BEFORE THE COMMISSIONER OF THE
TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE

IN THE MATTER OF:	)	
	)	
TENNESSEE SECURITIES DIVISION	)	**DOCKET NO. 12.06-004708J**
Petitioner	)	
	)	
v.	)	
	)	
MILLENNIA TECH, CORPORATION,	)	
ULTIMATE INTERNATIONAL, INC.,	)	
LAWRENCE A COYLE and	)	
DONALD TURNER,	)	
Respondent	)	

NOTICE OF AN INITIAL ORDER BECOMING A FINAL ORDER

All parties are hereby notified that on **August 23, 1999**, the Initial Order entered in this matter became a Final Order pursuant to T.C.A. §4-5-318(f)(3), no party having filed a Petition for Appeal to the Agency pursuant to T.C.A. §4-5-315, within the ten (10) days permitted for such petitions, and the Agency having failed to issue a Notice of Intention to Review within the ten (10) days permitted under T.C.A. §4-5-315(b).

THE FINAL ORDER MAY BE REVIEWED IN THE FOLLOWING MANNER:

Within ten (10) days after the effective date of the Final Order, as listed above, any party may petition the Administrative Judge for reconsideration of the Final Order. 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.

Any party may petition the **Commissioner of the Department of Commerce and Insurance** stay of the Final Order within seven (7) days after the effective date of the Order. See T.C.A. §4-5-316.

Any person aggrieved by this final decision may seek judicial review in a Chancery Court having jurisdiction within sixty (60) days after the date of the Final Order as listed above or, if a Petition for Reconsideration of the Final Order 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 may also order a stay of the Final Order upon appropriate terms. See T.C.A. §4-5-322 and §4-5-317.

Charles C. Sullivan
Charles C. Sullivan II, Director /dah
Administrative Procedures Division

If any party has knowledge of an Appeal of the Initial Order or a Notice of Intention to Review the Initial Order having been filed within the required ten (10) days, contrary to the above information, please notify this office, telephone (615) 741-7008 or 741-2078, and this Notice may be set aside.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of this document has been served upon counsel and all interested parties by delivering same to them at their address of record by placing a true and correct copy of same in the United States mail, postage prepaid.

This 24th day of August, 1999.

DeLyn Hancock
Administrative Procedures Division
Office of the Secretary of State

BEFORE THE COMMISSIONER OF THE
TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE

IN THE MATTER OF:	)	
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TENNESSEE SECURITIES DIVISION	)	**DOCKET NO. 12.06-004708J**
Petitioner	)	
v.	)	
MILLENNIA TECH, CORPORATION,	)	
ULTIMATE INTERNATIONAL, INC.,	)	
LAWRENCE A. COYLE and	)	
DONALD TURNER,	)	
Respondent	)	

ORDER

THIS ORDER 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. PARTY FILES A WRITTEN APPEAL OR PETITION FOR RECONSIDERATION WITH THE ADMINISTRATIVE PROCEDURES DIVISION NO LATER THAN **August 23, 1999.**

OR

2. THE AGENCY FILES A WRITTEN NOTICE OF REVIEW WITH THE ADMINISTRATIVE PROCEDURES DIVISION NO LATER THAN **August 23, 1999.**

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

SECRETARY OF STATE
ADMINISTRATIVE PROCEDURES DIVISION
SUITE 1700, JAMES K. POLK BUILDING
NASHVILLE, TN 37243-0307

IF YOU HAVE ANY FURTHER QUESTIONS, PLEASE CALL THE ADMINISTRATIVE PROCEDURES DIVISION, **615/741-7008 OR 741-2078, FAX 615/741-4472.** PLEASE CONSULT APPENDIX A AFFIXED TO THE INITIAL ORDER FOR NOTICE OF APPEAL PROCEDURES.

BEFORE THE TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE

IN THE MATTER OF:	)	
	)	
TENNESSEE SECURITIES DIVISION,	)	
Petitioner	)	
	)	
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v.	)	**DOCKET NO. 12.06-004708J**
	)	
MILLENNIA TECH, CORPORATION,	)	
ULTIMATE INTERNATIONAL, INC.,	)	
LAWRENCE A. COYLE and	)	
DONALD TURNER,	)	
Respondents	)	

NOTICE OF DEFAULT AND ORDER

This contested administrative proceeding was heard in Nashville, Tennessee, on April 14, 1999, before John Hicks, Administrative Judge, assigned by the Secretary of State, Administrative Procedures Division, and sitting for the Commissioner of the Department of Commerce and Insurance. G. Everett Sinor, Jr., Assistant General Counsel for the Department of Commerce and Insurance, represented the State. Respondents Millennia Tech, Corporation, Ultimate International, Inc., and Donald Turner were not present nor represented by counsel. Lawrence A. Coyle was not served and was not a party to this proceeding.

