

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 98669 / September 29, 2023

INVESTMENT ADVISERS ACT OF 1940
Release No. 6453 / September 29, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-21778

In the Matter of

DOUGLAS MACWRIGHT,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Douglas MacWright (“MacWright” 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 him and the subject matter of these proceedings and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment

Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that

1. MacWright, age 67, resides in Short Hills, New Jersey. From 1996 until September 2023, MacWright was an investment adviser representative and owner of Highlander Capital Management, LLC (“HCM”), an investment adviser registered with the Commission. From 1990 until September 2023, he was also a registered representative and owner of HCM’s affiliated broker-dealer that is registered with the Commission.

2. On September 27, 2023, a final judgment was entered by consent against MacWright, permanently enjoining him from future violations of Section 10(b) of the Exchange Act and Rules 10b-5(a) and (c) thereunder, and Sections 206(1) and 206(2) of the Advisers Act, and from aiding and abetting future violations of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder in the civil action entitled *Securities and Exchange Commission v. Douglas Alan MacWright, et al.* Civil Action Number 23-cv-20609, in the United States District Court for the District of New Jersey.

3. According to the Commission’s complaint, from at least April 22, 2015 through June 30, 2022, MacWright engaged in a fraudulent “cherry-picking” scheme by which he disproportionately allocated profitable first-day trades from an average price account to the account of a private entity that is owned by MacWright, his relatives, and other entities that he owns or controls and disproportionately allocated unprofitable trades from an average price account to client accounts at HCM and an affiliated broker, thereby harming his advisory clients. The complaint alleges that MacWright received ill-gotten gains of over \$1.1 million as a result of this scheme. According to the complaint, MacWright also aided and abetted HCM’s failure to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent MacWright’s Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent MacWright be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent MacWright be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder,

consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman
Secretary