STATE OF NORTH CAROLINA

Department of The Secretary of State

IN THE MATTER OF:	)	
	)	
NORTH CAROLINA SECURITIES DIVISION,	)	
	)	
Petitioner,	)	
	)	**CONSENT ORDER**
vs.	)	
	)	
CAROLINA CAPITAL CONSULTING, INC. 3111 Springbank Lane Suite B Charlotte, North Carolina 28226; and	)	FILE NO. 05-028-IG
	)	
Brian H. Fenn and any and all other persons or entities occupying the status or function of executive officer or director of CAROLINA CAPITAL CONSULTING, INC.	)	
	)	
Respondents.	)	

The Securities Administrator, acting through her duly appointed Deputy Securities Administrator, pursuant to and under all authority granted by Chapter 78C of the North Carolina General Statutes (the North Carolina Investment Advisers Act), and with the consent of the above-named Respondents **CAROLINA CAPITAL CONSULTING, INC.** (hereinafter referred to as Respondent or "CCC") and **BRIAN H. FENN** (hereinafter referred to as Respondent or "Fenn") does hereby enter into this Consent Order in settlement of the above-captioned matter. Respondents admit the jurisdiction of the Division and consent to the entry of this Consent Order.

FINDINGS OF FACT

1. Respondent CCC is a North Carolina corporation that lists its principal place of business as Suite B, 3111 Springbank Lane, Charlotte, North Carolina 28226. CCC was registered in North Carolina as an investment adviser in August 2001.

2. The Investment Adviser Registration Depository (IARD) records indicate that CCC is a registered investment adviser pursuant to N.C.G.S. §78C-17(a).

3. Since April 1994 Respondent Fenn was, and has continuously been since said date, president of CCC and, in such capacity, was automatically registered as an investment adviser representative in North Carolina pursuant to the provisions of N.C.G.S. §78C-17(a).

4. CCC was assigned IARD/CRD Number 116802.

5. On April 14, 2005, the Securities Division conducted a routine examination of the books and records of CCC under the authority of N.C.G.S.§ 78C-18(e) to verify the firm's compliance with the North Carolina Investment Advisers Act.

6. By reviewing the records of CCC, the Division determined that CCC maintained a place of business within North Carolina and offered investment advisory services to the public for compensation.

7. By reviewing the records of CCC, the Division further determined that CCC is presently a registered investment adviser and that CCC provides investment advisory services to at least 75 clients.

8. At the time of the audit conducted in April 14, 2005, the Division determined that CCC had not entered into and maintained written advisory contracts with all of its clients as required by 18 N.C.A.C. 06.1706(a)(10) and 18 N.C.A.C. 06.1801(a)(16).

9. On May 13, 2005, the Division sent a letter to the Respondents addressing the failure to have entered into written advisory contracts with each client and to have available for examination copies of signed client investment advisory contracts, and allowed an extension of time of 30 days from CCC's receipt of the letter for CCC to bring its actions into compliance with the North Carolina Investment Advisers Act.

10. The letter was sent certified mail return requested to Brian H. Fenn, Carolina Capital Consulting, Inc., 3111 Springbank Lane, Suite B, Charlotte, North Carolina 28226.

11. On May 25, 2005, Respondent CCC sent a letter in response to the Division's letter of May 13, 2005 and indicated that it had developed a form contract and would begin distributing it to all clients for execution and would keep an original copy of a signed contract in each client's file.

12. On July 7, 2005, the Division conducted a follow-up examination of the books and records of CCC under the authority of N.C.G.S. §78C-18(e) to verify the firm's compliance with the North Carolina Investment Advisers Act.

13. During that examination, CCC produced a client list consisting of 82 investment advisory clients. At that time Respondents had contacted 9 clients regarding the need for a written investment advisory contract and requested that such clients sign a contract, only 6 of these clients had responded and signed a contract as of July 7, 2005.

