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Administrative Procedures Division
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March 23, 2022

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Joshua Davis
1330 Coreland Drive
Madison, TN 37115

Real Holdings International, Inc.
1330 Coreland Drive
Madison, TN 37115

**RE: TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE V. JOSHUA
DAVIS AND REAL HOLDINGS INTERNATIONAL, INC., APD Case No. 12.06-
213981J**

Enclosed is an *Initial Order*, including a *Notice of Appeal Procedures*, rendered in this case.

Administrative Procedures Division
Tennessee Department of State

Enclosure(s)

**BEFORE THE COMMISSIONER OF THE TENNESSEE DEPARTMENT OF
COMMERCE AND INSURANCE**

IN THE MATTER OF:

**TENNESSEE DEPARTMENT OF
COMMERCE AND INSURANCE,**
Petitioner,

v.

**JOSHUA DAVIS and
REAL HOLDINGS INTERNATIONAL,
INC.,**
Respondents.

**APD Case No. 12.06-213981J
TSD No. 21-035**

INITIAL ORDER

This contested case was heard *de novo* via videoconference at the request of the parties on January 5, 2022, in Nashville, Tennessee, before Administrative Judge Claudia Padfield, assigned by the Secretary of State, Administrative Procedures Division, to sit on behalf of the Tennessee Securities Division. The hearing addressed the allegations contained in the NOTICE OF HEARING AND CHARGES filed on September 2, 2021, pertaining to Respondents, Joshua Davis and Real Holdings International Inc. Vishan Ramcharan and William Leslie represented Petitioner, the Department of Commerce and Insurance, Tennessee Securities Division (“the Division”). Respondent, Joshua Davis, appeared *pro se* on behalf of himself and his company, Real Holdings International, Inc., waiving the right to legal counsel.

The deadline of January 20, 2022, was provided for the filing of the trial transcript. To allow the parties time to review the transcript and cite to same in their proposed Findings of Fact and Conclusions of Law, the parties were provided a deadline of February 3, 2022, to file any proposed orders. Petitioner received the transcript from the court reporter on January 21, 2022, but did not instruct the court reporter to file the transcript with the Administrative Procedures Division, provide a copy to Respondent, or file the transcript.

The transcript was filed on February 1, 2022. The deadline to file proposed Findings of Fact and Conclusions of Law was extended to February 11, 2022. As such, the RECORD closed on February 11, 2022, and the INITIAL ORDER is due in this matter on May 11, 2022.

Petitioner submitted proposed Findings of Fact and Conclusions of law on February 11, 2022.

In lieu of proposed Findings of Fact and Conclusions of Law, Respondents filed a written statement on February 11, 2022, which purports to offer a “closing statement” to the January 5, 2022, hearing. Attached to the “closing statement” is a Form ADV from February 11, 2022. This form was submitted to the Securities and Exchange Commission after the date of the hearing and was not offered into evidence at the hearing. Respondents neither requested nor were given leave of court to submit any late-filed exhibits. Respondents were provided the opportunity to introduce documents into evidence at the hearing, which they did. Accordingly, the filing of the proposed late-filed exhibit will not be considered in the determination of this case. The “closing statement” includes statements of fact that were not introduced into evidence, either through admitted exhibits or oral testimony, at the hearing. Additionally, some of the statements concerned alleged facts which occurred after the date of the hearing. Statements that are not supported by evidence that was accepted at the hearing will not be considered in the determination of this case.

After consideration of the RECORD, evidence submitted, testimony, and arguments in this matter, the INITIAL ORDER is based upon the following Findings of Fact and Conclusions of Law.

SUMMARY OF THE EVIDENCE

Thomas Smith, Fraud Investigator with the Department; and April Odom, Director of the Securities Division, testified on behalf of Petitioner. No witnesses testified on behalf of Respondents.

