

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

SECURITIES EXCHANGE ACT OF 1934
Release No. 104151 / September 30, 2025

Admin. Proc. File No. 3-22456

In the Matter of the Application of

RONALD MOSCHETTA

For Review of Action Taken by

FINRA

OPINION OF THE COMMISSION

REGISTERED SECURITIES ASSOCIATION – REVIEW OF FINRA ACTION

Formerly associated person of FINRA member firm appealed, and sought expungement of, FINRA’s 2013 decision barring him from associating with any FINRA member firm because he failed to respond to its requests for documents. *Held*, application for review is dismissed.

APPEARANCES:

Ronald Moschetta, pro se.

Michael Garawski, Jennifer Brooks, Celia Passaro, and Andrew Love for FINRA.

Appeal filed: February 18, 2025
Last brief received: May 2, 2025

Ronald Moschetta, who was formerly associated with a FINRA member firm, seeks review and expungement of FINRA’s 2013 decision to bar him for failing to adequately respond to FINRA’s requests for documents. FINRA now moves to dismiss Moschetta’s application for review because, FINRA claims, Moschetta failed to exhaust his administrative remedies as to the bar order; Moschetta failed to timely file his application as to the bar order; and the Commission lacks a statutory basis to grant his expungement request in this proceeding. Moschetta opposes FINRA’s motion. For the reasons below, we grant FINRA’s motion and dismiss Moschetta’s application for review.

I. Background

A. FINRA barred Moschetta in 2013.

Moschetta worked in the securities industry from 1983 to 2010. In 2012, FINRA’s Department of Enforcement filed a complaint against Moschetta alleging that he violated FINRA Rules 8210 and 2010 for failing to adequately respond to multiple requests for documents.¹ After a hearing, in which Moschetta participated *pro se*, a Hearing Panel issued a decision finding that Moschetta violated Rules 8210 and 2010 and barring Moschetta from associating with any FINRA member firm in any capacity. FINRA informed Moschetta in its Notice of Hearing Panel Decision that he could appeal the Hearing Panel’s decision to the National Adjudicatory Council (“NAC”). Because he did not do so, the Hearing Panel’s decision became FINRA’s final disciplinary action on December 2, 2013.²

B. Over eleven years later, Moschetta filed an application for review and sought expungement with the Commission.

On February 18, 2025, Moschetta filed this application challenging the bar that FINRA had imposed more than eleven years earlier. Moschetta’s application for review also requested expungement of the disciplinary action from the Central Registration Depository (“CRD”). FINRA then filed a motion to dismiss Moschetta’s application for review with the Commission.

¹ FINRA Rule 8210 provides that FINRA can require any person subject to FINRA’s jurisdiction to provide information and records regarding a FINRA investigation, and “[n]o member or person shall fail to provide . . . information . . . or to permit an inspection and copying of . . . records . . . pursuant to this Rule.” FINRA Rule 8210(a), (c). FINRA Rule 2010, in turn, provides that a “member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.”

² See FINRA Rules 9311(a) (providing a party 25 days after service of a decision to file a written notice of appeal with the NAC); 9312(a) (providing procedural mechanism for the NAC to initiate a review proceeding within 45 days of service of the decision); 9268(e) (providing that the Hearing Panel Decision “shall constitute final disciplinary action of FINRA” unless a party timely appeals or the NAC timely takes up the decision for review).

II. Analysis

We grant FINRA’s motion to dismiss Moschetta’s application for review as to the bar order for two independent reasons: he failed to exhaust his administrative remedies before FINRA and his application is untimely. We also dismiss his expungement request because the Commission lacks a statutory basis to provide it in this Exchange Act Section 19(d) proceeding.

