

STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT

---

IN THE MATTER OF:     HUBADEx, INC.,                     )  
                          ITS OFFICERS, DIRECTORS,             ) FILE NO: 0100836  
                          EMPLOYEES, AGENTS, AFFILIATES,     )  
                          SUCCESSORS, AND ASSIGNS             )  
   )  

---

CONSENT ORDER

TO THE RESPONDENT:     Hubadex, Inc.

                          C/O Jeffrey Henderson  
                          Henderson and Lyman  
                          Attorneys at Law  
                          175 W. Jackson Blvd.  
                          Suite 240  
                          Chicago, Illinois 60604

WHEREAS, Hubadex, Inc. on February 10, 2005 executed a certain Stipulation To Entry Of Consent Order (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondent has admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondent has consented to the entry of this Consent Order.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph seven (7) of the Stipulation shall be adopted as the Secretary of State's Findings of Fact as follows:

1. Hubadex, Inc. is an Illinois registered corporation with a business address of 332 West Marion, Suite 3, Forsyth, Illinois, 62535;

Consent Order

-2-

2. Hubadex, Inc. is the general partner of two Illinois limited partnerships: The Quarter Funds, L.P. and The Symmetry Fund, L.P.;
3. From March 1997 through April 2002, Hubadex, Inc. offered and sold to investors limited partnership interests in the The Quarter Funds, LP. and raised over \$4 million dollars in investor money in Illinois;
4. From December 1998 through April 2002, Hubadex, Inc. offered sold to investors limited partnership interest in The Symmetry Fund, L.P. and raised over \$1 million dollars in investor money in Illinois;
5. Hubadex, Inc. is also the Fund Manager, Recordkeeper and Custodian of The Trimester Fund an entity described as an investment club;
6. From July 1998 to August 2000, Hubadex, Inc. offered and sold to investors participation agreements in the Trimester Fund and raised over \$100,000 in investor money in Illinois;
7. That the above-referenced limited partnership interests and participation agreements are securities as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
8. That Section 5 of the Act provides, inter alia, that all securities except those set forth under Section 2A of the Act or those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
9. That Section 12.A of the Act provides, inter alia, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
10. Because Hubadex, Inc. was claiming certain exemptions from registration pursuant to Section 4, Hubadex, Inc. did not file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;

Consent Order

-3-

11. Hubadex, Inc. has asserted that its offers and sales of the above-referenced securities qualified for exemptions under Section 4.G and 4.H. Although Hubadex, Inc. initially filed required form Ds for the Quarter Funds, L.P. and the Symmetry Fund, L.P. to perfect exemptions from registration, Hubadex, Inc. did not make any initial Form D filings for Trimester Fund;
12. Hubadex, Inc. received a request for information regarding its sales of securities pursuant to Section 11.C of the Act;
13. Hubadex, Inc. by and through its attorneys submitted a response to the Illinois Secretary of State which was inaccurate in that Hubadex, Inc. erroneously reported that certain transactions were exempt from registration under Section 4.H;
14. That Section 12.D of the Act provides, inter alia, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document or application required to be filed under the provisions of the Act;
15. That Section 11.E(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
16. That Section 11.E(4) of the Act provides, inter alia, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act;

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph eight (8) of the Stipulation shall be adopted as the Secretary of State's Conclusion of Law as follows:

- a. That by virtue of the foregoing, Hubadex, Inc. has violated Sections 12.A and 12.D of the Act; and
- b. That by virtue of the foregoing, Hubadex, Inc., could have been subjected to an order permanently

Consent Order

-4-

prohibiting the Respondent from offering or selling securities in the State of Illinois and to a fine of up to \$10,000 per violation.

NOW THEREFORE IT IS HEREBY ORDERED THAT:


1. The allegations contained in paragraphs seven (7) and eight (8) of the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusion of Law;
2. The Respondent, Hubadex, Inc., shall pay a monetary payment of \$50,000 payable to the Securities Audit and Enforcement Fund by check made payable to the Secretary of State within 15 days from the entry of the Consent Order;
3. The Respondent shall make an offer of Rescission to the following persons designated in Exhibit A to this Consent Order in the following manner:
  - a. Within ten days of the entry of the Consent Order the Respondent shall submit a proposed offer of rescission in the format as outlined in Exhibit B of the Consent Order to the Illinois Securities Department.
  - b. If the proposed offer of rescission is found to be not objectionable by the Department then the Respondent shall send the offer by certified mail within fifteen days of receiving notice from the Department to all persons identified in Exhibit A. If the proposed offer is found to be objectionable the Department will so indicate to the Respondent and will detail what changes or additions need to be made to the proposed offer. The Respondent will have ten business days from the date it is given notice from the Department to submit a new/revised proposed offer to the Department for consideration.
  - c. The Respondent shall tender payment by check to each investor who chooses to accept rescission within five business days of receiving a complete and valid acceptance of a rescission offer.

Consent Order

-5-

- d. Within sixty days of the date that the offer of rescission is sent the Respondent shall submit to the Department an affidavit certifying as true copies documents submitted and setting forth the following: That the offer of rescission was sent out by certified mail to all persons identified in Exhibit A of the Consent Order, that all persons who accepted rescission were paid by the Respondent and that all of the terms of the rescission offer were completed by the Respondent. The affidavit shall also have attached to it copies of all responses received by the Respondent in reply to the offer of rescission, and copies of any checks sent out; and
4. The formal hearing scheduled on this matter is hereby dismissed without further proceeding.

ENTERED: This *22nd* day of *February*, 2005.

  
\_\_\_\_\_  
JESSE WHITE  
Secretary of State  
State of Illinois

NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

Attorney for the Secretary of State:  
David Finnigan  
Illinois Securities Department  
300 W. Jefferson St., Suite 300A  
Springfield, Illinois 62702  
Telephone: (217) 785-4947