

STATE OF OHIO
DEPARTMENT OF COMMERCE
DIVISION OF SECURITIES
COLUMBUS, OHIO 43215

Order No. 11-009

IN THE MATTER OF: **MIDSOUTH CAPITAL, INC.**
 CRD NO. 35039

NOTICE OF OPPORTUNITY FOR HEARING

DIVISION ORDER

WHEREAS, the Ohio Division of Securities (hereinafter "Division") is charged with the responsibility for protecting investors and finds that this Order is necessary or appropriate in the public interest or for the protection of investors, and is consistent with the purposes fairly intended by the Ohio Securities Act, Revised Code Chapter 1707;

WHEREAS, on or about January 4, 2011, Midsouth Capital, Inc. (hereinafter "Applicant"), through the Central Registration Depository of the Financial Industry Regulatory Authority (hereinafter "FINRA"), made application to the Division for licensing as a dealer of securities;

WHEREAS, the Division has conducted a review of the application of Applicant, whose address is 1050 Crown Pointe Parkway, Suite 200, Atlanta, GA 30338, CRD No. 35039 for a license as a dealer of securities issued by the Division, and as a result of that review, the Division alleges as follows:

- (1) On or about December 10, 1993, a South Carolina corporation was formed under the name of Applicant. Applicant has maintained a business address at 1050 Crown Point Parkway, Suite 200, Atlanta, GA 30338; and
- (2) Applicant is not now and has not been licensed since December 31, 2010 as a securities dealer in Ohio under the authority of the Ohio Securities Act, Chapter 1707 of the Revised Code; and
- (3) On or about January 4, 2011, Applicant submitted information to the Division through the Central Registration Depository of the FINRA to initiate an application for licensing as an Ohio securities dealer in accordance with R.C.1707.15 and O.A.C. 1301:6-3-15; and
- (4) On or about January 24, 2011, the Division received notification from Applicant that it had operated in Ohio as a securities dealer between the dates of approximately January 4, 2011 through January 24, 2011, and that approximately five (5) securities transactions had been effected during that Period; and

- (5) Applicant is a "dealer" as that term is defined in R.C. 1707.01(E)(1); and
- (6) R.C. 1707.14 provides, in pertinent part at paragraph (1) of division (A) of that section: "No person shall act as a dealer, unless the person is licensed as a dealer by the division of securities;" and
- (7) R.C. 1707.44(A)(1) provides that "no person shall engage in any act or practice that violates division (A), (B), or (C) of section 1707.14 of the Revised Code, and no salesperson shall sell securities in this state without being licensed pursuant to section 1707.16 of the Revised Code;" and
- (8) At the time Applicant made the sales described in Paragraph (4), Applicant was not licensed by the Division as a "Dealer," and therefore, violated R.C. 1707.44(A)(1).

WHEREAS, based on the foregoing, the Division alleges that Applicant has violated R.C. 1707.44(A)(1);

THEREFORE, IT IS ORDERED THAT, pursuant to R.C. Chapter 119, Applicant is hereby notified that thirty (30) days from the date of mailing of this Notice, the Division, pursuant to R.C. 1707.23(H), intends to issue an Order to Cease and Desist from the acts and practices described above which constitute a violation of R.C. Chapter 1707;

FURTHER, IT IS ORDERED THAT, pursuant to Revised Code Chapter 119, Applicant is hereby notified that Applicant is entitled to an adjudicative hearing. If Applicant wishes to request such hearing, the request must be made in writing and must be received in the offices of the Division within thirty (30) days from the date of mailing of this Notice. At the hearing, Applicant and the Division may appear in person, by their attorneys, or together with their attorneys, or they may present their position, arguments, or contentions in writing, and that at the hearing they may present evidence and examine witnesses appearing for and against them.

FURTHER, IT IS ORDERED THAT, if no hearing is timely requested, an Order to Cease and Desist may be issued.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THIS DIVISION,
at Columbus, Ohio this 9th day of February, 2011.



Andres L. Seidt, Commissioner of Securities