At the beginning of the hearing, counsel for the State made an oral motion, pursuant to T.C.A. §4-5-309, for an order finding Respondents to be in default and allowing this case to proceed without the participation of Respondents. In support of its motion, the State introduced evidence that notice was mailed to Respondents by certified mail. A return receipt shows that the notice mailed to Respondents was duly received.

NOTICE OF DEFAULT

NOTICE IS HEREBY GIVEN THAT THE RESPONDENTS HAVE BEEN HELD IN DEFAULT FOR FAILURE TO APPEAR AT A HEARING ON THE MERITS AFTER RECEIVING ADEQUATE NOTICE. T.C.A.§4-5-309. RESPONDENTS HAVE 10 DAYS FROM THE EFFECTIVE DATE OF THIS ORDER TO REQUEST THAT THIS FINDING OF DEFAULT BE SET ASIDE. THIS REQUEST MUST BE RECEIVED IN THE OFFICE OF THE SECRETARY OF STATE, ADMINISTRATIVE PROCEDURES DIVISION, SUITE 1700, JAMES K. POLK BUILDING, NASHVILLE, TENNESSEE 37243-0307. THE REQUEST TO HAVE THE FINDING OF DEFAULT SET ASIDE SHOULD INCLUDE THE REASONS TO JUSTIFY THE RESPONDENT'S FAILURE TO ATTEND. IF RESPONDENT'S DO NOT REQUEST THE DEFAULT BE SET ASIDE OR OTHERWISE APPEAL THE ACCOMPANYING INITIAL ORDER, THEN THE INITIAL ORDER WILL BECOME A FINAL ORDER SUBJECT TO COURT REVIEW. ANY QUESTIONS REGARDING THIS NOTICE OF DEFAULT OR THE STEPS NECESSARY TO HAVE IT SET ASIDE SHOULD BE SUBMITTED TO THE ADMINISTRATIVE JUDGE SIGNING THIS ORDER BY LETTER OR BY TELEPHONING (615) 741-7008.

ORDER

The issue to be decided is whether Respondents violated the Tennessee Securities Act of 1980, Tennessee Code Annotated, Section 48-2-101, et seq. After consideration of the record and argument of counsel, it is DETERMINED that Respondents violated the Tennessee Securities Act of 1980, Tenn. Code Ann. §48-2-101, et seq.

FINDINGS OF FACT

1. William H. McHorris, DDS [hereinafter Dr. McHorris], is a citizen and resident of the State of Tennessee, residing at 295 Saint Andrews Fairway, Memphis, Tennessee 38111.

2. J. Richard Rossie [hereinafter Mr. Rossie] is a citizen and resident of the State of Tennessee, residing at 5675 Oakleaf Office Lane, Suite 200, Memphis, Tennessee 38117-4863.

3. Respondent Donald Turner [hereinafter Mr. Turner] designed and developed a refrigerant to cool machines. Mr. Turner created a refrigerant named MT-31, along with a similar refrigerant, MT-31-1 [hereinafter sometimes referred to as the products]. Mr. Turner represented that the products he developed were not Chlorofluorocarbon dependent, and could replace existing refrigerants without expensive retrofit apparatus.

4. In 1994, a Tennessee Corporation called Ultimate International, Inc. was created to develop and invent the products. Thereafter, Millennia was created to market and sell the products. The two entities, Millennia and Ultimate International, are truly alter egos of one another and are indistinguishable as to their purposes and functions.

5. On or about May 30, 1997, a Mr. Lawrence Coyle contacted Dr. McHorris via telephone to inquire whether Dr. McHorris would be interested in investing in Millennia stock.

6. On or about June 2, 1997, Dr. McHorris, along with Mr. Rossie and several other potential investors, many of whom are citizens and residents of the State of

Tennessee, met with Mr. Coyle in Dr. McHorris' office. At that meeting, Mr. Coyle repeatedly stated that a patent on the products had been issued by the United States Patent Office.

