

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT  
NO. 2021072773201**

TO: Department of Enforcement  
Financial Industry Regulatory Authority (FINRA)

RE: Joseph A. Ambrosiole (Respondent)  
Former General Securities Representative  
CRD No. 5732488

Pursuant to FINRA Rule 9216, Respondent Joseph A. Ambrosiole submits this Letter of Acceptance, Waiver, and Consent (AWC) for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Respondent alleging violations based on the same factual findings described in this AWC.

**I.**

**ACCEPTANCE AND CONSENT**

- A. Respondent accepts and consents to the following findings by FINRA without admitting or denying them:

**BACKGROUND**

Ambrosiole first registered with FINRA in 2011. Between November 2017 and June 2021, Ambrosiole was registered as a General Securities Representative through an association with Joseph Stone Capital L.L.C. (CRD No. 159744). On June 29, 2021, Joseph Stone Capital filed a Uniform Termination Notice for Securities Industry Registration (Form U5) reporting that Ambrosiole had resigned from the firm. On September 16, 2021, Joseph Stone Capital filed an amended Form U5 disclosing a customer complaint alleging that Ambrosiole engaged in “unsuitable trading . . . from February 2021 until May 2021.”

Ambrosiole is not currently registered or associated with any FINRA member firm. However, he remains subject to FINRA’s jurisdiction pursuant to Article V, Section 4 of FINRA’s By-Laws.

From September 9, 2016 until November 9, 2016, Ambrosiole was suspended from associating with any FINRA member firm in all capacities pursuant to FINRA Rule 9552 for failing to timely respond to a FINRA request for information.

In February 2017, Ambrosiole entered into an AWC with FINRA through which he consented to the entry of findings that he executed five unauthorized trades in a customer’s account in violation of FINRA Rule 2010. That AWC suspended Ambrosiole

from associating with any FINRA member firm in all capacities for one month, fined him \$5,000, and ordered that he pay restitution of \$645.97, plus interest.

In March 2021, Ambrosio consented to the entry of a Consent Order by the New Hampshire Bureau of Securities Regulation through which he consented to findings that, between December 2017 and August 2020, he unsuitably traded securities in the account of one customer. That order required that Ambrosio cease and desist from any violations of the New Hampshire Uniform Securities Act and, jointly and severally with his firm, required that he pay \$130,000 in fines and administrative costs to the State of New Hampshire and \$175,000 in restitution.

In April 2021, Ambrosio entered into an AWC with FINRA through which he consented to findings that he excessively and unsuitably traded the accounts of two customers between December 2017 and June 2020, in violation of FINRA Rules 2111 and 2010. That AWC suspended Ambrosio from associating with any FINRA member firm in all capacities for six months, fined him \$5,000, and ordered that he pay restitution in the amount of \$147,031.50, which was satisfied by restitution paid pursuant to the March 2021 New Hampshire consent order.<sup>1</sup>

## OVERVIEW

Ambrosio refused to appear for on-the-record testimony requested pursuant to FINRA Rule 8210, in violation of FINRA Rules 8210 and 2010.

## FACTS AND VIOLATIVE CONDUCT

This matter originated from FINRA's investigation concerning the amended Form US filed by Joseph Stone Capital.

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA may "require a member, person associated with a member, or any other person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically ... and to testify at a location specified by FINRA staff...with respect to any matter involved in [a FINRA] investigation [or] examination ...." FINRA Rule 8210(c) further states that "[n]o member or person shall fail to provide information or testimony ... pursuant to this Rule." A violation of FINRA Rule 8210 is also a violation of FINRA Rule 2010, which requires member firms and their associated persons in the conduct of their business to "observe high standards of commercial honor and just and equitable principles of trade."

On June 17, 2022, in connection with its investigation, FINRA sent a request to Ambrosio for on-the-record testimony pursuant to FINRA Rule 8210. As stated during his counsel's phone call with FINRA on July 8, 2022, and by this agreement, Ambrosio acknowledges that he received FINRA's request and will not appear for on-the-record

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<sup>1</sup> For more information about the Respondent, including prior regulatory events, visit BrokerCheck® at [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

testimony at any time. By refusing to appear for on-the-record testimony as requested pursuant to FINRA Rule 8210, Ambrosio violated FINRA Rules 8210 and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a bar from associating with any FINRA member in all capacities.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, he may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. See FINRA Rules 8310 and 8311.

The sanctions imposed in this AWC shall be effective on a date set by FINRA. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

## II.

### WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a complaint issued specifying the allegations against him;
- B. To be notified of the complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made, and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council (NAC) and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

### III.

#### OTHER MATTERS

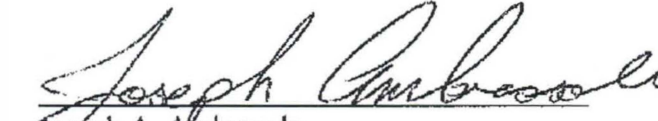
Respondent understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
  - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
  - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
  - 3. FINRA may make a public announcement concerning this agreement and its subject matter in accordance with FINRA Rule 8313; and
  - 4. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Respondent may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

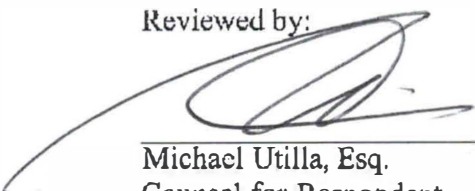
Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

7/19/22

Date

  
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Joseph A. Ambrosio  
Respondent


Reviewed by:

  
\_\_\_\_\_  
Michael Utilla, Esq.  
Counsel for Respondent  
Michael Utilla &  
Associates 2225 East 74th  
Street  
Brooklyn, New York 11234

Accepted by FINRA:

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Date: July 28, 2022

Signed on behalf of the  
Director of ODA, by delegated authority

  
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Myla G. Arumugam  
Principal Counsel  
FINRA  
Department of Enforcement  
581 Main St., 7th Floor  
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