

**STATE OF NEW HAMPSHIRE  
BUREAU OF SECURITIES REGULATION  
DEPARTMENT OF STATE  
CONCORD, NEW HAMPSHIRE**

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**Stephen D. Yennaco** )  
**Big Ben Games of NH, Inc.** )  
)  
**Respondents** )  
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COM08-0014

**CONSENT ORDER**

- I. For purposes of settling the above-referenced matter and in lieu of further administrative proceedings, Steven Yennaco, (hereinafter referred to as "Yennaco"), and Big Ben Games of NH, Inc. (hereinafter referred to as "BBG"), has submitted an offer of settlement, which the Bureau of Securities Regulation, Department of State, State of New Hampshire (hereinafter referred to as "the Bureau") has determined to accept. Accordingly, the Respondent does hereby consent to the following findings, conclusions, undertakings and sanctions:

**STATEMENT OF FACTS**

1. BBG was a New Hampshire business corporation formed on 8/8/1996 and legally dissolved on 9/1/2005 now located at Yennaco's residence at 108 Fieldstone Drive, Londonderry, New Hampshire 03053. The Respondent Yennaco is the owner and operator of BBG. BBG is in the business of selling games and toys to the public. .
2. In or about January 2007, Yennaco approached Investor #1 of Merrimack, New Hampshire, and asked Investor #1 to loan money to his business BBG. Investor #1 and Yennaco were well acquainted in that Investor #1 had worked for Yennaco and helped establish his business. Yennaco represented to Investor #1 that his business had game purchase orders to provide games to a number of third parties and that he did not have the ability to finance the orders. Yennaco produced copies of what he purported to be purchase orders which purported to represent agreements with third parties to purchase

games from BBG. Yennaco asked Investor #1 to provide financing for the purchase of the necessary games to satisfy the terms and conditions of the purported purchase orders.

3. On or about February 1<sup>st</sup>, 2007, Investor #1 entered into a written agreement with BBG to provide financing for 60% to 90% of the face value of the purported outstanding orders. Yennaco and BBG agreed to repay Investor #1 when BBG was paid by the customers along with a fee equal to ten percent of the amount of the financing. Yennaco represented that most of the orders would be filled and completed within 60 days. Yennaco failed to tell Investor #1 that BBG had been dissolved by the New Hampshire Secretary of State in 2005. Yennaco also failed to disclose to Investor #1 that many of the purported purchase orders were merely proposals, had been prepaid or had not been finalized.
4. Based on Yennaco's representations and purported purchase orders, Investor #1 agreed in writing to loan \$17,000 on or about February 1<sup>st</sup>, 2007. In addition, Investor #1 agreed to loan \$18,000 on or about March 29<sup>th</sup>, 2007. Both loans were made to finance business transactions that should have been completed within 60 days. Despite their written agreement, Yennaco and BBG failed to repay the loans. Also, Yennaco did not use all the loan proceeds to purchase games and fill orders. Yennaco used the loan proceeds for other obligations.
5. Based on the foregoing, Yennaco and BBG have been the subject of a lawsuit for damages in the Hillsborough County New Hampshire Superior Court, Northern District. On 8/20/2009 a final judgment was rendered in favor of Investor #1 in the amount of \$40,181.71. See Exhibit A and B. A further Order was entered by the Court on 4/22/2014 for periodic payments which Order calls for a payment to be made to Investor #1 monthly to be increased on 10/30/2014. See Exhibit C.

#### STATEMENTS OF LAW

1. Yennaco and BBG are "Persons" within the meaning of RSA 421-B:2.
2. The promissory notes are "securities" within the meaning of RSA 421-B:2.
3. The distribution of the securities listed above constitute "sales" within the meaning of RSA 421-B:2.
4. Pursuant to RSA 421-B:3,II, it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly: To make any untrue

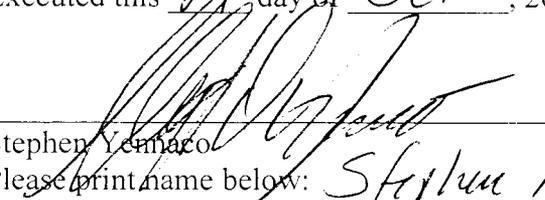
statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading. Yennaco and BBG violated this section by misrepresenting the nature of the business transactions as purchase orders when in reality many were simply proposals, had been prepaid or not finalized, and that the money borrowed would be spent on other obligations. Yennaco and BBG also failed to disclose that the corporation had been legally dissolved in 2005.

