

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES

BANKING AND SECURITIES COMMISSION MEETING 2022-1

THURSDAY, FEBRUARY 10, 2022

PUBLIC SESSION

The meeting of the Banking and Securities Commission was conducted remotely via Microsoft Teams. The following were in attendance:

VICE-CHAIR RICHARD VAGUE	PAUL WENTZEL, Sr. Legislative Director
COMMISSIONER WILLIAM LUTERMAN	WENDY SPICHER, Deputy Secretary
COMMISSIONER JAMES BIERY	STACY WALTER, Human Resources Liaison
COMMISSIONER MARY ZENNER	VIRGINIA LUCY, Communications Director
GERARD MACKAREVICH, Commission Counsel	EILEEN SMITH, Legal Office Administrator
STEFANIE HAMILTON, Chief Counsel	

CALL TO ORDER AND APPROVAL OF MINUTES FOR PREVIOUS MEETING

1. At 1:03 p.m. Vice-Chair Richard Vague called to order the meeting of the Pennsylvania Banking and Securities Commission. He explained that the meeting was being held remotely via the Microsoft Teams platform. As of the date of the meeting, the Department’s office in Harrisburg remains closed to the public due to the health situation, so a physical meeting is not feasible.

2. Participants were advised that the meeting was being recorded.

3. The Vice-Chair took roll call. He noted Commissioners Biery, Luterman and Zenner were present. All other individuals present on the call identified themselves.

4. Vice-Chair Vague stated that, as required by Section 709 of the Sunshine Act, the Commission previously published notice of this meeting in the Harrisburg Patriot News. In addition, the Commission posted an updated meeting notice on the Department’s website. In that website notice the Commission offered an opportunity to members of the public to participate in this meeting, by giving contact information for them to request access to this meeting. However, no members of the public requested such access. He explained that pursuant to the Sunshine Act 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 are closed, physical posting is not relevant. Accordingly, the Vice-Chair stated that the Commission has complied with the public notice requirements of the Sunshine Act.

The Vice-Chair stated that Section 1121-A.(f) of the Department of Banking and Securities Code provides that a majority of the serving Commissioners shall constitute a quorum for taking official action. With four Commissioners currently serving, the presence of at least three Commissioners is required for a quorum. A quorum exists for purposes of taking official action at this meeting.

5. Eileen Smith will be taking the minutes of this meeting, a draft of which will be circulated to the Commissioners prior to their next quarterly meeting. The Commission will finalize the minutes and approve them at that meeting.

6. All Commission members received copies of the draft minutes for the regular meeting held on November 4, 2021. Pursuant to a motion made by Commissioner Luterman and seconded by Commissioner Biery, the Commission voted to approve the minutes as final.

ADJUDICATION MATTERS

7. Vice-Chair Vague requested the Commissioners and Commission counsel to exit the public meeting and enter an executive session in a separate Microsoft Teams call, pursuant to section 708 of the Sunshine Act, to consult with Commission counsel regarding litigation. The Vice-Chair stated that the consultation will involve two adjudication matters on the agenda, which are *Department of Banking and Securities, Bureau of Securities Compliance and Examinations v. Daniel J. Reisinger d/b/a Safe Investing Services*, Docket No. 210034 (SEC-OSC); and, second, *Department of Banking and Securities, Bureau of Securities*

Compliance and Examinations v. Platinum Tickets, LLC and Patrick Brown, Docket No. 210036 (SEC-OSC).

8. The first adjudication item is a proposed Consent Agreement and Order in the matter of *Department of Banking and Securities, Bureau of Securities Compliance and Examinations v. Daniel J. Reisinger d/b/a Safe Investing Services*, Docket No. 210034 (SEC-OSC).

The Bureau of Securities Compliance and Examinations brought an enforcement action against the respondent, alleging among other things that Reisinger from 2016-18 offered and sold securities in Pennsylvania without having the required registration, which constituted a willful violation of section 301(a) of the Pennsylvania Securities Act of 1972. After Reisinger filed an answer challenging the allegations, Secretary Vague appointed a hearing officer. Before a hearing could take place, the respondent agreed with the Bureau to settle the litigation in a consent agreement that acknowledges violations of section 301(a) from 2016-18.

Because the Department of Banking and Securities Code requires that the Commission be the final adjudicator of every proceeding that is instituted by the Department and that requires the appointment of a hearing officer, the consent agreement is being presented to the Commission today for its approval.

Among other things, the consent agreement calls for respondent, without admitting or denying the allegations, to pay a \$25,000 administrative assessment in eight (8) quarterly installments of \$3,125.00, beginning on or before March 30, 2022.

Commissioner Zenner motioned and Commissioner Luterman seconded to issue a Final Order approving the proposed Consent Agreement and Order.

9. The Vice-Chair offered the opportunity for public comment on the proposed Final Order, but no members of the public were present.

10. A motion having been made and seconded, a roll call was conducted to approve the proposed consent agreement in the matter of *Department of Banking and Securities, Bureau of Securities Compliance and Examinations v. Daniel J. Reisinger d/b/a Safe Investing Services*, Docket No. 210034 (SEC-OSC). The commission unanimously agreed to the motion.

11. The second adjudication item is a proposed Consent Agreement and Order in the matter of *Department of Banking and Securities, Bureau of Securities Compliance and Examinations v. Platinum Tickets, LLC and Patrick Brown*, Docket No. 210036 (SEC-OSC).

This matter involves a Florida LLC and its chief executive officer who were alleged, among other things, to have offered and sold promissory notes to Pennsylvania residents in 2018 that did not have the required registration, which would be a violation of section 201 of the 1972 Securities Act. They were also alleged to have employed an unregistered agent to engage in these activities, a violation of section 301(b) of the 1972 Securities Act.

The Bureau brought an enforcement action against them, and after respondents filed an answer, the Secretary appointed a hearing officer. Before a hearing could take place, the respondent and the Bureau had discussions and now propose to resolve the litigation with a consent

agreement, in which respondents, without admitting or denying the allegations, would agree to pay an administrative assessment of \$25,000 in 25 monthly installments of \$1,000 beginning on or before March 31, 2022.

Because the Department of Banking and Securities Code requires that the Commission be the final adjudicator of every proceeding that is instituted by the Department and that requires the appointment of a hearing officer, the consent agreement is being presented to the Commission today for its approval.

Commissioner Biery motioned and Commissioner Zenner seconded to issue a Final Order approving the proposed Consent Agreement and Order.

12. The Vice-Chair offered the opportunity for public comment on the proposed Final Order, but no members of the public were present.

13. A motion having been made and seconded, a roll call was conducted to approve the proposed consent agreement in the matter of *Department of Banking and Securities, Bureau of Securities Compliance and Examinations v. Platinum Tickets, LLC and Patrick Brown*, Docket No. 210036 (SEC-OSC). The commission unanimously agreed to the motion.

GENERAL PUBLIC COMMENT

14. Turning to the portion of the meeting during which members of the public may make general public comment, Vice-Chair Vague noted that, because no members of the public

had contacted the Department to ask to participate in the remote meeting, there would be no general public comment.

15. ADMINISTRATIVE MATTERS

Stacy Walter reminded commission members to complete their Code of Ethics paperwork by March.

ADJOURNMENT

16. Having no further business, Vice-Chair Vague asked for a motion to adjourn the meeting and was seconded by Commissioner Biery. The Commission agreed to adjourn. The meeting was adjourned at 1:36 p.m.

Reviewed and respectfully submitted by:

RICHARD VAGUE, Vice-Chair