

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT  
NO. 2021072252801**

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

RE: Joseph Civiletti (Respondent)  
Former General Securities Representative  
CRD No. 2246140

Pursuant to FINRA Rule 9216, Respondent Joseph Civiletti 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**

Civiletti first became registered with FINRA through an association with a FINRA member firm in 1992. He has been registered as a General Securities Representative through an association with Ameriprise Financial Services, LLC (CRD No. 6363) from October 2009 to May 31, 2023. On May 31, 2023, Ameriprise filed a Uniform Termination Notice for Securities Industry Registration (Form U5), disclosing that Civiletti had voluntarily resigned from the firm. Civiletti is not currently associated with a FINRA member firm, but he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.<sup>1</sup>

**OVERVIEW**

Between May 2021 and June 2021, Civiletti failed to notify Ameriprise that he had received compensation for his disclosed outside business activity. By accepting such compensation, Civiletti acted in contravention of Ameriprise policy and the limitations that Ameriprise placed on his outside business activity. As a result, Civiletti violated FINRA Rules 3270 and 2010.

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

## FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3270 provides, in relevant part, that:

No registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member.

A violation of FINRA Rule 3270 also constitutes a violation of FINRA Rule 2010, which requires associated persons to “observe high standards of commercial honor and just and equitable principals of trade” in the conduct of their business.

While associated with Ameriprise, Civiletti agreed to serve as power of attorney for his mother beginning in June 2014 and for his father beginning in January 2015. Each parent executed documents granting Civiletti power of attorney under New Jersey law, which permitted him to make medical and financial decisions on their behalf. Both Civiletti’s parents held brokerage accounts at Ameriprise and Civiletti acted as their registered representative of record. Ameriprise policy permitted registered representatives to act as power of attorney for immediate family members but prohibited collecting compensation for that work if the family members were also firm customers.

Civiletti disclosed the power of attorney relationship with his parents in the form specified by Ameriprise and stated that he would receive no compensation. The form expressly reminded representatives of the firm’s policy that “[n]o compensation is allowed for family members if any assets are held at Ameriprise.” Ameriprise approved Civiletti’s power of attorney relationship as an outside business activity. In January 2021, Civiletti submitted a compliance questionnaire to Ameriprise in which he attested that his outside business activity disclosure remained truthful and complete and that he understood he was required to update the disclosure should his involvement in any previously disclosed business activities change.

In May 2021, Civiletti transferred a total of \$30,000 from his mother and father’s Ameriprise accounts to his own Ameriprise accounts. On June 1, 2021, Civiletti attempted to deposit a check for \$10,000 from his mother’s Ameriprise account into his personal account. The memo field for the checks used in two of the transfers specified that these transfers were “authorized power-of-attorney payments.” Ameriprise stopped the June 1 transfer and voided the check.

When Ameriprise asked about these transfers, Civiletti admitted that the May and June 2021 payments were intended to serve as compensation for power of attorney activities he performed on behalf of his parents. Prior to making the transfers, Civiletti did not disclose to Ameriprise his intention to collect compensation for his power of attorney activities, which violated Ameriprise policy and exceeded the limitations that Ameriprise had imposed on his outside business activity.

Therefore, Civiletti violated FINRA Rules 3270 and 2010.

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

- a two-month suspension from associating with any FINRA member in all capacities; and
- a \$5,000 fine

The fine shall be due and payable either immediately upon reassociation with a member firm or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time after the execution of this AWC, the monetary sanction imposed in this matter.

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.

## 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.

- D. Respondent may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he may not deny the charges or make any statement that is inconsistent with the AWC in this statement. This statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA.

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.

June 14, 2023

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Date

*Joseph Civiletti*

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Joseph Civiletti  
Respondent

Reviewed by:

*Marc Durant*

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Marc Durant  
Counsel for Respondent  
Durant & Durant LLC  
1500 Chestnut Street, Suite 1520  
Philadelphia, PA 19102

Accepted by FINRA:

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

July 7, 2023

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Date

*Catherine L. Hoge*

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Catherine L. Hoge  
Counsel  
FINRA  
Department of Enforcement  
Brookfield Place  
200 Liberty Street  
New York, NY 10281