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In Re: Petition of Laurel Hills Condominiums Property Owners Association for  
a Certificate of Public Conveyance and Necessity  
Docket No. 12-00030

Dear Ms. Dillon:

Please find attached hereto the Direct Testimony of John S. Moore on behalf of Gary Haiser, et al, which I would appreciate you filing in the above matter. I will be forwarding to you today by first class mail the original and four copies of this document.

Should you have any questions, please give me a call at the direct dial number above.

With kindest regards, I am

Very truly yours,



Melanie E. Davis

MED:ps  
Enclosures

BEFORE THE  
TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE

In Re:

PETITION OF LAUREL HILLS  
CONDOMINIUMS PROPERTY  
OWNERS ASSOCIATION  
FOR A CERTIFICATE OF PUBLIC  
CONVEYANCE AND NECESSITY.

Docket No. 12-00030

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DIRECT TESTIMONY OF JOHN S. MOORE ON BEHALF OF GARY HAISER; JOHN MOORE; GERALD NUGENT; ROY PERRY; JOHN PETERS; JOEL MATCHAK; ROBERT ADKINS; JOE GARNER; TERRY COPE; ROBERT SCHWARTZ; ONUS WILLIAMS; GENE MANERS; MICHAEL KRABOUSANOS; WENDELL BLAIR; LUKE DUNN; DAVID BREG; KENT LATHAM; CORTEZ INVESTMENT GROUP, INC.; JIMMY DOUGLAS; THOMAS BAUER; DONALD SANDLIN; JUDY SCALES PATTERSON; ISAAC GAMBLE; RENEE TODD; RICHARD KNAPP; JOHN CHAMBERS; JOHN P. PETERS REVOCABLE TRUST; AND CUMBERLAND POINT CONDOMINIUM OWNERS ASSOCIATION, OR THE ("CUSTOMERS").

**Pre Filed Direct Testimony of John S. Moore**

Q. What is your complete name and address?

A. My full name is John Scott Moore and I reside in Renegade Resort at 95 Hickory Trail, Crab Orchard, Tennessee 37723.

Q. In what capacity(s) will you testify and for each identify how it will affect the Amended Petition for a Certificate of Public Convenience and Necessity (CCN) currently before the Tennessee Regulatory Authority (TRA)?

A. I am uniquely qualified to testify in four distinct and separate capacities.

1. First, my testimony as a continuous water customer since 2006 will document the changes and problems occurring at the customer level since September 28, 2010 when Moy Toy, LLC purchased Renegade Mountain and the water system (see Exhibit 1, Line #6).

2. Second, my testimony as the current President of the Renegade Mountain Community Club (RMCC), or the “parent” homeowners’ association (HOA) for Renegade Mountain, will identify past problems and current legal challenges to Moy Toy, LLC and/or Laurel Hills’ ownership and/or operation of certain portions of the water system.

3. Third, as one of twenty-six (26) Plaintiffs, who filed a legal complaint in the Chancery Court of Cumberland County against Laurel Hills (See Exhibit 1, Lines 30 and 35) and who also filed a Supplemental Petition to Intervene in this Docket 12-00030 (See Exhibit 1, Line 38), I can testify to the prior bad acts and misrepresentations made by Laurel Hills, its officers and directors.

4. Finally, as a General Business Consultant since 2000, I can testify as to the improper business practices employed by Moy Toy, LLC and Laurel Hills as well as the direct and implied conflicts of interest that have occurred in the past and will continue in the future.

Q. You have referred to Exhibit 1 three times so far, what is Exhibit 1?

A. From a strict TRA definition of this case, it began with Laurel Hills filing a Petition for a CCN with the TRA on April 10, 2012, however, the pertinent facts of this case are confusing at best and occurred in the 12 months prior to the opening of TRA Docket 12-00030. These facts are relevant to Laurel Hills Petition and must be considered prior to issuing any CCN so as to ensure the Petitioner has the minimally acceptable experience and capacity to operate a Public Utility. Exhibit 1, “Water Historical Sequence of Events of

Renegade Resort” was prepared to allow each reviewer of the facts surrounding this case, to have one all-inclusive document that lists all of the major events in chronological order by date. In addition, Exhibit 1 also lists a synopsis of each event and the document which verifies (proof) the event and also gives the location of the respective document so that the reader can review it if necessary. Since my testimony attempts to discuss these events in chronological order by date, it may be helpful for the reader to follow along using Exhibit 1, attached to this testimony.

Q. Based on your various capacities and the testimony that you are about to give for each, what is the primary position that you take and want the TRA to consider?

A. That demonstrated by their past performance, or lack thereof, and by the overwhelming number of prior bad acts that Laurel Hills, its officers and directors have committed to/on its customers, as documented in Exhibit 1, Laurel Hills does not possess the minimum level of willingness, knowledge, business experience, financial stability or technical expertise to operate a public utility under the rules and regulations of the State of Tennessee.

### **Customer Based Testimony**

**(Events from August 2010 through December 30, 2011)**

Q. Are you currently a customer of Laurel Hills Property Owners' Association (Laurel Hills) Water System?

A. Yes, I paid a \$1500.00 connection fee in 2005 when I built my home on Renegade Mountain and have been a customer of the water system since 2006.

Q. Are you or have you ever been a member of the Laurel Hills POA?

A. No, never.

Q. Can you describe the water system's operation prior to Moy Toy, LLC's purchase of the system in September 2010?

A. Yes, a flat rate of \$25.00 per month was being charged for my water service, outages were rare as the water tower would be used to supplement pressure during outages, sediment was constantly observed in the water.

Q. Can you describe the water system's operation between Moy Toy, LLC's purchase of the water system in September 2010 and Laurel Hills' purchase of the water system on May 1, 2011?

A. Yes, outages were rare as the water tower would be used to supplement pressure during outages and sediment was constantly observed in the water. Water invoices were sporadic and eventually stopped as of January 1, 2011. I/we paid a flat rate for water service per month of \$25.00 for 2010.

Q. Did you know who owned and who was operating the water system between Moy Toy, LLC's purchase of the water system on September 28, 2010 and Laurel Hills' purchase of the water system on May 1, 2011?

A. No, however in early 2011, I did learn that water was being purchased from Crab Orchard Utility District (COUD) through a separate entity known as Mountain Spring Water, LLC (See Exhibit 1, Line 7). In Laurel Hills' Petition for a CCN, dated April 10, 2012 (Exhibit 1, Line 37, paragraph 3), Laurel Hills' states that they were not responsible for the water system prior to their purchase on May 1, 2011 and also states that Moy Toy,

LLC did not assume operation of the water system immediately after its purchase of the system, so it is not known who was operating the water system during these seven months.

Q. Prior to May 27, 2011, did Mountain Spring Water, LLC, Moy Toy, LLC, Laurel Hills or any other entity or person ever notify you that they were now providing water service to you?

A. No, there was no contact made whatsoever until I received an initial bill from Laurel Hills on or about May 27, 2011 (Exhibit 1, Line 10).

Q. Can you describe the water system's operation after Laurel Hills' purchase of the water system in May 2011?

A. Yes, as excerpted verbatim from my signed affidavit dated February 14, 2012 and presented in support of Cumberland County Chancery Court Docket # 2012-CH-513 February 14, 2012 hearing (Exhibit 1, Line 33). "In late June 2011, I received a water bill from Laurel Hills indicating that the operating costs necessitated a rate increase to \$86.40 per month, retroactive to June 1, 2011. Since no one had ever heard of this entity before the notice was received, and on behalf of other concerned customers, I drafted a certified letter to Laurel Hills ([ here Exhibit 1, Line 11, or Attachment #3]) asking them to please provide a copy of any State authorization to operate a water system and pointed out several known deficiencies in the water quality. When no response was received to this correspondence, I contacted legal counsel in an effort to begin escrowing my, and other customers, water fees [here Exhibit 1, Line 12 or Attachment #4]. Before this escrow action began, I was contacted by Darrell McQueen, the resident engineer for the water system and agent for Laurel Hills, on July 5, 2011. I discussed a proposal to pay a water rate of \$43.20 per month from June 2011 through December 31, 2011, after which a 2012 rate would be

determined by Laurel Hills based upon the operating costs for the 2011 operating year [here Exhibit 1, Line 16]. After a one hour telephone conversation with Darrell McQueen, which involved a detailed line by line accounting of the current water system expenses, I accepted the proposal to pay a \$43.20 monthly rate for water service for the remainder of 2011, and indicated that I would recommend this new rate to other homeowners as well. The vast majority of home owners paid the \$43.20 rate to Laurel Hills uninterrupted until a letter was received by Laurel Hills dated October 31, 2011 [here Exhibit 1, Line 19] where they demanded a rate of \$86.40 be paid retroactive to June 1, 2011. Laurel Hills referenced the \$43.20 rate as a "hardship discount", a term which I had never heard before receiving this letter. Some customers paid the monies demanded and some refused. I continued to pay my agreed upon rate of \$43.20 through the remainder of 2011. In mid December, 2011, as President of the RMCC, I authorized previous counsel to contact Defendants [then Laurel Hills Directors] current counsel in an effort to seek a resolution of all parties which was rejected by the Defendants [then Laurel Hills Directors]. On January 3, 2012, I received a letter from Laurel Hills ([here Exhibit 1, Line 23]) dated December 30, 2011 indicating that the water service would be suspended to all customers, regardless of payment, if the \$86.40 was not paid immediately."

