

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 5424 / January 6, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19635

In the Matter of

STEPHEN CONDON PETERS,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940
AND NOTICE OF HEARING

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Stephen Condon Peters (“Respondent” or “Peters”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Between at least April 2012 and June 30, 2017, Respondent was the owner and controlling person of VisionQuest Wealth Management, LLC (“VisionQuest Management”), an investment advisory firm registered with the Commission. VisionQuest Management effectively ceased operations following a July 12, 2017 search and seizure of its business records and offices by the Federal Bureau of Investigation. Respondent, age 46, was a resident of Raleigh, North Carolina during this time.

B. RESPONDENT'S CRIMINAL CONVICTION

2. On June 6, 2019, following a trial by jury, Respondent was convicted of twenty counts, including one count of Investment Advisor Fraud and Aiding and Abetting; one count of Fraud in the Sale of Unregistered Securities; nine counts of Wire Fraud and Aiding and Abetting; four counts of Money Laundering and Aiding and Abetting; one count of Conspiracy to Make and Use False Documents And to Falsify and Conceal Records; one count of Making and Using False Documents and Aiding and Abetting; one count of Falsifying and Concealing Records and Aiding and Abetting; one count of Corrupt Endeavor to Influence a Federal Agency; and one count of Aggravated Identity Theft and Aiding and Abetting. This conduct was in violation of Title 15 United States Code, Sections 80b-6, and 80b-17; 18 United States Code, Section 2; 15 United States Code, Sections 78j(b) and 78ff and Title 17 Code of Federal Regulations, Section 240.10b-5; Section 18 United States Code, Sections 1343 and 2; 18 United States Code, Sections 1957, 1957(b)(1) and 2; 18 United States Code, Section 371; 18 United States Code, Section 1001(a)(1) through (a)(3), and 2; 18 United States Code, Section 1519 and 2; 18 United States Code, Section 1505; and 18 United States Code, Sections 1028A(a)(1) and 2 before the United States District Court for the Eastern District of North Carolina, in United States v. Stephen Condon Peters, Crim. Information No. 5:17-CR-411-D.

3. On September 13, 2019, a partial judgment in the criminal case was entered against Respondent. He was sentenced to a prison term of 480 months.

4. On November 19, 2019, an amended judgment in the criminal case ordered Peters to pay restitution in the amount of \$15,161,624.

5. The criminal proceeding alleged, among other things that, Respondent defrauded investors and obtained money and property by means of materially false and misleading statements in connection with the fraudulent sale of notes to investment advisory clients between at least April 2012 and June 30, 2017.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing before the Commission for the purpose of taking evidence

on the questions set forth in Section III hereof shall be convened at a time and place to be fixed by further order of the Commission, pursuant to Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.220(b).

IT IS FURTHER ORDERED that the Division of Enforcement and Respondent shall conduct a prehearing conference pursuant to Rule 221 of the Commission's Rules of Practice, 17 C.F.R. § 201.221, within fourteen (14) days of service of the Answer. The parties may meet in person or participate by telephone or other remote means; following the conference, they shall file a statement with the Office of the Secretary advising the Commission of any agreements reached at said conference. If a prehearing conference was not held, a statement shall be filed with the Office of the Secretary advising the Commission of that fact and of the efforts made to meet and confer.

If Respondent fails to file the directed Answer, or fails to appear at a hearing or conference after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f), and 201.310.

This Order shall be served forthwith upon Respondent by any means permitted by the Commission's Rules of Practice.

Attention is called to Rule 151(b) and (c) of the Commission's Rules of Practice, 17 C.F.R. § 201.151(b) and (c), providing that when, as here, a proceeding is set before the Commission, all papers (including those listed in the following paragraph) shall be filed with the Office of the Secretary and all motions, objections, or applications will be decided by the Commission. The Commission requests that an electronic courtesy copy of each filing should be emailed to APFilings@sec.gov in PDF text-searchable format. Any exhibits should be sent as separate attachments, not a combined PDF.

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. § 201.100(c), that notwithstanding any contrary reference in the Rules of Practice to filing with or disposition by a hearing officer, all filings, including those under Rules 210, 221, 222, 230, 231, 232, 233, and 250 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.210, 221, 222, 230, 231, 232, 233, and 250, shall be directed to and, as appropriate, decided by the Commission. This proceeding shall be deemed to be one under the 75-day timeframe specified in Rule of Practice 360(a)(2)(i), 17 C.F.R. § 201.360(a)(2)(i), for the purposes of applying Rules of Practice 233 and 250, 17 C.F.R. §§ 201.233 and 250.

The Commission finds that it would serve the interests of justice and not result in prejudice to any party to provide, pursuant to Rule 100(c) of the Commission's Rules of Practice, 17 C.F.R. §

201.100(c), that the Commission shall issue a decision on the basis of the record in this proceeding, which shall consist of the items listed at Rule 350(a) of the Commission's Rules of Practice, 17 C.F.R. § 201.350(a), and any other document or item filed with the Office of the Secretary and accepted into the record by the Commission. The provisions of Rule 351 of the Commission's Rules of Practice, 17 C.F.R. § 201.351, relating to preparation and certification of a record index by the Office of the Secretary or the hearing officer are not applicable to this proceeding.

The Commission will issue a final order resolving the proceeding after one of the following: (A) The completion of post-hearing briefing in a proceeding where the public hearing has been completed; (B) The completion of briefing on a motion for a ruling on the pleadings or a motion for summary disposition pursuant to Rule 250 of the Commission's Rules of Practice, 17 C.F.R. § 201.250, where the Commission has determined that no public hearing is necessary; or (C) The determination that a party is deemed to be in default under Rule 155 of the Commission's Rules of Practice, 17 C.F.R. § 201.155, and no public hearing is necessary.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Vanessa A. Countryman
Secretary