

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 105364 / May 4, 2026**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-22635**

**In the Matter of**

**MCB Acquisitions Manager  
LLC**

**Respondent.**

**ORDER INSTITUTING CEASE-AND-  
DESIST PROCEEDINGS PURSUANT TO  
SECTION 21C OF THE SECURITIES  
EXCHANGE ACT OF 1934, MAKING  
FINDINGS, AND IMPOSING A CEASE-  
AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against MCB Acquisitions Manager LLC (“MCB” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over it and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds<sup>1</sup> that:

#### **Summary**

1. These proceedings arise out of violations of the beneficial ownership reporting requirements of the federal securities laws. Section 13(d) of the Exchange Act and Rule 13d-1 thereunder require that any person who acquires beneficial ownership of more than five percent of certain equity securities file a statement with the Commission disclosing certain information. Section 13(d) is a regulatory provision that allows shareholders and potential investors to evaluate substantial shareholdings and its implications for their own investment in the class of securities. Beneficial owners can comply with this requirement by filing a Schedule 13D or Schedule 13G with the Commission after the date they acquired the requisite beneficial ownership.

2. In January 2024, MCB began purchasing shares of Whitestone REIT ("Whitestone") while considering a variety of options for its investment, and by mid-April 2024, MCB had acquired a control purpose by virtue of its plan to take Whitestone private. As of May 7, 2024, MCB's holdings of Whitestone's common stock exceeded five percent of the shares outstanding, triggering an obligation for MCB to file a Schedule 13D by May 14, 2024. MCB failed to make the required filing until June 3, 2024, and between May 14 and June 3, MCB purchased almost 1.5 million shares of Whitestone, or 3% of the shares outstanding, increasing its position from approximately 6.4% to 9.4% without making disclosures required under Section 13(d).

#### **Respondent**

3. MCB is a Maryland limited liability company headquartered in Baltimore, Maryland. MCB is the manager of MCB PR Capital LLC, an entity created by MCB Real Estate LLC to effectuate a potential transaction between MCB and Whitestone.

#### **Issuer**

4. Whitestone is incorporated in Maryland with its principal place of business in Houston, Texas. Whitestone is engaged in owning and operating commercial properties. Whitestone's common stock is registered under Section 12(b) of the Exchange Act and trades on New York Stock Exchange. Whitestone is required to file periodic reports, including Forms 10-K and 10-Q, with the Commission pursuant to Section 13(a) of the Exchange Act and related rules thereunder.

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<sup>1</sup> The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

## Legal Framework

5. Section 13(d)(1) of the Exchange Act and Rule 13d-1(a) thereunder together require any person who has directly or indirectly acquired beneficial ownership of more than five percent of any voting class of equity security registered under Section 12 of the Exchange Act to file a statement with the Commission disclosing certain information. Individuals or entities can comply with this requirement by filing a Schedule 13D with the Commission within five business days after the date on which they acquired the requisite beneficial ownership. In lieu of filing a Schedule 13D, under Rule 13d-1(c), certain persons may instead file a Schedule 13G if the person certifies that the securities were not acquired “with the purpose [or] effect of changing or influencing the control of the issuer.”

6. Schedule 13D requires disclosure of, among other things: (1) the identity of the acquirer, including beneficial owners; (2) the aggregate amount beneficially owned by each reporting person and the percent of class represented by such amount; and (3) a description, in Item 4, of the purpose(s) of the acquisition, including any “plans or proposals” concerning “any change in the present board of directors or management of the issuer.” A duty to file under Section 13(d) and Rule 13d-1 creates the duty to make truthful and complete disclosures. *SEC v. Savoy Indus.*, 587 F.2d 1149, 1165 (D.C. Cir. 1978), *cert. denied*, 440 U.S. 913 (1979).

7. Scienter is not required to establish a violation of Section 13(d). *Savoy*, 587 F.2d at 1167; *SEC v. Levy*, 706 F.Supp. 61, 69 (D.D.C. 1989). The failure to file a timely report, even if inadvertent, constitutes a violation. *Cf. Oppenheimer & Co. Inc.*, 47 S.E.C. 286, 1980 WL 26901, at \*1-2 (May 19, 1980) (Commission opinion); *Herbert Moskowitz*, 77 SEC Docket 446, 2002 WL 434524, at \*7 (Mar. 21, 2002) (Commission opinion) (“evidence of both motive for non-disclosure and actual market impact ... is irrelevant” to whether violations of Section 13(d) and Rules 13d-1 and 13d-2 have occurred).

