

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 9860 / June 30, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16667

In the Matter of

Peter Voutsas,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
AND CEASE-AND-DESIST PROCEEDINGS,
PURSUANT TO SECTION 8A OF THE
SECURITIES ACT OF 1933, MAKING
FINDINGS, AND IMPOSING REMEDIAL
SANCTIONS AND A CEASE-AND-DESIST
ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”) against Peter Voutsas (“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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

Summary

1. These proceedings arise out of the offer and sale of securities of the microcap issuer Gepco, Ltd. ("Gepco"). In connection with the offer and sale of these securities, Voutsas, an officer of Gepco, engaged in transactions, practices, or a course of business which operated or would operate as a fraud or deceit upon the purchaser of securities. As a result of Voutsas's negligent conduct, prospective investors received misleading information about the nature of their investment and/or about Gepco's financial condition.

Respondent

2. Voutsas, age 53, resides in Santa Monica, California. Voutsas is the Chief Executive Officer and Chief Investment Officer of Gepco and GemVest, Ltd. Voutsas also owns a retail jewelry store in Beverly Hills, California. From late 2013 until September 2014, Voutsas participated in the offer and sale of shares of Gepco, which is a penny stock.

Other Relevant Entities

3. Gepco is a Nevada corporation with its principal place of business in Santee, California. Gepco's common stock was registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 and its shares are currently quoted on OTC Link (formerly the "Pink Sheets") operated by OTC Markets Group Inc. under the symbol "GEPC." Gepco was originally incorporated on June 27, 2008 as Kensington Leasing, Ltd., a company that purported to "specialize in leasing equipment to a select clientele." Gepco entered into a reverse merger with a private Nevada corporation, GemVest Ltd., that was completed on December 6, 2013. The company purports to "broker high end investment grade diamonds." For the period ended June 30, 2014, Gepco reported cash of \$6,716, total stockholders' equity deficit of \$545,263, and a net loss since inception of \$176,487. On September 18, 2014, the Commission suspended trading in Gepco's securities for a period of ten business days on the ground that it appeared there was a lack of accurate information concerning, and potentially manipulative transactions in, Gepco's securities.

4. Izak Zirk de Maison (f/k/a Izak Zirk Engelbrecht) ("Engelbrecht"), age 57, resided in Redlands, California until September 18, 2014, when he was arrested in connection with a criminal action involving microcap stock issues, including Gepco. He is the undisclosed control person of Gepco and is married to Angelique de Maison, Gepco's Executive Chairman for most of the relevant period. Since at least 2008, he has served as an officer and director of a number of microcap issuers.

5. Angelique de Maison ("de Maison"), age 43, resides in Redlands, California. She is married to Engelbrecht. Between October 2013 and July 2014, de Maison served as Gepco's Executive Chairwoman.

Background

6. From late 2013 until September 2014 Voutsas participated in the offering of securities of Gepco (the “relevant period”). Gepco had been controlled by Engelbrecht since its incorporation in 2008, and between 2008 and 2013 he caused it to enter into a number of reverse mergers in which its line of business veered wildly, from equipment leasing, to the distribution of prepaid store value cards, to social media. On October 2, 2013, Engelbrecht caused others to incorporate GemVest Ltd., a purported gemological business, in Nevada, naming himself, along with de Maison, Voutsas, and others, as directors and officers.

7. On October 15, 2013, Gepco announced that it had entered into a Stock Purchase Agreement with GemVest. The reverse merger was completed on December 6, 2013 and disclosed in a Form 8-K filed on December 12, 2013. As a result of the reverse merger, de Maison was named Executive Chairman of Gepco and GemVest; and Voutsas was named Chief Executive Officer and Chief Investment Officer of Gepco and GemVest.

8. As a result of the reverse merger, Gepco issued 150 million shares of common stock to GemVest’s purported shareholders.

Voutsas Failed To Disclose Engelbrecht’s Role In and Control Over Gepco

9. Despite the fact that Gepco has never named Engelbrecht as an officer or director of Gepco—either in its filings with the Commission, in press releases, or on its website—he has always controlled the company. Yet this control was not disclosed to investors by, among others, Voutsas.

10. For example, in an October 20, 2013 email Engelbrecht advised Voutsas, among others, that because of the disastrous results for investors in a prior issuer controlled by Engelbrecht, it would be better if his role was not disclosed to investors.