A. Moschetta failed to exhaust his administrative remedies as to the bar order.

We will not review the action of a self-regulatory organization (“SRO”) like FINRA if the applicant failed to exhaust the SRO’s administrative remedies.³ The U.S. Court of Appeals for the Second Circuit has upheld our administrative-exhaustion requirement because it “promotes the efficient resolution of disciplinary disputes between SROs and their members and is in harmony with Congress’s delegation of authority to SROs to settle, in the first instance, disputes relating to their operations.”⁴ The court explained that the administrative-exhaustion requirement “promotes the development of a record in a forum particularly suited to create it, upon which the Commission and, subsequently, the courts can more effectively conduct their review.”⁵

At all relevant times here, FINRA rules have provided that a party may appeal a hearing panel decision to the NAC in order to provide the NAC with the opportunity to review the hearing panel’s decision.⁶ Indeed, FINRA rules have specified throughout the relevant time that a party that fails to appeal a hearing panel decision to the NAC is deemed to have “assented to the imposition of the sanction.”⁷ And FINRA notified Moschetta in 2013 that the panel’s decision would become FINRA’s final decision absent any such appeal to (or review by) the NAC.⁸ Moschetta does not claim that he was unaware of this administrative process.

³ See, e.g., *Shlomo Sharbat*, Exchange Act Release No. 93757, 2021 WL 5907832 (Dec. 13, 2021) (dismissing for failure to exhaust administrative remedies because applicant defaulted before the hearing panel and failed to appeal internally within the SRO); *Florence Sarah Pollard*, Exchange Act Release No. 55978, 2007 WL 1928469, at *1 (June 28, 2007) (dismissing application for review for failure to appeal hearing panel’s decision internally within the SRO).

⁴ *MFS Sec. Corp. v. SEC*, 380 F.3d 611, 621 (2d Cir. 2004); see also, e.g., *Mohlman v. FINRA*, 977 F.3d 556, 560 (6th Cir. 2020) (upholding dismissal of complaint concerning plaintiff’s settled FINRA disciplinary action because plaintiff failed to exhaust his administrative remedies by not appealing the action to the NAC or the Commission).

⁵ *MFS*, 380 F.3d at 621.

⁶ See FINRA Rule 9311 (providing for appeals to the NAC); FINRA Rule 9349 (describing scope of NAC review).

⁷ FINRA Rule 8310.

⁸ See FINRA Rule 9311(a) (providing a party 25 days after service of a decision to file a written notice of appeal); FINRA Rule 9268(e) (providing that a hearing panel decision becomes FINRA’s final disciplinary action if it is not timely appealed to or called for review by the NAC).

In fact, Moschetta provides no explanation for why he did not seek the NAC's review other than to state generally that there is institutional bias and a lack of impartiality within FINRA. But even claims of SRO bias must first be exhausted before an SRO tribunal, which "not only will give the tribunal the opportunity to purge itself of bias, if any, but also will provide a foundation for further review of the dispute either with respect to the alleged bias or on its merits."⁹

Accordingly, we find that Moschetta failed to exhaust his administrative remedies before FINRA, which provides us with an independent basis to dismiss his application for review of the bar order.¹⁰

B. Moschetta's application for review is untimely as to the bar order.

In addition to Moschetta's failure to exhaust his administrative remedies before FINRA, his application for review is also untimely. This provides an independent basis for us to dismiss his appeal even if Moschetta had exhausted the review procedures at FINRA. The Hearing Panel issued its decision on October 15, 2013, the same day that FINRA sent Moschetta notice of its decision. Moschetta does not claim he failed to receive that notification. Because no party appealed, the Hearing Panel's decision became FINRA's final disciplinary action on December 2, 2013.¹¹ The Commission's internal records show that FINRA filed notice of this action with the Commission on December 11, 2013.¹² Under Exchange Act Section 19(d)(2), Moschetta's application for review thus became due in January 2014.¹³ Moschetta did not file his application for review until February 2025, more than eleven years after that deadline.