Q. Was this same \$43.20 monthly rate negotiated with anyone else?

A. Yes, as Darrell McQueen's Affidavit (Exhibit 1, Lines 15 and 16) clearly states, this rate was negotiated for all homeowners to include the Cumberland Point Condominiums Association (CPCA) representing 84 living units.

Q. Did you attempt to contact Laurel Hills about these issues?

A. Yes, I and many other residents attempted to contact Laurel Hills on many occasions. Laurel Hills' has never posted or publicized the name of a responsible person to contact, a telephone number to call for billing and emergencies, an address (Prior to TRA filing) of an office to visit, a website to seek information or any other means of contact other than an email address (laurelhillscondoass@gmail.com) to which I, or anyone else I know of, has ever received a response. The address they cite in their Amended Petition for a CCN (Exhibit 1, Line 45) of 17 Laurel Hills Drive is an ill maintained timeshare unit, which is not staffed and has no mail delivery.

Q. Has anyone attempted to locate and document the various attempts to contact Laurel Hills since May 2011?

A. All documents, emails, email responses and other types of contact were requested as part of the "Customers" First Discovery Request to Laurel Hills dated September 20, 2012. In addition many of the known contact documents have been made a part of the record as the Customers Response to the First TRA Staff Discovery Request.

### **Renegade Mountain Community Club Testimony**

**(Events from December 21, 2011 through January 20, 2012)**

Q. What is the Renegade Mountain Community Club (RMCC).

A. The RMCC is the parent Homeowners Association (HOA) for the Renegade Mountain development which consists of approximately 3000 acres, 44 single family homes, 92 condominiums, 8 timeshares, 5 commercial buildings and 1851 lots owned by 531 separate owners: Laurel Hills Condominiums Property Owners Association (Laurel Hills) and Cumberland Point Condominiums Association are subordinate to the RMCC.



Q. What is your capacity with respect to the RMCC?

A. I am the President of the RMCC, duly elected by the Board of Directors on April 13, 2012.

Q. How long have you held that office?

A. Since September 2, 2011

Q. Is the RMCC involved in any current, relevant litigation proceedings?

A. Yes, after the September 2, 2011 Special meeting of the RMCC membership (Exhibit 1, Line 17), the prior Board of Directors disputed the legitimacy of the meeting and refused to turn over the records, keys, deeds and other assets to the new BOD and officers. After their continuous interference in the new BOD's ability to independently operate, the RMCC BOD and certain other Plaintiffs filed suit on December 21, 2011 in the Chancery Court of Cumberland County (Exhibit 1, Line 21, Case 2011-CH-508) asking the court, among other things, to validate the September 2, 2011 meeting and to compel the former BOD to cease and desist operating as the RMCC BOD and to turn over all deeds, keys and other assets.

Q. Were there any other named Defendants that are relative to this issue?

A. Yes, Moy Toy, LLC, the purported developers of Renegade Resort, was named as a Defendant in this same case. The RMCC asserts that Moy Toy, LLC is a developer in name only and is not the legal or exclusive developer of Renegade Resort, and therefore does not possess the rights and privileges afforded to the original developer in the Renegade Resort Covenants, Restrictions and By-Laws. The RMCC further asserts in the complaint that Moy Toy, LLC and the former RMCC Directors and Officers comingled funds and assets for the benefit of Moy Toy, LLC.

Q. Specifically, how is the outcome of this legal action relevant?

A. In three separate ways:

Legal Ownership: Initially the water system was constructed, owned and operated by the developer and was at some point turned over or sold to the RMCC which operated, and presumably owned the water system until it was transferred or sold back to the developer in 2000 (Exhibit 1, Line 1, or Attachment #1). Although individuals and legal counsel have petitioned the RMCC's former BOD to review these and other records as allowed by the By-Laws and Tennessee Non Profit Corporation Statutes multiple times (Exhibit 1, Lines 9, 18 and 21), all requests to date have been unanswered or denied.

Sale of Water System: It is clear through the master plan and other documents that the original developer's intent was that the water system be constructed for the benefit of the developer to sell lots and therefore remain under the developer's control. With respect to the Renegade legal Restrictions, there remains an interpretation of whether the developer even had the right to sell the water system to anyone other than the RMCC and also after selling it to the RMCC, could it then be resold back to the developer.

Revocable License: Of course if either of the previous premises is upheld by the courts, Moy Toy, LLC could not have sold the water system in the first place. However, the transmission pipes for the water system traverse under the seven or so miles of roadways within Renegade Resort. In accordance with the legal Restrictions, the roadways are classified as common areas and as such, when completed, shall be turned over to the RMCC. At all times, and under all circumstances the legal Restrictions set forth that the RMCC is responsible for the roads, as well as for their maintenance and operation. There remains a question whether the roads were ever turned over to the RMCC as required. If

the roads are proven to belong to the RMCC and/or the court agrees that Moy Toy, LLC is not the “developer”, or exclusive developer of Renegade Resort, then Moy Toy, LLC had no authority to issue a revocable license to Laurel Hills for use of the water transmission lines. An example of the problem: Laurel Hills may want to reroute a water pipe where Moy Toy, LLC says it owns the land and the RMCC says it controls the road...not a legally workable situation. In addition, it appears that the legal Restrictions indicate that the numerous Pre-1972 (Non Dedicated) properties are not subject to the any of the sections of the document concerning standard easements and utility easements.

Q. Is there any relationship between Case 2011-CH-508 and Laurel Hills’ attempts to turn off the water to all customers?

A. Yes, Case 2011-CH-508 was filed on December 21, 2011 (Exhibit 1, Line 21, or Attachment #7) with service of notice to some Defendants occurring shortly thereafter. Following a purported December 22, 2011 “emergency” meeting of the Laurel Hills’ BOD (Exhibit 1, Line 22), on December 30, 2011, Laurel Hills issues a letter notifying all customers that water service will be terminated in 30 days on February 1, 2012 Exhibit 1, Line 23).

Q. Was this Laurel Hills’ decision just a coincidence?

A. I don’t believe so, and the facts support my conclusion. The December 30, 2011 letter (Exhibit 1, Line 23) cited that “The vast majority of the Associations’ water system customers have refused to pay their monthly water bills for water service. As a result, the Association is now unable to meet its operating expenses, including paying its water supplier, Crab Orchard Utility District.” By Laurel Hills’ own accounting records, submitted as electronic attachments to their Response to the TRA Staff Data Request, their

2011 reported income from water services was \$47,023.00 and even after paying every 2011 water bill owed to Crab Orchard and paying Crab Orchard for some past due amounts and paying unrelated legal expenses of \$4,400.00 and paying other questionable expenses and failing to cash and post \$7256.00 (Exhibit 1, Line 20) in payments from Cumberland Point Condominiums Association, Laurel Hills still posted a \$1041.00 profit for 2011. In contradiction to the December 30, 2011 letter quoted earlier (Exhibit 1, Line 23), Laurel Hills had no reason to cut off water service as all current Crab Orchard water bills were paid, Laurel Hills received substantial revenue in 2011 and, in fact, posted a profit for 2011. In Cumberland County Chancery Court case 2012-CH-513 (Exhibit 1, Lines 30 and 35), the Customers (Plaintiffs) aver that this relationship between Complaint 2011-CH-508 Exhibit 1, Line 21 or Attachment #7) and the announcement by Laurel Hills to cut off water services is not a coincidence.

Q. Did the RMCC ever intervene to stop Laurel Hills from abandoning its responsibility to provide safe and reliable drinking water?

A. Yes, while Laurel Hills has attempted to eliminate water service to its customers on three separate occasions over a seven month period (Exhibit 1, Lines 27, 28 and 40), the RMCC, as an organization, has intervened in only one instance where abandonment of the system was imminent (Exhibit 1, Line 27); testimony on the remaining two instances will be given in the next section of testimony. As excerpted verbatim from my signed affidavit dated February 14, 2012 and presented in support of Cumberland County Chancery Court Docket # 2012-CH-513 hearing (Exhibit 1, Line 33). "On January 19, 2011, at approximately 2:00 pm (CST), Lori Green of the Crossville Volunteer Electric Cooperative office called me [here Exhibit 1, Line 26]. I was concerned for the safety and security of the water system customers and that the electric service would be terminated to the Mullinix

Drive Pump Station. I called Gerald Williams, the Laurel Hills Certified Water Operator to ask him if he had knowledge of the proposed shutdown of the water system. If the electric were terminated to this meter, and the associated pumps, the system would cease to operate. I then called the RMCC Directors to get the approval to transfer the responsibility for the electricity from Laurel Hills to the RMCC for public safety and health concerns. I then called Gerald Williams back to ask if he was able to reach Michael McClung by telephone. At approximately 11:00 am on January 20, 2012, to prevent the water system from being abandoned late on a Friday afternoon, I reluctantly accepted responsibility for the Mullinix Drive electric meter [here Exhibit 1, Line 27, or Attachment #8]. The work order establishing the RMCC as the new responsible party for electric, the associated Power Contract and a copy of the first invoice for the Mullinix Drive electric service are attached as attachments 5 through 7 respectively [here Exhibit 1, Line 27, or Attachment #8]. On February 10, 2012, I called Bobby Randolph of VEC to seek an Affidavit however this information will need to be requested by court order.” Arguably, the water system was technically abandoned by Laurel Hills on January 20, 2012 and as a result, if it were not for the RMCC actions, water would have ceased flowing to all customers on January 20, 2012.