11. Furthermore, before a meeting with investors in April 2014 in which Voutsas participated, Engelbrecht told Voutsas and others that because of various investigations by enforcement authorities, he had to go underground and directed them not to reveal his role in managing the company to prospective or actual investors.

Voutsas Negligently Participated In a Fraud or Deceit on Investors Related to Materially Misleading Statements Concerning Gepco

12. On January 23, 2014, Gepco announced in a press release the purchase of a 10.76 carat diamond—one of only two diamond purchases or sales announced by Gepco to date. The press release was initially drafted by another officer of Gepco, who forwarded it to Engelbrecht and de Maison on January 22 for their comments and for de Maison to provide a quote. The final version released the following day stated that GemVest had purchased the stone “for half of the current Rapaport [a diamond price benchmark publication] wholesale price” and that the company anticipated being “able to at least triple our investment upon its sale.” The release also quoted Voutsas and de Maison extolling the purchase.

13. De Maison was quoted as saying, “[i]t is very reassuring that our first purchase is such a substantial stone. The Rapaport price is over \$500,000 and we paid half of that price. We are very confident that Peter [Voutsas] will obtain the best price for us that will still represent fair value for the new owner. We are very determined to continue what we are starting here and have great confidence in the business model.”

14. Voutsas was quoted as saying, “[t]his is a spectacular stone” and that “[b]y being able to purchase this stone for half of the current Rapaport wholesale price, I anticipate that we will be able to at least triple our investment upon its sale.”

15. The press release omitted a number of material facts necessary to make the representations in the press release not misleading. The first was that the diamond that Gepco purported to purchase was once owned by de Maison.

16. The press release further failed to disclose that de Maison had already pledged the stone to an investor in another Engelbrecht company to secure a \$250,000 loan; that when she was unable to repay that debt, another confederate stepped in and repaid the \$250,000 loan and received the stone in return; and that this confederate then sold the stone to Gepco in exchange for a \$250,000 promissory note that Gepco issued to him.

17. As a result of the conduct described above, Voutsas violated Section 17(a)(3) of the Securities Act, which prohibits engaging in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser of securities. As a result of Voutsas’s negligent conduct, investors received misleading information about the nature of their investment and/or Gepco’s financial condition.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent Voutsas’s Offer.

Accordingly, pursuant to Section 8A of the Securities Act, it is hereby ORDERED that:

A. Respondent Voutsas cease and desist from committing or causing any violations and any future violations of Section 17(a)(3) of the Securities Act.

B. Respondent Voutsas 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.

C. Respondent shall, within 30 days of the entry of this Order, pay a civil money penalty in the amount of \$50,000 to the Securities and Exchange Commission. If timely payment

is not made, additional interest shall accrue pursuant to 31 U.S.C. 3717. Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Voutsas as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Amelia A. Cottrell, Associate Regional Director, Division of Enforcement, Securities and Exchange Commission, 200 Vesey Street, Suite 400, New York, New York 10281.

D. The Commission will hold funds paid in this proceeding in an account at the United States Treasury pending a decision whether the Commission, in its discretion, will seek to distribute funds or, in accordance with Exchange Act Section 21F(g)(3), transfer them to the general fund of the United States Treasury. The Commission may distribute civil money penalties collected in this proceeding if, in its discretion, the Commission orders the establishment of a Fair Fund ("Fair Fund distribution") pursuant to 15 U.S.C. § 7246, Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended. Regardless of whether any such Fair Fund distribution is made, amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

E. Respondent acknowledges that the Commission is not imposing a civil penalty in excess of \$50,000 based upon his agreement to cooperate in a Commission investigation and related enforcement action. If at any time following the entry of the Order, the Division of Enforcement (“Division”) obtains information indicating that Respondent knowingly provided materially false or misleading information or materials to the Commission or in a related proceeding, the Division may, at its sole discretion and with prior notice to the Respondent, petition the Commission to reopen this matter and seek an order directing that the Respondent pay an additional civil penalty. Respondent may contest by way of defense in any resulting administrative proceeding whether it knowingly provided materially false or misleading information, but may not: (1) contest the findings in the Order; or (2) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense. Respondent Voutsas will make himself available as reasonably needed in this connection.

By the Commission.

Brent J. Fields
Secretary