IN THE MATTER OF:  

Ensconce Data Technology, Inc.  

RESPONDENT  

I-2014000023  

CONSENT ORDER

I.  For purpose of settling the above-referenced matter and in lieu of further administrative proceedings, Ensconce Data Technology, Inc. ("Ensconce"), has submitted an offer of settlement, which the Bureau of Securities Regulation, Department of State, State of New Hampshire (the "Bureau") has determined to accept. Accordingly, without admitting or denying the findings or conclusions contained herein, Ensconce does hereby consent to the entry of this Order and the following undertakings and sanctions:

The Facts

1. On December 3, 2004, Ensconce was incorporated in New Hampshire (the "State") pursuant to N.H. RSA 293-A.

2. Ensconce made four notice filings with the State pursuant to N.H. RSA 421-B:11, 1-a(e) on July 8, 2005, May 5, 2006, August 23, 2007, and January 10, 2008 respectively pertaining to the offer and sale of federal covered securities in New Hampshire.

3. Additionally, Ensconce offered and sold purportedly secured notes to several New Hampshire investors beginning in 2007.

4. Based on information obtained during an audit of Ensconce in the fall of 2013, the Bureau initiated an investigation of Ensconce and its offer and sale of securities in the State.

5. Through its investigation, the Bureau determined that Ensconce failed to timely renew or terminate its notice filings with the State but continued to offer and sell federal covered securities in the State during these periods of delinquency.

6. Further, the Bureau determined that Ensconce failed to maintain adequate documentation regarding its offer and sale of purportedly secured notes including the terms of many of the notes offered and sold.
The Law

7. Pursuant to New Hampshire RSA 421-B:11, it is unlawful for any person to offer or sell any security in this state unless the security is registered pursuant to RSA 421-B, the security or transaction is exempted under RSA 421-B:17, or the security is a federally covered security for which the fee has been paid and documents have been filed as required by RSA 421-B:11, I-a. Enscence is subject to this provision.

8. Pursuant to RSA 421-B:31, the notice filing of a federal covered security must either be renewed annually or terminated. Enscence is subject to this provision and failed to timely renew or terminate its notice filings with the State but continued to offer and sell federal covered securities within the state during these periods of delinquency.

9. Pursuant to RSA 421-B:23, whenever it appears to the secretary of state that any person has engaged or is about to engage in any act or practice constituting a violation of RSA 421-B or any rule or order under this chapter, the secretary of state shall have the power to issue and cause to be served upon such person an order requiring the person to cease and desist from violations of this chapter. Enscence is subject to this provision.

10. Pursuant to RSA 421-B:26, III, any person who, either knowingly or negligently, violates any provisions of RSA 421-B may be subject to fine of $2,500 per violation.

II. In view of the foregoing, the Respondent agrees to the following undertaking and sanctions:

1. Respondent agrees that that they have voluntarily consented to the entry of this Order and represent and aver that no employee or representative of the Bureau has made any promise, representation, or threat to induce execution.

2. Respondent agrees to waive their right to an administrative hearing and any appeal therein under RSA 421-B.

3. Respondent agrees that this Order is entered into for purpose of resolving only the matter as described herein. This Order shall have no collateral estoppel, res judicata or evidentiary effect in any other lawsuit, proceeding, or action, not described herein. Likewise, this Order shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct by Respondent of which the Bureau has no knowledge at the time and date of final entry of this Order.

4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this consent order or create the impression that the consent order is without factual basis. Nothing in this provision affects Respondent's testimonial obligations or right to take legal positions in litigation in which the State of New Hampshire is not a party.

5. Respondent agrees to cease and desist from further violations under this chapter pursuant to RSA 421-B:23.
6. Respondent agrees that, unless exempt from registration under RSA 421-B:17, any future offer or sale of securities in the state by Respondent shall be either properly registered or notice filed pursuant to applicable provisions of RSA 421-B.

7. Respondent shall pay back annual renewal notice filing fees and an administrative fine together totaling Twelve Thousand Five Hundred Dollars ($12,500).

8. Respondent agrees to submit payment of the above total amount of Twelve Thousand Five Hundred Dollars ($12,500) to the State of New Hampshire, which will be applied to settlement of the above-captioned matter, on or before December 31, 2014. Payment must be made by 1) business check, certified check, or postal money order; 2) made payable to the State of New Hampshire; and 3) mailed to the Bureau of Securities Regulation, Department of State, State House, Room 204, Concord, New Hampshire, 03301.

III. Based on the foregoing, the Bureau deems it appropriate and in the public interest to accept and enter into this Order. THEREFORE, IT IS HEREBY ORDERED THAT:

1. Respondent cease and desist from further violations of the act pursuant to RSA 421-B:23.

2. Respondent pay back annual renewal notice filing fees and an administrative fine together totaling Twelve Thousand Five Hundred Dollars ($12,500) on or before December 31, 2014.

3. Respondent comply with the above-referenced undertakings.

Executed this $6th$ day of August, 2014.

[Signature]

President

on behalf of Ensconce

Please print name below:

MICHAEL J. SIMCHIK

Entered this $18th$ day of August, 2014.

[Signature]

Barry Glennon, Director
N.H. Bureau of Securities Regulation