Eight exhibits were entered into evidence during the hearing. The following exhibits were marked into the RECORD:

1. Form ADV, February 22, 2019
2. Email from Joshua Davis to Thomas Smith, August 19, 2021
3. Email from Thomas Smith to Joshua Davis, August 19, 2021
4. Emails between April Odom and Joshua Davis, August 12 and 16, 2021
5. Collective: Vantu Bank statements
6. Letter from Joshua Davis to Thomas Smith
7. Regus Renewal Agreement, February 7, 2019
8. Collective: Respondents' Response with attachments

FINDINGS OF FACT

1. Respondent, Real Holdings International, Inc. ("Respondent RHI"), is incorporated and registered with the Tennessee Secretary of State to conduct business in Tennessee. Its principal office was located at 424 Church Street, Suite 2000, Nashville, Tennessee 37219. It can be served with process via its registered agent of record, Respondent, Joshua Davis ("Respondent Davis"), who is a Tennessee resident.

2. Respondent RHI has never applied to register nor has it ever been registered in Tennessee or elsewhere as a broker-dealer or investment adviser.

3. Respondent RHI is assigned Central Registration Depository ("CRD") number 298489 from the Financial Industry Regulatory Authority ("FINRA").

4. Respondent Davis is the chairman, chief executive officer, and registered agent of Respondent RHI.

5. Respondent Davis has never applied to register nor ever been registered in Tennessee or any other state as a broker-dealer agent or investment adviser representative.

6. Respondent Davis is assigned CRF number 7074980 from FINRA.

7. Respondent RHI has held itself out as an investment adviser and broker-dealer.

8. Respondent Davis has held himself out as an investment adviser and agent.

9. On or about February 22, 2019, Respondents filed a Form ADV, a Uniform Application for Investment Adviser Registration and Report by Exempt Reporting Advisers, through the Investment Adviser Registration Depository with the Securities and Exchange Commission (“SEC”). EXHIBIT 1.

10. Respondents listed their principal office and place of business as 424 Church Street, Nashville, Tennessee 37219. Respondents listed their mailing address as 1330 Coreland Drive, Madison, Tennessee 37115. EXHIBIT 1, p. 2. Respondents confirmed to Petitioner that the Nashville address was their primary business location.

11. Respondents did not list anyone as their Chief Compliance Officer. Respondent Davis was listed as the person authorized to receive information and respond to questions about the Form ADV. Respondent Davis was listed as the Chairman and provided the Madison, Tennessee, address as his contact information. EXHIBIT 1, p. 3.

12. Respondents provided the Nashville, Tennessee, address as the location of their books and records. The location was identified as “one of your branch offices of affiliates”. The books and records were described as “accounting records and bookkeeping”. EXHIBIT 1, p. 5.

13. Petitioner conducted a surprise audit of Respondents’ books and records at the Nashville address in the fall of 2019. Upon arrival at the address, it was determined to be a shared office space. No books or other records for Respondents were located at the address. No one at the address was employed by Respondents. Respondents had previously had a contract with the shared space office but had not had any contract with the facility in over a year.

14. Respondents marked that they qualified “for the exemption from registration because you solely act as an adviser to *private funds* and have assets under management, as defined in rule 203(m)-1, in the United States of less than \$150 million”. EXHIBIT 1, p. 7 (emphasis in original).

15. The exempt reporting advisor exemption asserted by Respondents is recognized by the SEC but is not recognized in Tennessee. Any individual or entity asserting the exemption must still apply for registration with Petitioner.

16. Respondents asserted that the amount of private fund assets they managed was “\$1500000000”, which is \$1.5 billion. EXHIBIT 1, p. 8.

17. In a letter to Thomas Smith, Fraud Investigator for Petitioner, Respondents wrote that they did not need to be registered since they had “less than \$150 million in assets under management.” EXHIBIT 6, p. 1. This statement is in contradiction to the Form ADV filed with the SEC by Respondents.

18. Respondents marked on the Form ADV that they were organized as a corporation under the laws of Tennessee. EXHIBIT 1, p. 9.

19. Respondents attested on the Form ADV that they were engaged in business as a broker-dealer, a bank, and a trust company. EXHIBIT 1, p. 12. Respondents asserted their primary business was “primary equity, investment banking and real estate.” EXHIBIT 1, p. 13.

