

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

SECURITIES AND EXCHANGE COMMISSION,	)	
	)	
<i>Plaintiff,</i>	)	
	)	
vs.	)	Civil Action No.
	)	
Ryan M. Reynolds,	)	
Desmond J. Milligan,	)	
Jason W. Brola,	)	
Timothy T. Page,	)	
Market 99, Ltd., formerly known as eCarfly, Inc.,	)	
Tryst Capital Group, L.L.C.,	)	
Griffdom Enterprises, Inc.,	)	
Testre, L.P., and	)	
Bellatalia, L.P.,	)	
<i>Defendants.</i>	)	

**COMPLAINT**

The Plaintiff Securities Exchange Commission (“Commission”) alleges:

**INTRODUCTION**

1. During 2006 and 2007, the defendants participated in a scheme to offer and sell millions of shares of penny stock to the public through false and misleading announcements, while evading the registration requirements of the federal securities laws. Texas residents Jason W. Brola (“Brola”) and Ryan M. Reynolds (“Reynolds”) devised the scheme, and brought in Desmond J. Milligan (“Milligan”) and Timothy T. Page (“Page”) to participate in executing the scheme. At various points in the scheme Brola operated through Tryst Capital Group, LLC (“Tryst Capital”); Page operated through Griffdom Enterprises, Inc. (“Griffdom”) and Testre, L.P. (“Testre”); and Reynolds operated through Bellatalia, L.P. (“Bellatalia”).

2. The scheme commenced in May 2006 when Brola approached Reynolds about creating a public company to sell used automobiles through the Internet and to raise funds to operate the business by selling shares of the company to public investors.

3. In furtherance of the scheme, Reynolds engaged Page to purchase a shell corporation and give controlling stock of the corporation to Milligan. Milligan then became president and CEO of the corporation and changed its name to eCarfly, Inc. Milligan caused eCarfly to issue shares to Testre, Griffdom, Bellatalia, and another entity which immediately transferred its shares to Tryst Capital and Bellatalia. Page, Reynolds, and Brola deposited these shares into brokerage accounts and began selling them to the public in late July 2006. Page and Reynolds transferred to eCarfly a small portion of the proceeds from the stock sales, which purported to commence a business selling automobiles through the Internet. To help create public demand for the stock that Page, Reynolds, and Brola were selling, eCarfly issued numerous false and misleading press releases about its business. Milligan and Brola drafted and distributed the press releases.

4. eCarfly operated its business for a short period of time, and then attempted to merge with another business in the field of Internet automobile sales. After that merger was terminated in October 2006, eCarfly became a shell corporation without business operations, and Milligan, Page, and Reynolds attempted to find another merger partner for eCarfly to commence a new business. Milligan continued to issue false and misleading press releases about these efforts. While eCarfly was a shell corporation, Milligan and eCarfly offered and sold additional eCarfly shares to Griffdom, Testre, and Bellatalia, which along with Page and Reynolds, continued to offer and sell this stock to the public, returning small portions of the proceeds to eCarfly.

5. eCarfly eventually found a merger partner in the fall of 2007, and changed its name to Market 99, Ltd. in December 2007. Milligan then resigned as president of the company and Brola became president of the company.

6. Brola, Page, and Reynolds, through Tryst Capital, Griffdom, Testre, and Bellatalia, were underwriters for the sales of eCarfly stock, in that they acquired the stock with a view to distribution, and offered and sold the stock for eCarfly as part of a distribution. No registration statement was ever filed with the Commission or in effect as to any of the offers and sales of eCarfly stock described in this complaint.

7. Page, Reynolds, Griffdom, Testre, and Bellatalia each acted as unregistered broker-dealers by engaging in the business of underwriting public offerings and by inducing the purchase or sale of eCarfly stock.

8. As a result of the conduct described in this Complaint, defendants Milligan, Brola, eCarfly, which is now known as Market 99 Ltd., and Tryst Capital committed fraud and engaged in the offer and sale of unregistered securities in violation of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”), 15 U.S.C. § 78j(b), Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5, and Sections 5(a) and (c) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. § 77e (a) and (c). Defendants Page, Reynolds, Griffdom, Testre, and Bellatalia offered and sold unregistered securities in violation of Sections 5(a) and (c) of the Securities Act and acted as unregistered broker-dealers in violation of Section 15 (a) (1) of the Exchange Act, 15 U.S.C. § 78o (a) (1).

9. The Commission seeks a judgment against all Defendants finding they violated the provisions of the federal securities laws alleged, permanently enjoining them from future violations of the federal securities laws, ordering them to disgorge all ill-gotten gains from the

unlawful conduct alleged in this complaint plus prejudgment and post judgment interest, and ordering them to pay civil monetary penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t (d), and Section 21(d) (3) of the Exchange Act, 15 U.S.C. § 78u (d) (3). The Commission further requests that the judgment prohibit all defendants except Market 99 Ltd. from participating in the offerings of penny stocks. The Commission also seeks officer and director bars against Milligan and Brola pursuant to Section 21(d) (2) of the Exchange Act, 15 U.S.C. § 78u (d) (2).

### **JURISDICTION AND VENUE**

10. This Court has jurisdiction over this action under the provisions of Section 22(a) of the Securities Act, 15 U.S.C. § 77v (a), and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

11. The Commission brings this action pursuant to authority conferred upon it by Section 20(b) of the Securities Act, 15 U.S.C. § 77t (b), and Section 21(d) (1) of the Exchange Act, 15 U.S.C. § 78u (d) (1).