### MCB’s Whitestone Stock Purchases and Beneficial Ownership Filings

8. In December 2023, Respondent began exploring the possibility of investing in Whitestone. During this time, Respondent was considering a variety of options for its investment in Whitestone, including a potential take-private transaction. At this time, Respondent had not solidified a specific plan for its investment in Whitestone.

9. Respondent began purchasing shares of Whitestone in January 2024. At the same time, Respondent conducted further due diligence on its investment in Whitestone, including by reaching out to potential partners and inspecting Whitestone’s properties in person. On February 5, 2024, Respondent’s position in Whitestone’s common stock exceeded five percent of outstanding shares in the company. Respondent subsequently filed a Schedule 13G on February 7, 2024, certifying that the securities “were not acquired and are not held for the “purpose, or with the effect, of changing or influencing the control of the Issuer[.]”

10. Respondent continued to consider its options for its investments in Whitestone, including a potential take-private transaction between February and March 2024. During this time,

Respondent met with Whitestone management and began preliminary discussions with an investment bank.

11. In late March 2024, Respondent sold a small portion of its Whitestone position, with the intent of going below the five percent reporting threshold so that it could have discussions with Whitestone about a potential transaction without triggering additional filing requirements, and on April 2, 2024, Respondent amended its Schedule 13G to disclose that it held less than five percent of Whitestone's outstanding shares.

12. While holding less than five percent of Whitestone shares, Respondent solidified its plans to take Whitestone private. Respondent met with Whitestone management in New York to gauge Whitestone's interest in any potential take-private deal, and while no formal transaction discussions occurred, Respondent concluded that Whitestone management was then not interested in participating in any take private transaction. On April 12, 2024, a managing member of Respondent circulated an internal email discussing how Respondent would work with current Whitestone management to take Whitestone private. That same day, Respondent circulated a privatization analysis for the proposed transaction detailing a potential purchase price and potential returns. On April 15, 2024, Respondent MCB began drafting an offer letter to acquire Whitestone.

13. By no later than April 15, 2024, Respondent had a control purpose with respect to its Whitestone position.

14. On May 7, 2024, Respondent resumed purchasing shares of Whitestone and once again crossed the five percent threshold and was therefore required to file a Schedule 13D within five business days—*i.e.*, no later than May 14, 2024. Respondent failed to file the required Schedule 13D timely and after May 14, 2024, it continued to purchase shares of Whitestone, acquiring an additional almost 1.5 million shares, or 3% of the public float. This increased Respondent's Whitestone stock position from approximately 6.4% to nearly 9.4%. During this time, Respondent continued to finalize the required financing to complete the take-private transaction, which it received on June 3.

15. Respondent filed its Schedule 13D on June 3, 2024, 17 business days after the date it acquired more than five percent of Whitestone common stock. Despite having incurred a filing obligation on May 7, 2024, when Respondent crossed the five percent threshold, the Schedule 13D stated on its cover page that June 3, the date Respondent finalized all necessary steps to make the offer to acquire all outstanding shares of Whitestone, was the date of event that required the filing of the statement. In the Schedule 13D, Respondent also disclosed its 9.4% position in Whitestone stock and publicly announced, for the first time, its proposal to acquire all of Whitestone's outstanding common stock for \$14 per share. Based on the market reaction to the disclosure of Respondent's offer, there is no indication that Respondent received a pecuniary benefit by delaying its filing.

## Violations

16. As a result of the conduct described above, Respondent violated Section 13(d)(1) of the Exchange Act and Rule 13d-1(a) thereunder.

### IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondent MCB Acquisitions Manager LLC cease and desist from committing or causing any violations and any future violations of Section 13(d)(1) of the Exchange Act and Rule 13d-1 thereunder.

B. Respondent shall, within 14 days of entry of this Order, pay a civil money penalty in the amount of \$75,000 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment is not made, additional interest shall accrue pursuant to 31 U.S.C. §3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying MCB Acquisitions Manager LLC as Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to D. Mark Cave, Associate Director, Division of Enforcement, Securities and Exchange Commission, 100 F St., NE, Washington, DC 20549.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, it

shall not argue that it is entitled to, nor shall it benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that it shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

By the Commission.

Vanessa A. Countryman  
Secretary