20. Respondent Davis listed himself as a broker-dealer and other investment adviser on the Form ADV. EXHIBIT 1, p. 14.

21. Respondents asserted to the SEC on their Form ADV that their private fund had a current gross asset value of \$50,000,000. EXHIBIT 1, p. 17. A fund that has less than \$100,000,000 in assets is not required to register with the SEC; listing half of the required amount on the Form ADV was a red flag to Ms. Odom. Respondents wrote in their response, filed on November 17, 2021, to the NOTICE OF HEARING AND CHARGES, “Therefore, by Federal law exceptions were (sic) not obligated to file for registration before the SEC ...”

22. Respondents reported to the SEC that Ernst & Young, LLP, was their auditor. EXHIBIT 1, p. 19. Petitioner’s investigation of Respondents was unable to substantiate that there

was any auditor for Respondents. Respondents never provided any other information to Petitioner as to who their auditor is other than the information listed on the Form ADV.

23. Respondents listed on their Form ADV that Peter Curtis of BNY Mello (sic) was their custodian of record. EXHIBIT 1, p. 20. Petitioner's investigation revealed that Mr. Curtis was either the Chief Compliance Officer or Chief Executive Officer of BNY Mellon at the time of the filing. It is Ms. Odom's experience that Chief Officers are not custodian of records for other companies. Petitioner was not able to obtain any records from BNY Mellon for Respondents, and Respondents did not provide any other information to Petitioner as to who their custodian of records is other than the information listed on the Form ADV.

24. Respondents indicated on the Form ADV that they relied upon the exemption from registration of its securities under Form D but did not provide the Form D file number as requested. EXHIBIT 1, p. 19. Petitioner was able to determine that a notice filing was filed by Respondents with the SEC. However, no notice filing was made in Tennessee.

25. Under Schedule A, Direct Owners and Executive Officers, Respondent Davis is listed as the Chairman. EXHIBIT 1, p. 30. No other owners or indirect owners are listed. Respondent Davis signed and submitted the form on February 13, 2019. EXHIBIT 1, p. 36. By signing the Form ADV, Respondent Davis attested that all of the responses were true and accurate.

26. Respondents falsely represented themselves through various social media websites and their own website that they were an exempt reporting advisor. There is no such status in Tennessee. Respondents falsely told Petitioner that "we do not hold ourselves out to the public as an investment adviser." EXHIBIT 6, p. 2.

27. During Petitioner's investigation, Respondent Davis provided to Petitioner the names of some of Respondents' securities offerings. Petitioner requested that Respondents

provide proof of the filings in Tennessee, which Respondents failed to provide. Upon searching all databases, Petitioner was unable to locate any records that the securities offerings were ever filed in Tennessee.

APPLICABLE LAW

1. The Tennessee Securities Act of 1980 (“Act”), TENN. CODE ANN. § 48-1-101, *et. seq.*, places the responsibility for the administration of the Act on the Commissioner of the Department. The Division is the lawful agent through which the Commissioner administers the Act pursuant to TENN. CODE ANN. § 48-1-115, and it is authorized to bring this action based on the finding that such action is in the public interest, necessary for the protection of investors, and consistent with the purposes fairly intended by the policy and provisions of the Act, pursuant to TENN. CODE ANN. §§ 48-1-112 and 48-1-116.

2. TENN. CODE ANN. § 48-1-102(20) provides the following applicable definitions:

(3) “Agent” means any individual, other than a broker-dealer, who represents a broker-dealer in effecting or attempting to effect purchases or sales of securities from, in, or into this state. A partner, officer, director, or manager of a broker-dealer, or a person occupying similar status or performing similar functions, is an agent only if such person otherwise comes within this definition or receives compensation specifically related to purchases or sales of securities from, in, or into this state. “Agent” does not include such other persons not within the intent of this subdivision (3) as the commissioner may, by rule, exempt from this definition as not in the public interest and necessary for the protection of investors;

(4) “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 than in connection with such person’s investment activities. ...