12. Defendants, directly and indirectly, made use of the means and instrumentalities of interstate commerce, the means and instruments of transportation and communication in interstate commerce, or of the mails in connection with the acts, practices and courses of conduct alleged in this Complaint, certain of which occurred within the Northern District of Texas.

13. Venue is proper in the Northern District of Texas pursuant to Section 22 of the Securities Act, 15 U.S.C. § 77u(a), and Section 27 of the Exchange Act, 15 U.S.C. § 78aa. The defendants either reside within the district or transacted business within this district. Certain of the transactions, acts, practices and courses of business discussed below occurred within this district.

14. Defendants unless restrained and enjoined by this Court will continue to engage in the transactions, acts, practices and courses of business as set forth in this complaint or in similar illegal transactions, acts, practices and courses of business.

#### **THE DEFENDANTS**

15. **Market 99, Ltd.**, formerly known as **eCarfly, Inc.**, will be identified in the factual description in this complaint as eCarfly. eCarfly, Inc. was incorporated in Minnesota and operated from an address in Dallas, Texas. At all times relevant to this complaint, eCarfly shares were traded by the public under the symbol "ECFL" at prices under \$5 per share. eCarfly shares are a penny stock, in that the company's net tangible assets and average revenue were below the thresholds established under Exchange Act Rule 3a51-1(g), 17 C.F.R. § 240.3a51-1(g) (1993). In December 2007, eCarfly merged with another company and became Market 99, Ltd.

16. **Desmond J. Milligan**, age 40, lives in Dallas, Texas. Milligan was the sole officer and director of eCarfly Inc. and served as its president and Chief Executive Officer ("CEO") from May 2006 to December 2007.

17. **Jason W. Brola**, age 33, who lives in Plano, Texas, wrote the initial business plan for eCarfly in 2006 and thereafter served as a consultant to the company. Brola operated a convenience store in Oklahoma that merged in December 2007 with eCarfly, which company was renamed Market 99, Ltd. Brola became president of Market 99, Ltd. in December 2007.

18. **Tryst Capital Group, L.L.C.** is a Texas limited liability company that operated from an address in Dallas, Texas. Brola is the sole member of Tryst Capital and makes the business decisions for Tryst Capital.

19. **Ryan M. Reynolds**, age 37, lives in Dallas, Texas. Reynolds is a former stock broker who was barred from the brokerage industry on January 21, 2003.

20. **Bellatalia, L.P.** is a Texas limited partnership that operated from an address in Dallas, Texas. Reynolds owns Bellatalia, L.P., is its general partner, sole officer and director, and controlled its activities.

21. **Timothy T. Page**, age 58, lives in Malibu, California. Page is a citizen of Great Britain.

22. **Griffdom Enterprises, Inc.** is a Texas corporation. Page is the sole officer and president of Griffdom Enterprises, and controlled its activities.

23. **Testre, L.P.** is a Texas limited partnership that operated from an address in Austin, Texas. Griffdom is the general partner of Testre and Page controlled Testre's activities.

#### **DEFENDANTS' SCHEME**

##### **A. Organization of eCarfly and Initial Unregistered Offers and Sales of Shares.**

24. In or about May 2006, Brola, Reynolds, Page, Milligan and others entered into a plan or scheme to evade the registration provisions of the Securities Act by acting as underwriters, or acting on behalf of the issuer, in a chain of transactions to distribute, offer and sell the securities of eCarfly to the public, when no registration statement was filed or in effect with the Commission for those transactions.

25. During 2006 and 2007, Reynolds, Bellatalia, Page, Griffdom, and Testre acted as brokers or dealers engaged in the regular business of effecting transactions in securities for the account of others, or buying and selling securities for their own accounts.

26. In approximately May 2006, Brola contacted Reynolds and presented a business plan to create a company to assist individuals and dealers sell used cars over eBay Motors, an Internet auction site. Brola requested that Reynolds locate a public corporation to conduct the automobile sales business, which corporation could issue shares that Brola, Reynolds and others would sell to public investors to raise funds to operate the company. However, Brola did not

wish to be identified as an officer of the corporation. He asked Reynolds to find someone else to serve as an officer of the company. Brola agreed to serve as a consultant to the company and be paid in shares of the new company for his participation in the scheme.

27. In furtherance of the scheme, Reynolds presented the business idea to Milligan. Although Milligan had no experience with automobile sales or public companies, he agreed to be president and chief executive officer of the new company.

28. In furtherance of the scheme, Reynolds requested Page to acquire a corporation to conduct the automobile sales business that was to be operated by Milligan and Brola. On or about June 13, 2006, Page, as the sole officer of Testre, transferred \$150,000 from Testre's bank account in California to the bank account of David Stocker in Arizona to pay for the purchase of shares of an inactive Minnesota shell corporation named Ergonomic Enterprises, Inc.

29. On or about June 13, 2006, Stocker, as the sole director and president of the majority shareholder of Ergonomic Enterprises, agreed to transfer 50,000,000 shares to Milligan in exchange for the \$150,000 payment and to appoint Milligan as the president and director of Ergonomic Enterprises. After receiving the initial 50,000,000 shares, Milligan directed the company to issue an additional 50,000,000 shares to himself. Milligan later changed the name of the company to eCarfly, Inc.

30. Milligan believed that the company needed a minimum of \$500,000 to start the anticipated automobile sales business. However, the company did not possess \$500,000 to start the business. When Milligan opened the bank account for eCarfly, Inc. on June 21, 2006, he made an initial deposit of \$5,000 received from Bellatalia, and two subsequent deposits of \$10,000 and \$2,000 later in June 2006. Milligan understood from his discussions with Reynolds

and Page that they planned to sell shares of eCarfly to public investors to raise funds to operate the business.

