

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 74811 / April 24, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16512

In the Matter of

Frank Perkins Hixon, Jr.,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
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”) against Frank Perkins Hixon, Jr. (“Hixon” 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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Sections III.2. and III.4. below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, 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. Hixon, 56 years old, is a resident of New York, NY. During the relevant period, Hixon worked as an investment banker specializing in the mining, metals, and materials industries. From October 1985 through February 2014, Hixon was also a registered representative associated with broker-dealers registered with the Commission.

2. On April 20, 2015, a judgment was entered by consent against Hixon, permanently enjoining him from future violations of Sections 10(b) and 14(e) of the Exchange Act and Rules 10b-5, 14e-3(a), and 14e-3(d) thereunder in the civil action entitled Securities and Exchange Commission v. Frank Perkins Hixon Jr, et al., Civil Action Number 14-cv-0158, in the United States District Court for the Western District of Texas.

3. The Commission's complaint alleged that, in his capacity as an investment banker, Hixon learned material information about companies prior to that information becoming public, including information related to tender offers. After obtaining this material, non-public information, Hixon made, or caused others to make, timely trades in those companies.

4. On April 2, 2014, Hixon pleaded guilty to three counts of securities fraud [18 U.S.C. § 2; 15 U.S.C. §§ 78j(b), 78ff; 17 C.F.R. §§ 240.10b-5, 240.10b5-2], two counts of securities fraud in connection with a tender offer [18 U.S.C. § 2; 15 U.S.C. §§ 78n(e), 78ff; 17 C.F.R. §§ 240.14e-3(a), 240.14e-3(d)], and one count of making a false statement to federal agents [18 U.S.C. § 1001] in *United States v. Frank Perkins Hixon, Jr.*, No. 14-CR-227 (S.D.N.Y.). On August 1, 2014, a judgment in the criminal case was entered against Hixon. He was sentenced to a prison term of 30 months followed by three years of supervised release, fined \$100,000, ordered to pay criminal forfeiture of \$710,000, and ordered to make restitution of \$1,204,777.80 to his former employer. Hixon has paid these amounts in full.

5. The counts of the criminal information to which Hixon pleaded guilty alleged, *inter alia*, that Hixon (a) used material, non-public information, including information related to tender offers, to trade or cause others to trade in securities; and (b) made false statements to FBI agents during the course of the investigation into his insider trading.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Hixon 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 Hixon 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, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) 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 (d) 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.

Brent J. Fields
Secretary