

IN THE MATTER OF: THE STONEHEDGE GROUP,)
INC., its officers, agents, affiliates, employees,) Case No. 0200136
successors and assigns; and JOSEPH CUCINELLO)

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State (the "Department"), herein find:

1. The Stonehedge Group, Inc. ("Stonehedge" or collectively with Cucinello, "Respondents"), a New York corporation, maintained a place of business at 20 Exchange Place, 35th Floor, New York, New York 10005.
2. Joseph Cucinello ("Cucinello" or collectively with Stonehedge "Respondents"), is an individual with a last known address of 4939 Augusta Avenue, Oldsmar, Florida 33759-6332. Cucinello is the President of Stonehedge.

3. In or about 1999, Respondents offered through their Illinois agent salesperson (the "Agent") to more than one Illinois Resident ("Investor(s)") an investment opportunity in Stonehedge. Respondents provided the Investor(s) an informational packet ("Informational Packet") soliciting the investment in Stonehedge.
4. The Informational Packet contains an offering memorandum ("Offering"), a subscription agreement ("Agreement") and a summary of the company;
 - a. The Offering states that Stonehedge is "offering \$2,000,000 of preferred stock (the "Preferred Stock") of \$1,000 Each with a minimum purchase of \$5,000.
 - b. The Offering states that "the Preferred Stock will pay a 10% annum non-cumulative calendar quarterly dividend to the investor."
 - c. The Agreement states that Stonehedge will "use its funds to provide bridge loans or mezzanine financing to companies on the verge of making a public stock offering, or other equity interests, notes of various types, and other business opportunities that may present themselves, or joint ventures with already existing businesses."
5. From about August, 1999 to November 1999, Investor(s) gave the Agent checks made payable to Stonehedge for investment in Stonehedge.
6. The activities described above constitute the offer and sale of stock or investment contracts and therefore securities as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Act.
7. Section 5 of the Act provides, inter alia, that all securities except those exempt under Section 3 of the Act, or offered or sold in transactions exempt under Section 4 of the Act, shall be registered with the Secretary of State by filing the proper application prior to their offer or sale in the State of Illinois.
8. Respondents failed to file with the Secretary of State an application for registration of the security described above as required by the Act and that as a result the securities were not registered pursuant to Section 5 of the Act prior to their offer and sale in the State of Illinois.

9. 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 any security except in accordance with the provisions of the Act.
10. 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 required application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
11. By virtue of the foregoing, Respondents have violated Sections 12.A and 12.D of the Act.
12. Section 11.F(2) of the Act provides, inter alia, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
13. The entry of this Temporary Order prohibiting Respondents, or its agents, affiliates, and employees, from offering or selling securities in or from the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents are prohibited from offering or selling securities in or from this State until further Order of the Secretary of State.

NOTICE is hereby given that Respondent may request a hearing on this matter by transmitting such request in writing to Tanya Solov, Director, Illinois Securities Department, 17 N. State Street, Suite 1266, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

ENTERED: This 13th day of May, 2004.

A handwritten signature in black ink, appearing to read "Jesse White", written over a horizontal line.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

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