31. In furtherance of the scheme to transform eCarfly into a public company and sell its shares to investors, Milligan as president of eCarfly, signed three promissory notes on or about June 26, 2006, in which eCarfly agreed to pay \$100,000, \$75,000 and \$25,000 respectively to Bellatalia, Testre, and Griffdom on demand plus interest at an annual rate of 6.00 percent through a due date to be set by the lenders.

32. Bellatalia, Testre and Griffdom provided no consideration for the promissory notes. Instead the promissory notes were devices to create the appearance that eCarfly owed \$200,000 to Bellatalia, Testre, and Griffdom to enable them to obtain shares of eCarfly at no cost and then sell the shares into the market to raise capital for eCarfly and Milligan.

33. On or about July 17, 2006, eCarfly, through the actions of Milligan, its sole officer and director, offered to sell and sold 10,000,000 shares of eCarfly to Bellatalia in exchange for cancellation of the \$100,000 promissory note plus any accrued interest. Milligan directed the company's transfer agent located in Miller Place, New York to deliver the shares by means of the mails or interstate commerce to Bellatalia at an address in Dallas, Texas on or about July 25, 2006.

34. On or about July 17, 2006, eCarfly, through the actions of Milligan, its sole officer and director, offered to sell and sold 7,500,000 shares of eCarfly to Testre in exchange for cancellation of the \$75,000 promissory note plus any accrued interest. Milligan directed the company's transfer agent located in Miller Place, New York to deliver the shares by means of the mails or interstate commerce to Testre at an address in Austin, Texas on or about July 25, 2006.



35. On or about July 17, 2006, eCarfly, through the actions of Milligan, its sole officer and director, offered to sell and sold 2,500,000 shares of eCarfly to Griffdom in exchange for cancellation of the \$25,000 promissory note plus any accrued interest. Milligan directed the company's transfer agent located in Miller Place, New York to deliver the shares by means of the mails or interstate commerce to Griffdom at an address in Bloomington, Minnesota on or about July 25, 2006.

36. On or about July 18, 2007, eCarfly, through the actions of Milligan, its sole officer and director, offered to sell and sold 2,500,000 shares of eCarfly to Tiger Team Management Inc. as consideration for ostensible consulting services to be provided to the company. The 2,500,000 shares were issued to Tiger Team Management Inc. on July 25, 2006. On August 1, 2006, Tiger Team Management Inc. transferred 2,000,000 of these shares to Tryst Capital and the remaining 500,000 shares to Bellatalia. Milligan and Brola knew or were reckless in not knowing that Tiger Team Management Inc. did not provide any consulting services to eCarfly.

37. Milligan was a substantial participant in eCarfly's offer and sale of the 22,500,000 shares to Bellatalia, Testre, Griffdom, and Tiger Team Management Inc. because he agreed to the terms of the offers and sales on eCarfly's behalf, and directed the company to deliver the shares.

38. No registration statement was in effect or on file with the Commission for eCarfly's and Milligan's offers and sales of 22,500,000 shares to Bellatalia, Testre, Griffdom, and Tiger Team Management, Inc. Although eCarfly sold 22,500,000 shares in July 2006, it received no funds from these initial sales with which to operate its business.

39. On September 7, 2006, Milligan and eCarfly announced a 10 for 1 forward stock split for shareholders of record who owned shares on September 18, 2006. The additional shares were issued to the defendants and others who were shareholders on September 21, 2006.

**B. Milligan, Brola and eCarfly Issued False Press Releases to Generate Demand for Stock Sales.**

40. Reynolds instructed Milligan to put out information on the company in press releases to get eCarfly noticed by potential public investors in the stock.

41. To generate demand for the sales of eCarfly shares by the defendants, Milligan and Brola drafted false and misleading press releases that they caused eCarfly to distribute to the public through Business Wire Inc. Brola collaborated with Milligan in drafting press releases while he was a consultant to the company in July and August 2006.

42. Milligan and Brola drafted eCarfly's first press release, which was issued on July 28, 2006. In the press release, Milligan, Brola and eCarfly announced, among other things, that:

eCarfly, Inc. (Pink Sheets:ECFL) announced today the company has commenced trading on the pinksheets. eCarfly, Inc., an exclusive eBay Motors listing company (NasdaqGS:EBAY) focusing on online vehicle auctions, personal watercraft auctions, and partnerships with companies such as AutoNation (NYSE:AN), CarMax, Inc. (NYSE:KMX), Asbury Automotive Group (NYSE:ABG) and private individuals interested in selling their personal vehicles.

\* \* \*

About eCarfly, Inc.: eCarfly provides individuals and automobile dealers a hassle-free and cost-effective alternative to sell their vehicles while reducing to zero, traditional costs associated with the vehicle sales process! With the knowledge, experience, and understanding of the automotive industry, eCarfly knows exactly what works and what doesn't. Year-end Projections are set at approximately \$3.4 M[illion].

Milligan, Brola and eCarfly caused similar statements to be made in press releases distributed through Business Wire on July 31 (two releases), August 1 (three releases), August 2, August 3, August 4, August 8, August 11, August 15, and August 28, 2006. Statements in each of the press releases were false and misleading.

