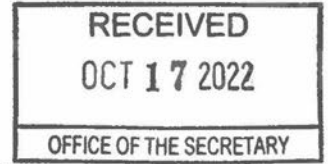


UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION



ADMINISTRATIVE PROCEEDINGS  
File No. 3-19635

In the Matter of

STEPHEN CONDON PETERS,

Respondent.

**ANSWER**  
*(pro se)*

Respondent Stephen C. Peters ("Peters") is responding to the Division of Enforcement's Supplemental Memorandum in support of its motion for summary disposition submitted to the Office of the Secretary of the Securities Exchange Commission by Edward G. Sullivan on September 29<sup>th</sup>, 2022. My response is as follows:

Currently, I am confined in the FCC-Petersburg - Medium facility in Petersburg, Virginia. The records contained in U.S. v. Peters, No. 5:17-CR-411-D speak for themselves, but my intentions are to exhaust every appeal avenue available. Similar to my response in January of 2020 (Exhibit A), I remain willing to consent to an industry bar without findings of facts and to save the SEC the time associated with this proceeding.

In closing, I request that the proceeding be stayed until the completion of all available appeals and any subsequent proceedings in the trial court that may result from such appeals. Certainly, there is "no risk to the public" nor "the potential for substantial harm to investors from Peters" while I am incarcerated in FCC-Petersburg.

Respectfully submitted,

/s/ Stephen C. Peters

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940  
Release No. 5424/January 15, 2020

ADMINISTRATIVE PROCEEDING  
File No. 3-19635

In the Matter of

STEPHEN CONDON PETERS,

Respondent.

**ANSWER**  
*(pro se)*

Respondent Stephen C. Peters (“Peters”) answer the allegations as follows:

I.

No response required. I have appealed my conviction to the United States Court of Appeals for the Fourth Circuit.

II.

1. Admitted.
2. The records contained in *U.S. v. Peters*, No. 5:17-CR-411-D speak for themselves; otherwise denied.

3. The records contained in *U.S. v. Peters*, No. 5:17-CR-411-D speak for themselves; otherwise denied.

4. The records contained in *U.S. v. Peters*, No. 5:17-CR-411-D speak for themselves; otherwise denied.

5. The records contained in *U.S. v. Peters*, No. 5:17-CR-411-D speak for themselves; otherwise denied.

### III.

No response required. I have appealed my conviction to the United States Court of Appeals for the Fourth Circuit.

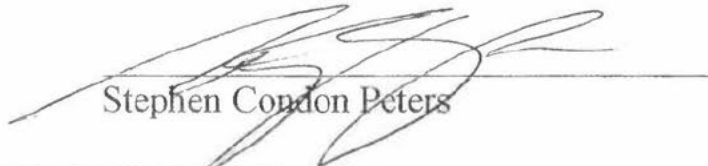
### IV.

Currently, I am confined in the FCC-Petersburg Medium facility in Petersburg, Virginia, and my intentions are to represent myself in this matter. My counsel in the SEC's case for civil penalties informed counsel for the SEC before this proceeding was instituted that I would consent to an industry bar, but that, due to my ongoing appeal, I would not consent to findings of fact. I remain willing to consent to an industry bar without findings of fact and to save the SEC the time associated with this proceeding.

I do not have a means of emailing the courtesy copy of this Answer.

I request that this proceeding be stayed until the completion of my appeal and any subsequent proceedings in the trial court that may result from the appeal.

Signed the 22<sup>nd</sup> day of January, 2020.

  
Stephen Condon Peters

CERTIFICATE OF SERVICE

On January 22<sup>nd</sup>, 2020, I mailed an original plus three copies of this  
Answer to:

Office of the Secretary  
US Securities and Exchange Commission  
100 F Street NE, Mail Stop 1090  
Washington, DC 20549

And mailed a copy to:

Edward G. Sullivan  
Atlanta Regional Office  
Securities and Exchange Commission  
950 East Paces Ferry Road, Suite 900  
Atlanta, GA 30326

  
Stephen Condon Peters

**Kathy Judd**

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**From:** Chris Graebe  
**Sent:** Thursday, November 14, 2019 8:44 AM  
**To:** Kathy Judd  
**Subject:** Fw: SEC Administrative Proceeding Against Stephen C. Peters; SEE Offer and Order Attached  
**Attachments:** APOfferSettlementPetersConviction.pdf; APOrderPetersSettled.pdf

Please print the email below and the attachments. Thanks.

