

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING AND SECURITIES

BANKING AND SECURITIES COMMISSION MEETING 2020-3

WEDNESDAY, AUGUST 19, 2020

PUBLIC SESSION

The meeting of the Banking and Securities Commission was conducted remotely via Skype for Business on August 19, 2020. The public session was called to order at 1:08 p.m. by Chairman Biery. The following were in attendance:

CHAIRMAN JAMES R. BIERY  
VICE-CHAIR RICHARD VAGUE  
COMMISSIONER VINCENT J. GASTGEB  
COMMISSIONER WILLIAM LUTERMAN  
GERARD MACKAREVICH, Commission Counsel  
STEFANIE HAMILTON, Chief Counsel  
CARLTON SMITH, Deputy Chief Counsel

WENDY SPICHER, Deputy Secretary  
MARY BETH STRINGENT, Deputy Secretary  
PAUL WENTZEL, Executive Policy Manager  
VIRGINIA LUCY, Communications Director  
JENNIFER COX, Commission Secretary  
TRICIA SMELTZER, Administrative Officer

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**CALL TO ORDER AND APPROVAL OF MINUTES FOR PREVIOUS MEETING**

1. At 1:08 p.m. Chairman Biery called the meeting of the Banking and Securities Commission to order. He explained that the meeting was being held remotely via the Skype platform, which was necessitated by the health emergency in which Governor Wolf closed the Commonwealth's offices due to the COVID-19 health emergency. As of the date of the meeting, the Commonwealth's offices in Dauphin County remained closed, including the Department's, so a physical meeting was not allowed. He noted that the meeting is being recorded, and that anyone participating in the meeting was consenting to be recorded.
2. Chairman Biery stated that, as required by Section 709 of the Sunshine Act, the Commission earlier this month published notice of this meeting in the Harrisburg Patriot News. In addition, in furtherance of government transparency, the Department posted the meeting notice on its website. The Commission in these notices offered the public the opportunity to participate in this Skype meeting, but nobody asked to do so by the date and time set forth in the notices. Normally, the Commission would have posted a physical notice at the meeting site at the Department's Harrisburg offices at 17 North Second Street in Harrisburg. However, because those offices were closed due to the Governor's COVID-19 emergency declaration, physical posting was not relevant. Accordingly, the Chairman stated that the Commission had complied with the public notice requirements of the Sunshine Act.

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3. The Chairman took roll call. He noted that, with four commissioners attending, a quorum was present for purposes of taking official action pursuant to Section 1121-A(f) of the Department of Banking and Securities Code.

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4. The Chairman noted that Commission Recording Secretary Jennifer Cox would take the minutes of the meeting, a draft of which will be circulated to the Commissioners following the meeting. He added that Secretary Vague will sign the minutes as Vice-Chair when the minutes are finalized at the next meeting.

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5. All Commission members received copies of the minutes for the regular meeting held on May 28, 2020. Pursuant to a motion made by Commissioner Gastgeb and seconded by Commissioner Luterman, the Commission unanimously agreed to adopt the minutes as final.

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6. At 1:13 p.m., the Chairman requested the Commissioners and Commission counsel to leave the public call and initiate a separate executive session Skype call pursuant to Section 708 of the Sunshine Act to conduct quasi-judicial deliberation and consult with Commission counsel regarding information or strategy in connection with adjudication matters. In addition to discussing the status of orders previously issued, the Commission is to deliberate on *Department of Banking & Securities, Bureau of Securities Compliance and Examinations v. Vitruvius Capital Consultants and Dennis D. Crowley* – Docket No. 190091 (SEC-OSC), in which a proposed report and order were served on the parties.

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**APPROVAL OF PROPOSED REPORT AND ORDER**

**IN THE MATTER OF DEPARTMENT OF BANKING & SECURITIES, BUREAU  
OF SECURITIES COMPLIANCE AND EXAMINATIONS V. VITRUVIUS  
CAPITAL CONSULTANTS AND DENNIS D. CROWLEY, DOCKET NO. 190091  
(SEC-OSC)**

7. The Commission conducted deliberations in the matter of *Vitruvius Capital Consultants and Dennis D. Crowley*, in which a hearing officer issued a proposed report concluding that the respondents, an investment advisor and its direct owner and chief compliance officer, by failing to respond to the Department's allegations were deemed to have admitted that they violated the Pennsylvania Securities Act of 1972 and its regulations by failing to file a balance sheet for their fiscal year ending December 31, 2018, and by failing to furnish information that the Department reasonably requested. The hearing officer recommended in his proposed order that the respondents have their registrations suspended and be temporarily barred from the securities business until they submit the required balance sheet and pay a combined assessment of \$2,000.
  
8. In the matter of *Department of Banking & Securities, Bureau of Securities Compliance and Examinations v. Vitruvius Capital Consultants and Dennis D. Crowley* – Docket No. 190091 (SEC-OSC), Commissioner Luterman moved to approve the proposed report and the proposed order, with one modification as to the amount of the assessment, to increase it from \$2,000 to \$4,000. Commissioner Gastgeb seconded.

9. A motion having been made and seconded, a roll call was conducted to adopt the proposed report and proposed order with one modification as to the amount of the assessment, which is increased to \$4,000, in the matter of *Department of Banking & Securities, Bureau of Securities Compliance and Examinations v. Vitruvius Capital Consultants and Dennis D. Crowley* – Docket No. 190091 (SEC-OSC). The Commission unanimously agreed to the motion.

### **PUBLIC COMMENTS**

10. The Chairman noted that, because no members of the public had contacted the Department to ask to participate in the remote meeting, there was nobody eligible to make public comment.

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### **CLOSING COMMENTS**

11. Having no further business, Chairman Biery asked for a motion to adjourn the meeting. Pursuant to a motion made by Vice Chair Vague and seconded by Commissioner Luterman, the Commission unanimously agreed to adjourn. The meeting was adjourned at 1:40 p.m.

Transcribed by:

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JENNIFER COX, Secretary for  
Commission

Reviewed and respectfully submitted by:

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RICHARD VAGUE, Vice-Chair