**Plaintiff in Cumber County Chancery Court Docket 2012-CH-513**

**(Events from February 1, 2012 to Present Day)**

Q. What is Cumberland County Chancery Court Case 2012-CH-513?

A. Following Laurel Hills’ second attempt to turn the water off to its customers on February 1, 2012 (Exhibit 1, Line 28, testimony to follow), I and five other customers of Laurel Hills’ water system filed this complaint 2012-CH-513 (Exhibit 1, Line 30) seeking,

among other things, injunctive relief (Exhibit 1, Line 29) to compel Laurel Hills to immediately reinstate water service to all of its customers.

Q. Was Docket 2012-CH-513 later amended?

A. Yes, As a result of a hearing on February 14, 2012, and the corresponding order issued by Chancellor Thurman, the complaint was amended to include twenty-two additional Plaintiffs including the Cumberland Point Condominiums Association which represents 84 customers (Exhibit 1, Line 35, or Attachment #11).

Q. How many customers are represented as Plaintiffs in this case?

A. 113 of the 135 total customer connections (84%), maintained by Laurel Hills' water system, are represented by Plaintiffs in this action against Laurel Hills.

Q. Have these 27 Plaintiffs also filed a Petition to Intervene in Laurel Hills' Petition to seek a CCN from the TRA?

A. Yes, all were approved as Intervenors in this matter by the appointed TRA Hearing Officer as long as the collective group submits a single response.

Q. Is your testimony representative and on behalf of the 27 Plaintiffs to Complaint 2012-CH-513 (Exhibit 1, Line 35 or Attachment #11), the 27 individual Intervenors to Laurel Hills' Petition for a CCN (Exhibit 1, Line38) and the 113 Customers of Laurel Hills?

A. Yes

Q. Can you discuss the circumstances surrounding Laurel Hills' second attempt to turn the water off on February 1, 2012?

A. Yes, as excerpted verbatim from my signed affidavit dated February 14, 2012 and presented in support of Cumberland County Chancery Court 2012-CH-513 hearing (Exhibit 1, Line 33). "On February 2, 2012, at approximately 10:45 am (CST), I became aware that sometime during the evening of February 1, 2012, a major valve that controls the flow of water to 84 condominiums in the Cumberland Point Condominium complex and to two separate houses was closed [here Exhibit 1, Line 28]. My conclusion was that this was a direct result of the promise by Laurel Hills to suspend water operations as stated in the December 30, 2011 letter ([here Exhibit 1, Line 23]). I proceeded to work on a temporary restraining order [here Exhibit 1, Line 29] and made numerous calls to local and State officials throughout the day seeking assistance. While assisting other homeowners on February 2, 2012 to establish an alternate source of water at the Cumberland Point Condominiums, Phillip Guettler, at approximately 4:00 pm (CST), did arrive by vehicle with several other unidentified passengers and did proceed to laugh, taunt and video tape the ongoing actions to get water reestablished. On the afternoon of February 3, 2012, Chancellor Thurmon issued a TRO ([here Exhibit 1, Line 29]), that among other points, ordered Laurel Hills to turn the water back on. At approximately 4:30 pm on February 3, 2012, I approached Gerald Williams, Laurel Hills Certified Water Operator, with the TRO in hand and asked if he would turn the water back on. Mr. Williams did not turn the water back on. On February 6, 2012, at approximately 10:45 am, Laura Juarez delivered a notice of water service termination to my residence ([here Exhibit 1, Line 23]). I did later provide service of the TRO [Exhibit 1, Line 29] to Laura Juarez at approximately 12:00 pm. Further service of the TRO was accepted by Defendant's counsel later on that afternoon [Exhibit 1, Line 31]. At 3:30 pm on February 6, 2012, I met Gerald Williams, Certified Water Operator, at the valve that was turned off on February 1 and assisted him in turning the water back on [Exhibit 1, Line 31]. Upon examining the valve housing, I noticed that is

was filled with 36" of sand and asphalt material making it impossible to access the valve stem. It took two people an additional 30 minutes to remove the valve housing, clean out the debris and replace the valve housing before the water could be turned back on. A picture of the valve housing is attached as attachment 10 [here Exhibit 1, Line 32, or Attachment #10]. The water was successfully turned back on at approximately 4:05 pm on February 6, 2012." The aforementioned actions necessitated the Plaintiffs to file a complaint against Laurel Hills (Exhibit 1, Line 30).

Q. Was there a hearing associated with the issuance of the Temporary Restraining Order (TRO)?

A. Yes, On February 14, 2012, before Chancellor Ronald Thurman, an expedited hearing was held on the merits of the TRO (Exhibit 1, Line 33 and 36). The Chancellor ruled, among other lesser points, that the injunction to keep the water turned on was valid and extended for a 60 day period; both Laurel Hills and the Plaintiffs needed to present themselves to the TRA for oversight consideration within that 60 day period; and that the \$43.20 rate would remain in force and that it would be retroactive for all Plaintiffs to June, 2011. The Chancellor also allowed Plaintiffs five additional days to amend the Complaint to include additional Plaintiffs and on February 17, 2012 an amended Complaint was filed (Exhibit 1, Line 35).

Q. Did both parties present themselves to the TRA as ordered?

A. Yes, On April 10, 2012, Laurel Hills submitted a Petition for a CCN to the TRA (Exhibit 1, Line 37).

Q. What transpired next in the TRA process?



A. Without any advance notice, on May 7, 2012, Laurel Hills filed a Notice of Voluntarily Dismissal and Withdraw of their Petition with the TRA (Exhibit 1, Line 39).

Q. Can you discuss the details surrounding this Notice to Withdraw?

A. Yes, as most of the events from this point forward are part of TRA Docket #1200030 and therefore public record, I will provide only a short synopsis. On May 7, 2012, Laurel Hills sent a notice to all Customers stating that they would terminate water service to all customers, other than themselves, effective July 9, 2012 (Exhibit 1, Line 40). A Notice to Show Cause, citing five areas of Tennessee law that Laurel Hills may have violated, was issued to Laurel Hills by the TRA and a Show Cause Hearing was held on May 21, 2012 (Exhibit 1, Line 41). On May 18, 2012 Laurel Hills responded to the TRA Show Cause Notice to Appear indicating that they had not committed any of the violations cited, had no money to defend itself against the charges, and would not appear at the hearing. On May 21, 2012, the TRA Directors unanimously passed a motion that stated, among other points, that the TRA had the authority to institute all legal actions against Laurel Hills to keep the water from being turned off, including injunctive relief (Exhibit 1, Line 41). At a meeting on June 20, 2012, Laurel Hills' legal counsel indicated to TRA representatives that Laurel Hills no longer considered themselves to be a public utility, would not continue with the CCN process and otherwise would not comply with the requirements and regulatory requirements of the TRA (Exhibit 1, Line 42). On June 29, 2012, the TRA requested and was granted a TRO from Cumberland County Chancellor Ronald Thurman and at a subsequent hearing held on the merits of the TRO on July 12, 2012 (Exhibit 1, Line 43), Chancellor Thurman ordered that, among other points, Laurel Hills was a public utility, established a monthly water rate of \$43.20 for all customers and indicated that the only recourse for Laurel Hills to receive a higher water rate was to return to the TRA for

oversight and regulation. On August 3, 2012 Laurels Hills filed an Amended Petition for a CCN (Exhibit 1, Line 45).

Q. Have you objected to Laurel Hills initial Petition or Amended Petition?

A. Yes, to both. On May 1, 2012 the Customers filed a Petition to Intervene in Laurel Hills Petition for a CCN and on August 21, 2012 the Plaintiffs filed a Supplementary Petition to Intervene in Laurel Hills Amended Petition for a CCN.

Q. Will you now move to dismiss Cumberland County Chancery Court case 2012-CH-513?

A. No, we have instructed counsel to continue to seek the maximum possible criminal and civil penalties against Laurel Hills for operating an illegal and unauthorized public water system.

#### **Business Consultant**

Q. How long have you been a business consultant?

A. I have consulted on business for over 30 years but have listed my occupation as a Business Consultant only since the year 2000.

Q. What qualifications do you possess to support your testimony as a Business Consultant?

A. I have a BS Degree in Business Administration and minor degrees in Management and Finance. I established a successful career as a self-employed independent Business Consultant in 2000 and have provided consulting services to a wide variety of businesses to include minor consulting applications to two of the top ten U.S businesses. In addition to

my successful military career, as an entrepreneur, I have started, maintained, or sold five successful businesses over the last 35 years. My Curriculum Vitae is available upon request.

Q. Do you have any experience with consulting to utilities?

A. No

Q. Are you now employed by any entity associated with Renegade Mountain?

A. No, but for the last 18 months I have provided technical and support services to the residents of Renegade Resort and the Renegade Mountain Community Club on a pro bono basis. I have also worked for some residents on a fee related basis for work unrelated to any matters currently before the TRA.

Q. Have you reviewed Laurel Hills Response to the TRA Staff Data Request?

A. Yes, I have reviewed Laurel Hills response, other related attachments and previously filed documents in this matter.

Q. Did you identify any errors, omissions or irregularities in the data?

A. Yes, my comments follow:

Overarching Factor: After careful review of the data provided I find that, in addition to many errors, omissions and irregularities which will be discussed later, there are three overarching management principals which have been repeatedly violated.

*Caveat Emptor* (Latin) or "Let the buyer beware" is an implied warning that notifies a buyer that what he or she is buying is "as is," or subject to all defects, known or unknown.

