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**I.**

**JURISDICTION**

1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona Constitution and the Securities Act.

**II.**

**RESPONDENTS**

2. BAR-LO MILLENNIUM CORPORATION ("BLMC") is a Nevada corporation whose last known business address is Suite 206, 1480 Gulf Road, Point Roberts, Washington, 98281. The company incorporated on February 9, 1999. The state of Nevada reports that BLMC is currently in default.

3. KEN RENKEN ("RENKEN") is an individual whose last known home address is 1153 Buena Vista Way, Dewey, Arizona 86327. RENKEN is licensed in the state of Arizona to sell real estate, but is not licensed as a securities salesman. At all relevant times, RENKEN acted as an agent for BLMC.

4. RADOICA BARJAKTAROVIC ("BARJAKTAROVIC") is an individual whose last known home address is 818 Gauthier Avenue, Coquitlam, British Columbia V3K 1R9. BARJAKTAROVIC is president of BLMC.

5. GEORGE O.P. FLEMING ("FLEMING") is an individual whose last known home address was listed on his resumes as #101 - 9625 140<sup>th</sup> Street, Suffrey, British Columbia V3T 5M1. Officials in British Columbia advise there is no such address in Suffrey. FLEMING is treasurer, director and financial consultant of BLMC.

6. BLMC, RENKEN, BARJAKTAROVIC and FLEMING may be collectively referred to as "RESPONDENTS."

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**III.****FACTS**

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3       7.       RESPONDENTS are currently offering securities within or from Arizona in the form  
4 of investment contracts and/or evidences of indebtedness. RENKEN sent limited offering materials  
5 to at least one potential investor regarding an investment opportunity. The offeree was told that an  
6 \$80,000 investment, in the form of a loan to BLMC, would earn a return of 200%, plus the return of  
7 the principal, in sixty days or less.

8       8.       RENKEN represented to the potential investor ("offeree") that the money would be  
9 used as start up capital for the Dore Import Project, a project to extract precious metals from black  
10 sand in Indonesia. The offeree was instructed to send the money to the escrow account of an attorney  
11 in the state of Washington. A portion of the offeree's investment, \$30,000, was to be used for  
12 expenses. The remaining \$50,000 would be held in escrow and released when the Dore was assayed  
13 and verified. All disbursements from the escrow account would be under the authority of RENKEN  
14 and BARJAKTAROVIC.

15       9.       As an additional incentive, the offeree was told that BLMC would purchase a strip  
16 mall that the offeree had for sale in Prescott Valley, Arizona. BLMC would agree to a 90-day option  
17 on the property, a promise to pay the asking price of \$430,000, and pay a non-refundable option  
18 fee of \$10,000 on or before November 1, 2001, with a purchase date of December 14, 2001. A  
19 Letter of Intent requires an inspection of the property by BAR-LO. The inspection is supposed to be  
20 completed by BARJAKTAROVIC and FLEMING.

21       10.       In February 2001, RENKEN faxed information to the offeree from Arizona. The  
22 information included the resumes of four men including BARJAKTAROVIC and FLEMING. Later,  
23 RENKEN faxed additional information from Arizona to the offeree, including two Letters of Intent,  
24 which set out the basis of the agreement between the offeree and BLMC. The documents are both  
25 dated August 11, 2001, and have a signature line for the offeree and for BARJAKTAROVIC. The  
26 offeree was instructed to sign the documents and send them via facsimile to RENKEN at a telephone

1 number in Arizona. RENKEN advised he would send the signed documents to BARJAKTAROVIC  
2 for his signature, who would in turn fax the documents back to RENKEN in Arizona. A final copy of  
3 the documents, containing both signatures, would be sent via facsimile from RENKEN in Arizona to  
4 the offeree.

5 11. RENKEN received the information that was faxed to the offeree from  
6 BARJAKTAROVIC and FLEMING. RENKEN understood that at least one of the resumes provided  
7 by BARJAKTAROVIC and FLEMING was actually authored by FLEMING. Instructions that  
8 RENKEN received verbally were over the telephone in conversations with BARJAKTAROVIC and  
9 FLEMING.