Chris Graebe  
Graebe Hanna & Sullivan, PLLC  
4350 Lassiter at North Hills Ave., Suite 375  
Raleigh, NC 27609  
Tel: 919-863-9092  
Cell: 919-417-7948  
Fax: 919-424-6407  
[www.ghslawfirm.com](http://www.ghslawfirm.com)

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**From:** Sullivan, Edward G. <[SullivanE@sec.gov](mailto:SullivanE@sec.gov)>  
**Sent:** Wednesday, November 13, 2019 1:18 PM  
**To:** Chris Graebe <[cgraebe@ghslawfirm.com](mailto:cgraebe@ghslawfirm.com)>  
**Cc:** Sullivan, Edward G. <[SullivanE@sec.gov](mailto:SullivanE@sec.gov)>; Loomis, Madison G. <[LoomisM@sec.gov](mailto:LoomisM@sec.gov)>  
**Subject:** SEC Administrative Proceeding Against Stephen C. Peters; SEE Offer and Order Attached

Good Afternoon Chris—

So the SEC has authorized an Administrative Proceeding against Mr. Peters which is based not on his conduct, but rather on the fact that he was convicted in federal court on 20 counts. As you can see from the Offer of Settlement and accompanying Order, if he wishes to settle, he would admit essentially only that he is an Investment Adviser and that the conviction has taken place. The relief that the SEC seeks to have imposed against him is an industry bar. There is no additional monetary component to this proceeding.

First, please confirm whether you still represent Mr. Peters. I am presuming you do, as we've had several conversations about his federal court case since his criminal sentencing occurred in September. Second, this is an attempt to resolve a fairly straightforward proceeding, so please have Mr. Peters sign the original offer and return it to me properly notarized. I understand that Mr. Peters is incarcerated at the Petersburg FCI in Virginia. To that end, it may take some days for you to coordinate with him for signature. I will try to accommodate you on a reasonable timeframe, assuming you get back to me regarding Peters' intentions. Let me know how your client wishes to proceed.

Thank you,

Edward G. Sullivan  
Senior Trial Counsel  
Securities and Exchange Commission  
(404) 842-7612

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**ADMINISTRATIVE PROCEEDING**  
**File No.**

**In the Matter of**

**STEPHEN CONDON**  
**PETERS,**

**Respondent.**

**OFFER OF SETTLEMENT**  
**OF STEPHEN CONDON PETERS**

**I.**

Stephen Condon Peters ("Peters" or "Respondent"), pursuant to Rule 240(a) of the Rules of Practice of the Securities and Exchange Commission ("Commission") [17 C.F.R. § 201.240(a)] submits this Offer of Settlement ("Offer") in anticipation of public administrative proceedings to be instituted against him by the Commission, pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("Advisers Act").

**II.**

This Offer is submitted solely for the purpose of settling these proceedings, with the express understanding that it will not be used in any way in these or any other proceedings, unless the Offer is accepted by the Commission. If the Offer is not accepted by the Commission, the Offer is withdrawn without prejudice to Respondent and shall not become a part of the record in these or any other proceedings, except that rejection of the Offer does not affect the continued validity of the waivers pursuant to Rule 240(c)(5) of the Commission's Rules of Practice [17 C.F.R. § 201.240(c)(5)] with respect to any discussions concerning the rejection of the Offer.

**III.**

On the basis of the foregoing, the Respondent hereby:

A. Consents to the jurisdiction of the Commission over him and over the matters set forth in the Order Making Findings and Imposing Remedial Sanctions Pursuant to Section 203(f) of the Investment Advisers Act of 1940 ("Order").

B. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission or in which the Commission is a party prior to a hearing pursuant to the Commission's Rules of Practice, 17 C.F.R. § 201.100 et seq., consents to the Commission's jurisdiction over him and the subject matter of these proceedings and to the entry of an Order by the Commission containing the following findings and remedial sanctions set forth below:

1. Peters of Raleigh, North Carolina 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. Peters also controlled VisionQuest Capital, LLC ("VisionQuest Capital"), a North Carolina LLC. VisionQuest Capital notes were sold to VisionQuest Management clients. In addition, Peters and his wife owned a majority interest in VQ Wealth, LLC, which was not registered with the Commission in any capacity.