Due Diligence is a legal term and management procedure that is performed to protect the buyer by exposing any unknown “as is” conditions prior to any purchase. Basically, for any company acquisition, due diligence would include fully understanding all of the obligations of the company, debts, pending and potential lawsuits, leases, warranties, long-term customer agreements, employment contracts, distribution agreements, compensation arrangements, etc. as well as the local, state and federal laws governing such a business activity, before purchasing the company. This is not to say that a potential acquisition, displaying a few, or even many faults/risks, should not be purchased, but rather that the potential buyer, considering all of the faults or risks, or potential faults/risks, can establish a maximum price he/she is willing to pay for the damaged company. Legally, the definition of due diligence is a measure of prudence, activity, or assiduity (attention), as is properly to be expected from, and ordinarily exercised by, a reasonable and prudent person under the particular circumstances; not measured by any absolute standard but dependent on the relative facts of the special case. In examining the legal definition’s “particular circumstances” and “relative facts” clauses, the facts on record show that Phillip Guettler and Michael McClung were simultaneously, as of the May 1, 2011 date of the sale, directors for the Laurel Hills Condominiums Property Owners’ Association (BUYER) and as the owners of record of Moy Toy, LLC (SELLER). In addition to operating Moy Toy, LLC, a simple “Google” search reveals that both Phillip Guettler and Michael McClung also are owners of additional businesses and have been “businessmen” for some extended period of time. Therefore both Phillip Guettler and Michael McClung can be held to a higher standard in the case of this transaction than that of an ordinary citizen...they in fact are, or should be experienced business persons. Since the principals of Moy Toy, LLC, the SELLER (owners) and the principals of Laurel Hills, the BUYER (Directors) are in fact the same two individuals and both of the individuals can be held to a business experience

standard, it becomes impossible that the defects and risks associated with the purchase of the water system were not known and acknowledged by both parties prior to the sale. In other words, whether due diligence was performed or not, or to what degree, is irrelevant; everything that Moy Toy, LLC knew about the Laurel Hills Water System was also known by Laurel Hills and it was known prior to the sale. Therefore all parties knew prior to the sale that the company was overvalued, the corresponding financial note was not representative of the price or properly secured, and that the company possessed excessive debts, regulatory issues and an enormous amount of business risk. In conclusion, Phillip Guettler and Michael McClung, as experienced businessmen, knowingly and legally ignored and failed their fiduciary responsibilities to the members of Laurel Hills Condominiums Property Owners Association with respect to this sale. In a corporate setting where a Director and experienced business person fails to perform due diligence and purchases an overvalued, risky acquisition, the shareholders, at the very least, can vote to replace them; the same might apply to the Laurel Hills members voting out the incompetent director. However, in this specific case, Laurel Hills is attempting to transfer 100% of the financial risk and costs associated with a bad business decision (the intentional purchase of an ill-advised water system), onto the monthly water rates of customers. Consequently, while the Laurel Hills Condominiums Property Owners Association suffers no financial burden of their (Directors) mistaken acquisition. In a related example, no corporation of similar size could increase the price of their product to cover 100% of such an ill-advised purchase, or they would quickly become noncompetitive and fall out of the product market. In this case, the consumers (water customers) have no other product to purchase and no representation in Laurel Hills to demand changes; the TRA fills this void. In conclusion, the water customers cannot be reasonably expected to subsidize Laurel Hills Condominiums Property

Owners Association and their members, in the form of higher water rates, for the intentional and premeditated financial bad acts of their Directors.

Illegal Action – “*Ultra vires*” (Latin) meaning "beyond powers". The term refers to acts taken by a corporation or officers of a corporation that are taken outside of the powers or authority granted to them by law or under the corporate charter. While this legal principle is becoming more narrowly defined in most states, it applies here. In the Show Cause Order dated July 17, 2012 to Laurel Hills, the TRA cited five separate statutes where Laurel Hills has broken Tennessee law, specifically surrounding the operation of a public utility without the issuance of a Certificate of Convenience and Necessity (CCN) which is a violation of TCA 65-4-201. In the respective order, signed by Chancellor Thurman following the July 12, 2012 hearing (TRA vs. Laurel Hills), Chancellor Thurman clearly established that Laurel Hills was indeed a Public Utility and was required to seek a CCN through the TRA. Further in paragraph 16 of Laurel Hills' original Petition for a CCN, Laurel Hills admits that as early as June 6, 2011 it was required to be regulated by the TRA. Laurel Hills' Directors knew as of June 2011, or should have known, that they were operating an illegal, unauthorized Public Utility outside the scope of their authority as conveyed by the Laurel Hills Condominiums Property Owners Association, the Tennessee Nonprofit Corporation Act and Tennessee Law. If it were not for the aggressive and progressive legal actions taken by the customers of Laurel Hills and two separate rulings by Chancellor Thurman on February 14<sup>th</sup> and July 12<sup>th</sup>, 2012, Laurel Hills would still be attempting to operate an illegal and unauthorized Public Utility at will. Any legal fees and other expenses specifically designated for use to initiate, maintain, cover up or defend an ongoing illegal and unauthorized operation as a Public Utility outside the laws of the State of Tennessee cannot be considered as valid expenses used to determine future water rates.

Q. Who were the former RMCC Board of Directors?

A. Phillip Guettler, Michael McClung and Darren Guettler.

Q. Who are the current principal owners of Moy Toy, LLC?

A. Phillip Guettler and Michael McClung.

Q. Who are the current directors of Laurel Hills Condominiums Property Owners Association?

A. Phillip Guettler, Michael McClung and Darren Guettler.

Q. Who are the principal managers of the Laurel Hills Water System?

A. Phillip Guettler and Michael McClung.

Q. Who are the current principal owners of Renegade Mountain Timeshares, LLC?

A. Phillip Guettler and Michael McClung (see Exhibit 2).

Q. Who are the current principal owners of Renegade Resources, LLC?

A. Phillip Guettler and Michael McClung (see Exhibit 3).

Q. Why are these relationships important?

A. Conflicts of Interest – Normally, conflicts of interest evolve between two parties and can easily be averted by disclosing the potential situation (full disclosure) and/or one of the parties steps aside to avoid the possibility of a conflict (Appearance of Conflict). In the case of Laurel Hills, with respect to its directors Phillip Guettler and Michael McClung, the appearance of a conflict of interest occurs 100% of the time and almost every decision possesses an actual conflict of interest. The directors and managers of for profit

corporations have an implied fiduciary duty to make responsible management decisions on behalf of their shareholders or members but a Tennessee nonprofit corporation has a legal duty to make decisions based on good faith, the care of an ordinarily prudent person in like circumstances and with reasonable belief that they are acting in the best interests of their members (TCA 48-58-301). Remember that the standard for directors McClung and Guettler is not that of an ordinary person, but that of experienced business persons. Therefore, for example, it can reasonably be concluded that making an ill-advised management decision to purchase a struggling and overvalued water system, operating it illegally for almost one year and raising every timeshare owners annual maintenance fee from approximately \$300 per year to \$1300 per year (Laurel Hills 2011 and 2012 Income and Loss Statement), was/is not in the best interest of their members. In addition, TCA 48-58-302, clearly addresses Director and Officer Conflicts of Interest and how decisions (votes) must occur in light of a conflict of interest. The definitions of an "indirect interest" in para "c" of TCA 48-58-302 clearly apply to directors McClung and Guettler in any decision involving Moy Toy, LLC, Renegade Mountain Timeshares, LLC and Renegade Resources, LLC. The requirements of para "d" state that no director with an indirect interest in a matter may vote on said manner. It also states that an affirmative vote by a single director with no indirect interest (Darren Guettler) may not approve the matter. Under no circumstances could the vote by directors McClung, Guettler and Darren Guettler to purchase the water system from Moy Toy, LLC, or any other previous decisions involving Renegade Mountain Timeshares, LLC and Renegade Resources, LLC, be upheld with respect to the Tennessee Nonprofit Corporation Act and Tennessee law.

### Conclusion

Q. So what is your conclusion?



A. My apologies for this lengthy testimony, but while Michael McClung and Phillip Guettler are operating an illegal and unauthorized water system in the best interests of Moy Toy, LLC, Renegade Resources, Renegade Mountain Timeshare and themselves, they do so under the guise of operating in the best interests of the members of the nonprofit Laurel Hills Condominiums Property Owners Association. As obvious and bad as this current situation is, it's even worse; the customers of the public water system do not even enter into the equation...on any level. Every decision made by Guettler and McClung, with respect to the water system will be to the detriment of the customers. An example (Laurel Hills 2012 General Ledger); in 2012, Guettler and McClung knowingly made the decision to pay Moy Toy, LLC (themselves) \$6420 in interest and Renegade Resources, LLC (themselves) over \$14,000 for repairs and improvements, but failed to pay any Crab Orchard Utility District water bills from January to June 2012. The TRA cannot, and cannot be expected to oversee every single transaction of Laurel Hills to ensure the customer interests are represented. To recap, this same entity now seeking a CCN from the TRA has violated at least five Tennessee statutes (TRA Petition for Injunctive Relief Against Laurel Hills), operated an illegal and unauthorized water system for a year, abandoned the water system once (Exhibit 1, Line 20), physically shut the water off without notice once (Exhibit 1, Line 28), attempted to shut the water off with notice once (Exhibit 1, Line 40), was forced to keep the water flowing through two injunctions (Exhibit 1, Lines 33 and 43), instructed to seek TRA oversight and regulation twice by the same Judge (Exhibit 1, Lines 36 and 44) and by its own admission, does not wish to comply with the TRA rules and authority (Exhibit 1, Line 42), is suddenly now willing to operate a water system in the best interests of its customers? In the May 18, 2012 Response to Notice to Appear (para 2), Laurel Hills states that it has concluded that its operation of the water system is not financially feasible. Given the numerous prior bad acts, its illegal operation of an

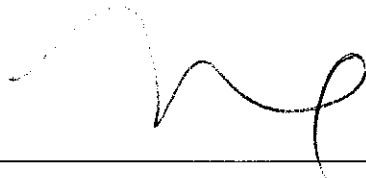
unauthorized water system, its total neglect and outright disdain for all of its customers, the management's admission that they have no prior experience operating a utility, the documented irregular or illegal management practices and the conflicts of interest that surround every decision, how can any reader and reviewer of the facts surmise any other conclusion other than Laurel Hills does not possess the minimum level of willingness, knowledge, business experience, financial stability or technical expertise to operate a public utility under the rules and regulations of the State of Tennessee.