(12) “Investment adviser” means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, buying, or selling securities, or who for compensation and as a part of a regular business issues or promulgates analyses or reports concerning securities. ...

(13)(A) “Investment adviser representative” means any partner, officer, or director of (or person occupying a similar status or performing similar functions) an investment adviser,

or other individual, except clerical or ministerial personnel, who is employed by or associated with an investment adviser and does any of the following:

- (i) Makes any recommendation or otherwise renders advice regarding securities;
- (ii) Manages accounts or portfolios of clients;
- (iii) Determines which recommendation or advice regarding securities should be given;
- (iv) Solicits, offers, or negotiates for sale of or sells investment advisor services;
- or
- (v) Supervises employees who perform any such actions[.]

(20) “Security” means any note, stock, treasury stock, bond, debenture, evidence of indebtedness, a life settlement investment or any fractional or pooled interest in a life insurance policy or life settlement investment, certificate of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization 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[.]

3. TENN. CODE ANN. § 48-1-109 states:

- (a) It is unlawful for any person to transact business from, in, or into this state as a broker-dealer or agent unless such person is registered as a broker-dealer or agent under this part[.]

- (c) It is unlawful for any person to transact business from, in, or into this state as an investment adviser or investment advisor representative unless:
 - (1) The person is registered as an investment adviser or investment advisor representative under this part[.]

...

- (e) The commissioner may, after notice and an opportunity for a hearing under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, impose a civil penalty against any person found to be in violation of this section, or any rule or order adopted or issued under this section, in an amount not to exceed ten thousand dollars (\$10,000) per violation, or in an amount not to exceed twenty thousand dollars (\$20,000) per violation if an individual who is a designated adult is a victim.

4. TENN. CODE ANN. § 48-1-104 provides:

- (a) It is unlawful for any person to sell any security in this state unless:
 - (1) It is registered under this part;
 - (2) The security or transaction is exempted under § 48-1-103; or
 - (3) The security is a covered security.

(b) The commissioner may, after notice and opportunity for a hearing under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, impose a civil penalty against any person found to be in violation of this section, or any rule or order adopted or issued under this section, in an amount not to exceed ten thousand dollars (\$10,000) per violation, or in an amount not to exceed twenty thousand dollars (\$20,000) per violation if an individual who is a designated adult is a victim.

5. TENN. CODE ANN. § 48-1-121 prescribes:

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

- (1) Employ any device, scheme, or artifice to defraud;
- (2) Make any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading; or
- (3) Engage in any act, practice, or course of business which operates or would operate as fraud or deceit upon any person.

...

(c) It is unlawful for any person to make or cause to be made, in any document filed with the commissioner or in any proceeding under this part, any untrue statement of a material fact or to 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.

(d) The commissioner may, after notice and opportunity for a hearing under the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, impose a civil penalty against any person found to be in violation of this section, or any rule or order adopted or issued under this section, in an amount not to exceed ten thousand dollars (\$10,000) per violation, or in an amount not to exceed twenty thousand dollars (\$20,000) per violation if an individual who is a designated adult is a victim.

ANALYSIS AND CONCLUSIONS OF LAW

Respondents participated in the PRE-HEARING CONFERENCE held on September 17, 2021, having properly received the ORDER SETTING PRE-HEARING CONFERENCE issued on September 3, 2021. Various filing deadlines were discussed with the parties, and Respondents were provided an opportunity to ask questions. Respondents then properly received the ORDER SETTING HEARING issued on September 17, 2021. Both referenced ORDERS provided specific dates by

which discovery must be completed and by which a proposed witness and exhibit list must be filed and provided to the opposing party prior to the hearing. Respondents did not file any proposed witness and exhibit list as instructed. Despite the lack of filing, Respondents attempted to introduce six exhibits into evidence at trial over the objection of Petitioner. Out of an abundance of caution, the exhibits were accepted as part of the RECORD. EXHIBITS 5 and 7 and the attachments to EXHIBIT 8 are not certified, have no attached affidavits from a custodian of record, and are not self-authenticating documents. No testimony was provided to lay the foundation for the exhibits or documents. As such, EXHIBIT 5 and 7 and the attachments to EXHIBIT 8 provided by Respondents are given no weight and are not considered in the determination in this case.