Under our Rules of Practice, we will not extend the 30-day deadline for filing an application for review "absent a showing of extraordinary circumstances."¹⁴ The Commission has occasionally found such extraordinary circumstances to extend the 30-day filing deadline "when circumstances beyond the applicant's control give rise to the delay in appealing," but the Commission has still required that such an applicant "demonstrate that he or she promptly

⁹ *MFS*, 380 F.3d at 623.

¹⁰ *See Sharbat*, 2021 WL 5907832, at *4-5; *cf. Lewis v. Potter*, No. 6:9-570-HFF-WMC, 2009 WL 4823893, at *4-5 (D.S.C. Dec. 14, 2009) (dismissing complaint for plaintiff's failure to exhaust administrative remedies where he failed to timely file internal agency appeal).

¹¹ *See* FINRA Rule 9268(e) (providing that the Hearing Panel Decision "shall constitute final disciplinary action of FINRA" unless a party timely appeals or the NAC timely takes up for review the decision).

¹² *See* 15 U.S.C. § 78s(d)(1) (requiring SROs to file notice with the Commission of final disciplinary sanctions); Rule of Practice 323, 17 C.F.R. § 201.323 (providing that we may take official notice of certain facts).

¹³ *See* 15 U.S.C. § 78s(d)(1)-(2); Rule of Practice 420(b), 17 C.F.R. § 201.420(b).

¹⁴ Rule of Practice 420(b), 17 C.F.R. § 201.420(b).

arranged for the filing of the appeal as soon as reasonably practicable.”¹⁵ That is not the case here.

Moschetta asks that we consider his late-filed appeal by claiming that “the consequences of a permanent bar and associated disclosure have reached well beyond their stated purpose,” impacting his “ability to work in related fields such as mortgage lending, investment advisory, or even open a brokerage account.” But any such reputational and financial effects were predictable in 2013 when FINRA concluded that Moschetta had violated its rules and found that it was appropriate to impose a permanent bar on him.¹⁶ And Moschetta does not otherwise suggest that there were circumstances beyond his control for why he waited more than eleven years to object to the consequences of the bar order.

Accordingly, we find that Moschetta’s failure to timely file his application for review of the bar provides an independent basis to dismiss.

C. The Commission lacks a basis for granting Moschetta’s expungement request in this review proceeding.

Moschetta’s application for review also includes a request that the Commission expunge the 2013 bar order from his CRD record because, he claims, the allegations in that order “were factually incorrect” and there was “no evidence of misconduct or investor harm.” The Commission has long held that a review proceeding under Section 19(d)—such as this one—does not provide a forum for one to challenge information maintained by FINRA in the CRD.¹⁷ Exchange Act Section 19(d) authorizes us to consider applications for review of only four types of SRO actions: (1) actions that impose a final disciplinary sanction on a member of the SRO or an associated person; (2) actions that deny membership or participation to the applicant; (3) actions that bar a person from becoming associated with a member; or (4) actions that prohibit or

¹⁵ *Sharbat*, 2021 WL 5907832, at *6 (quoting *Michael Ross Turner*, Exchange Act Release No. 81693, 2017 WL 4222468, at *4 (Sept. 22, 2017) (internal citations omitted)).

¹⁶ *See, e.g., Guy S. Amico*, Exchange Act Release No. 100453, 2024 WL 3291362, at *4 (July 2, 2024) (concluding that the fact that the bars purportedly hindered clearing and settlement relationships and negatively affected the generation of new business are natural and foreseeable consequences of the bars); *Gregory Osborn*, Exchange Act Release No. 10641, 2019 WL 2324337, at *4 (May 31, 2019) (finding that respondent’s claim of a loss of a job opportunity and of suffering financial and reputational damage were “natural and foreseeable consequences” of bar order).