Q. Does this conclude your Direct Testimony?

A. Yes, but I reserve the right to submit additional testimony based on my review of additional information and data submitted in the future.

Gary Haiser, John Moore, Gerald Nugent and others as listed above.

By Counsel:

A handwritten signature in black ink, appearing to be 'ME', is written over a horizontal line.

MELANIE E. DAVIS,

Tennessee Bar No. 017947

Kizer & Black Attorneys, PLLC

329 Cates Street

Maryville, Tennessee 37801

Telephone: (865) 980-1625

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and exact copy of the foregoing of DIRECT TESTIMONY OF JOHN S. MOORE ON BEHALF OF GARY HAISER; JOHN MOORE; GERALD NUGENT; ROY PERRY; JOHN PETERS; JOEL MATCHAK; ROBERT ADKINS; JOE GARNER; TERRY COPE; ROBERT SCHWARTZ; ONUS WILLIAMS; GENE MANERS; MICHAEL KRABOUSANOS; WENDELL BLAIR; LUKE DUNN; DAVID BREG; KENT LATHAM; CORTEZ INVESTMENT GROUP, INC.; JIMMY DOUGLAS; THOMAS BAUER; DONALD SANDLIN; JUDY SCALES PATTERSON; ISAAC GAMBLE; RENEE TODD; RICHARD KNAPP; JOHN CHAMBERS; JOHN P. PETERS REVOCABLE TRUST; AND CUMBERLAND POINT CONDOMINIUM OWNERS ASSOCIATION, OR THE ("CUSTOMERS") has been served upon the following:

Shiva Bozarth, General Counsel  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

John J. Baroni, Esq  
Consumer Advocate Division  
Office of the Attorney General  
P.O. Box 20207  
425 5<sup>th</sup> Avenue North, 2<sup>nd</sup> Floor  
Nashville, TN 37243-0500

Donald L. Scholes, Esq  
Branstetter, Stranch and Jennings, PLLC  
227 Second Avenue North, 4<sup>th</sup> Floor  
Nashville, TN 37201-1631

Benjamin A. Gastel, Esq

Branstetter, Stranch and Jennings, PLLC

227 Second Avenue North, 4<sup>th</sup> Floor

Nashville, TN 37201-1631

by mailing a true and accurate copy via U.S. Mail, postage prepaid, this the 1<sup>st</sup> day of October, 2012

Kizer & Black Attorneys, PLLC:

A handwritten signature in dark ink, appearing to be 'ME', is written over a horizontal line.

Melanie E. Davis

87-303/641

GERALD B. NUGENT 10-89  
OR BARBARA M. A. NUGENT

87-303/641  
F 8740

4330

GERALD B. NUGENT 10-89

87-303/641  
F 8740

4360

GERALD B. NUGENT 10-89  
OR BARBARA M. A. NUGENT  
CUMBERLAND GARDENS RESORT 456-7788

87-303/641  
F 8740

4438

87-303/641  
F 8740

4494

GERALD B. NUGENT 10-89

87-303/641

GERALD B. NUGENT 10-89

87-303/641  
F 8740

4672

GERALD B. NUGENT 10-89  
OR BARBARA M. A. NUGENT  
CUMBERLAND GARDENS RESORT 456-7788

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GERALD B. NUGENT 10-89  
OR BARBARA M. A. NUGENT

87-303/641  
F 8740

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GERALD B. NUGENT 10-89

87-303/641

GERALD B. NUGENT 10-89  
OR BARBARA M. A. NUGENT  
CUMBERLAND GARDENS RESORT 456-7788  
CRAB ORCHARD

87-303/641  
F 8740

4916

GERALD B. NUGENT 10-89

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F 8740

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GERALD B. NUGENT 10-89  
OR BARBARA M. A. NUGENT  
CUMBERLAND GARDENS RESORT 456-7788

87-303/641  
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NUGENT 10-89

87-303/641  
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GERALD B. NUGENT 10-89  
OR BARBARA M. A. NUGENT  
CUMBERLAND GARDENS RESORT 456-7788  
CRAB ORCHARD, TN 37723

87-303/641  
F 8740

5058

Pay to the  
Order of

Cum. Gardens  
Fortyfive only

\$ 45.00

Dollars



First American  
First American National Bank  
Crossville, Tennessee

Memo

Water & Sewer June 99 G.B. Nugent

064 10303 71 5058

EXHIBIT 1  
Attachment #1

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John Moore  
848 Livingston Rd.  
Suite 101  
Crossville, TN 38555

EXHIBIT - I  
ATTACHMENT  
#2

May 18, 2011

Vice President Phillip Guettler  
3227 Renegade Mountain Pkwy  
Crab Orchard, TN 37723

Vice President Guettler:

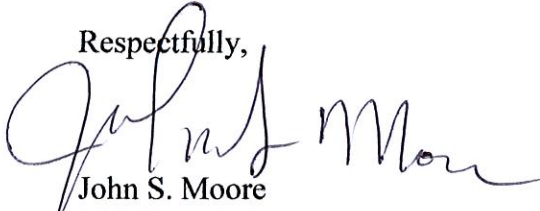
Please consider this correspondence my official request to review the corporation's books and records pursuant to Article XI, Miscellaneous Provisions, Section 11.04, Books and Records, subparagraph (2), "All books and records of the corporation may be inspected by any member, or an agent of any member, for any proper purpose at any reasonable time.", of the Renegade Mountain Community Club By-laws, as amended.

My membership status in the corporation, pursuant to Article II, Membership, Section 2.03, Regular Membership of the previously referenced by-laws, is verified as co-owner of the property located in Block 8, Lot 254 of Renegade Resort.

Since no annual meeting of the corporation, as required under Article III, Meetings of Members, Section 3.02, Annual Meeting, has been held since 2000, the purpose of the inspection shall be for me and/or my agent to review all budgetary, financial, and administrative documents necessary to ensure that the welfare of the corporation's members has been maintained. Documents to be reviewed include, but are not limited to, current budget, current and prior income and loss statements, all prior audited balance sheets, all prior budgets, corporation records of meeting dates, minutes and signatures, current and past membership rosters with annotation of dues status, approved calculations and methodology used to offset developer's dues with work product performed by same, evidence where all internal and external contracts and agreements between officers and/or Board of Directors were reviewed and considered for a real/apparent conflict of interest and other documents as may be referenced to or discovered as a result of the proposed inspection of the records.

Request the referenced two day inspection be performed at the corporate offices located in Cumberland County, Tennessee on the dates of your choosing between the dates of June 1<sup>st</sup> and June 10<sup>th</sup>, 2011 inclusive. Failure to receive written notification prior to the 30<sup>th</sup> day of May 2011 will be interpreted as a denial of this request.

Respectfully,

  
John S. Moore  
931-200-2411

John Moore  
848 Livingston Rd.  
Suite 101  
Crossville, TN 38555

May 30, 2011

Laurel Hills Condominiums POA  
PO Box 25  
Crossville, TN 38557

EXHIBIT 1  
ATTACHMENT #3

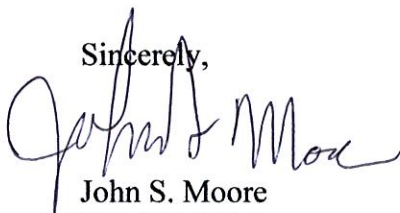
Water System Supervisor:

In the absence of any official information regarding the sale, transference or operation of the Non-transient, Non-community Water System currently serving the residents of Renegade Resort, request the following information be provided:

1. Proof of authorization to operate and maintain a Non-transient, Non-Community Water System within the State of Tennessee. Please submit a copy of the required change in ownership or operation required for Public Water Systems, Rule 1200-5-1-.05, paragraph (8)(b) as published by the Tennessee Department of Environment and Conservation, Bureau of Environment, Division of Water Supply.
2. Certification or statement that the Non-transient, Non-Community Water System currently in operation for Renegade Resort meets the minimum standards set forth for Public Water Systems, Rule 1200-5-1-.05, as published by the Tennessee Department of Environment and Conservation, Bureau of Environment, Division of Water Supply.
3. A copy of the latest monthly and/or special Water Quality Testing Report(s) as required to be performed by Rule 1200-5-1-.18 (Reporting Requirements), as published by the Tennessee Department of Environment and Conservation, Bureau of Environment, Division of Water Supply.
4. If the Non-transient, Non-Community Water System water does not meet the minimum standards for operation as a water system in the State of Tennessee (paragraph 2 above), or the required monthly or special water quality testing and/or has not been performed, and/or the monthly or special required testing demonstrates inferior water quality as defined by Rules 1200-5-1-.06 through 1200-5-1-.11 (paragraph 3 above), that the proper notification is made in accordance with Appendix A (NPDWR Violations and Other Situations Requiring Public Notice) to Rule 1200-5-1-.19 (Notification of Customers).

I look forward to receiving and reviewing all requested information. My goal is to promptly pay all outstanding balances owed in exchange for quality water from a water system that meets the minimum requirements under Tennessee State law..

