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BEFORE THE ARKANSAS SECURITIES COMMISSIONER

CASE NO. S-17-0019

ORDER NO. S-17-0019-17-OR01

17 MAR -3 AM 10:36

ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:
EUROPEAN HEDGE FUND LLC

RESPONDENT

CONSENT ORDER

This Consent Order is entered pursuant to the Arkansas Securities Act, codified at Ark. Code Ann. §§ 23-42-101 through 23-42-509 (“Act”), the Rules of the Arkansas Securities Commissioner (“Rules”) promulgated under the Act and the Arkansas Administrative Procedures Act, codified at Ark. Code Ann. §§ 25-16-201 through 25-16-303 in accordance with an agreement by and between the Staff of the Arkansas Securities Department (“Staff”), the BNY Mellon Investment Servicing (US) Inc. (“BNY Mellon”), the Filing Agent for the European Hedge Fund LLC (“European Hedge Fund”), and the European Hedge Fund in full and final settlement of all claims that could be brought against the BNY Mellon, the Filing Agent for the European Hedge Fund, and/or the European Hedge Fund by the Staff on the basis of the facts set forth herein. The BNY Mellon, the Filing Agent for the European Hedge Fund, and the European Hedge Fund admit the jurisdiction of the Act and the Arkansas Securities Commissioner (“Commissioner”), admit the findings of fact, waive their right to a formal hearing, consent to the entry of this order, and agree to abide by its terms.

FINDINGS OF FACT

1. On or about September 30, 2016, agents or employees of the European Hedge Fund sold securities issued by the European Hedge Fund to one Arkansas resident. On January 13, 2017, the BNY Mellon, the Filing Agent for the Filing Agent for the European Hedge Fund, filed a Notice of Sale of Securities on United States Securities and Exchange Commission (“SEC”) Form

D with the Arkansas Securities Department (“Department”) for the European Hedge Fund securities offering.

2. The BNY Mellon, the Filing Agent for the European Hedge Fund, fully cooperated with the Staff during the Staff’s investigation of this matter.

APPLICABLE LAW

3. Ark. Code Ann. § 23-42-509(c)(1) and Rule 509.01(b)(2) state that with respect to any security that is a covered security under Section 18(b)(4)(F) of the Securities Act of 1933, the Commissioner, by rule or order, may require the issuer to file a notice on SEC Form D and a consent to service of process signed by the issuer no later than fifteen (15) days after the first sale of such covered security in this state.

CONCLUSIONS OF LAW

4. The Notice of Sale of Securities on SEC Form D filed by the BNY Mellon, the filing agent for the European Hedge Fund, with the Department over three months after the first sale of securities to one Arkansas resident, as detailed in paragraph one, was a violation of Ark. Code Ann. § 23-42-509(c)(1) and Rule 509.01(b)(2) of the Rules.

5. This Consent Order is not intended to indicate that the BNY Mellon, the filing agent for the European Hedge Fund, or the European Hedge Fund should be subject to any statutory disqualification set forth in (a) the federal securities laws or regulations promulgated thereunder, (b) the rules and regulations of any self-regulatory organizations, or (c) various states’ securities laws, including any disqualifications from relying upon exemptions from registration or associated safe harbor provisions. The Staff and the Commissioner confirm that disqualification under 17 C.F.R. Section 230.506(d)(1)(iii)(B) should not arise as a consequence of this Consent Order.

UNDERTAKING

In settlement of this matter the BNY Mellon, the filing agent for the European Hedge Fund, agrees to pay a fine in the amount of \$1,000.00.

ORDER

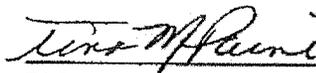
IT IS THEREFORE ORDERED that the BNY Mellon, the Filing Agent for the European Hedge Fund, pay a fine in the amount of \$1,000.00 to the Department within 10 days of the entry of this order.



B. Edmond Waters
Arkansas Securities Commissioner

3-3-17
Date

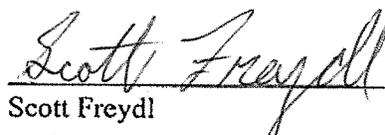
APPROVED AS TO FORM
AND CONTENT:


BNY Mellon Investment Servicing (US) Inc.
("BNY Mellon") the Filing Agent for
the European Hedge Fund

2/24/17
Date


Charles C.S. Park / Managing Director

2/28/2017
Date


Scott Freydl
Staff Attorney

3/3/17
Date