7. On or about July 9, 1997, Dr. McHorris and Mr. Rossie met with Mr. Coyle in Dr. McHorris' office. At that meeting, Mr. Coyle again repeatedly stated that a patent on the products had been issued by the United States Patent Office.

8. Relying on the representations made by Mr. Coyle and Mr. Turner that a patent on the products had been issued by the United States Patent Office and based upon the false representations contained in a Private Placement Memorandum, dated April 25, 1997, [hereinafter the 4/25/97 PPM], the following purchases were made: (a) Dr. McHorris purchased Thirty Thousand Dollars ($30,000.00) worth of Millennia stock on the 2nd day of June, 1997; he subsequently purchased an additional Twelve Thousand Eight Hundred Dollars ($12,800.00) worth of Millennia stock, (b) Mr. Rossie purchased Thirty Thousand Dollars ($30,000.00) worth of Millennia stock on the 17th day of June, 1997 and (c) a group of investors, many of whom are citizens and residents of the State of Tennessee, purchased Seven Hundred Forty Thousand Dollars ($740,000.00) worth of Millennia stock on various dates in June and early July of 1997.

9. No patent was issued by the United States Patent Office for the products.

10. The 4/27/97 PPM contains the following false and misleading statements: (a) "Millennia Tech completed the approval process for MT-31 & MT-31-1 with the EPA on April 15, 1997. (b) "we have no restrictions on the uses of these products as do some other products that others are trying to market . . . . We have just been waiting for

the EPA to place it on the registry as an acceptable replacement for R-12. That process is complete."

11. Environmental Protection Agency [hereinafter the EPA] qualified approval for MT-31 did not occur until the 3rd day of June, 1997. Even by that day, MT-31 had still not been approved for use in moving vehicles because the application to the EPA was considered incomplete.

12. After learning that patents had not been issued by the United States Patent Office, Mr. Rossie, representing himself and many of the persons investing in Millennia stock, including Dr. McHorris [hereinafter collectively the investor group], demanded that the invested money be returned.

13. On or about July 9, 1997, Millennia agreed to repay the entire amount invested in the company by the investor group. Millennia tendered a check for One Hundred Forty Thousand Dollars ($140,000.00) to Mr. Rossie, acting as an escrow agent for the investor group [hereinafter Mr. Rossie, investor group agent].

14. On or about about September 11, 1997, Millennia entered into a Stock Repurchase Agreement [hereinafter the agreement]. Mr. Rossie, investor group agent, wherein Millennia agreed to repurchase the remainder of the stock purchased by the investor group, in sum, Six Hundred Seventy Two Thousand Eight Hundred Dollars ($672,800.00). The repurchase of the Millennia stock was to be accomplished no later than November 3, 1997. Mr. Coyle executed the agreement as President and Chief Executive Officer of Millennia.

15. The agreement acknowledged that the investor group invested in Millennia based upon the warranty and representation that a United States patent had been issued for products created by Millennia, and that a patent had not been issued.

16. On or about February 13, 1998, Millennia made a payment to Rossie, investor group agent, for Four Hundred Thousand Dollars ($400,000.00) to partially satisfy the amount owed to the investor group pursuant to the agreement. The remaining Two Hundred Seventy Two Thousand Eight Hundred Dollars ($272,800.00) has yet to be paid by Millennia, despite numerous demands from the investor group.

17. The twenty-five (25) Tennessee resident investors invested in Millennia for a total of approximately Four Hundred Two Thousand Dollars ($402,000.00) within the span of two (2) months. These investors are included within the investor group.

18. It was represented to investors that the stock of Millennia was registered with the Securities and Exchange Commission [hereinafter the SEC] as a Regulation D, Rule 506 offering. However, no such filing has been made with the SEC, and no filing pursuant to Tenn. Code Ann. §48-2-125 has been made with the Securities Division.

19. The Millennia stock has not been registered with the Division as a security.

CONCLUSIONS OF LAW

1. Tenn. Code Ann. §48-1-102(2) states in pertinent part that an agent means "any individual, other than a broker-dealer, who is employed, appointed, or authorized by a broker-dealer to sell securities from, in, or into this state and who is paid or given a commission or other renumeration, directly or indirectly, for soliciting a sale of securities to or from any person in this state."