Sincerely,



John S. Moore  
931-200-2411



EXHIBIT 1

ATTACHMENT #4

2845  
071008

JOHN A. OR BARBARA M. MOORE  
1311 200-1411  
Post Office Box 101  
244 Livingston Rd  
Crownsville, MD 21031

6-7-11 DATE

W ALAN ROSE

50.00

REGIONS

CONSULT

06/08/2011 \$50.00

Check# 2645

RECEIPT DATE 6-7-11 No. 397836

RECEIVED FROM John Moore \$50.00

FOR RENT  
FOR Consultation DOLLARS

ACCOUNT	50	-
PAYMENT	50	-
BAL. DUE	0	

CASH  
CHECK  
MONEY ORDER  
CREDIT CARD

FROM TO

BY J. J. Smith



Laurel Hills Condominiums POA

P.O. Box 25  
Crossville, TN 38557

EXHIBIT 1

ATTACHMENT #5

# Invoice

Date	Invoice #
7/1/2011	2079

Bill To
John Moore 848 Livingston Rd STE 101 #62 PMB Crossville, TN 38555-6719

JAN-JUL  
211.40

Due Date
7/15/2011

Description	Qty	Rate	Amount
Monthly Water Fee (June & July 2011)	2	86.40	172.80
		<b>Total</b>	\$172.80
		<b>Balance Due</b>	\$172.80

Renegade Mountain Community Club  
Proposed Propositions

Proposition 11-001 – (Removal of Current Directors and Officers): Be it resolved that the current named Board of Directors of the Renegade Mountain Community Club of record with the Tennessee Secretary of State's Office, Michael M. McClung and Phillip Guettler, and any other unnamed Directors, serving in office as of September 2<sup>nd</sup>, 2011, and any current Officers of the Renegade Mountain Community Club, named or unnamed, which may have been appointed or elected by said Board of Directors and currently serving in office as of September 2<sup>nd</sup>, 2011, are hereby removed from their respective positions or offices in the Renegade Mountain Community Club effective immediately.

Proposition 11-002 – (Amendment by Restatement of Current By-Laws): Be it resolved that the original By-Laws of the Corporation, as amended from time to time, and now referred to collectively as the current By-Laws of the Renegade Mountain Community Club, and in effect as of September 2<sup>nd</sup>, 2011, be amended by restatement and supplanted by a set of new By-Laws revised on July 27<sup>th</sup>, 2011, and together with any approved changes, shall become effective immediately.

EXHIBIT 1  
ATTACHMENT #6

IN THE CHANCERY COURT FOR CUMBERLAND COUNTY, TENNESSEE

---

GARY HAISER AND JOEL MATCHAK, AS MEMBERS  
OF THE BOARD OF DIRECTORS OF THE RENEGADE  
MOUNTAIN COMMUNITY CLUB, INC.; THE  
RENEGADE MOUNTAIN COMMUNITY  
CLUB, INC; JOHN MOORE; AND  
GERALD NUGENT

Plaintiffs

vs.

NO. \_\_\_\_\_

MICHAEL McCLUNG, MICHAEL HAINES,  
PHILLIP GUETTLER, JOSEPH WUCHER,  
AND MOY TOY, LLC

Defendants

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COMPLAINT

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1. The Plaintiff, Renegade Mountain Community Club, Inc. ("Community Club"), is a Tennessee not-for-profit corporation that is the property owners' association for Renegade Resort, a community in Cumberland County, Tennessee. Gary Haiser and Joel Matchak are property owners in the Renegade Resort and are two of its three duly elected Board of Directors elected at a special member meeting which occurred on September 2, 2011.
2. Plaintiffs, John Moore and Gerald Nugent, are property owners in the Renegade Resort.
3. The individual named Defendants are past officers and/or directors in the Community Club and certain of them still purport to be officers and/or directors of the Community

Club. They may be served with process through the Secretary of State as follows:

- (a) Michael McClung, 61 NW Boundary Drive, Port St. Lucie, Florida 34986.
- (b) Michael Haines, 6 Silver Drive, Burlington, Connecticut 06013.
- (c) Phillip Guettler, 4401 Whiteway Dairy Road, Fort Pierce, Florida 34981.
- (d) Joseph Wucher, 1542 Chestnut Street, San Carlos, California 94070.

Exact terms of office are unknown because the Defendants have not and will not provide copies of corporate books and records.

4. Defendant, Moy Toy, LLC, is a limited liability company that purchased real property and developer rights in Renegade Resort in 2010 from Renegade Resort, LLC and J. L. Wucher Company, LLC. As such, Moy Toy, LLC owns the fee interest to certain common areas and amenities lying within Renegade Resort. Certain of the Defendants who are owners of Moy Toy, LLC, were also owners of Renegade Resort, LLC since 2000 and as such have longstanding knowledge of the physical and financial challenges surrounding the operation of Renegade Resort. In addition, certain of the Defendants who are owners of Moy Toy, LLC, held various positions as officers and directors of the Community Club since 2000 and as such have longstanding and integral knowledge of the dire state of affairs that have existed and currently exist within the Community Club. Moy Toy maybe served through its agent for service of process, C T Corporation System, Suite 2021, 800 S. Gay Street, Knoxville, Tennessee 37929-9710.
5. The residents and interested property owners in Renegade Resort have attempted to seek improvements to their community including improvements to the private roads and common areas. They additionally have sought promised amenities such as proper

- security, lighting for the community, and winter road maintenance.
6. However, due to the neglect of the individual named Defendant former officers and directors of the Community Club, Renegade Resort has fallen into a state of great disrepair and the private roads in the community at many places, particularly in the winter, are nearly impassable due to neglect. These private roads within the community are the responsibility of the Community Club as common area.
  7. Plaintiffs, John Moore and Gerald Nugent, attempted in early and mid-2011 to get the officers and directors of the Community Club to release or provide copies of corporate documents as required under Tennessee law and existing by-laws and to otherwise comply with their responsibilities as officers and directors of the Community Club, but to no avail.
  8. A written request was sent on May 18, 2011, by certified mail to the registered agent for the Community Club and to each of the officers and directors of record with the Tennessee Secretary of State's office asking to review the corporation's books and records as permitted by law and by the by-laws and for a membership list. There was no response.
  9. Due to the neglect and inaction of certain individual named Defendants, no annual meeting of the membership has been held by the Community Club from the year 2000 until this year. In 2011, the Plaintiffs on their own initiative called a special meeting on September 2, 2011. The failure of the individual named Defendants to call an annual meeting was in violation of Section 3.02 of the by-laws of the Community Club and T.C.A. §47-57-101.



10. The individual named Defendant officers and directors have failed to provide for the basic needs, safety, and security of the members of the property owners association as they are required to do.
11. The individual named Defendants have failed to collect membership dues as required by the by-laws and have neglected the finances of the Community Club. The Community Club has the legal right and obligation to collect dues to fulfill its responsibilities, but the individual named Defendants failed to send dues notices in 2011 or to actively pursue collection of dues by members from 2000 to 2011. They failed to prepare and execute budgets as required and have left the Community Club in a dire financial condition as a result.
12. In response to this complete neglect of the duties and responsibilities of the officers and directors of the Community Club, certain interested homeowners called for and held the special meeting of the members on September 2, 2011, in Crossville, Tennessee.
13. The applicable by-laws allow for a special called meeting of the membership at the request in writing of at least 10% of the members of the association in good standing. At least 10% of the members in good standing called for this special called meeting on September 2, 2011.
14. Request had previously been made to the Board of Directors via certified mail to call this special meeting, but the requested was ignored.
15. The by-laws provide that each special called meeting shall be held at such time as the Board of Directors shall determine or in the absence of such determination by the Board of Directors at such time as the person or persons calling the requested meeting shall

specify in the notice or written requested.

16. The Plaintiffs contend that the special called meeting on September 2, 2011, was properly noticed and called under the by-laws and that the votes taken in that meeting were legitimate.
17. This special called meeting was attended by eighty-nine (89) voting members in good standing.
18. At this special called meeting, a vote was held and new directors consisting of Gary Haiser, Joel Matchak, and Judy Patterson were elected by the membership.
19. The prior officers and directors were removed by vote of the membership. The by-laws were further amended at this special meeting by vote of the members.
20. At this meeting, Defendant, Michael McClung, and Moy Toy, LLC, through counsel attempted to overtake the vote at the last minute by alleging that they had a proxy for a number of lots in the community and demanding that they be allowed to vote these new lots. However, the lots at issue had not paid dues as required by the by-laws and covenants and restrictions in order to vote and had not pre-registered as required to vote at the meeting and as such were not allowed to have their votes counted.
21. Certain of the Defendants then held an "informational meeting" of the Community Club on November 17, 2011. At this meeting, the persons calling the meeting questioned the legitimacy of the newly elected Board of Directors elected at the September 2, 2011, meeting.
22. As such, a question exists as to which Board is legitimate as the legal acting Board of Directors of the Renegade Mountain Community Club, Inc. This Court is asked to make

a declaration as to the rights and responsibilities of the various parties in relation to the Community Club and the election of directors held on September 2, 2011, the removal of old officers and directors, and the amendment of the by-laws accomplished at this meeting.

