

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 85514 / April 4, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-19131

<p>In the Matter of</p> <p>JOSEPH MARIO GENZONE,</p> <p>Respondent.</p>
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ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Joseph Mario Genzone (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraph III.2 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Between 2012 and November 2014, Respondent offered and sold stock of First Call Ventures, LLC., which is a penny stock, to individual investors while acting as an unregistered associated person to an unregistered securities broker-dealer. Respondent, 53 years old, is a resident

of Broward County, Florida. Respondent was formerly a registered representative previously associated with broker-dealers registered with the Commission from 1989 to 2008.

2. On September 21, 2018, Respondent pled guilty to one count of conspiracy to commit mail and wire fraud in violation of Title 18 United States Code, Sections 1349, before the United States District Court for the Southern District of Florida, in *United States v. Thomas Michael White, et. al.*, Case No. 18-CR-60174-BB. Respondent's sentencing hearing occurred on December 21, 2018.

3. In connection with that plea, Respondent stipulated that in the year 2012 he acted as an unregistered sales agent for a "phone room" overseen by Thomas Michael White, a co-conspirator, that did business in Broward County, and elsewhere, by participating in the offer and sale of First Call Ventures stock. Specifically, Respondent admitted that he was a sales agent in White's "phone room" and that he and his co-conspirators used telemarketing techniques in calls to solicit potential investors whose names and contact information appeared on "lead lists." Respondent admitted that he and his co-conspirators offered and sold shares of stock in First Call Ventures while making materially false and fraudulent statements to investors regarding First Call Ventures stock, such as that no fees would be charged to investors unless First Call Ventures turned a profit; that First Call Ventures was a "safe investment," a "profitable investment," and one where "you won't lose your money;" that investors would receive a guaranteed return on investment; that First Call Ventures was successful and profitable; that investor funds would be used for sales and marketing, working capital and general corporate purposes; and that Respondent and his co-conspirators personally invested in First Call Ventures. Respondent and his co-conspirators also concealed from investors that approximately 80% of investor funds went to Respondent and his co-conspirators in payments of undisclosed commissions, fees, and excessive salaries.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Genzone be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act Respondent Genzone be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of

factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman
Acting Secretary