10 12. The Letters of Intent show the address listed above for BLMC. That address is a  
11 mail drop in Point Roberts called "Point Roberts Parcel." A telephone number listed on the Letters of  
12 Intent for BLMC is the residence telephone number for BARJAKTAROVIC.

13 13. None of the RESPONDENTS are registered securities dealers or salesmen in  
14 Arizona.

15 **IV.**

16 **VIOLATION OF A.R.S. § 44-1841**

17 **(Offer and Sale of Unregistered Securities)**

18 14. From on or about February 2001, RESPONDENTS offered or sold securities in the  
19 form of investment contracts, and/or evidences of indebtedness within or from Arizona.

20 15. The securities referred to above were not registered pursuant to Articles 6 or 7 of the  
21 Securities Act.

22 16. This conduct violates A.R.S. § 44-1841.

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V.

**VIOLATION OF A.R.S. § 44-1842**

**(Transactions by Unregistered Dealers or Salesmen)**

17. RESPONDENTS offered or sold securities within or from Arizona while not registered as dealers or salesmen pursuant to Article 9 of the Securities Act.

18. This conduct violates A.R.S. § 44-1842.

VI.

**VIOLATION OF A.R.S. § 44-1991**

**(Fraud in Connection with the Offer or Sale of Securities)**

19. In connection with the offer or sale of securities within or from Arizona, RESPONDENTS directly or indirectly: (i) employed a device, scheme or artifice to defraud; (ii) made untrue statements of material fact or omitted to state material facts which were necessary in order to make the statements made not misleading in light of the circumstances under which they were made; or (iii) engaged in transactions, practices or courses of business which operated or would operate as a fraud or deceit upon offerees and investors. RESPONDENTS' conduct includes, but is not limited to, the following:

- a) RESPONDENTS failed to provide specific information on the Dore Import Project, including material risks involved with this type of investment.
- b) RESPONDENTS failed to disclose specifically how the money invested into the Dore Import Project would be used and by whom.
- c) RESPONDENTS failed to provide the offeree with a prospectus or equivalent offering document containing material information.
- d) RESPONDENTS failed to disclose the financial conditions and business histories of BLMC and BARJAKTAROVIC.

1 e) RESPONDENTS failed to disclose material information concerning the respective  
2 officers and directors of BLMC or the business backgrounds and experience of  
3 those officers and directors in investments of this nature.

4 20. This conduct violates A.R.S. § 44-1991.

5 **VII.**

6 **TEMPORARY ORDER**

7 **Cease and Desist from Violating the Securities Act**

8 THEREFORE, based on the above allegations, and because the Division has determined that  
9 the public welfare requires immediate action:

10 IT IS ORDERED, pursuant to A.R.S. §§ 44-2032, 44-1972 and A.A.C. R14-4-307, that the  
11 RESPONDENTS, their agents, servants, employees, successors, assigns, and those persons in active  
12 concert or participation with them CEASE AND DESIST from any violations of the Securities Act.

13 IT IS FURTHER ORDERED that this Temporary Order to Cease and Desist shall remain in  
14 effect for 120 days unless sooner vacated, modified or made permanent by the Commission.

15 IT IS FURTHER ORDERED that this Order shall be effective immediately.

16 **VIII.**

17 **REQUESTED RELIEF**

18 The Division will request that the Commission grant the following relief against  
19 RESPONDENTS:

20 1. Order RESPONDENTS to permanently cease and desist from violating the  
21 Securities Act, pursuant to A.R.S. § 44-2032;

22 2. Order RESPONDENTS to take affirmative action to correct the conditions resulting  
23 from their acts, practices or transactions, including a requirement to make restitution pursuant to  
24 A.R.S. § 44-2032;

25 3. Order RESPONDENTS to pay the state of Arizona administrative penalties of up to  
26 five thousand dollars (\$5,000) for each violation of the Securities Act, pursuant to A.R.S. § 44-2036;



1 Hood, ADA Coordinator, voice phone number 602/542-3931, e-mail shood@cc.state.az.us.

2 Requests should be made as early as possible to allow time to arrange the accommodation.

3 BY ORDER OF THE ARIZONA CORPORATION COMMISSION, this 5<sup>th</sup> day of  
4 October, 2001.

  
Mark Sendrow  
Director of Securities

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