43. Contrary to the representations in the press releases, eCarfly did not have partnerships or other similar business relationships with AutoNation, CarMax, Inc., or Asbury Automotive Group. Milligan and Brola knew from their participation in a meeting with Asbury Automotive

Group that eCarfly did not have a partnership with Asbury Automotive Group as of the dates of these press releases. Executives from Asbury Automotive Group objected when they learned that eCarfly had used their company name in a press release. ECarfly had minimal or no contact with the other companies

44. In the press releases listed above in paragraph 42, eCarfly, Milligan and Brola falsely represented that eCarfly had substantial “knowledge, experience, and understanding of the automotive industry.” In fact, Milligan, the sole officer and director of eCarfly and one of only two employees of eCarfly, had no such experience. Brola, a consultant to the company, had limited experience as a financing and leasing manager for automobile dealers in the late 1990s and early 2000s.

45. ECarfly’s lack of knowledge, experience, and understanding of the automotive industry is demonstrated by the fact that it did not obtain a required automobile dealer’s license before undertaking to sell automobiles for third parties. Similarly, eCarfly did not investigate the technology available for selling vehicle inventories through auction sites such as eBay. ECarfly used an eBay product called CarAd to make listings on eBay. Soon after entering its first automobile sales listings on eBay, eCarfly discovered that several companies had already developed software for multiple vehicle listings that was substantially more efficient than CarAd. By mid August 2006, eCarfly had abandoned its original business plan and attempted to merge with a company that had developed and was marketing such software.

46. Milligan, Brola and eCarfly falsely represented in the press releases listed above in paragraph 42 that the company was actually operating a business. Within days of eCarfly making its first listing of cars for sale on eBay, eBay’s legal department told Milligan that eCarfly could not make multiple listings without having an automobile dealer’s license. As a

result, eCarfly stopped listing automobiles for sale on eBay in early August 2006, which left the company with no business operations or ability to generate revenue. Milligan, Brola and eCarfly omitted to disclose in the press releases that the company did not have an automobile dealer's license and that without such a license, eBay refused to allow it to make multiple listings of automobiles for sale on the eBay website.

47. ECarfly's first press release further stated, "Year-end Projections are set at approximately \$3.4 M[illion]." Subsequent press releases listed in paragraph 42 continued to make the similar projections. eCarfly also issued a press release on August 1 which purported to concur with an analyst who had given a target price of \$6 for the company's stock. At the time they issued these statements, Milligan and Brola knew that the company was a start-up business that did not have sufficient funds to conduct its operations without an infusion of cash from sales of the company's shares, and that it had no revenue, no automobile dealership license, no ability to generate revenue, or business history. Milligan, Brola and eCarfly omitted to disclose these material facts in the press releases. With no revenue, ability to generate revenue, or business history, eCarfly, Milligan, and Brola lacked a reasonable basis for making financial projections or for projecting a stock price for eCarfly.

48. In one of the three eCarfly press release dated August 1, 2006, Milligan, Brola and eCarfly falsely represented that the company was opening a finance division in Las Vegas, and that its executives were on their way to Las Vegas to finalize the site of the official headquarters. Press releases dated August 3, and 8, 2006 also stated that eCarfly was "ramping up" and holding "negotiations" on the Las Vegas office. In fact, eCarfly did not have the financial resources to operate a finance division, nor did it have any knowledge concerning the complicated regulatory requirements that a business must meet to offer financing for car buyers. These press releases

were based simply on the fact that Brola, not the company's executives, had driven by some office properties in Las Vegas, but omitted to disclose that he made no efforts to open an office, and eCarfly made no other efforts to open a financing division.

49. In the press release dated August 11, 2006, eCarfly, Milligan and Brola asserted that eCarfly had entered into an agreement with another company to list over 6,000 forklifts on eBay. The press release said that the forklifts would be listed within days. The press release was false and misleading. Milligan and Brola knew, but failed to disclose, that eCarfly lacked the software necessary to list the forklifts on the Internet, and thus never made any efforts to complete this business.

50. The press releases listed in paragraph 42 were also false and misleading because eCarfly, Milligan and Brola never provided any details concerning eCarfly's financial condition, capital resources and liquidity, management, competition, risk factors or the anticipated uses of proceeds from the sales of its shares by Bellatalia, Griffdom, Testre, Tryst Capital and others. eCarfly never issued a comprehensive document that disclosed the material facts about eCarfly's public offering of its stock.

51. Milligan and Brola acted with scienter in causing eCarfly to issue the false and misleading press releases. Milligan and Brola knew that eCarfly did not have partnerships with automobile dealers, that eCarfly did not have an automobile dealers license, that eCarfly had taken down its web site shortly after opening it, that eCarfly did not have the ability to open a finance division, and that eCarfly had not made serious efforts to open such a finance division in Las Vegas.

52. During July and August 2006, Brola was the sole officer, director, member and owner of Tryst Capital. He knew the press releases that he drafted along with Milligan contained false

statements and omitted material facts about eCarfly. His knowledge is attributed to Tryst Capital.

53. While aware that he and Milligan were issuing false and misleading press releases about eCarfly, Brola and Tryst Capital engaged in a scheme, device or artifice to defraud, or act, practice or course of business that operated as a fraud or deceit upon persons in connection with the purchase or sale of eCarfly shares. Brola caused Tryst Capital to offer and sell approximately 11,491,000 eCarfly shares for net proceeds of approximately \$1,239,446.

**C. Defendants Engaged in Unregistered Offers and Sales of eCarfly Shares while False Press Releases Were Distributed to the Public.**

54. On June 11, and July 21, 2006 respectively, Reynolds opened brokerage accounts for Bellatalia with Leeb Brokerage Services, Inc. (“Leeb”) located in New York, New York, and Franklin Ross, Inc. (“Franklin Ross”) located in Princeton, New Jersey. Reynolds, as the general partner and sole officer of Bellatalia, was authorized to offer and sell shares through the brokerage accounts of Bellatalia.

