

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 86075 / June 10, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19197

In the Matter of

ANDY ALTAHAWI,

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 Andy Althawi (“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, Making Findings, And Imposing Remedial Sanctions (“Order”), as set forth below.

III.

1. Andy Althawi (“Althawi”) is a resident of Sunny Isles Beach, Florida. Althawi was associated with numerous registered broker-dealers since 1994, including during the period July 27, 2017 through December 1, 2017. On January 11, 2018, Althawi submitted an application to register an entity owned and controlled by him as a broker-dealer. He withdrew the application on May 14, 2018.

2. On June 7, 2019, a final judgment was entered by consent against Altahawi, permanently enjoining him from future violations, or knowingly providing substantial assistance to future violations, of (i) Section 5 of the Securities Act of 1933 [15 U.S.C. § 77e]; (ii) Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)]; and (iii) Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder [15 U.S.C. § 78j(b); 17 C.F.R. § 240.10b-5], in the civil action entitled SEC v. Longfin Corp., et al., No. 1:18-cv-02977 (DLC) in the United States District Court for the Southern District of New York.

3. The Commission's complaint alleges that Altahawi, in unregistered transactions, sold shares of Longfin Corp., shares of which were traded on the Nasdaq Stock Market ("Nasdaq"), in violation of Section 5 and that no exemption from registration applied to these sales. The complaint further alleges that Altahawi and others, in violation of Section 17(a) and Section 10(b) and Rule 10b-5, engaged in a fraudulent scheme to list Longfin's securities on the Nasdaq.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent Altahawi 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, with the right to reapply for reentry after five years to the appropriate self-regulatory organization, or if there is none, to the Commission.

Any reapplication for association by 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 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.

Vanessa A. Countryman
Acting Secretary