2. On June 6, 2019, following a trial by jury, Peters 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. On September 13, 2019, a partial judgment in the criminal case was entered against Peters. He was sentenced to a prison term of 480 months. Restitution has not yet been ordered in the criminal case.

#### IV.

On the basis of the foregoing, Respondent hereby consents to the entry of an Order by the Commission imposing the following remedial sanctions:

Pursuant to Section 203(f) of the Advisers Act Respondent Peters be, and hereby is:

VQ WEALTH, LLC  
WAS OWNED  
\*  
NOT  
PETERS

VQ WEALTH, LLC  
OWNED  
VQ CAPITAL  
\*  
PETERS  
WAS M.O.A.

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

## V.

By submitting this Offer, Respondent hereby waives, subject to the acceptance of the offer, the rights specified in Rule 240(c)(4) [17 C.F.R. §201.240(c)(4)] of the Commission's Rules of Practice. Specifically, Respondent waives:

- (1) All hearings pursuant to the statutory provisions under which the proceeding is to be or has been instituted;
- (2) The filing of proposed findings of fact and conclusions of law;
- (3) Proceedings before, and an initial decision by, a hearing officer;
- (4) All post-hearing procedures; and
- (5) Judicial Review by any court.

In addition, by submitting this offer, Respondent waives the rights specified in Rule 240(c)(5) [17 C.F.R. § 201.240(c)(5)] of the Commission's Rules of Practice. Specifically, Respondent waives:

- (1) Any and all provisions of the Commission's Rules of Practice or other requirements of law that may be construed to prevent or disqualify any member of the Commission's staff from participating in the preparation of, or advising the Commission as to, any order, opinion, finding of fact, or conclusion of law that may be entered pursuant to this Offer; and
- (2) Any right to claim bias or prejudice by the Commission based on the consideration of or discussions concerning settlement of all or any part of this proceeding.

Respondent also hereby waives service of the Order.



VI.

Respondent understands and agrees to comply with the terms of 17 C.F.R. § 202.5(e), which provides in part that it is the Commission's policy "not to permit a defendant or respondent to consent to a judgment or order that imposes a sanction while denying the allegations in the complaint or order for proceedings," and "a refusal to admit the allegations is equivalent to a denial, unless the defendant or respondent states that he neither admits nor denies the allegations." As part of Respondent's agreement to comply with the terms of Section 202.5(e), Respondent acknowledges the guilty verdict for criminal conduct described in paragraph B.2. above and : (i) will not take any action or make or permit to be made any public statement denying, directly or indirectly, any finding in the Order or creating the impression that the Order is without factual basis; and (ii) will not make or permit to be made any public statement to the effect that Respondent does not admit the findings of the Order, or that the Offer contains no admission of the findings, without also stating that the Respondent does not deny the findings. If Respondent breaches this agreement, the Division of Enforcement may petition the Commission to vacate the Order and restore this proceeding to its active docket. Nothing in this provision affects Respondent's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which the Commission is not a party.

THIS IS NOT IN THE SPIRIT OF THE EMAIL ADMITTING GUILT STIPULATED

VII.

Consistent with the provisions of 17 C.F.R. § 202.5(f), Respondent waives any claim of Double Jeopardy based upon the settlement of this proceeding, including the imposition of any remedy or civil penalty herein.

VIII.

Respondent hereby waives any rights under the Equal Access to Justice Act, the Small Business Regulatory Enforcement Fairness Act of 1996, or any other provision of law to seek from the United States, or any agency, or any official of the United States acting in his or her official capacity, directly or indirectly, reimbursement of attorney's fees or other fees, expenses, or costs expended by Respondent to defend against this action. For these purposes, Respondent agrees that Respondent is not the prevailing party in this action since the parties have reached a good faith settlement.

ED SULLIVAN EXPRESSED AN UNWILLINGNESS TO CHANGE ANY OF THE DOCUMENT.