten thousand dollars (\$10,000) per violation under TENN. CODE ANN. § 48-1-109(e). It is determined that the proof adduced at trial provides adequate grounds for the imposition of a civil penalty on Respondents in the amount of

twenty thousand dollars (\$20,000) for their two (2) sales of securities to Mr. Lara Del Cid and Ms. Watley without being registered at the time of the sales, in violation of TENN. CODE ANN. § 48-1-109(a), or ten thousand dollars (\$10,000) for each violation.

11. TENN. CODE ANN. § 48-1-121(a) provides:

It is unlawful for any person, in connection with the offer, sale or purchase of any security in this state, directly or indirectly, to:

- (1) Employ any device, scheme, or artifice to defraud;
- (2) Make any untrue statement of a material fact or omit 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; or
- (3) Engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

12. The Petitioner has shown, by a preponderance of the evidence, that Respondent Freyre omitted material facts from her representations to Mr. Lara Del Cid by failing to inform him that neither she, nor the Business Entity Respondents were registered to sell securities in Tennessee at the time she solicited and received his \$20,000 investment, and by leading him to believe through the documentation provided him that New Horizons had been properly formed under Tennessee law as a Limited Liability Company. Freyre also engaged in a scheme to defraud Mr. Lara Del Cid, by failing to return his investment and accrued interest at the end of his 12 month term, by refusing to respond to his requests for information, and by relocating Respondents' offices without notice to him and otherwise attempting to evade Respondents' obligations to him. These actions on Respondents' part constitute securities fraud and have violated TENN. CODE ANN. § 48-1-121(a)(1) and (2).

13. The Petitioner has shown, by a preponderance of the evidence, that Freyre omitted material facts from her representations to Ms. Watley by failing to inform this

investor that neither she, nor the Business Entity Respondents were registered to sell securities in Tennessee at the time she solicited and received her \$40,000 investment. Freyre engaged in a scheme to defraud Ms. Watley by failing to return her investment and accrued interest at the end of her 12 month term, and by continually delaying a return of this investor's funds after the end of her investment term, through false promises and contrived excuses given to this investor over at least a 6 month period between early December 2010 and early June 2011. These actions on Respondents' part constitute securities fraud and have violated TENN. CODE ANN. §§ 48-1-121(a)(1) and (2).

14. TENN. CODE ANN. § 48-1-121(d) provides:

The commissioner may, after notice and opportunity for a hearing under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, impose a civil penalty against any person found to be in violation of this section, or any regulation, rule or order adopted or issued under this section, in an amount not to exceed five thousand dollars (\$5,000) per violation.

15. The Petitioner has shown, by a preponderance of the evidence, that there are adequate grounds for the imposition of a civil penalty on these Respondents not to exceed five thousand dollars (\$5,000) per violation. It is determined that the proof adduced at trial provides adequate grounds for the imposition of a civil penalty on Respondents in the amount of ten thousand dollars (\$10,000), for the two (2) instances detailed above in which they committed securities fraud in violation of TENN. CODE ANN. §§ 48-1-121(a)(1) & (2).

**IT IS, THEREFORE, ORDERED** that:

1. Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian shall fully **COMPLY** with the Act, and all rules

promulgated thereunder.

2. Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian are **BE PERMANENTLY BARRED** from any further conduct as a broker-dealer, agent of a broker-dealer, investment adviser, or investment adviser representative from or in the State of Tennessee.

3. Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian are **BE PERMANENTLY BARRED** from conducting securities transactions on behalf of others from, in, or into the State of Tennessee.

4. All persons in any way assisting, aiding, or helping the aforementioned Respondents in any of the aforementioned violations of the Act shall **CEASE AND DESIST** all such activities in violation of the Act.

5. Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian, jointly and severally, are assessed and shall pay a total of fifty-five thousand dollars (\$50,000) in **CIVIL PENALTIES** pursuant to TENN.

CODE ANN. §§ 48-1-104(b), 48-1-109(e) and 48-1-121(d), calculated as follows:

a) for the two (2) sales of unregistered securities to Mr. Lara Del Cid and Ms. Watley in 2009 and 2010 in violation of TENN. CODE ANN. § 48-1-104(a), as set forth in Count One of the NOTICE OF HEARING AND CHARGES, a civil penalty of ten thousand dollars (\$10,000) for each such violation, or a subtotal of twenty thousand dollars (\$20,000) as to this Count, pursuant to TENN. CODE ANN. § 48-1-104(b);

b) for the Respondents' actions in transacting securities business in Tennessee as a broker-dealer or agent of a broker dealer without either Respondent being registered in violation of TENN. CODE ANN. § 48-1-109(a), as set forth in Count Two of the NOTICE OF HEARING AND CHARGES, a civil penalty of ten thousand dollars (\$10,000) for each of these two (2) separate violations, or a subtotal of thirty thousand dollars (\$20,000) as to this Count, pursuant to TENN. CODE ANN. § 48-1-109(e); and

c) for the two (2) instances in which Respondents engaged in securities fraud

in violation of TENN. CODE ANN. §§ 48-1-121(a)(1) & (2), as set forth in Count Three of the NOTICE OF HEARING AND CHARGES, a civil penalty of five thousand dollars (\$5,000) for each of these three (3) violations, or a subtotal of ten thousand dollars (\$10,000) as to this Count, pursuant to TENN. CODE ANN. § 48-1-121(d).

6. All costs associated with the investigation and hearing of this matter shall be assessed against the Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian.