The Commissioner of the Department of Commerce and Insurance has authority under TENN. CODE ANN. § 48-1-101 et al. to issue orders for the protection of the public and investors under the Tennessee Securities Act of 1980.

Respondents argue that at the time of Petitioner's inspection of their business address in order to examine Respondents' books and records, "COVID-19 restrictions were in place, therefore in-person activities were not only limited but discouraged." EXHIBIT 8, p. 2. Respondents further assert that at the time of Petitioner's inspection of their business, "[T] here was in place some restrictions on working in person related to COVID-19, which explains that the receptionist was not at her place of employment." EXHIBIT 6, p.2. Respondents' assertions are found not to be credible. Restrictions regarding the COVID-19 pandemic did not begin until March 2020. Additionally, at the time of the surprise inspection by Petitioner to Respondents place of business, the business had not had a contractual relationship with Respondents in a year.

Respondents acknowledged to this tribunal and to Petitioner that they are not required to file for registration with the SEC. Assuming Respondents manage any assets, it is a red flag that

Respondents would make multiple attestations on a 36-page form that they are not required to even submit. As investment advisers who manage funds under \$100,000,000 are not required to register with the SEC, it falls to the state level to regulate investment advisers' activity in order to protect the public. Respondents argue they managed less than \$150,000,000 and therefore qualified for a filing exemption. However, said filing exemption is recognized by the SEC and not by every state, including Tennessee. To hold oneself out as an investment adviser, broker-dealer, or agent, an individual or company must be registered with Petitioner. Respondents have not complied with the Tennessee Securities Act because they did not register as required with Petitioner.

Respondents rely, in their response, upon TENN. CODE ANN. § 48-2-125 as the exempt offers and sales of covered securities in Tennessee. No such statute exists. It appears Respondents are asserting that the offers and sales in which they engage are exempt from the notice filing and fee requirements. Respondents, however, are not charged with any violations for not filing proper notice filings and fee requirements of covered securities. Respondents are charged with not being registered to even engage in such transactions.

Respondents further rely, in their response, upon TENN. COMP. R. & REGS. 0780-04-03-.05(b) which states the following persons are exempted from registration requirements for investment advisers, "Any person domiciled in this state who, during the course of the preceding twelve (12) months, has had fewer than fifteen (15) clients and who neither holds himself out generally to the public as an investment adviser nor acts as an investment adviser to any investment company registered under the Investment Company Act." By listing themselves as exempted reporting advisers on their website and in various social media platforms, Respondents held themselves out to the public as investment advisers and investment adviser representatives.

Petitioner was not able to substantiate transactions for Respondents as they were unable to examine any of Respondents' records. Petitioner was able to determine that a notice filing was made with the SEC. However, no specifics were provided that showed Respondents sold any security while not being registered. Petitioner failed to prove by a preponderance of the evidence that Respondents sold securities in Tennessee while not registered to sell securities in Tennessee in violation of TENN. CODE ANN. §§ 48-1-104.

Respondent RHI's representations meet the definitions of "broker-dealer" and of "investment adviser" under TENN. CODE ANN. § 48-1-102(4) and (12). Respondent Davis' representations meet the definitions of "broker-dealer" and "investment adviser representative" under TENN. CODE ANN. § 48-1-102(4) and (13). These assertions and misrepresentations while not being licensed in Tennessee are fraudulent activity pursuant to TENN. CODE ANN. § 48-1-109. Petitioner has proven by a preponderance of the evidence that Respondents held themselves out as broker-dealers, investment advisers, and investment adviser representatives in Tennessee in violation of TENN. CODE ANN. § 48-1-109. By asserting that they are broker-dealers, investment advisors, and investment adviser representatives when they are not, asserting a false relationship with a custodian, asserting a false relationship with an auditor, making filings that include untrue statements of material fact, claiming an exempt reporting advisor exemption from registration when such exemption is not recognized in Tennessee, and asserting business records were kept at a location where they were not kept, Respondents have made untrue statements of a material fact in violation of TENN. CODE ANN. § 48-1-121. Petitioner has proven by a preponderance of the evidence that Respondents made untrue statements of a material fact violation of TENN. CODE ANN. § 48-1-121.