55. Reynolds, by means of the mails or interstate commerce, delivered 7,500,000 eCarfly shares into Bellatalia’s brokerage account at Franklin Ross, and 2,500,000 eCarfly shares into Bellatalia’s brokerage account at Leeb. As a result of the September 18, 2006 forward stock split, Bellatalia received 28,604,997 additional eCarfly shares which were delivered into its Franklin Ross brokerage account and 22,500,000 additional eCarfly shares which were delivered into its Leeb brokerage account. On October 11, 2006, Bellatalia delivered into its Franklin Ross brokerage account 500,000 of the shares that eCarfly had previously sold to Tiger Team Management, Inc.

56. Beginning on July 27, and continuing through October 16, 2006, Reynolds and Bellatalia offered to sell and sold at least 6,565,000 eCarfly shares (they delivered 1,435,000 shares to third

parties) and 28,604,997 forward split shares through the Franklin Ross account for net proceeds of approximately \$3,854,734. The initial sales occurred within days, and all of the sales occurred within months, of Bellatalia's purchase of the shares from eCarfly.

57. Beginning on October 12, and continuing through November 1, 2006, Reynolds and Bellatalia offered to sell and sold 25,000,000 eCarfly shares through the Leeb brokerage account for net proceeds of approximately \$449,385. These sales occurred within months of Bellatalia's purchase of the shares from eCarfly.

58. No registration statement was on file, or in effect, with the Commission for these offers and sales of eCarfly securities by Bellatalia and Reynolds.

59. Reynolds was a substantial and necessary participant in the offers and sales of eCarfly securities through the brokerage accounts of Bellatalia. He was the sole officer of Bellatalia, made the decisions to offer and sell the eCarfly shares, and directed the brokers to effect the transactions. He also made the decisions on how to spend the funds obtained from the stock sales, including the decision to pay part of the proceeds back to eCarfly.

60. On July 27, 2006, the same day that he began selling eCarfly shares, Reynolds caused Bellatalia to wire transfer \$25,000 into the bank account of eCarfly. As he made additional sales of eCarfly shares, Reynolds caused Bellatalia to transfer additional funds to eCarfly in the amounts of \$25,000, \$50,000 and \$25,000 on August 3, 23, and 31, 2006; \$30,000 and \$10,000 on September 15 and 19, 2006; \$25,000 and \$15,000 on October 12 and 25, 2006; and \$10,000 on or about November 11, 2006.

61. On May 7, 2006, Page opened a brokerage account for Testre at Leeb. On June 21, 2006, Page opened brokerage accounts for Griffdom and Testre with Franklin Ross. Page, as the sole officer and director of Testre, was authorized to offer and sell securities through the brokerage

accounts of Testre at Franklin Ross and Leeb. Page, as the sole officer and director of Griffdom, was authorized to offer and sell securities through the brokerage accounts of Griffdom at Franklin Ross.

62. Page, by means of the mails or interstate commerce, delivered respectively 5,000,000 and 2,500,000 eCarfly shares into Testre's brokerage accounts at Franklin Ross and Leeb. In September 2006, Testre received 26,769,888 additional forward split shares into its account at Franklin Ross and 22,500,000 forward split shares into its account at Leeb.

63. Page offered to sell and sold eCarfly shares through the brokerage accounts of Testre at Franklin Ross and Leeb. Beginning on or about August 2, 2006 and continuing through January 5, 2007, Page and Testre offered to sell and sold 57,029,888 eCarfly shares through the Franklin Ross and Leeb brokerage accounts for net proceeds of approximately \$3,067,853. The initial sales occurred within days, and all of the sales occur within months, of Testre's purchase of the shares from eCarfly.

64. Page, by means of the mails or interstate commerce, delivered 2,500,000 eCarfly shares into Griffdom's brokerage accounts at Franklin Ross. In September 2006, Griffdom received 14,621,400 forward split shares into its account at Franklin Ross.

65. Page offered to sell and sold eCarfly shares through the brokerage accounts of Griffdom at Franklin Ross. Beginning on July 27, and continuing through October 12, 2006, Page and Griffdom offered to sell and sold 17,621,400 eCarfly shares through the Franklin Ross brokerage account for net proceeds of approximately \$1,125,610. The initial sales occurred within days, and all of the sales occur within months, of Griffdom's purchase of the shares from eCarfly.

66. Page was a substantial and necessary participant in the offers and sales of eCarfly securities made through the accounts of Griffdom and Testre. He was the sole officer of Testre



and Griffdom, made the decisions to offer and sell the eCarfly shares, and directed the brokers to effect the transactions. He also made the decisions on how to spend the funds obtained from the stock sales, including transferring part of the proceeds from the stock sales back to eCarfly.

67. No registration statement was on file, or in effect, with the Commission for these offers and sales of eCarfly securities by Griffdom, Testre and Page.

68. After commencing sales of eCarfly shares, Page caused Griffdom to wire transfer \$25,000 into the bank account of eCarfly on August 4, 2006. As he made additional sales of eCarfly shares, Page caused Griffdom to make additional wire transfers to eCarfly of \$25,000 on September 6, 2006; \$25,000 and \$15,000 on October 13 and 30, 2006; and \$10,000 on November 11, 2006.

69. On or about August 4, 2006, Brola opened a brokerage account for Tryst Capital at Fidelity Brokerage Services LLC (“Fidelity”) located in Cincinnati, Ohio. Brola, as the sole member of Tryst Capital, was authorized to offer and sell shares through the brokerage account of Tryst Capital at Fidelity.

70. Brola, by means of the mails or interstate commerce, delivered the 2,000,000 eCarfly shares received from Tiger Team Management Inc. into Tryst Capital’s brokerage account at Fidelity. In September 2006, Tryst Capital received at least 9,491,400 forward-split shares into its account at Fidelity.