7. This INITIAL ORDER, imposing sanctions against Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian, is entered to protect the public and investors in the State of Tennessee, consistent with the purposes fairly intended by policy and provisions of the Act.

It is so **ORDERED**.

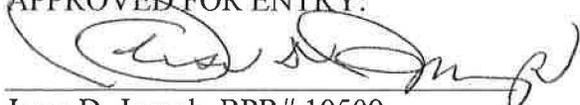
This INITIAL ORDER entered and effective this the 14<sup>th</sup> day of JUNE, 2016.

  
\_\_\_\_\_  
JEROME COCHRAN  
ADMINISTRATIVE JUDGE  
ADMINISTRATIVE PROCEDURES DIVISION  
OFFICE OF THE SECRETARY OF STATE

Filed in the Administrative Procedures Division, Office of the Secretary of State, this the 14<sup>th</sup> of JUNE 2016.

  
\_\_\_\_\_  
J. RICHARD COLLIER, DIRECTOR  
CHIEF ADMINISTRATIVE LAW JUDGE  
ADMINISTRATIVE PROCEDURES DIVISION  
OFFICE OF THE SECRETARY OF STATE

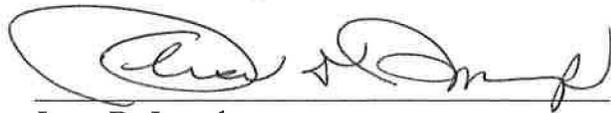
APPROVED FOR ENTRY:



Jesse D. Joseph, BPR# 10509  
Assistant General Counsel-Litigation  
TN Department Of Commerce And Insurance  
500 James Robertson Parkway, 8<sup>th</sup> Floor  
Nashville, Tennessee 37243  
Telephone: (615) 253-4701  
Facsimile: (615) 741-4000  
[Jesse.Joseph@tn.gov](mailto:Jesse.Joseph@tn.gov)

**Certificate of Service**

I hereby certify that I have forwarded by first class mail a copy of the Petitioner's Proposed Initial Order to Respondents New Horizons Financial Services, LLC, MJ Management, and Migdalia Freyre, a/k/a Mig Christian, P.O. Box 12032, Murfreesboro, TN 37129, and that I have filed the original of this proposed Initial Order with the Office of the Secretary of State, Administrative Procedures Division, 8<sup>th</sup> Floor, Wm. R. Snodgrass Tennessee Tower, Nashville, Tennessee, on this 3 day of June, 2016.



Jesse D. Joseph

**APPENDIX A TO INITIAL ORDER**  
**NOTICE OF APPEAL PROCEDURES**

**Review of Initial Order**

This Initial Order shall become a Final Order (reviewable as set forth below) fifteen (15) days after the entry date of this Initial Order, unless either or both of the following actions are taken:

(1) A party files a petition for appeal to the agency, stating the basis of the appeal, or the agency on its own motion gives written notice of its intention to review the Initial Order, within fifteen (15) days after the entry date of the Initial Order. If either of these actions occurs, there is no Final Order until review by the agency and entry of a new Final Order or adoption and entry of the Initial Order, in whole or in part, as the Final Order. A petition for appeal to the agency must be filed within the proper time period with the Administrative Procedures Division of the Office of the Secretary of State, 8<sup>th</sup> Floor, William R. Snodgrass Tower, 312 Rosa L. Parks Avenue, Nashville, Tennessee, 37243-1102. (Telephone No. (615) 741-7008). See Tennessee Code Annotated, Section (T.C.A. §) 4-5-315, on review of initial orders by the agency.

(2) A party files a petition for reconsideration of this Initial Order, stating the specific reasons why the Initial Order was in error within fifteen (15) days after the entry date of the Initial Order. This petition must be filed with the Administrative Procedures Division at the above address. A petition for reconsideration is deemed denied if no action is taken within twenty (20) days of filing. A new fifteen (15) day period for the filing of an appeal to the agency (as set forth in paragraph (1) above) starts to run from the entry date of an order disposing of a petition for reconsideration, or from the twentieth day after filing of the petition, if no order is issued. See T.C.A. §4-5-317 on petitions for reconsideration.

A party may petition the agency for a stay of the Initial Order within seven (7) days after the entry date of the order. See T.C.A. §4-5-316.

**Review of Final Order**

Within fifteen (15) days after the Initial Order becomes a Final Order, a party may file a petition for reconsideration of the Final Order, in which petitioner shall state the specific reasons why the Initial Order was in error. If no action is taken within twenty (20) days of filing of the petition, it is deemed denied. See T.C.A. §4-5-317 on petitions for reconsideration.

A party may petition the agency for a stay of the Final Order within seven (7) days after the entry date of the order. See T.C.A. §4-5-316.

**YOU WILL NOT RECEIVE FURTHER NOTICE OF THE INITIAL ORDER BECOMING A FINAL ORDER**

A person who is aggrieved by a final decision in a contested case may seek judicial review of the Final Order by filing a petition for review in a Chancery Court having jurisdiction (generally, Davidson County Chancery Court) within sixty (60) days after the entry date of a Final Order or, if a petition for reconsideration is granted, within sixty (60) days of the entry date of the Final Order disposing of the petition. (However, the filing of a petition for reconsideration does not itself act to extend the sixty day period, if the petition is not granted.) A reviewing court also may order a stay of the Final Order upon appropriate terms. See T.C.A. §4-5-322 and §4-5-317.