

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 88941 / May 26, 2020**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 5509 / May 26, 2020**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19811**

**In the Matter of**

**WILLIAM ANDREW  
HIGHTOWER,**

**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 William Andrew Hightower (“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 paragraph III.2. below, and 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. During the relevant period, Hightower was the president of Hightower Capital Group (“HCG”), an unregistered private company through which he conducted his financial advisory business. Hightower was associated with Legacy Asset Management, Inc., a SEC-registered investment adviser, and Legacy Asset Securities, Inc., a SEC-registered broker-dealer, from September 2013 to June 2015. Hightower, 61, is a resident of Houston, Texas.

2. On October 16, 2019, Hightower pleaded guilty to two counts of wire fraud in violation of 18 U.S.C. §§ 1343 and 2 in *United States v. William A. Hightower*, Case No. 4:18-CR-00600 (S.D. Tex.). As part of Hightower’s plea agreement, he agreed to entry of an Order Imposing Money Judgment in the amount of \$9.5 million, which was signed by the court on October 9, 2019.

3. One wire fraud count to which Hightower pleaded guilty alleged, among other things, that on or about January 14, 2015, he transferred \$900,000 from a victim’s account to HCG and used those funds to pay back other investors and for personal spending, rather than for the intended investment purpose. Hightower also pleaded guilty to a second count alleging that on March 14, 2016, he transferred \$800,000 of another investor’s money into his account and used the money to pay back other investors and to fund his personal lifestyle.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Hightower’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 Hightower 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;

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Hightower 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