

## SECURITIES AND EXCHANGE COMMISSION

Self-Regulatory Organizations; Order Granting Application to Strike from Listing and Registration on the American Stock Exchange LLC (CNE Group, Inc., Common Stock, \$.00001 par value) File No. 1-09224

September 23, 2005

On September 14, 2005, the American Stock Exchange LLC ("Amex" or "Exchange") filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 12d2-2(c) thereunder,<sup>2</sup> to strike the common stock, \$.00001 par value ("Security"), of CNE Group, Inc. ("Company") from listing and registration on Amex.

Amex listing standards provide, among other things, that Amex may consider removing the security of an issuer from listing and registration when: (i) the financial condition and/or operating results of the issuer appear to be unsatisfactory; (ii) the issuer has failed to comply with its listing agreements with the Exchange; or (iii) any other event shall occur or any condition shall exist which makes further dealings on the Exchange unwarranted.

In applying these standards, Amex considers delisting the securities of a company that: (i) has shareholders' equity of less than \$6,000,000 if the company has reported losses from continuing operations and/or net losses in five of its most recent fiscal years (Section 1003(a)(iii) of the Amex Company Guide ("Company Guide")); and (ii) is financially impaired (Section 1003(a)(iv) of the Company Guide).

Amex stated in its application filed with the Commission that the Security no longer qualifies for continued listing and registration, listing the following reasons:

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<sup>1</sup> 15 U.S.C. 78l(d).

<sup>2</sup> 17 CFR 240.12d2-2(c).

1. The Company has incurred net losses and losses from continuing operations as follows:

<u>Fiscal years ended</u>	<u>Net Income (loss)</u>	<u>Loss from continuing operations</u>
December 31, 2004	(\$2,333,695)	(\$2,333,695)
December 31, 2003	(\$1,119,321)	(\$1,702,955)
December 31, 2002	(\$1,597,438)	(\$2,115,446)
December 31, 2001	(\$2,785,607)	(\$2,697,857)
December 31, 2000	(\$6,152,610)	(\$5,186,198)

2. For the six-month period ended June 30, 2005, the Company reported additional losses of \$257,676, shareholders' equity of \$5,661,010, a working capital deficit of \$3,271,137, tangible assets of \$937,468, and an accumulated deficit of \$21,709,331.

By letter dated May 5, 2005, in accordance with Section 1009 of the Company Guide, Amex advised the Company of its status in relation to the standards of the Exchange and offered the Company an opportunity to submit a business plan in support of continued listing. The Exchange's letter advised the Company that it would need to regain compliance with the Exchange's continued listing standards by November 5, 2005. The Company submitted its plan by letter dated June 8, 2005.

The Exchange determined that the Company's plan did not make a reasonable demonstration of its ability to regain compliance with the Exchange's continued listing standards and did not accept the plan. Therefore, in accordance with Sections 1009 of the Company Guide, the Exchange determined that the Security did not qualify for continued listing. This determination, along with the Company's right to appeal, was communicated to the Company by letter dated June 13, 2005.

By correspondence dated June 21, 2005 the Company appealed the Exchange's determination and requested an oral hearing. On August 8, 2005, the Exchange's Listing Qualifications Panel ("Panel") conducted an oral hearing. By letter dated August 16, 2005, the Exchange notified the Company of the Panel's decision to deny the Company's appeal for

continued listing of the Security on the Exchange and to authorize delisting proceedings. The letter also informed the Company of its right to request within 15 days, in accordance with Section 1205 of the Company Guide, that the Exchange's Committee on Securities ("Committee") review the Panel's decision. The Company did not request that the Committee review the Panel's decision.

The Commission, having considered the facts stated in Amex's application and having due regard for the public interest and protection of investors, orders that the application be, and it hereby is, granted, effective at the opening of business on September 26, 2005.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>3</sup>

Jonathan G. Katz  
Secretary

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<sup>3</sup> 17 CFR 200.30-3(a)(1).