

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK  
- - - - - X

UNITED STATES OF AMERICA : INFORMATION  
- v. - :  
FRANK PERKINS HIXON, JR., : 14 Cr. \_\_\_  
a/k/a "Perk," :  
Defendant. :  
- - - - - X

COUNTS ONE, TWO, and THREE  
(Securities Fraud)

The United States Attorney charges:

Relevant Entities and the Defendant

1. At all times relevant to this Information, Evercore Partners Inc. ("Evercore") was an independent investment banking advisory firm with its principal place of business in Manhattan, New York. Evercore's securities traded on the New York Stock Exchange ("NYSE").

2. At all times relevant to this Information, FRANK PERKINS HIXON, JR., a/k/a "Perk," the defendant, was a Senior Managing Director with the Mining and Metals Group of Evercore LLC, a subsidiary of Evercore.

3. At all times relevant to this Information, Titanium Metals Corporation ("Titanium") was a manufacturer of titanium-based metals products headquartered in Dallas, Texas.

Titanium's securities traded on the NYSE.

4. At all times relevant to this Information, Precision Castparts Corp. ("PCP") was a manufacturer of complex metal components and products used for aerospace and industrial gas turbine applications headquartered in Portland, Oregon. PCP's securities traded on the NYSE.

5. At all times relevant to this Information, Westway Group Inc. ("Westway") was a provider of bulk liquid storage and animal feed headquartered in New Orleans, Louisiana. Westway's securities traded on the NASDAQ Stock Market LLC.

#### The Insider Trading Scheme

6. From in or about October 2011 through in or about January 2013, FRANK PERKINS HIXON, JR., a/k/a "Perk," the defendant, used material non-public information that he acquired as part of his employment with Evercore to make and cause to be made profitable trades in brokerage accounts belonging to two individuals who were close to HIXON (the "Individuals"). Specifically:

a. First, in late October 2012, during a meeting between representatives of Titanium and Evercore personnel, HIXON learned confidential information about an impending acquisition of Titanium by PCP, and used this

information to purchase and cause the purchase of shares of Titanium for the Individuals' brokerage accounts. PCP's acquisition of Titanium by tender offer was announced on November 9, 2012. Sales of the Titanium shares purchased for these accounts shortly after the announcement of the merger yielded profits of approximately \$250,000.

b. Second, on or about January 14, 2013, HIXON learned confidential information that Evercore would announce record earnings for the fourth quarter of 2012, and used this information to purchase and cause the purchase of Evercore shares for the Individuals' brokerage accounts. Sales of the Individuals' Evercore shares on January 30 and 31, 2013, after the record earnings were announced, yielded profits of approximately \$96,000.

c. Third, while actively representing Westway, an Evercore client, in connection with contemplated business transactions in 2011 and 2012, including a tender offer that Westway announced in December 2012, and while himself subject to an Evercore restriction prohibiting him from trading in Westway stock, HIXON executed and caused to be executed purchases of Westway shares for one of the Individuals' brokerage accounts. Profits realized from sales of these shares totaled

approximately \$364,000.

Statutory Allegations

7. From in or about October 2011 through at least in or about January 2013, in the Southern District of New York and elsewhere, FRANK PERKINS HIXON, JR., a/k/a "Perk," the defendant, willfully and knowingly, directly and indirectly, by use of the means and instrumentalities of interstate commerce, and of the mails and the facilities of national securities exchanges, in connection with the purchase and sale of securities, did use and employ manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by: (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon persons, to wit, on the basis of material, non-public information that HIXON obtained as part of his employment, HIXON executed and caused to be executed in the Individuals' brokerage accounts the securities transactions listed below.

Count	Dates	Transaction
1	October 23 and October 31, 2012	Purchase of 55,000 shares of Titanium
2	January 28 and January 29, 2013	Purchase of 37,000 shares of Evercore
3	October 21, 2011 through November 27, 2012	Purchase of 296,545 shares of Westway

(Title 15, United States Code, Sections 78j(b) & 78ff; Title 17, Code of Federal Regulations, Sections 240.10b-5 and 240.10b5-2; and Title 18, United States Code, Section 2.)

