

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: LARRY M. HIGHTOWER, CRD # 2166455) File No. 1500223

NOTICE OF HEARING

TO THE RESPONDENT: Larry M. Hightower
Evergreen Capital Management Inc.
20725 Greenwood Dr.
Olympia Fields, IL 60461-1705

c/o Evergreen Capital Management Inc.
Attention: Michael L. Green
909 N. 96th St., Ste. 101
Omaha, NE 68114-2508

You are hereby notified that pursuant to Section 11.F of the Illinois Securities Law of 1953, [815 ILCS 5/1 *et seq.*] (the "Act") and 14 Ill. Adm. Code 130, Subpart K, a public hearing will be held at 421 E. Capital Ave., 2nd Fl., Springfield, Illinois, 62701, on the 20th day of January, 2016 at the hour of 10:00 a.m. or as soon thereafter as counsel may be heard, before Jon K. Ellis or such other duly designated Hearing Officer of the Secretary of State.

Said hearing will be held to determine whether an Order should be entered affirming, vacating, or modifying the Summary Order of Denial entered on October 26, 2015 against Larry M. Hightower (the "Respondent") and granting such other relief as may be authorized under the Act, including, but not limited to, imposition of a monetary fine, pursuant to Section 11.E.(4) of the Act and payable within ten (10) business days of the entry of the Order.

The grounds for such proposed action are as follows:

1. Respondent applied for registration as an investment adviser representative on March 30, 2015.
2. Respondent's disciplinary history includes a Notice of Hearing filed on February 7, 2013 by the Securities Department due to an unpaid individual income tax debt owed to the Department of the Revenue at that time. The 2013 Notice of Hearing was

Notice of Hearing

-2-

dismissed when the Respondent made arrangements for payment of the debt with the Department of Revenue.

3. According to the Department of Revenue, Respondent currently has an individual income tax debt for the years 2008 and 2009. Respondent is not in a payment plan and no credit has been made toward the debt since June 18, 2015. Furthermore, Respondent did not file individual income tax returns for the years 2003, 2004, and 2005.
4. Furthermore, a federal tax lien was filed against Respondent on April 16, 2010 and on November 2, 2011 in Cook County, Illinois.
5. Neither lien was disclosed by Respondent until March 27, 2015, although, at that time, Respondent was registered with the Illinois Secretary of State as a salesperson and investment adviser representative pursuant to Section 8 of the Act.
6. Upon information and belief, both liens remain unsatisfied.
7. Section 8.C(8) provides, *inter alia*, that any change which renders no longer accurate any information contained in any application for registration or re-registration as a salesperson shall be reported to the Secretary of State within 10 business days after the occurrence of such change.
8. Section 8.D-5 provides, *inter alia*, that any change which renders no longer accurate any information contained in any application for registration or re-registration as an investment adviser representative must be reported to the Secretary of State within 10 business days after the occurrence of the change.
9. Section 12.A of the Act provides, *inter alia*, that it shall be a violation of the Act for any person to offer or sell any security except in accordance with the provisions of the Act.
10. Section 12.D of the Act, provides, *inter alia*, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any application, report, or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
11. Section 12.E of the Act, provides, *inter alia*, that it shall be a violation of the Act for any person to make, or cause to be made, in any application, report, or document filed under the Act or any rule or regulation made by the Secretary of State pursuant to the Act, any statement which was false or misleading with respect to any material fact.

Notice of Hearing

-3-

12. Section 8.E(1)(g) of the Act provides that the registration of a salesperson or investment adviser representative may be denied, suspended, or revoked if the salesperson or investment adviser representative has violated any of the provisions of this Act.
13. Section 8.E(1)(h) provides, *inter alia*, that the registration of a salesperson or investment adviser representative may be denied, suspended, or revoked if the Secretary of State finds that there has been made any material misrepresentation to the Secretary of State in connection with any information deemed necessary by the Secretary of State to determine a salesperson's or investment adviser representative's *business repute or qualifications or has refused to furnish any such information requested by the Secretary of State.*
14. Section 8.E.1(m) provides, *inter alia*, that the registration of a salesperson or investment adviser representative may be denied, suspended, or revoked if the Secretary of State finds that the salesperson or investment adviser representative has conducted a continuing course of dealing of such nature as to demonstrate an inability to properly conduct the business of the salesperson or investment adviser representative.
15. Section 8.E(1)(o) provides, *inter alia*, that the registration of a salesperson or investment adviser representative may be denied, suspended, or revoked if the Secretary of State finds that such salesperson or investment adviser representative has failed to file a return, or to pay the tax, penalty, or interest shown in a filed return, or to pay any final assessment of tax, penalty, or interest, as required by any Act administered by the Illinois Department of Revenue, until such time as the requirements of that Act are satisfied.
16. Section 11.E(4) of the Act provides, *inter alia*, that the Secretary of State, after finding that any provision of the Act has been violated, may issue an order of censure, charge costs of investigation, and impose a fine not to exceed \$10,000 for each violation of the Act.
17. Section 11.F(4) of the Act provides, *inter alia*, that when the Secretary of State finds that an application for registration as a dealer, salesperson, investment adviser, or investment adviser representative should be denied, the Secretary of State may enter an order denying the registration. The respondent's failure to request a hearing within 30 days after receipt of the order shall constitute an admission of any facts alleged therein and shall make the order final. If a hearing is held, the Secretary of State shall affirm, vacate, or modify the order.

Notice of Hearing

-4-


18. By virtue of the foregoing, pursuant to Sections 8 and 11 of the Act, the Respondent is subject to a fine of up to \$10,000 per violation, an order of censure, and an order that affirms, vacates, or modifies the Summary Order of Denial entered against him.

You are further notified that you are required pursuant to Section 130.1104 of the Rules to file an answer to the allegations outlined above within thirty (30) days of the receipt of this Notice. A failure to do so within the prescribed time shall be deemed an admission of the allegations contained in the Notice of Hearing and waives your right to a hearing.

You may be represented by legal counsel, present evidence, cross-examine witnesses, and otherwise participate. However, a failure to appear shall constitute default.

Delivery of Notice to the designated representative of the Respondent constitutes service upon such Respondent.

ENTERED: This 21st day of November, 2015.


JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Shannon Bond
Illinois Securities Department
421 E. Capitol Ave., 2nd Fl.
Springfield, Illinois 62701
Telephone: (217) 524-0648

Hearing Officer:

Jon K. Ellis