In determining the amount of the civil penalty assessed against Respondents, Respondents have failed to acknowledge any wrongful actions. By failing to do so, there is no

evidence that Respondents will not engage in the same or similar conduct in the future. As such, the maximum civil penalty must be imposed in order to ensure Respondents receive a substantial economic deterrent for the violations. Petitioner has not filed an itemized bill of assessed costs.

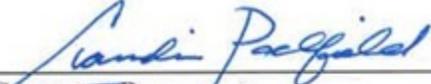
Considering all relevant factors, it is **ORDERED** that Respondent, Joshua Davis, is **ASSESSED** one civil penalty of \$10,000 dollars for a total civil penalty of \$10,000 for violation of TENN. CODE ANN. § 48-1-109. It is **ORDERED** that Respondent, Real Holdings International, Inc, is **ASSESSED** one civil penalty of \$10,000 dollars for a total civil penalty of \$10,000 for violation of TENN. CODE ANN. § 48-1-109. It is **ORDERED** that Respondent, Joshua Davis, is **ASSESSED** one civil penalty of \$10,000 for a total civil penalty of \$10,000 for violation of TENN. CODE ANN. § 48-1-121. It is **ORDERED** that Respondent, Real Holdings International, Inc., is **ASSESSED** one civil penalty of \$10,000 for a total civil penalty of \$10,000 for violations of TENN. CODE ANN. § 48-1-121. Respondent, Joshua Davis, is **ASSESSED** costs of up to but not to exceed \$5,000. Payment of these civil penalties and costs are to be paid within thirty days after the entry of the INITIAL ORDER and the filing of the Final Bill of Costs by the Division with the Administrative Procedures Division.

It is **ORDERED** that Respondents, Joshua Davis and Real Holdings International, Inc., shall **CEASE AND DESIST** from offering or selling securities, registered or not, in, from, or into the State of Tennessee and from representing themselves as broker-dealers, investment advisers, or investment adviser representatives.

This INITIAL ORDER imposing sanctions against Respondents is entered to protect the public and investors in the State of Tennessee, consistent with the purposes fairly intended by the policy and provisions of the Law.

It is so **ORDERED**.

This INITIAL ORDER entered and effective this the **23rd day of March, 2022**.



CLAUDIA PADFIELD
ADMINISTRATIVE JUDGE
ADMINISTRATIVE PROCEDURES DIVISION
OFFICE OF THE SECRETARY OF STATE

Filed in the Administrative Procedures Division, Office of the Secretary of State, this the **23rd day of March, 2022**.



STEPHANIE SHACKELFORD, DIRECTOR
ADMINISTRATIVE PROCEDURES DIVISION
OFFICE OF THE SECRETARY OF STATE

NOTICE OF APPEAL PROCEDURES

REVIEW OF INITIAL ORDER

The Administrative Judge's decision in your case **BEFORE THE COMMISSIONER OF THE TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE (COMMISSIONER)**, called an Initial Order, was entered on **March 23, 2022**. The Initial Order is not a Final Order but shall become a Final Order unless:

1. **A Party Files a Petition for Reconsideration of the Initial Order:** You may ask the Administrative Judge to reconsider the decision by filing a Petition for Reconsideration with the Administrative Procedures Division (APD). A Petition for Reconsideration should include your name and the above APD case number and should state the specific reasons why you think the decision is incorrect. APD must **receive** your written Petition no later than 15 days after entry of the Initial Order, which is no later than **April 7, 2022**. A new 15 day period for the filing of an appeal to the **COMMISSIONER** (as set forth in paragraph (2), below) starts to run from the entry date of an order ruling on a Petition for Reconsideration, or from the twentieth day after filing of the Petition if no order is issued. Filing instructions are included at the end of this document.

