

BEFORE THE ARKANSAS SECURITIES COMMISSIONER
CASE NO. S-18-0075
ORDER NO. S-18-0075-18-OR01

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ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

WINDSOR STREET CAPITAL, LP

RESPONDENT

SUMMARY ORDER CANCELING REGISTRATION

This Summary Order (“Order”) is entered pursuant to the Arkansas Securities Act (“Act”), codified at Ark. Code Ann. §§ 23-42-101 through 23-42-509, the Rules of the Arkansas Securities Commissioner (“Rules”) promulgated pursuant to the Act, and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-15-201 through 25-15-219.

FINDINGS OF FACT

1. Windsor Street Capital, LP (“WSC”), CRD No. 34171, is an entity registered with the Arkansas Securities Department (“Department”) as a broker-dealer firm. WSC’s principal place of business is located at 45 Broadway, 2nd Floor, New York, NY 10006. WSC was initially registered with the Department as a broker-dealer firm on September 27, 1994.

2. The Securities and Exchange Commission (“SEC”) is an agency of the United States federal government responsible for enforcing the federal securities laws. On July 28, 2017, WSC was statutorily disqualified by the Order Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Disqualifying Order”) entered against WSC by the SEC.

3. The Financial Industry Regulatory Authority (“FINRA”) is the federal self-regulatory organization for securities firms. On September 7, 2017, WSC filed a membership continuance application with FINRA requesting that FINRA permit it to continue its FINRA membership notwithstanding that it was subject to a statutory disqualification as a result of the SEC’s Disqualifying Order. In accordance with FINRA By-Laws Article III, Section 3(a), (d), a firm subject to a statutory disqualification cannot remain a FINRA member firm unless it applies for, and is granted, in FINRA’s discretion, relief from the disqualification.

4. On February 28, 2018, FINRA held a hearing on WSC’s application. On May 14, 2018, FINRA issued an order denying WSC’s application.

5. On May 17, 2018, WSC filed an application for review challenging FINRA’s decision and moved to stay FINRA’s decision for 45 days from the date of entry. On May 18, 2018, FINRA opposed WSC’s stay motion on the ground that it had failed to meet the high bar for receiving a stay. WSC subsequently filed a motion to stay FINRA’s decision with the SEC and FINRA determined to reinstate the firm’s registration with FINRA pending the SEC’s decision on the motion to stay FINRA’s decision. On May 29, 2018, the SEC denied WSC’s motion to stay and FINRA expelled WSC upon receiving that decision.

APPLICABLE LAW

6. Ark. Code Ann. § 23-42-308(d)(2) states that the Commissioner may by summary order cancel a registration if he finds that any registrant has ceased to do business as a broker-dealer, agent, investment adviser, or representative.

7. Rule 607.01(c) of the Rules states that if the Commissioner summarily cancels a registration, the registrant shall be promptly served with a copy of the pleading or order. An

affected registrant may request a hearing on the matter by making a written request to the Commissioner within thirty (30) days of receipt of a summary order. A requested hearing shall be held within fifteen (15) days of receipt of a written request, but if no hearing is requested and none is ordered by the Commissioner, the order will remain in effect as a final order.

CONCLUSIONS OF LAW

8. The entry of this Order by the Commissioner is appropriate pursuant to Ark. Code Ann. § 23-42-308(d)(2). FINRA expelled WSC as a result of the SEC's Disqualifying Order. Therefore, WSC has ceased to do business as a broker-dealer firm and its registration should be canceled by the Commissioner.

IT IS THEREFORE SUMMARILY ORDERED that the registration of WSC with the Department is hereby canceled as of the date of this Order. A hearing on this Order shall be held if requested by WSC pursuant to Rule 607.01(c) of the Rules. Such a request should be addressed to the Commissioner and submitted to the following address: Arkansas Securities Commissioner, 201 East Markham, Suite 300, Little Rock, Arkansas 72201. If no hearing is requested, this Order shall remain in effect as a final order.

WITNESS MY HAND AND SEAL this the 6th day of July, 2018.



B. Edmond Waters
Arkansas Securities Commissioner