

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: CUNNINGHAM HYATT MERGERS AND
ACQUISITIONS, LLP, its partners, managers, officers
and directors, agents, employees, affiliates, successors and assigns.

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) File No. 0800297
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ORDER OF PROHIBITION

TO RESPONDENT: Cunningham Hyatt Mergers and Acquisitions, LLP
70 West Madison Street
Three First National Plaza
Chicago, Illinois 60602

WHEREAS, a Temporary Order of Prohibition was issued by the Secretary of State on October 2, 2008 which prohibited Cunningham Hyatt Mergers and Acquisitions, LLP, its partners, officers and directors, agents, employees, affiliates, successors and assigns ("Respondents") from offering or selling securities in or from the State of Illinois until further order of the Secretary of State or his duly authorized representative;

WHEREAS, pursuant to section 11.F of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"), the failure to request a hearing within thirty (30) calendar days of the entry of the Temporary Order shall constitute an admission of any acts alleged therein and constitute a sufficient basis to make the Temporary Order final;

WHEREAS, the Respondents have failed to request a hearing on the matters contained in the Temporary Order within thirty (30) calendar days of the entry of said Temporary Order and the Respondents are hereby deemed to have admitted the facts alleged in the Temporary Order;

WHEREAS, the Secretary of State, by and through his duly authorized representative, has adopted the Findings of Fact contained in the Temporary Order as the Secretary of State's Findings of Fact as follows:

1. That Cunningham and Hyatt Mergers and Acquisitions, LLP ("Respondent") is a company doing business, or claiming to be doing business, in the State of Illinois, with a last known address of 70 West Madison Street, Chicago, Illinois 60602.
2. That Respondent has advertised on its website that it is "specializing in all aspects of the confidential sale, merger, acquisition, and valuation of privately held small and mid-market companies" and that it "provides rapid and targeted introductions of appropriate buyers and sellers..."
3. That Respondent's website advertised it as being located at "70 West Madison Street, Three First National Plaza, Chicago, Illinois 60602".
4. That Respondent, while holding itself out as a Chicago investment advising enterprise, contacted at least one shareholder in an unidentified company ("Investor") and offered to negotiate a purchase of the stock, and recommended that the Investor place \$25,000 with Respondent in order to "redeem the warrants" prior to consummating the transaction.

UNREGISTERED SECURITIES

5. That the activities set forth above in paragraphs 2-4 constitute the activity of engaging in the business of providing investment advice in the State of Illinois within the meaning of Section 2.11, 2.12b, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5](the "Act").
6. That Respondent is not and never has been registered as an investment advisor or investment advisor representative in the State of Illinois.
7. That Section 8.A of the Act provides, *inter alia*, that except as otherwise provided in this subsection A, every investment adviser and investment adviser representative shall be registered as such with the Secretary of State.
8. That Section 12.D of the Act provides, *inter alia*, it shall be a violation of the provisions of this Act for any person to fail to file any application, report or document required to be filed under the provisions of this Act or any rule or regulation made by the Secretary of State pursuant to this Act.
9. That by virtue of offering its services as investment advisors in the State of Illinois without registration, Respondent Cunningham Hyatt Mergers and Acquisitions, LLP violated Sections 8.A and 12.D of the Act.

FRAUD

10. Respondent did not negotiate the purchase of Investor's stock as promised, but instead terminated all communication with the Investor, defrauded the Investor and converted the Investor's \$25,000 to its own use and purposes

11. Respondent failed and refused to notify the Investor that it was converting the \$25,000 to its own use and benefit, instead of using it for business purposes to effect the sale of Investor's stock.
12. Section 12.F of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof".
13. Section 12.G of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading".
14. Section 12.I of the Act provides, *inter alia*, that it shall be a violation of the Act for any person, "to employ any device, scheme or artifice, to defraud in connection with the sale or purchase of any security, directly or indirectly".
15. By virtue of the foregoing, Respondent violated Sections 12.F, 12.G and 12.I of the Act and will violate them again if it makes further offers to negotiate securities sales or if it makes, or offers to make, any sales of any securities described above in the State of Illinois.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondent **Cunningham Hyatt Mergers and Acquisitions, LLC** and its partners, officers and directors, agents, employees, affiliates, successors and assigns, are **PROHIBITED** from rendering investment advice and from offering or selling securities in or from this State.

Order of Prohibition

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NOTICE: Failure to comply with the terms of this Order shall be a violation of Section 12.D of the ACT. Any person or entity that 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 for each offence.

This is a final order subject to administrative review pursuant to the Administrative Review Law [735 ILCS 5/3-101 *et seq.*] and the Rules and Regulations of the Act (14 Ill. Admin. Code, Ch. 1 Sec. 130.1123). Any action for judicial review must be commenced within thirty-five (35) days from the date a copy of this Order is served upon the party seeking review.

Dated: This 5th day of November 2008.

A handwritten signature in black ink that reads "Jesse White" with a stylized flourish at the end.

JESSE WHITE
Secretary of State
State of Illinois

James J. Tierney
Illinois Securities Department
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