¹⁷ *See, e.g., Sandeep Varma*, Exchange Act Release No. 98102, 2023 WL 5152648, at *2 (Aug. 10, 2023) (“[W]e have long held that challenges to information maintained by FINRA in the CRD . . . do not provide a basis for our review under Section 19(d) [of the Securities Exchange Act of 1934].”); *Eric David Wanger*, Exchange Act Release No. 79008, 2016 WL 5571629, at *4 (Sept. 30, 2016) (holding that the Commission lacked authority under Exchange Act Section 19(b) and (d) to review a disclosure to the CRD and BrokerCheck).

limit access to services offered by the SRO.¹⁸ Moschetta does not argue that his request for expungement is based on an application to review any such FINRA actions here.¹⁹

Moschetta instead cites to FINRA Rule 2080 as the basis for expungement relief. But Rule 2080 is a FINRA rule that provides FINRA members and associated persons with a procedure to expunge certain customer dispute information from the CRD by obtaining a court order that either directs such expungement or confirms an arbitration award that does so. FINRA Rule 2080 does not purport to provide a mechanism for associated persons to make expungement requests directly to the Commission, nor does it even purport to provide a mechanism for expunging non-customer dispute information like the regulatory information at issue here.

Indeed, Moschetta addressed his application for review to both the Commission and FINRA’s Office of Dispute Resolution Services (“DRS”). And on February 27, 2025, the Director of DRS denied Moschetta use of the FINRA arbitration forum as to his expungement request because, it found, Moschetta had requested expungement of a “regulatory action” and “FINRA rules do not contemplate expungement of this type of disclosure.”²⁰ Although the Commission has occasionally considered applications for review that alleged FINRA had denied an applicant access to FINRA’s arbitration forum under Section 19(d),²¹ the Director’s denial decision is not before us here.

D. Because we dismiss, we do not reach Moschetta’s merits arguments.

Moschetta raises various merits arguments against the bar order and in favor of expungement. Moschetta argues, for example, that the bar was “imposed following a sequence of duplicative investigations” that allegedly previously found no wrongdoing, and that the

¹⁸ See 15 U.S.C. § 78s(d)(1)-(2).

¹⁹ Cf. *Jonathan Edward Graham*, Exchange Act Release No. 89237, 2020 WL 3820988, at *3 & n.13 (July 7, 2020) (not reaching “bases for Commission review” where applicant did not contend the bases applied).

²⁰ See, e.g., *Michael Andrew DeMaria*, Exchange Act Release No. 97511, 2023 WL 3529972 at *3 (May 16, 2023) (holding that FINRA does not offer the service of using its arbitration forum to seek expungement of regulatory action information).

²¹ See, e.g., *James Thomas Young*, Exchange Act Release No. 101273, 2024 WL 4443979, at *2 (Oct. 8, 2024) (finding under Section 19(d) and (f) that FINRA properly denied Young access to its arbitration forum).

“current process lacks fairness, objectivity, and a willingness to correct prior injustices.” Because we dismiss his application, we do not reach these merits arguments.²²

Accordingly, we grant FINRA’s motion to dismiss.

An appropriate order will issue.²³

By the Commission (Chairman ATKINS and Commissioners PEIRCE, CRENSHAW, and UYEDA).

Vanessa A. Countryman
Secretary

²² See, e.g., *DeMaria*, 2023 WL 3529972 at *4 (“Because we lack authority to review FINRA’s action, we do not consider DeMaria’s arguments on the underlying merits”); *Sharbat*, 2021 WL 5907832, at *8 (declining to address applicant’s arguments about the appropriateness of a bar because he “failed to exhaust his administrative remedies and . . . his appeal is untimely”).

²³ We have considered all of the parties’ contentions. We have rejected or sustained them to the extent that they are inconsistent or in accord with the views expressed in this opinion.

UNITED STATES OF AMERICA
before the
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In the Matter of the Application of

RONALD MOSCHETTA

For Review of Action Taken by

FINRA

ORDER DISMISSING APPLICATION FOR REVIEW OF ACTION TAKEN BY FINRA

On the basis of the Commission's opinion issued this day, it is

ORDERED that the appeal filed by Ronald Moschetta be, and it hereby is, dismissed.

By the Commission.

Vanessa A. Countryman
Secretary