71. Brola and Tryst Capital offered to sell and sold eCarfly shares through the brokerage account of Tryst Capital at Fidelity. From on or about August 10, through October 26, 2006, Brola and Tryst Capital offered to sell and sold 11,491,000 eCarfly shares for net proceeds of approximately \$1,239,446. The initial sales in August 2006 occurred within days, and all of the

sales occur within months, of Tryst Capital's acquisition of the shares from Tiger Team Management Inc., which had acquired them from eCarfly on or about July 25, 2006.

72. Brola used a portion of the proceeds from his sales of eCarfly shares to retain a web designer who created eCarfly's web site and treated the rest as compensation for consulting services that he provided to eCarfly

73. Although eCarfly received little or no funds from its business operations between July 27, and November 14, 2006, Milligan caused eCarfly to pay approximately \$109,833 to himself and his wife. The principal sources of these funds were proceeds from stock sales by Bellatalia and Griffdom that were wire transferred to eCarfly.

**D. Additional False and Misleading Statements In eCarfly Press Releases.**

74. In early August 2006, soon after listing the first vehicles for sale by eCarfly on eBay, Milligan and Brola learned that eCarfly could not list automobiles for sale on eBay without an automobile dealer's license. As a result, eCarfly shut down its automobile listing service in early August 2006, which left the company with no business operations or ability to generate revenue.

75. In an August 15, 2006 press release, eCarfly announced that it was negotiating a possible acquisition of a company that owned software for selling vehicles in Internet auctions. During much of September and October 2006, eCarfly devoted its business efforts to a possible merger with two companies. Neither merger was completed and negotiations terminated in mid-October.

76. After the merger negotiations were terminated, one of the two companies, Complete Auto, Inc., approached Page and Milligan to conduct a stock offering on its behalf. Milligan agreed to be a consultant to Complete Auto, Inc. in exchange for stock.

77. Reynolds introduced Milligan to Magnum Energy, Inc. Reynolds described Magnum Energy to Milligan as a company that was looking to raise capital, and that would be a candidate for merger with eCarfly.

78. In press releases issued on November 22, December 6, and December 8, 2006, eCarfly and Milligan announced that eCarfly was engaged in new merger plans. In these press releases, Milligan continued to describe eCarfly's business as having "provided individuals and automotive dealers a hassle-free and cost-effective alternative to sell their vehicles while reducing to zero traditional costs associated with the vehicle sales process!" Although he disclosed that eCarfly was currently focusing on new business ventures, Milligan failed to disclose that eCarfly had no current business operations and that he was helping to start a new competing company that would attempt to exploit the same business opportunity to sell automobiles over the Internet.

79. In a December 8 press release, eCarfly and Milligan identified the merger partner as Magnum Energy. In a press release issued on December 11, eCarfly and Milligan described Magnum as an independent oil and gas company engaged in drilling, acquiring, and producing oil reserves in West Texas oil fields. In fact, within a week of first meeting with officials of Magnum Energy, Milligan discovered that Magnum needed \$1.5 to \$2 million in new capital, which was more than eCarfly could raise, and that Magnum did not have assets or a drilling team. ECarfly and Milligan did not disclose these facts in any of the press releases. Based on those discoveries, Milligan decided that eCarfly would not pursue the merger, but did not publicly announce that decision until a press release issued on January 19, 2007. In that press release, Milligan and eCarfly stated that merger documents were canceled, and that eCarfly officials "recognized early, that the merger was not in the best interest for the shareholders."

80. Milligan acted knowingly or recklessly in failing to disclose that Magnum Energy's capital needs exceeded eCarfly's ability and that it lacked assets and a drilling team, because he either knew those facts or issued the press releases prematurely before discovering those facts.

81. In the January 19, 2007, press release, Milligan and eCarfly stated that eCarfly was looking at another merger prospect, but stated, "NO NEWS will be brought to the public until absolute merger certainty is established and consummated." [Emphasis in original.]

82. Just five weeks later, eCarfly and Milligan began issuing press releases about another merger opportunity. During the last week of February and first week of March, 2007, eCarfly issued at least eleven press releases describing the proposed merger with an alternative fuels company. In a press release dated March 1, 2007, eCarfly and Milligan stated that the merger partner had scheduled the signing of a letter of intent, and on March 5, 2007, they announced that eCarfly had received the signed letter of intent from the merger partner. In fact, Milligan knew from his role in the negotiations that the merger partner never signed a letter of intent, and never told eCarfly that it intended to sign a letter of intent.

83. eCarfly initially omitted to identify the merger partner in the press releases, stating only that it was in the "alternative fuels" business. In the February 23, 2007 press release, Milligan and eCarfly stated "Fuels produced by this company are patented world wide and are gaining recognition from every automotive industry." ECarfly and Milligan continued to refer to the merger partner as the "alternative fuels company" until March 7, 2007, when they identified the company as Terra Fuel Technologies, Inc. ("Terra Fuel"), based in Australia.

84. Contrary to the representations of Milligan and eCarfly in the press release, Terra Fuel did not produce alternative fuels. Instead, it was developing a technology that would purportedly allow diesel engines to work better by injecting small amounts of ethanol into the combustion

chamber. ECarfly and Milligan knew from a business plan they received from Terra Fuel that the company's business was developing ethanol co-fueling engines and that the technology was "International Patent Pending."