5. 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 this chapter or any rule under this chapter, he 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. Yennaco and BBG, are subject to this section for violations of RSA421-B:3.
  6. Pursuant to RSA 421-B:26,III, any person who, either knowingly or negligently, violates any provisions of this chapter may, upon hearing, and in addition to any other penalty provided for by law, be subject to such suspension, revocation or denial of any registration or license, or an administrative fine not to exceed \$2,500, or both. Each of the acts specified shall constitute a separate violation. Yennaco and BBG are subject to a suspension, revocation, or denial, and a fine for a violation of RSA 421-B:3.
  7. Pursuant to RSA 421-B:26,III-a, every person who directly or indirectly controls a person liable under paragraph III, every principal executive officer, or director of such person, every person occupying a similar status or performing a similar function, every employee of such person who materially aids in the act or transaction constituting the violation, and every broker-dealer or agent who materially aids in the acts or transactions constituting the violation either knowingly or negligently, may, upon hearing, and in addition to any other penalty provided by law, be subject to such suspension, revocation, or denial of any registration or license, or administrative fine not to exceed \$2,500, or both. Each of the acts specified shall constitute a separate violation, and such administrative action or fine may be imposed in addition to any criminal penalties imposed pursuant to RSA 421-B:24 or civil liabilities imposed pursuant to RSA 421-B:25. Yennaco and BBG are subject to this section.
  8. Pursuant to RSA 421-B:26,V the Bureau can order restitution for violations of 421-B.
- II. In view of the foregoing, the Respondents agree to the following undertakings and sanctions:

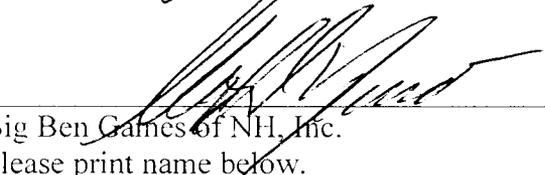
1. Respondents agree that that they have voluntarily consented to the entry of this Order and represent and aver that no employee or representative of the Bureau has made any promise, representation or threat to induce their execution.
  2. Respondents agree to waive their right to an administrative hearing and any appeal therein under this chapter.
  3. Respondents agree to cease and desist from violations under this chapter.
  4. Upon execution of this order by Respondents, Respondents, agree to pay such restitution as ordered by the Hillsborough County Superior Court in docket number 226-2008-CV-00051 (See attached Exhibits A, B and C ) on such terms and under such conditions as determined by the Court. Should the Respondents fail to abide by the Orders of the Court, the Bureau may vacate without a hearing this Consent Order and proceed to an enforcement action. The Respondents shall provide yearly tax returns and a completed financial affidavit to the Bureau immediately upon filing said returns with the United States Internal Revenue Service until all restitution is paid in full. The Bureau may adjust the monthly payment of the restitution amount should there be a change in the Respondent's financial ability to pay.
  5. The Respondents are hereby barred from holding any securities licenses or registration authority with the State of New Hampshire.
  6. Respondents agree that this Order is entered into for purposes of resolving the matter as described herein. This order shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct by Respondents which the Bureau has no knowledge at the time of the date of final entry of this order.
  7. The Respondents may not take any action or make or permit to be made any public statement, denying, directly or indirectly, any allegation in this consent agreement or create the impression that the consent agreement is without factual basis. Nothing in this provision affects the Respondent's testimonial obligations or right to take legal positions in litigation in which the State of New Hampshire is not a party.
- 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. Respondents cease and desist from further violations of the act.

2. Respondents are barred from licensure and registration authority in the State of New Hampshire.
3. Respondents pay restitution as described above.
3. Respondents comply with the above-referenced undertakings.

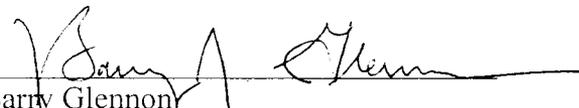
Executed this 25<sup>th</sup> day of Oct, 2014.

  
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Stephen Yemaco  
Please print name below: Stephen D. Yemaco

Executed this 24<sup>th</sup> day of Oct, 2014

  
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Big Ben Games of NH, Inc.  
Please print name below.  
Stephen D. Yemaco

Entered this 29<sup>th</sup> day of December, 2014.

  
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Barry Glennon  
Director