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COMMONWEALTH OF PENNSYLVANIA 2021 FEB 22 AM 11:38
DEPARTMENT OF BANKING AND SECURITIES

PA DEPARTMENT OF
BANKING AND SECURITIES

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND
SECURITIES, BUREAU OF SECURITIES
LICENSING

Docket No. : 21 0008 (SEC-OSC)

v.

PHILADELPHIA INVESTMENT
PARTNERS, LLC

PETER C. ZEULI

NOTICE TO ANSWER AND REQUEST A HEARING

You have the right to challenge the attached Order to Show Cause (“Order”) by filing an Answer, in writing, with the Docket Clerk **within 30 days** of the date of this Order as required by 1 Pa. Code § 35.37. **If you do not file an Answer within 30 days, then you will waive your right to a hearing and the Banking and Securities Commission (“Commission”) may enter a final order against you.**

Your Answer must be in writing. Your Answer must specifically admit or deny the allegations in the Order, set forth the facts you rely upon, and state concisely the law upon which you rely. General denials of the allegations set forth in the Order are not sufficient; you must support your denials with specific facts. Failure to support your denials with specific facts may cause the Commission to deem the facts in the Order as admitted and to enter a final order against you, without a hearing

The Answer and any other documents must be filed via first-class mail and electronic mail with the Docket Clerk:

Linnea Freeberg, Docket Clerk
Department of Banking and Securities
17 North Second Street, Suite 1300
Harrisburg, PA 17101
Email: RA-BNDOCKETCLERK@pa.gov

Further, you must serve a copy of the Answer and any other documents on the person who signed the Order by providing a hard and electronic copy to his or her counsel indicated below:

Christopher G. Giovanis, Assistant Counsel
Department of Banking and Securities
17 North Second Street, Suite 1300

Harrisburg, PA 17101
cgiovanis@pa.gov

Once you file your Answer, you will be notified of pertinent information such as the name of the presiding officer designated by the Commission to hear this matter and, if a hearing is scheduled, the date, time, and location of the hearing. You have the right to be represented by an attorney.

The hearing and all other procedural matters will be governed by the Pennsylvania Administrative Agency Law, 2 Pa.C.S. §§ 501-508, 701-704, and the General Rules of Administrative Practice and Procedure, 1 Pa. Code §§ 31.1-35.251.

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PHILADELPHIA INVESTMENT
PARTNERS, LLC

PETER C. ZEULI

ORDER TO SHOW CAUSE

You, Philadelphia Investment Partners, LLC (“Respondent PIP”) and Peter C. Zeuli (“Respondent Zeuli”) are notified that the Department of Banking and Securities (“Department”), through the Bureau of Securities Licensing (“Bureau”), hereby **ORDERS YOU TO SHOW CAUSE** why the Banking and Securities Commission (“Commission”) should not impose the sanctions and remedies described below. Specifically, this proceeding is instituted pursuant to 1 Pa. Code § 35.14 to determine:

- (1) whether the allegations set forth below are true; and
- (2) if these allegations are true, whether there has been a violation of the Pennsylvania Securities Act of 1972 (“1972 Act”) or of the regulations promulgated thereunder; and
- (3) if so, whether the sanctions and remedies proposed by the Bureau should be imposed by the Commission.

The Bureau alleges the following facts and violations of law for the purpose of tentatively framing the issues for consideration by the Commission. The Commission may consider this

matter directly or may designate a hearing officer to issue a recommended decision prior to the Commission issuing a final order.

STATEMENT OF THE PARTICULARS AND MATTERS
CONCERNING WHICH THE BUREAU IS INQUIRING

PARTIES

1. The Department is the Commonwealth of Pennsylvania's administrative agency authorized and empowered to administer and enforce the 1972 Act.

2. The Bureau is primarily responsible for administering and enforcing the 1972 Act for the Department.

3. The Bureau operates from the Department's main office located at 17 North Second Street, Suite 1300, Harrisburg, Pennsylvania 17101.

4. Respondent PIP, CRD# 122733, was, at all times material herein, a New Jersey limited liability company with a principal place of business at 1233 Haddonfield-Berlin Road, Unit 7, Voorhees, NJ 08043.

5. Respondent Zeuli, CRD# 2270832, was, at all times material herein, the owner of Respondent PIP and an individual with an address at 1233 Haddonfield-Berlin Road, Unit 7, Voorhees, NJ 08043.

FACTUAL ALLEGATIONS

6. From in or about June 2006 through June 2019, PIP was registered with the U.S. Securities and Exchange Commission as an investment adviser.

7. From in or about June 2006 through June 2019, PIP was a federally covered adviser.

8. From in or about September 2015, Respondent PIP obtained a client who is a resident of Pennsylvania, which increased PIP's total number of clients who are Pennsylvania residents to six.

9. From in or about September 2015 through June 2019, pursuant to Section 303(a)(iii) of the 1972 Act, 70 P.S. § 1-303(a)(iii), PIP failed to notice file as an investment adviser in Pennsylvania.

10. From in or about June 2019 to the present, PIP transacted business in Pennsylvania as an investment advisor while neither registered nor exempt from registration.