85. ECarfly and Milligan stated in press releases that the "alternative fuels company" had contracts in negotiation with two States, current plans to present its technology to several large industrial companies, successful tests of its technology at a major U.S. university, and revenue. In fact, Terra Fuel did not have the relationships with States and entities that were described in the press releases, the university tests were inconclusive, and it did not have revenue.

86. Terra Fuel did not initially know of the press releases or approve of the information purportedly about Terra Fuel in the press releases. When Terra Fuel discovered the press releases on or about March 6, 2007, it objected to incorrect statements in them, and demanded that eCarfly retract them. A news article dated March 9, 2007, quoted a Terra Fuel director as stating that "The statements were false, and misleading." Milligan retracted the press releases on or about March 9, 2007. Terra Fuel then ceased further efforts to merge with eCarfly.

87. Milligan retained Jason Wynn, an associate of Reynolds, to draft the press releases about the "alternative fuels company," and gave him business plans and other information to be used in the press releases. Many of the press releases quote Milligan. Milligan was in regular contact with Wynn while the press releases were being drafted, approved them, and reviewed them once they were published.

88. Milligan acted with scienter in causing eCarfly to issue the false and misleading press releases about the potential mergers. Milligan reviewed the business plan which showed that Terra Fuel was not an alternative fuels producer. The business plan also stated that Terra Fuel was planning to test its technology and that the efforts to enter into contracts and show the

technology to States and companies would come later. He knew that Terra Fuel only had a prototype of its technology, and had not gone into production. Milligan also knew that the press releases contained information that was not in the business plan. He knew that Terra Fuel had not signed a letter of intent with eCarfly.

**E. Additional stock distributions.**

89. Following the collapse of initial merger negotiations with Complete Auto, Inc., eCarfly became a shell corporation with no operations. ECarfly had no business plan other than to find a merger partner.

90. On various dates in 2006 and 2007, while eCarfly had not identified a potential merger partner, eCarfly and Milligan offered to sell and sold new shares of eCarfly to Griffdom, Testre, and Bellatalia. No registration statement was on file or in effect with the Commission for these transactions. These shares were then sold into the public market by Page, Reynolds and their associated entities.

91. The following table shows the dates that the shares were delivered, the number of shares issued, the identity of the recipient, and the date when Griffdom, Testre, Page, Reynolds and Bellatalia began public sales of those shares. In each case, public sales began shortly after the stock was issued.

Date of Issuance	Number of Shares	Identity of Recipient	Date of First Public Sale
Nov. 13, 2006	15,625,000	Griffdom	December 4, 2006
Nov. 13, 2006	15,625,000	Bellatalia	November 27, 2006
January 29, 2007	12,000,000	Griffdom	February 21, 2007
January 29, 2007	14,000,000	Bellatalia (1 million transferred to Griffdom)	February 20, 2007
Feb. 23, 2007	30,000,000	Griffdom	March 2, 2007

Feb. 23, 2007	30,000,000	Testre	March 14, 2007
Feb. 23, 2007	60,000,000	Bellatalia	February 28, 2007
April 24, 2007	100,000,000	Bellatalia	May 1, 2007
April 26, 2007	100,000,000	Griffdom	May 1, 2007
July 3, 2007	200,000,000	Bellatalia	July 12, 2007
July 3, 2007	200,000,000	Griffdom	July 12, 2007

92. Some of these sales occurred while eCarfly was generating demand for its stock through the false and misleading press releases described above.

93. Beginning on or about November 16, 2006 and continuing through August 8, 2007, Reynolds and Bellatalia offered to sell and sold at least 338,625,000 eCarfly shares (Bellatalia transferred 1,000,000 shares to Griffdom) through Bellatalia's Franklin Ross account for net proceeds of approximately \$1,602,512. The initial sales occurred within days, and all of the sales occur within months, of Bellatalia's purchase of these shares from eCarfly.

94. Reynolds was a substantial participant in these offers and sales of eCarfly shares by Bellatalia. He was the sole officer of Bellatalia, made the decisions to offer and sell the eCarfly shares, and directed the brokers to effect the transactions. He also made the decisions on how to spend the funds obtained from the stock sales, including the decision to pay part of the proceeds back to eCarfly.

95. Out of the proceeds from eCarfly stock sales, Reynolds caused Bellatalia to wire transfer into the bank account of eCarfly at least \$25,000 on February 25, \$10,000 on April 2, \$50,000 on April 24, and \$40,000 on July 3, 2007.

96. Beginning on or about November 16, 2006 and continuing through July 18, 2007, Page and Griffdom offered to sell and sold at least 252,073,165 eCarfly shares through Griffdom's Franklin Ross brokerage account for net proceeds of approximately \$589,154. The initial sales occurred within days, and all of the sales occur within months, of Griffdom's purchase of the shares from eCarfly.

97. Beginning on February 28, 2007 and continuing through March 22, 2007, Page and Testre offered to sell and sold 30,000,000 eCarfly shares through Testre's Franklin Ross brokerage account for net proceeds of approximately \$151,770. The initial sales occurred within days, and all of the sales occur within months, of Testre's purchase of the shares from eCarfly.

98. Page was a substantial participant in the sales by Griffdom and Testre. He was the sole officer of Griffdom, made the decisions to offer and sell the eCarfly shares on behalf of both Griffdom and Testre, and directed the brokers to effect the transactions. He also made the decisions on how to spend the funds obtained from the stock sales, including the decision to pay part of the proceeds back to eCarfly.

99. Page caused Testre to wire transfer \$10,000 and \$5,000 into the bank account of eCarfly on February 21 and 26 respectively. Page caused Griffdom to wire transfer into the bank account of eCarfly \$15,000 on March 1, \$15,000 on March 31, \$10,000 on April 3, \$50,000 on April 26, \$40,000 on July 3, and \$25,000 on August 22, 2007.

