

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 86483 / July 26, 2019

INVESTMENT ADVISERS ACT OF 1940
Release No. 5308 / July 26, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19281

In the Matter of

**WILLIAM HARPER MINOR,
JR.,**

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
AND NOTICE OF HEARING**

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 William Harper Minor, Jr. (“Respondent” or “Minor”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Minor, age 70, formerly a resident of Yulee, Florida, is currently in the custody of the Federal Bureau of Prisons. During most of the relevant period, Minor was associated with broker-dealers registered with the Commission as follows: Aetna Life Insurance and Annuity Co. (October 1972 to October 1993), Jefferson-Pilot Investor Services, Inc. (“Jefferson Pilot”) (August 1990 to November 1991), Aetna Investment Services, Inc. (October 1993 to April 1994), Transamerica Financial Resources, Inc. (“Transamerica”) (March 1996 to December 1997), and Financial Network Investment Corp. (December 1997 to July 2009). Except for Jefferson-Pilot, all these broker-dealers were also registered with the Commission as investment advisers. Minor also operated several businesses, including Multi Financial Insurance Corp. (“Multi Financial”), a non-registered business, which was in the business of providing,

among other things, investment advice and administrative services for pension plans. Minor also sold life insurance policies and pension products to individuals and held a Series 1 license.

B. RESPONDENT'S CRIMINAL CONVICTION

2. On September 20, 2018, Minor pled guilty to one count of mail fraud in violation of Title 18, United States Code, Section 1341, before the United States District Court for the Southern District of Florida, in *United States v. William H. Minor, Jr.*, Case No. 18-cr-80152. On November 29, 2018, Minor was sentenced to a prison term of forty-one months followed by three years of supervised release. On February 26, 2019, he was ordered to pay restitution in the amount of \$1,636,604.34.

3. In connection with that plea, Minor admitted that he was a volunteer member of the Rehabilitation Center for Children and Adults, Inc. ("RCCA") Board of Governors from the early 1970s through 2016. In or about 1976, Minor assisted RCCA with establishing and, thereafter, managing its employee pension plan ("Plan"). Beginning in or about 1991 and continuing through 2016, Minor converted approximately \$2 million of Plan assets to his own use by making fraudulent requests for distributions to Transamerica, which held the Plan's assets, falsely representing that the requests were being made for the benefit of former RCCA employees, and causing the funds to be deposited into a Multi Financial account, which funds Minor spent on himself and his family. Minor concealed his conduct by (a) substantially overstating the Plan's account balance to RCCA's auditors, providing the auditors with fictitious account statements that Minor created to give the appearance that they had been prepared by Transamerica, (b) inflating the Plan's assets on its tax returns, and (c) providing account statements to Plan participants that failed to reflect Minor's unauthorized withdrawals.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act;

C. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act; and

D. Whether, pursuant to Section 15(b) of the Exchange Act, it is appropriate and in the public interest to bar Respondent from participating in any offering of 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.

IV.

IT IS ORDERED that a public hearing before the Commission for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed by further order of the Commission, pursuant to Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.220(b).

IT IS FURTHER ORDERED that the Division of Enforcement and Respondent shall conduct a prehearing conference pursuant to Rule 221 of the Commission's Rules of Practice, 17 C.F.R. § 201.221, within fourteen (14) days of service of the Answer. The parties may meet in person or participate by telephone or other remote means; following the conference, they shall file a statement with the Office of the Secretary advising the Commission of any agreements reached at said conference. If a prehearing conference was not held, a statement shall be filed with the Office of the Secretary advising the Commission of that fact and of the efforts made to meet and confer.

If Respondent fails to file the directed Answer, or fails to appear at a hearing or conference after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f), and 201.310.

This Order shall be served forthwith upon Respondent by any means permitted by the Commission's Rules of Practice.

Attention is called to Rule 151(b) and (c) of the Commission's Rules of Practice, 17 C.F.R. § 201.151(b) and (c), providing that when, as here, a proceeding is set before the Commission, all papers (including those listed in the following paragraph) shall be filed with the Office of the Secretary and all motions, objections, or applications will be decided by the Commission. The Commission requests that an electronic courtesy copy of each filing should be emailed to APFilings@sec.gov in PDF text-searchable format. Any exhibits should be sent as separate attachments, not a combined PDF.

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.100(c), that notwithstanding any contrary reference in the Rules of Practice to filing with or disposition by a hearing officer, all filings, including those under Rules 210, 221, 222, 230, 231, 232, 233, and 250 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.210, 221, 222, 230, 231, 232, 233, and 250, shall be directed to and, as appropriate, decided by the Commission. This

proceeding shall be deemed to be one under the 75-day timeframe specified in Rule of Practice 360(a)(2)(i), 17 C.F.R. § 201.360(a)(2)(i), for the purposes of applying Rules of Practice 233 and 250, 17 C.F.R. §§ 201.233 and 250.

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.100(c), that the Commission shall issue a decision on the basis of the record in this proceeding, which shall consist of the items listed at Rule 350(a) of the Commission's Rules of Practice, 17 C.F.R. § 201.350(a), and any other document or item filed with the Office of the Secretary and accepted into the record by the Commission. The provisions of Rule 351 of the Commission's Rules of Practice, 17 C.F.R. § 201.351, relating to preparation and certification of a record index by the Office of the Secretary or the hearing officer are not applicable to this proceeding.

The Commission will issue a final order resolving the proceeding after one of the following: (A) The completion of post-hearing briefing in a proceeding where the public hearing has been completed; (B) The completion of briefing on a motion for a ruling on the pleadings or a motion for summary disposition pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250, where the Commission has determined that no public hearing is necessary; or (C) The determination that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155, and no public hearing is necessary.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Vanessa A. Countryman
Secretary