14. On July 15, 2005, Respondents sent a letter to the Division indicating that they had sent contracts to all of their clients for signature with two exceptions, and asked the Division whether there was any additional information required of Respondents at that time.

15. From July 15, 2005 to October 19, 2005, Respondents and the Division had no further written or verbal communications relating to Respondents' compliance with 18 N.C.A.C. 06.1706(a)(10) and 06.1801(a)(16).

16. On October 20, 2005 the Division filed an Administrative Petition seeking a Summary Order to Suspend Respondents' registrations as an investment advisor and an investment adviser representative in North Carolina.

17. On October 20, 2005, a Summary Order to Suspend Registration was entered against Respondents in response to the Administrative Petition filed by the Division and served upon the Respondents by certified mail return receipt requested.

18. On October 26, 2005, Respondents provided the Division with written copies of 72 investment advisory contracts, and Respondents notified the Division that approximately 12 of their clients had not yet executed contracts.

BASED UPON THE FOREGOING findings of fact, the Deputy Securities Administrator makes the following:

CONCLUSIONS OF LAW

1. The Deputy Securities Administrator has jurisdiction over the subject matter of this proceeding and over the Respondents.

2. Respondents CCC and Fenn have not maintained within their client files written investment advisory contracts for all of their clients prior to providing investment advisory services, in violation of the Investment Advisers Act record keeping requirements as required by 18 N.C.A.C. 06.1706(a)(10).

3. Respondents CCC and Fenn have not entered into written investment advisory contracts for

all of their clients prior to providing investment advisory services, in violation of 18 N.C.A.C. 06.1801(a)(16) within the scope of N.C.G.S.§78C-19(a)(2) b. and g. and said violation is grounds for revocation of an investment adviser's registration.

4. The entry of this consent order is in the public interest for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the North Carolina Investment Advisers Act.

CONSENT ORDER

NOW THEREFORE, with consent and agreement of the Respondents it is HEREBY ORDERED:

1. Upon the entry of this Consent Order: i) The Administrator hereby agrees to enter an Order to Vacate the Summary Order to Suspend Registration (File No. 05-028-IG) entered against Respondents on October 20, 2005 pursuant to the authority granted to it under N.C.G.S. §78C-19(c); ii) and in connection therewith, the Securities Administrator hereby agrees to dismiss the Administrative Petition and Respondents agree to file with the Office of Administrative Hearings a Joint Motion to Dismiss along with a proposed Order of Dismissal; and iii) this Consent Order shall supercede and replace the October 20, 2005 Summary Order to Suspend Registration as to the Respondents.

2. As of the date of execution of this Order, the Respondents shall have in place written investment advisory contracts with all present investment advisory clients as required by 18 N.C.G.S. 06. 1706(a)(10) and 06. 1801(a)(16).

3. Respondents shall not violate North Carolina Investment Adviser's Act and the rules promulgated thereunder.

4. Respondents shall pay the sum of two thousand five hundred dollars ($2,500.00) in settlement of this matter, to be deposited in the Investor Protection and Education Trust Fund in accordance with N.C.G.S. §147-54.5.

Each Respondent, by execution of this Consent Order, waives his or its rights to a hearing or judicial review thereof. Said Respondents affirmatively state that they neither admit nor deny the allegations in the Administrative Petition or Summary Order to Suspend Registration, have freely agreed to entry of this Order, that no threats, promises or offers of any kind, other than as stated in this document, have been made by the Securities Administrator, Deputy Securities Administrator, any member of the staff of the Securities Division, or any agent or employee of the Department of the Secretary of State in connection with the entry of this Consent Order.

AGREED AND CONSENTED TO this day 5th of December 2005.

By: _____

Its: President

Respondent:
CAROLINA CAPITAL CONSULTING, INC.

By: _____

Respondent:
Brian H. Fenn

THE NORTH CAROLINA SECURITIES DIVISION:

By: _____
David S. Massey
Deputy Securities Administrator