11. From in or about September 2015 to the present, PIP received at least \$435,900 in compensation from its clients who are residents of Pennsylvania.

12. As the owner of Respondent PIP, Respondent Zeuli acted as an “affiliate” of Respondent PIP within the meaning of Section 102(b) of the 1972 Act, 70 P.S. § 1-102(b), and, as such, caused Respondent PIP to commit the herein stated acts which violated the 1972 Act.

COUNTS

Violation of Section 301(f) of the 1972 Act, 70 P.S. § 1-301(f)

4 Counts

13. Paragraphs 1 through 12 are incorporated herein by reference as if set forth in their entirety.

14. By engaging in the acts and conduct set forth in paragraphs 6, 7, 8, 9, 11 and 12 above, Respondent PIP and Respondent Zeuli conducted business as an investment adviser in willful violation of Section 301(f) of the 1972 Act, 70 P.S. § 1-301(f).

Violation of Section 301(c) of the 1972 Act, 70 P.S. § 1-301(c)

2 Counts

15. Paragraphs 1 through 14 are incorporated herein by reference as if set forth in their entirety.

16. By engaging in the acts and conduct set forth in paragraphs 6, 7, 8, 10, 11 and 12 above, Respondent PIP and Respondent Zeuli transacted business as an investment adviser in willful violation of Section 301(c) of the 1972 Act, 70 P.S. § 1-301(c).

SANCTIONS AND REMEDIES

WHEREAS, the Bureau respectfully requests the penalties and relief pursuant to its authority under the 1972 Act:

1. That an order be issued pursuant to Section 305 of the 1972 Act, 70 P.S. § 1-305, that the registration of Respondent PIP and Respondent Zeuli be suspended, revoked or conditioned or that Respondent PIP be censured.

2. That Respondent PIP and Respondent Zeuli be ordered to pay the costs of the investigation pursuant to Section 602.1(b) of the 1972 Act, 70 P.S. § 1-602.1(b).

3. That Respondent PIP and Respondent Zeuli be ordered to pay an administrative assessment of \$2,000.00 for willfully violating Section 301(f) of the 1972 Act, 70 P.S. §1-301(f), pursuant to Section 602.1(c) of the 1972 Act, 70 P.S. §1-602.1(c).

4. That Respondent PIP and Respondent Zeuli be ordered to pay an administrative assessment of up to \$50,000.00 for each act or omission constituting a willful violation of Section 301(c) of the 1972 Act, 70 P.S. § 1-301(c), pursuant to Section 602.1(c) of the 1972 Act, 70 P.S. §1-602.1(c).

5. That an order be issued pursuant to Section 512 of the 1972 Act, 70 P.S. § 1-512, which bars, conditionally or unconditionally, and either permanently or for such period of time as may be determined, Respondent PIP and Respondent Zeuli from:

- a. Representing an issuer offering or selling securities in this State;
- b. Acting as a promoter, officer, director or partner of an issuer (or an individual occupying a similar status or performing similar functions) offering or selling securities in this State or of a person who controls or is controlled by such issuer;

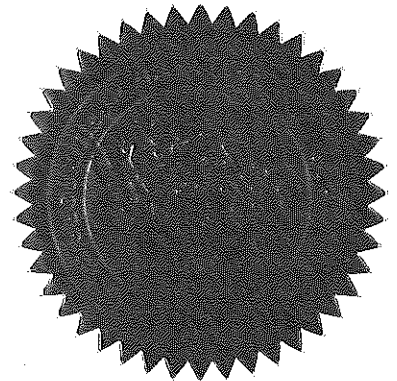
- c. Being registered as a broker-dealer, agent, investment adviser or investment adviser representative under Section 301 of the 1972 Act;
- d. Being an affiliate of any person registered under Section 301 of the 1972 Act; or
- e. Relying upon an exemption from registration contained in Section 202, 203 or 302 of the 1972 Act.

IT IS SO ORDERED.

FOR THE COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF BANKING AND SECURITIES
BUREAU OF SECURITIES LICENSING

Redacted


Wendy Spicher
Acting Deputy Secretary of Securities



Dated: February 16, 2021

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PARTNERS, LLC	:	
	:	
PETER C. ZEULI	:	
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing Order to Show Cause upon the parties below, who constitute the only parties of record in this proceeding, in accordance with the requirements of 1 Pa. Code §§ 33.35, 33.36 and 33.37:

BY CERTIFIED AND FIRST-CLASS MAIL

Paula Shaffner, Esquire
Stradley Ronon Stevens & Young LLP
2005 Market Street
Suite 2600
Philadelphia, PA 19103-7018
(Counsel for Philadelphia Investment
Partners, LLC, and Peter C. Zeuli)

Peter C. Zeuli
1233 Haddonfield-Berlin Road, Unit 7
Voorhees, NJ 08043

Dated this 23rd day of February, 2021

Redacted

Eileen Smith, Administrative Officer
Office of Chief Counsel
FOR: Commonwealth of Pennsylvania
Department of Banking and Securities
Market Square Plaza
17 North Second Street, Suite 1300
Harrisburg, PA 17101
(717) 787-1471