23. Additionally, a finding of a breach of fiduciary duty is sought against the individual Defendants for their failure to comply with their fiduciary duties by law as officers and directors of a not-for-profit corporation property owners association. Damages are sought as a result of such breach. It is averred that by failing to have meetings, failing to manage and collect revenue for the Community Club, and failing to provide for the basic needs of the community that these duties have been breached and that the Renegade Resort, its property owners, and the Community Club have been damaged as a result.
24. Defendant, Moy Toy, LLC, was negligent in exercising its powers, rights and responsibilities as the purported developer of Renegade Resort. Without the benefit of calling a Special Meeting of the membership, Defendants, Phillip Guettler and Michael McClung, on information and belief being the owners of Moy Toy, LLC, did, in June of 2011, purport to install themselves as the sole officers and directors of the Community Club. While failing to make any attempt to collect sufficient revenue to operate the Community Club, or to offer an operating budget, or to hold the required Annual meeting of the membership, Defendants, Phillip Guettler, Joseph Wucher, Michael Haines and Michael McClung, knowingly and with reckless disregard to the safety and security of the Plaintiffs and Community Club members, and to the financial benefit of Moy Toy, LLC, removed all gate security at Renegade Resort, turned off all street lighting, disconnected



all telephone contacts, stopped maintaining common areas and failed to make any effort to keep common roads free and clear of ice/snow. Moy Toy, LLC, and the remaining named Defendants knew or should have known that these actions would and did cause vehicular accidents, numerous burglaries, undesirable living conditions and deter further investment and interest in Renegade Resort. Additionally, Defendants, Phillip Guettler and Michael McClung, as sole owners of Moy Toy, LLC, and later as the sole officers and directors of the Community Club, knowingly co-mingled the rights, powers and responsibilities of the Community Club and Moy Toy, LLC for the benefit of Moy Toy, LLC and as a result systematically damaged and diminished the Community Club and Renegade Resort.

25. Throughout 2011, requests were made through counsel and by individual members for various corporate documents on behalf of John Moore and/or Gerald Nugent. Such requests were systematically denied. Books and records have not been provided as required by law.
26. Plaintiffs ask that the Defendants be required by this Court to turn over all corporate books and records including, but not limited to, membership lists, financial documentation, minutes of meetings, and all other corporate books and records to the Plaintiffs. Plaintiffs demand that the offending Defendants be subjected to damages and other sanctions for failure to comply with the law relating to provision of these items to corporate members. Further, the Plaintiffs need the necessary assets, keys, and personal property necessary to operate the Community Club in the possession, custody or control of the Defendants.

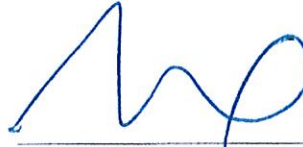
27. To the extent that any dispute may exist, it is in the best interest of the corporation that the Court declare which set of by-laws for the Community Club are legally in effect.

WHEREFORE, Plaintiffs demand as follows:

1. That proper process issue and be served upon all of the named Defendants requiring them to appear and answer this Complaint as required by law.
2. That this Court declare the rights and responsibilities of the parties as relate to the official Board of Directors of the Renegade Mountain Community Club, Inc. and who is in control.
3. That this Court declare the by-laws in effect to govern corporate affairs.
4. That this Court order the Defendants to provide all corporate books, records, financial documents, membership lists plus keys, assets, and personal property belonging to the Community Club as set forth herein within a time certain.
5. That this Court award damages to the Community Club for breach of fiduciary duties by the individual named Defendants.
6. That the Plaintiffs be awarded their reasonable attorneys fees and costs incurred in the filing of this action.

7. That Plaintiffs have such other, further and general relief to which they may show themselves to be entitled to upon a hearing of this cause.

RESPECTFULLY SUBMITTED,



---

MELANIE E. DAVIS, Attorney for  
Plaintiffs

Tennessee Bar No. 017947  
Kizer & Black, Attorneys, PLLC  
329 Cates Street  
Maryville, Tennessee 37801  
Telephone: (865) 980-1625

# EXHIBIT 1, ATTACHMENT #8

0000561112



**VOLUNTEER ENERGY COOPERATIVE**  
 Crossville Service Center  
 235 O'Brien Drive, Crossville, TN 38555  
 P.O. Box 609  
 Crossville, TN 38557

[www.vec.org](http://www.vec.org)

931-484-3527 or 1-800-431-7908

7749 1 AV 0.350  
 RENEGADE MTN CC  
 848 LIVINGSTON RD STE 101  
 CROSSVILLE TN 38555-6719

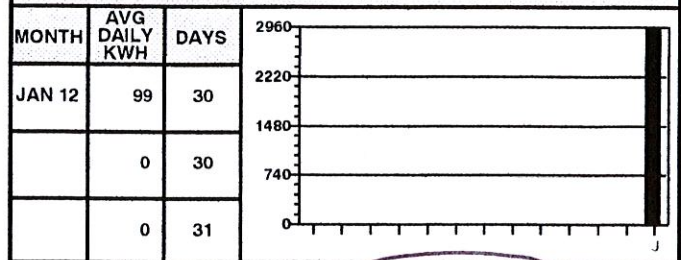
4 7749  
 C-35 P-50



This statement is now due and payable. Service may be discontinued without further notice if current amount unpaid 7 days after past due date. Service may be discontinued without further notice for unpaid prior balance.

VEC can help you prepare your home for cold winter temperatures. Request a FREE in-home energy evaluation and qualify for a rebate on recommended energy efficiency improvements. Call 423-334-7053 to find out the details.

## KWH USAGE HISTORY



ACCOUNT NUMBER	NAME	RATE	METER NUMBER	MTR RDG DT	SERVICE ADDRESS			
5611-12	RENEGADE MTN CC	GSA1	65262	02/03/2012	MULLINAX DR - WATER TANK			
SERVICE	KW DEMAND	KVA DEMAND	MULT	POWER FACTOR	PRESENT READING	PREVIOUS READING	AMOUNT USED	AMOUNT
CUSTOMER CHARGE	42.400	0.00	80	0.0000	6536	6499	2960	\$ 6.53
ELECTRIC (KILOWATT HOURS)						@	0.080440	
TVA FUEL COST						@	0.023960	
ELECTRIC COST	6536			6499		2960 @	0.104400	309.02
SUBTOTAL								315.55
STATE TAX								22.09
METER ACTIVATION FEE								30.00
TOTAL CURRENT CHARGES								367.64

*Comp PD 2-21-12 #12*

Activity Since Last Bill	\$ Amount
Previous Balance	0.00
Payment	0.00
Late Charge	0.00
Other Adjustments	0.00
Balance Prior to this Billing	0.00

**Average Temperature (Degrees F) for**  
 : 33 : 42 JAN 12: 44

**Final Bill**  
 \$15.78 LATE FEE  
 CHARGED AFTER  
 02/26/2012.

<b>TOTAL DUE</b>	<b>\$ 367.64</b>
------------------	------------------

PLEASE RETURN BOTTOM PORTION WITH YOUR PAYMENT OR BRING ENTIRE STATEMENT WHEN PAYING IN PERSON

EXHIBIT 1, ATTACHMENT #9

**Crab Orchard Utility District**

**2089 East First Street**

**Crossville, TN 38555**

**(931) 484-6987**

January 6, 2012

To whom it may concern:

As of this date the Crab Orchard Utility District has had no conversation with anyone concerning the discontinuance of water service to the Laurel Hills Condo Association, or any other entity.

The Utility is committed to working with all parties involved to ensure continued service to the residents of Renegade Mountain.

If you have questions, or concerns, please call me at the above number or my cell (931) 265-4491.

Sincerely,

Everett L. Bolin, Jr.

General Manager

Crab Orchard Utility District





02/06/2012



**EXHIBIT 1, ATTACHMENT #11**  
IN THE CHANCERY COURT FOR CUMBERLAND COUNTY, TENNESSEE

---

GARY HAISER; JOHN MOORE;  
GERALD NUGENT; ROY PERRY;  
JOHN PETERS, JOEL MATCHAK;  
ROBERT ATKINS; JOE GARNER; TERRY COPE;  
ROBERT SCHWARTZ; ONUS WILLIAMS;  
GENE MANERS; MICHAEL KRABOUSANOS;  
WENDELL BLAIR; LUKE DUNN; DAVID BREG;  
KENT LATHAM; CORTEZ INVESTMENT  
GROUP, INC.; JIMMY DOUGLAS; THOMAS BAUER;  
DON SANDLIN; JUDY SCALES PATTERSON;  
ISAAC GAMBLE; RENEE TODD; RICHARD KNAPP;  
JOHN CHAMBERS; JOHN P. PETERS REVOCABLE  
TRUST; AND CUMBERLAND POINT CONDOMINIUM  
OWNERS ASSOCIATION.

Plaintiffs

vs.

NO. 2012-CH-513

LAUREL HILLS CONDOMINIUMS  
PROPERTY OWNERS ASSOCIATION INC.;  
MICHAEL MCCLUNG AND PHILLIP  
GUETTLER INDIVIDUALLY AND AS  
DIRECTORS OF THE LAUREL HILLS  
CONDOMINIUMS PROPERTY OWNERS  
ASSOCIATION INC.

Defendants

---

AMENDED COMPLAINT

---

Come now the Plaintiffs, by and through counsel, and pursuant to the Court's Order at the hearing on February 14, 2012, amends its Complaint to add additional party Plaintiffs. The following persons or entities are added as additional party Plaintiffs:

1. Robert Atkins.

2. Joe Garner.
3. Terry Cope.
4. Robert Schwartz.
5. Onus Williams.
6. Gene Maners.
7. Michael Krabousanos.
8. Wendell Blair.
9. Luke Dunn.
10. David Breg.
11. Kent Latham.
12. Cortez Investment Group, Inc.
13. Jimmy Douglas.
14. Thomas Bauer.
15. Don Sandlin.
16. Judy Scales Patterson.
17. Isaac Gamble.
18. Renee Todd.
19. Richard Knapp.
20. John Chambers.
21. John P. Peters Revocable Trust..
22. Cumberland Point Condominium Owners Association.