**COUNT FOUR**

**(Securities Fraud in Connection with a Tender Offer)**

The United States Attorney further charges:

8. The allegations contained in Paragraphs 1 through 6 are repeated and realleged as though fully set forth herein.

9. In or about October 2012, in the Southern District of New York and elsewhere, FRANK PERKINS HIXON, JR., a/k/a "Perk," the defendant, willfully and knowingly engaged in fraudulent, deceptive, and manipulative acts and practices in connection with a tender offer, in that after the offering person, a manufacturer of metal components and products, had

taken substantial steps to commence a tender offer of Titanium securities, HIXON, while in possession of material information that related to such tender offer and which HIXON knew and had reason to know was non-public and had been acquired directly and indirectly from the offering person, or the issuer of the securities sought or to be sought by such tender offer, or any officer, director, partner, or employee or any other person acting on behalf of the offering person or such issuer, purchased and sold and caused to be purchased and sold such securities, or securities convertible into or exchangeable for any such securities, or an option or right to obtain or to dispose of any of the foregoing securities, without such information and its source first having been publicly disclosed by press release or otherwise, to wit, HIXON executed and caused to be executed purchases of Titanium shares in the Individuals' brokerage accounts.

(Title 15, United States Code, Sections 78n(e) & 78ff; Title 17, Code of Federal Regulations, Sections 240.14e-3(a) & 240.14e-3(d); and Title 18, United States Code, Section 2.)

**COUNT FIVE**

**(Securities Fraud in Connection with a Tender Offer)**

The United States Attorney further charges:

10. The allegations contained in Paragraphs 1 through

6 are repeated and realleged as though fully set forth herein.

11. From in or about September 2012 through in or about November 2012, in the Southern District of New York and elsewhere, FRANK PERKINS HIXON, JR., a/k/a "Perk," the defendant, willfully and knowingly engaged in fraudulent, deceptive, and manipulative acts and practices in connection with a tender offer, in that after the offering person, a private equity group, had taken substantial steps to commence a tender offer of Westway securities, HIXON, while in possession of material information that related to such tender offer and which HIXON knew and had reason to know was non-public and had been acquired directly and indirectly from the offering person, or the issuer of the securities sought or to be sought by such tender offer, or any officer, director, partner, or employee or any other person acting on behalf of the offering person or such issuer, purchased and sold and caused to be purchased and sold such securities, or securities convertible into or exchangeable for any such securities, or an option or right to obtain or to dispose of any of the foregoing securities, without such information and its source first having been publicly disclosed by press release or otherwise, to wit, HIXON executed and caused to be executed purchases of Westway shares in one of the

Individuals' brokerage accounts.

(Title 15, United States Code, Sections 78n(e) & 78ff;  
Title 17, Code of Federal Regulations, Sections 240.14e-3(a) &  
240.14e-3(d); and Title 18, United States Code, Section 2.)

**COUNT SIX**  
**(False Statement)**

12. On or about January 28, 2014, in the Southern District of New York, FRANK PERKINS HIXON, JR., a/k/a "Perk," the defendant, in a matter within the jurisdiction of the executive branch of the Government of the United States, willfully and knowingly did falsify, conceal, and cover up by trick, scheme, and device material facts, and made materially false, fictitious, and fraudulent statements and representations, to wit, in an interview with two agents from the Federal Bureau of Investigation, HIXON falsely denied ever having traded in or accessed a brokerage account in the name of one of the Individuals.

(Title 18, United States Code, Section 1001.)

**FORFEITURE ALLEGATION**

13. As a result of committing one or more of the securities fraud offenses alleged in Counts One through Five of this Information, FRANK PERKINS HIXON, JR., a/k/a "Perk," the defendant, shall forfeit to the United States pursuant to Title



18, United States Code, Section 981(a)(1)(c) and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the securities fraud offenses, to wit, a sum of money equal to \$710,000 in United States currency.

**Substitute Assets Provision**

14. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value;

or

e. has been commingled with other property which cannot be divided without difficulty; it is the intent of the United States, pursuant to Title 21, United States Code,

Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

(Title 18, United States Code, Section 981; Title 28, United States Code, Section 2461; and Title 15, United States Code, Sections 78j(b), 78n(e), and 78ff; Title 17, Code of Federal Regulations, Sections 240.10b-5, 240.10b5-2, 240.14e-3(a), and 240.14e-3(d); and Title 18, United States Code, Section 2.)

  
PREET BHARARA  
United States Attorney