The Administrative Judge has 20 days from receipt of your Petition to grant, deny, or take no action on your Petition for Reconsideration. If the Petition is granted, you will be notified about further proceedings, and the timeline for appealing (as discussed in paragraph (2), below) will be adjusted. If no action is taken within 20 days, the Petition is deemed denied. As discussed below, if the Petition is denied, you may file an Appeal, which must be **received** by APD no later than 15 days after the date of denial of the Petition. *See* TENN. CODE ANN. §§ 4-5-317 and 4-5-322.

2. **A Party Files an Appeal of the Initial Order:** You may appeal the decision to the **COMMISSIONER** by filing an Appeal of the Initial Order with APD. An Appeal of the Initial Order should include your name and the above APD case number and state that you want to appeal the decision to the **COMMISSIONER**, along with the specific reasons for your appeal. APD must **receive** your written Appeal no later than 15 days after the entry of the Initial Order, which is no later than **April 7, 2022**. The filing of a Petition for Reconsideration is not required before appealing. *See* TENN. CODE ANN. § 4-5-317.
3. **The COMMISSIONER decides to Review the Initial Order:** In addition, the **COMMISSIONER** may give written notice of the intent to review the Initial Order, within 15 days after the entry of the Initial Order.

If either of the actions set forth in paragraphs (2) or (3) above occurs prior to the Initial Order becoming a Final Order, there is no Final Order until the **COMMISSIONER** renders a Final Order.

If none of the actions in paragraphs (1), (2), or (3) above are taken, then the Initial Order will become a Final Order. **In that event, YOU WILL NOT RECEIVE FURTHER NOTICE OF THE INITIAL ORDER BECOMING A FINAL ORDER.**

STAY

In addition, you may file a Petition asking the Administrative Judge for a stay that will delay the effectiveness of the Initial Order. A Petition for Stay must be **received** by APD within 7 days of the date of entry of the Initial Order, which is no later than **March 30, 2022**. *See* TENN. CODE ANN. § 4-5-316. A reviewing court also may order a stay of the Final Order upon appropriate terms. *See* TENN. CODE ANN. §§ 4-5-322 and 4-5-317.

**IN THE MATTER OF:
TENNESSEE DEPARTMENT OF COMMERCE AND
INSURANCE V. JOSHUA DAVIS AND REAL HOLDINGS
INTERNATIONAL, INC.**

APD CASE No. 12.06-213981J

NOTICE OF APPEAL PROCEDURES

**IN THE MATTER OF:
TENNESSEE DEPARTMENT OF COMMERCE AND
INSURANCE V. JOSHUA DAVIS AND REAL HOLDINGS
INTERNATIONAL, INC.**

APD CASE No. 12.06-213981J

NOTICE OF APPEAL PROCEDURES

REVIEW OF A FINAL ORDER

When an Initial Order becomes a Final Order, a person who is aggrieved by a Final Order in a contested case may seek judicial review of the Final Order by filing a Petition for Review “in the Chancery Court nearest to the place of residence of the person contesting the agency action or alternatively, at the person’s discretion, in the chancery court nearest to the place where the cause of action arose, or in the Chancery Court of Davidson County,” within 60 days of the date the Initial Order becomes a Final Order. *See* TENN. CODE ANN. § 4-5-322. The filing of a Petition for Reconsideration is not required before appealing. *See* TENN. CODE ANN. § 4-5-317.

FILING

Documents should be filed with the Administrative Procedures Division by email *or* fax:

Email: APD.Filings@tn.gov

Fax: 615-741-4472

In the event you do not have access to email or fax, you may mail or deliver documents to:

Secretary of State
Administrative Procedures Division
William R. Snodgrass Tower
312 Rosa L. Parks Avenue, 8th Floor
Nashville, TN 37243-1102