All of these identified individuals are water customers of the Defendant,  
Laurel Hill Condominiums Property Owners Association, Inc., and/or own property



that receives water from the Defendants. The remainder of the Complaint is incorporated herein as though set forth in full.

RESPECTFULLY SUBMITTED.

A handwritten signature in black ink, appearing to be 'ME' followed by a stylized flourish.

---

MELANIE E. DAVIS, Attorney for  
Plaintiffs  
KIZER & BLACK, ATTORNEYS, PLLC  
329 Cates Street  
Maryville, Tennessee 37801

37

67774.0684



# Tennessee Limited Liability Company Annual Report Form

AR Filing #: 02961126

File online at: <http://TNBear.TN.gov/AR>

Status: Unsubmitted

Due on/Before: 04/01/2012

Reporting Year: 2011

**Please return completed form to:**

Tennessee Secretary of State  
Attn: Annual Reports  
William R. Snodgrass Tower  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
Phone: (615) 741-2286

**Annual Report Filing Fee Due:**

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000

\$20 additional if changes are made in block 3 to the registered agent/office

**SOS Control Number:** 640805

Limited Liability Company - Domestic

Date Formed: 09/23/2010

Formation Locale: CUMBERLAND  
COUNTY**(1) Name and Mailing Address:**

Renegade Mountain Timeshares, LLC  
PO BOX 78  
CRAB ORCHARD, TN 37723-0078

**(2) Principal Office Address:**

17 MOUNT LAUREL DRIVE  
CRAB ORCHARD, TN 37723

**(3) Registered Agent (RA) and Registered Office (RO) Address:** Agent Changed: No

C T CORPORATION SYSTEM  
STE 2021  
800 S GAY ST  
KNOXVILLE, TN 37929-9710

(4) This LLC is (change if incorrect):     Director Managed,   X   Manager Managed,     Member Managed,  
    Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent), respectively.

Name	Business Address	City, State, Zip
Michael McClung	17 Mount Laurel Drive	Crab Orchard, TN 37723
Phillip Guettler	17 Mount Laurel Drive	Crab Orchard, TN 37723

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act), (or their equivalent), respectively.

Name	Business Address	City, State, Zip

(6) Number of members on the date the annual report is executed if there are more than six (6) members: 2

    This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature:

(8) Date:

15 Mar 12

(9) Type/Print Name:

Michael M. McClung

(10) Title:

Pres M/ML

**Instructions:** Legibly complete the form above. Enclose a check made payable to the Tennessee Secretary of State in the amount of \$300.00. Sign and date this form and return to the address provided above. Additional instructions at [http://tn.gov/sos/bus\\_srv/annual\\_reports.htm](http://tn.gov/sos/bus_srv/annual_reports.htm)



# Tennessee Limited Liability Company Annual Report Form

AR Filing #: 02531921

Status: Unsubmitted

File online at: <http://TNBear.TN.gov/AR>

Due on/Before: 04/01/2011

Reporting Year: 2010

Please return completed form to:

Tennessee Secretary of State

Attn: Annual Reports

William R. Snodgrass Tower

312 Rosa L. Parks AVE, 6th FL

Nashville, TN 37243-1102

Phone: (615) 741-2286

**Annual Report Filing Fee Due:**

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000

\$20 additional if changes are made in block 3 to the registered agent/office

**SOS Control Number:** 640805

Limited Liability Company - Domestic

Date Formed: 09/23/2010

Formation Locale: Cumberland County

**(1) Name and Mailing Address:**

Renegade Mountain Timeshares, LLC

Box 78

Moy Toy Road

Crab Orchard, TN 37723

**(2) Principal Office Address:**

Box 78

Moy Toy Road

Crab Orchard, TN 37723

**(3) Registered Agent (RA) and Registered Office (RO) Address:**Agent Changed: No

C T Corporation System

800 S Gay Street, Suite 2021

Knoxville, TN 37929

RECEIVED  
STATE OF TENNESSEE  
2011 MAR 14 AM 11:02  
TRE HARGETT  
SECRETARY OF STATE

6849.2071

(4) This LLC is (change if incorrect):      Director Managed, X Manager Managed,      Member Managed,  
     Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent), respectively.

Name	Business Address	City, State, Zip
Michael M McClung	Box 78 Moy Toy Road	Crab Orchard, TN 37723
Phillip Guettler	Box 78 Moy Toy Road	Crab Orchard, TN 37723

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act), (or their equivalent), respectively.

Name	Business Address	City, State, Zip

(6) Number of members on the date the annual report is executed if there are more than six (6) members: 2

     This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature:

(8) Date: 03/09/11(9) Type/Print Name: Michael M. McClung(10) Title: Managing Member

**Instructions:** Legibly complete the form above. Enclose a check made payable to the Tennessee Secretary of State in the amount of \$300.00. Sign and date this form and return to the address provided above. Additional instructions at [http://tn.gov/sos/bus\\_srv/annual\\_reports.htm](http://tn.gov/sos/bus_srv/annual_reports.htm)

Exhibit 3

37

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STATE OF TENNESSEE

2011 JAN 20 PM 3:29

TRE HARGETT  
SECRETARY OF STATE

**ARTICLES OF ORGANIZATION  
OF**

**RENEGADE RESOURCES, LLC**

The undersigned person, acting as Organizer of the Limited Liability Company (the "Company") under the Tennessee Revised Limited Liability Company Act (the "Act"), adopts the following Articles of Organization:

1. **Name.** The name of the Company is:  
Renegade Resources, LLC
2. **Registered Agent and Office.**
  - a. The street address and zip code of the initial registered office of the Company are:  
800 S. Gay Street, Suite 2021  
Knoxville, Tennessee 37929
  - b. The county in which the initial registered office is located is:  
Knox County
  - c. The name of the initial registered agent of the Company located at its initial registered office is:  
C T Corporation System
3. **Principal Executive Office.**
  - a. The street address and zip code of the principal executive office of the Company are:  
Box 288 Renegade Parkway  
Crab Orchard, Tennessee 37723
  - b. The county in which the principal executive office of the Company is located is:  
Cumberland County
4. **Manager-managed.** The business of the Company shall be conducted under the exclusive management of its managers, each of whom shall have exclusive authority to act for the Company in all matters.

5. **Effective Date.** The existence of the Company is to begin upon its filing of the Articles of Organization.
6. **Operating Agreement.** Any operating agreement entered into by members of the Company and any amendments thereto must be in writing.

This 20th day of January, 2011.

  
Daniel J. Moore, Organizer

RECEIVED  
STATE OF TENNESSEE  
2011 JAN 20 PM 3:29  
IRE HARGETT  
SECRETARY OF STATE

6816.2025



# Tennessee Limited Liability Company Annual Report Form

AR Filing #: 02961187

Status: Unsubmitted

File online at: <http://TNBear.TN.gov/AR>

Due on/Before: 04/01/2012

Reporting Year: 2011

Please return completed form to:

Tennessee Secretary of State  
Attn: Annual Reports  
William R. Snodgrass Tower  
312 Rosa L. Parks AVE, 6th FL  
Nashville, TN 37243-1102  
Phone: (615) 741-2286

**Annual Report Filing Fee Due:**

\$300 minimum plus \$50 for each member over 6 to a maximum of \$3000

\$20 additional if changes are made in block 3 to the registered agent/office

**SOS Control Number:** 648957

Limited Liability Company - Domestic

Date Formed: 01/20/2011

Formation Locale: CUMBERLAND  
COUNTY**(1) Name and Mailing Address:**

Renegade Resources, LLC  
PO BOX 288  
CRAB ORCHARD, TN 37723-0288

**(2) Principal Office Address:**

3227 RENEGADE MOUNTAIN PKWY  
CRAB ORCHARD, TN 37723

**(3) Registered Agent (RA) and Registered Office (RO) Address:** Agent Changed: No

C T CORPORATION SYSTEM  
STE 2021  
800 S GAY ST  
KNOXVILLE, TN 37929-9710

(4) This LLC is (change if incorrect):     Director Managed, X Manager Managed,     Member Managed,  
    Board Managed (appropriate if formed prior to 1/1/2006 only).

If board, director, or manager managed, provide the names and business addresses, including zip codes, of the governors, directors, or managers (or their equivalent), respectively.

Name	Business Address	City, State, Zip
Michael McClung	3227 Renegade Mountain Pkwy	Crab Orchard, TN 37723
Phillip Guettler	3227 Renegade Mountain Pkwy	Crab Orchard, TN 37723

(5) Provide the names and business addresses, including zip codes, of the LLC managers (if governed by the LLC Act), or any officers (if governed by the Revised LLC Act), (or their equivalent), respectively.

Name	Business Address	City, State, Zip

(6) Number of members on the date the annual report is executed if there are more than six (6) members: 2

    This LLC is prohibited from doing business in Tennessee (check if applicable)

(7) Signature:

(8) Date: 15 Mar 12

(9) Type/Print Name: MICHAEL M. MCCLUNG

(10) Title: President M/M

**Instructions:** Legibly complete the form above. Enclose a check made payable to the Tennessee Secretary of State in the amount of \$300.00. Sign and date this form and return to the address provided above. Additional instructions at [http://tn.gov/sos/bus\\_srv/annual\\_reports.htm](http://tn.gov/sos/bus_srv/annual_reports.htm)