2. Tenn. Code Ann. §48-2-102(3) states in pertinent part that a broker-dealer means "any person engaged in the business of effecting transactions in securities for the account of others, or any person engaged in the business of buying or selling securities issued by one (1) or more other persons for such person's own account and as part of a regular business rather than in connection with such person's investment activities."

3. Tenn. Code Ann. §48-2-102(12) defines a security to mean "any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, reorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, certificate of interest or participation in an oil, gas, or mining title or lease or in payments out of production under such a title or lease; or, in general, any interest or instrument commonly known as a 'security' or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing."

4. Tenn. Code Ann. §48-2-116(a) states in pertinent part that the "Commissioner may from time to time make, promulgate, amend, and rescind such rules, forms, and orders as are necessary to carry out the provisions of this part."

5. Tenn. Code Ann. §48-2-119 states in pertinent part that "whenever it appears to the Commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of any provisions of the Act or any rule or order thereunder, he may enjoin the acts or practices and enforce compliance." The

Commissioner has the discretion to enforce compliance in the manner in which he sees fit.

6. The stock issued by Millennia are securities as defined in Tenn. Code Ann. §48-2-102(12).

7. Tenn. Code Ann. §48-2-104 states that it is unlawful for any person to sell any security in this state unless:

(1) It is registered under the Act;
(2) The security or transaction is exempt from registration under Tenn. Code Ann. §48-2-103; or,
(3) The security is a covered security.

8. It is concluded that Respondents Millennia, Ultimate International, and Mr. Turner have willfully marketed and sold and are presently marketing and selling securities (Millennia stock) at a time when the securities are not registered with the Division, in violation of Tenn. Code Ann. §48-2-104.

9. Respondents Millennia, Ultimate International, and Mr. Turner will continue to violate Tenn. Code Ann. §48-2-104 unless ordered to cease and desist such activities by the Commissioner.

10. Tenn. Code Ann. §48-2-121(a) states that it is unlawful for any person, in connection with the offer, sale or purchases 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;

11. It is concluded that Respondents Millennia, Ultimate International, and Mr. Turner, have willfully employed a device, scheme or artifice to defraud; have willfully made untrue statements of material fact and omitted to state material facts necessary in order to make statements made, in light of the circumstances under which they were made, and have willfully engaged in acts, practices and courses of business which operated as a fraud or deceit upon persons, in violation of Tenn. Code Ann. §48-2-121 (a).

12. Respondents Millennia, Ultimate International, and Mr. Turner, will continue to violate Tenn. Code Ann. §48-2-121(a) unless ordered to cease and desist such activities by the Commissioner.

13. It is ORDERED that, pursuant to the authority granted to the Commissioner by Tenn. Code Ann. §§48-2-116(a) and 48-2-119, Respondents Millennia Tech, Corporation, Ultimate International, Inc., and Donald Turner, shall CEASE and DESIST in the further offer, sale or marketing of the stock of Millennia Tech, Corporation and/or any other securities from, in or into the State of Tennessee until such time as such securities are effectively and duly registered with the Petitioner, the Tennessee Securities Division.

14. It is further ORDERED that Respondents Millennia Tech, Corporation, Ultimate International, Inc., and Donald Turner, shall otherwise CEASE AND DESIST in further acts or practices violative of the Tennessee Securities Act of 1980, Tenn. Code

Ann. §§48-2-101, et seq., and any rules promulgated thereunder. All parties, in anywise assisting, aiding, helping or abetting the aforementioned Respondents in any of the aforementioned violations of the Tennessee Securities Act of 1980, Tenn. Code Ann. §48-2-101, et seq., shall CEASE AND DESIST from all such activities in violation of said Act.

This Initial Order entered and effective this 12th day of August, 1999.

John Hicks by MSW
John Hicks
Administrative Judge

Filed in the Administrative Procedures Division, Office of the Secretary of State, this 12th day of August, 1999.

Charles C. Sullivan, II, JES
Charles C. Sullivan, II, Director
Administrative Judge

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of this document has been served upon counsel and all interested parties by delivering same to them at their address of record by placing a true and correct copy of same in the United States mail, postage prepaid.

This 12th day of August, 1999.

Janet Blakemore
Administrative Procedures Division
Office of the Secretary of State