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NEW HAMPSHIRE
DEPARTMENT OF STATE

STATE OF NEW HAMPSHIRE
DEPARTMENT OF STATE
BUREAU OF SECURITIES REGULATION
25 CAPITOL STREET
CONCORD, NH 03301

CONSENT ORDER
IN THE MATTER OF:

Zelus 3040, LLC

I-2018000018

- I. For the purposes of settling the above-captioned matter, and in lieu of further administrative proceedings, Zelus 3040, LLC (“Zelus”) has submitted an offer of settlement, which the State of New Hampshire, Department of State, Bureau of Securities Regulation (the “Bureau”) has determined to accept. Accordingly, without admitting or denying the facts and allegations contained herein, Zelus does hereby consent to the entry of the Consent Order and to the following:

FACTS AND ALLEGATIONS

1. Zelus is an issuer located at 4939 W. Ray Rd., Suite #4-507, Chandler, Arizona 85226.
2. On January 17, 2018, Zelus filed an electronic copy of the Form D with the Bureau to notice file a Regulation D, Rule 506 offering in the state of New Hampshire. Zelus disclosed on the Form D, that an individual, Kim Butler (“Butler”), was to be paid a commission or similar compensation in connection with the sales of Zelus securities in the state.
3. During the course of its investigation, the Bureau determined that Butler was acting as an unregistered issuer agent in relation to the sales made of Zelus securities to New Hampshire investors.
4. After the Bureau’s investigation commenced, the compensation that Butler received for the sale was returned to Hera upon request.

THE LAW

- II. The staff of the Bureau hereby make the following statements of law under the New Hampshire Revised Statutes Annotated, N.H. RSA 421-B, and regulations thereunder:
1. Zelus is a “person” within the meaning of N.H. RSA 421-B:1-102, 39 and an “issuer” within the meaning of N.H. RSA 421-B:1-102, 33.

2. Pursuant to N.H. RSA 421-B1-102, 3, an agent is an individual who represents an issuer in effecting or attempting to effect purchases or sales of the issuer's securities. Butler is an agent under this definition.
3. Pursuant to N.H. RSA 421-B:4-402 (a), it is unlawful for an individual to transact business in this state as an agent unless they are registered as an agent or are exempt from registration. Further, pursuant to N.H. RSA 421-B:4-402(b)(4), an individual who represents an issuer that effects transactions in a federal covered security described in section 18(b)(4)(F) of the Securities Act of 1933 ("section 18(b)(4)(F)") is not exempt from registration if the individual is compensated in connection with the agent's participation by the payment of commissions or other remuneration based, directly or indirectly, on transactions in those securities. Securities sold under Rule 506 are "covered securities" under section 18(b)(4)(F). Zelus and Butler are subject to this provision.
4. Pursuant to N.H. RSA 421-B:6-604, d, in a final order, the secretary of state may impose a civil penalty up to a maximum of \$2,500 for a single violation.
5. Pursuant to N.H. RSA 421-B:6-604, g, in a final order, the Secretary of may charge the costs of the investigation or proceedings for a violation of 421-B.

III. In view of the foregoing, Zelus agrees to the following:

1. Zelus agrees that this Consent Order is entered into for purposes of resolving only the matter as described herein. This Consent Order shall have no collateral estoppel effect in any other lawsuit, proceeding, or action not described herein. Likewise, this Consent Order shall not be construed to restrict the Bureau's right to initiate an administrative investigation or proceeding relative to conduct by Zelus of which the Bureau has no knowledge at the time of the date of final entry of the Consent Order.
2. Zelus agrees to waive their right to an administrative hearing on this matter and any appeal therein under N.H. RSA 421-B.
3. Zelus agrees not to take any action or make any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any allegation in this Consent Agreement or create the impression that the Consent Order is without factual basis.
4. Zelus agrees to pay an administrative penalty in the amount of Two Thousand Dollars (\$2,000) and the Bureau's costs of this investigation in the amount of One Thousand Two Hundred Fifty Dollars (\$1,250), (total \$3,250). Payment shall be made upon execution of this Consent Order. Payment of the Three Thousand Two Hundred Fifty Dollars (\$3,250) shall be made to the State of New Hampshire upon execution of the Consent Order. 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.

5. Failure to comply with the terms of this Consent Order shall enable the Bureau to withdraw from the Consent Order and proceed with such enforcement action allowed by RSA 421-B.
6. This Order is not intended by the Bureau to subject Zelus (or any of its affiliates and their current and former officers, directors, employees, or other persons that would otherwise be disqualified as a result of this Order) to any disqualification under the laws of the United States, any state, the District of Columbia or Puerto Rico, including, without limitation any disqualifications from relying upon the state or federal registration exemptions or safe harbor provisions.

IV. 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 AGREED THAT:**

1. Zelus will pay an administrative fine and the Bureau's costs of investigation, totaling an amount of Three Thousand Two Hundred Fifty Dollars (\$3,250) as stated above.
2. Zelus will cease and desist from any further violations of N.H. RSA 421-B.
3. Zelus will comply with all other undertakings outlined herein.

Executed this 20 day of July, 2020.


_____, Manager of Manager
on behalf of Zelus 3040, LLC.

Entered this 28th day of July, 2020.



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