

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 87805 / December 19, 2019**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-19625**

**In the Matter of**

**Joseph (a/k/a Jay) Ludovico,**

**Respondent.**

**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 (a/k/a “Jay”) Ludovico (“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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph III.2, below, which are admitted, Respondent 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. Ludovico, age 43, resides in Brooklyn, New York. He was a sales trader employed by Cantor Fitzgerald & Co. (“Cantor”), a registered broker-dealer, from October 1998 until in or about February 2018. During this period, Ludovico held Series 7, 24, 55, and 63 licenses.

2. On December 18, 2019, a final judgment was entered by consent against Ludovico, permanently enjoining him from future violations of Section 17(a)(1) of the Exchange Act and Rule 17a-3(a)(19) thereunder, in the civil action entitled Securities and Exchange Commission v. Adam Mattessich, et al., Civil Action Number 18 Civ. 5884, in the United States District Court for the Southern District of New York.

3. The Commission's complaint alleged that Ludovico failed to comply with the firm's established procedures for splitting commission payments among registered employees and, without advising the firm, paid a portion of his commission compensation to two colleagues by personal check. According to the complaint, he thereby knowingly, or at least recklessly, aided and abetted the firm's failures, while operating as a broker-dealer, to make, and keep current, accurate books and records relating to its business, to wit, records listing each purchase and sale of a security attributable, for compensation purposes, to each of its associated persons.

### **Undertakings**

Respondent undertakes to provide to the Commission, within 30 days after the end of the twelve month suspension periods described below, an affidavit that he has complied fully with the sanctions described in Section IV.

### **IV.**

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Ludovico be, and hereby is, suspended from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization for a period of twelve months, effective upon the entry of this Order; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Ludovico be, and hereby is suspended 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 for a period of twelve months, effective upon the entry of this Order.

By the Commission.

Vanessa A. Countryman  
Secretary