

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

BANKING AND SECURITIES COMMISSION MEETING 2020-4

WEDNESDAY, NOVEMBER 4, 2020

PUBLIC SESSION

The meeting of the Banking and Securities Commission was conducted remotely via Skype for Business on November 4, 2020. The public session was called to order at 1:05 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
WENDY SPICHER, Deputy Secretary
MARY BETH STRINGENT, Deputy Secretary

JENNIFER COX, Commission Secretary
TRICIA SMELTZER, Administrative Officer
VIRGINIA LUCY, Communications Director
PAUL WENTZEL, Executive Policy Manager
WILL OTTO, Chief Information Officer
DAVID VU, Information Technology Generalist
CHARLES VANCE, Assistant Counsel

CALL TO ORDER AND APPROVAL OF MINUTES FOR PREVIOUS MEETING

1. At 1:05 p.m. Chairman Biery called to order the meeting of the Banking and Securities Commission. He explained that the meeting was being held via the Skype platform, which was necessitated by the health emergency in which Governor Wolf closed the Commonwealth's offices to mitigate the spread of the COVID-19 virus. As of the date of the meeting, the Commonwealth's offices in Dauphin County, including the Department's, remained closed, so a physical meeting was not allowed.
2. Chairman Biery stated that, as required by Section 709 of the Sunshine Act, the Commission 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. 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.

3. The Chairman took roll call; all Commissioners were present. 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.

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.

5. All Commission members received copies of the minutes for the regular meeting held on August 19, 2020. Pursuant to a motion made by Commissioner Luterman and seconded by Commissioner Gastgeb, the Commission unanimously agreed to adopt the minutes as final.

6. At 1:10 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. Spencer Gordon, d/b/a Gordon Fed Financial*, Docket No. 190086 (SEC-OSC).

APPROVAL OF PROPOSED CONSENT AGREEMENT AND ORDER
IN THE MATTER OF DEPARTMENT OF BANKING & SECURITIES, BUREAU
OF SECURITIES COMPLIANCE AND EXAMINATIONS V. SPENCER
GORDON, D/B/A GORDON FED FINANCIAL, DOCKET NO. 190086 (SEC-OSC)

7. The Commission conducted deliberations in the matter of *Spencer Gordon, d/b/a Gordon Fed Financial*, in which the Bureau filed an Order to Show Cause against Mr. Gordon, alleging willful violations of the Pennsylvania Securities Act of 1972 by effecting two

securities transactions in 2015 in Pennsylvania while not being registered as an “agent” nor being exempt from registration. The Bureau and Mr. Gordon have agreed to resolve the allegations by proposing a Consent Agreement and Order. Mr. Gordon proposes not to contest the allegations and pay the Department an administrative assessment in the amount of \$6,000.00.

8. In the matter of *Department of Banking & Securities, Bureau of Securities Compliance and Examinations v. Spencer Gordon, d/b/a Gordon Fed Financial*, Docket No. 190086 (SEC-OSC), Vice Chair Vague moved to amend paragraph 17 of the proposed Consent Agreement and Order to make clear that, pursuant to the Commission’s final adjudication authority in Section 1122-A(1) of the Department of Banking and Securities Code, the Consent Agreement and Order will become effective upon approval by the Commission. Commissioner Luterman seconded.
9. A motion having been made and seconded, a roll call was conducted to amend the proposed Consent Agreement and Order in the matter of *Spencer Gordon, d/b/a Gordon Fed Financial*, Docket No. 190086. The Commission unanimously agreed to amend the proposed Consent Agreement.
10. In the matter of *Spencer Gordon, d/b/a Gordon Fed Financial*, Docket No. 190086, Vice Chair Vague moved to approve the amended proposed Consent Agreement and Order. Commissioner Luterman seconded.
11. A motion having been made and seconded, a roll call was conducted to approve the amended Consent Agreement and Order in the matter of *Department of Banking & Securities, Bureau of Securities Compliance and Examinations v. Spencer Gordon, d/b/a*

Gordon Fed Financial, Docket No. 190086 (SEC-OSC). The Commission unanimously agreed to the motion.

PUBLIC COMMENTS

- 12.* 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.

CLOSING COMMENTS

- 13.* Having no further business, Chairman Biery asked for a motion to adjourn the meeting. Pursuant to a motion made by Commissioner Gastgeb and seconded by Commissioner Luterman, the Commission unanimously agreed to adjourn. The meeting was adjourned at 1:46 p.m.

Transcribed by:

JENNIFER COX, Secretary for
Commission

Reviewed and respectfully submitted by:

RICHARD VAGUE, Vice-Chair