100. Although eCarfly generated no funds from any business operations between November 15, 2006, and July 15, 2007, Milligan caused eCarfly to pay approximately \$42,264 to him and his wife. The principal sources of these funds were proceeds from stock sales by Bellatalia, Griffdom, and Testre that were wire transferred to eCarfly.



**FIRST CLAIM FOR RELIEF**

**Fraud in Connection with the Purchase and Sale of Securities  
in Violation of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder**

101. Paragraphs 1 through 100 are hereby realleged and incorporated by reference.

102. Defendants Milligan, Brola, Market 99, Ltd. (formerly known as eCarfly), and Tryst Capital, directly and indirectly, with scienter, in connection with the purchase and sale of securities, by use of the means or instrumentalities of interstate commerce, or of the mails, have employed devices, schemes or artifices to defraud; have made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or have engaged in acts, practices or courses of business which have been and are operating as a fraud or deceit upon the purchasers or sellers of such securities.

103. By reason of the foregoing conduct, defendants Milligan, Brola, Market 99, Ltd., and Tryst Capital have violated and, unless restrained and enjoined, will continue to violate Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, 15 U.S.C. § 78j(b) and 17 C.F.R. § 240.10b-5

**SECOND CLAIM FOR RELIEF**

**Offer and Sale of Unregistered Securities  
in Violation of Sections 5(a) and 5(c) of the Securities Act**

104. Paragraphs 1 through 100 are hereby realleged and incorporated by reference.

105. The common stock of eCarfly that the defendants offered and sold to public investors is a “security” as that term is defined in Section 2(a)(1) of the Securities Act and Section 2(10) the Exchange Act, 15 U.S. C. §§ 77b(a)(1) and 78(b)(10).

106. Defendants Milligan, Brola, Market 99, Ltd. (formerly known as eCarfly), Page, Reynolds, Tryst Capital, Griffdom, Testre, and Bellatalia, directly or indirectly, made use of the

means or instruments of transportation or communication in interstate commerce or of the mails to sell securities through the use or medium of a prospectus or otherwise, or caused to be carried through the mails or in interstate commerce by means or instruments of transportation, securities in the form of eCarfly common stock for the purpose of sale or for delivery after sale when no registration statement was in effect as to those securities.

107. Defendants Milligan, Brola, Market 99, Ltd. (formerly known as eCarfly), Page, Reynolds, Tryst Capital, Griffdom, Testre, and Bellatalia, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy securities through the use or medium of a prospectus or otherwise, when no registration statement had been filed for those securities.

108. By reason of the foregoing conduct Milligan, Brola, Market 99, Ltd. (formerly known as eCarfly), Page, Reynolds, Tryst Capital, Griffdom, Testre, and Bellatalia have each violated and, unless restrained and enjoined, will continue to violate Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c).

**THIRD CLAIM FOR RELIEF**  
**Acting As an Unregistered Broker-Dealers**  
**in Violation of Section 15(a) of the Exchange Act**

109. Paragraphs 1 through 100 are hereby realleged and incorporated by reference.

110. In connection with their offer and sale of the securities of eCarfly, defendants Page, Reynolds, Griffdom, Testre, and Bellatalia acted as brokers or dealers by engaging in the regular business of effecting transactions in securities for the account of others, or buying and selling securities for their own accounts. Page, Reynolds, Griffdom, Testre, and Bellatalia made use of the mails or the means or instrumentalities of interstate commerce to effect transactions in, or to

induce or attempt to induce the purchase or sale of securities while they were not registered with the Commission as broker-dealers or associated with a broker-dealer.

111. By reason of the foregoing conduct, defendants Page, Reynolds, Griffdom, Testre, and Bellatalia have each violated and, unless restrained and enjoined, will continue to violate Section 15(a)(1) of the Exchange Act, 15 U.S.C. § 78o(a)(1).

**PRAYER FOR RELIEF**

WHEREFORE, the Commission respectfully requests that the Court:

**I.**

Find that the Defendants, and each of them, committed the violations alleged.

**II.**

Enter an Order of Permanent Injunction as to each defendant, in a form consistent with Rule 65(d) of the Federal Rules of Civil Procedure, enjoining each defendant from further violations of the provisions of law and rules alleged in this complaint.

**III.**

Enter an Order requiring the defendants to prepare an accounting of the proceeds they obtained from the offers and sales of the securities described above.

**IV.**

Enter an Order requiring defendants to disgorge all ill-gotten gains resulting from their participation in the conduct described above, including pre-judgment and post-judgment interest.

**V.**

Enter an Order requiring all defendants to pay third-tier civil penalties pursuant to Section 20(d) of the Securities Act and Section 21(d)(3) of the Exchange Act, 15 U.S.C. §§ 77t(d) and 78u(d)(3).

**VI.**

Enter an Order pursuant to Section 20(g) of the Securities Act and Section 21(d)(6) of the Exchange Act, 15 U.S.C. §§ 77t(g) and 78u(d)(6), barring Milligan, Brola, Page, Reynolds, Tryst Capital, Griffdom, Testre, and Bellatalia, and each of them, from participating in any offering of penny stock.

**VII.**

Enter an Order pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), barring Milligan and Brola, and each of them, from acting as an officer or director of any issuer that has a class of securities registered pursuant to section 12 of the Exchange Act or that is required to file reports pursuant to section 15(d) of the Exchange Act.

**VIII.**

Grant such further equitable relief as this Court deems appropriate and necessary.

Dated: September 24, 2008

Respectfully submitted,

**s/ Leslie J. Hughes**

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