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February 9, 2017

Via Electronic Mail

Mr. Brent J. Fields
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

**Re: In the Matter of the Association of Alfred G. Block (CRD # 1192064) with
Buckman, Buckman & Reid, Inc. (CRD # 23407)**

Dear Mr. Fields:

Effective February 9, 2017, and pursuant to Rule 19h-1(a)(3)(iv)(A)&(B) of the Securities Exchange Act of 1934 (“SEA” or “Exchange Act”), the Financial Industry Regulatory Authority (“FINRA”) hereby gives notification to the United States Securities and Exchange Commission (“the SEC” or “the Commission”) of the association of Alfred G. Block (“Block”) as a General Securities Representative with Buckman, Buckman & Reid, Inc. (“BBR or “the Firm”). The Firm filed a Membership Continuance Application (“MC-400” or “Application”) with FINRA on July 21, 2016.¹

Block’s Disqualifying Event

Block is subject to a statutory disqualification as a result of an SEC Order Making Findings, Imposing Remedial Sanctions and a Cease-and-Desist Order dated February 8, 1999 (“SEC Order”).² The SEC found that Block willfully aided and abetted and was a

¹ See MC-400 Application and related attachments filed by BBR on July 21, 2016 (attached as Exhibit 1).

² See SEC Order Making Findings, Imposing Remedial Sanctions, and Cease-and-Desist-Order dated February 8, 1999, issued against Block, Marsh Block & Co., Inc., Kenneth L. Marsh, and Jeffrey M. Miller (attached as Exhibit 2). Block was a co-founder of broker-dealer Marsh Block, which ceased doing

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cause of Marsh Block & Co., Inc. (“Marsh Block”) and the other respondents’ violations of Section 15(b)(7) and 17(a)(1) of the Securities Exchange Act (“Exchange Act”) and Rules 15b7-1 and 17a-3(a) thereunder.

Among other things, the SEC found that Block failed to have Marsh Block discharge Jeffrey Miller (“Miller”) or obtain approval for his continued association with Marsh Block when he knew or reasonably should have known that Miller, along with another registered representative, Herbert Rubin (“Rubin”) were subject to a statutory disqualification; and permitted Miller, Rubin and another natural person to engage in a securities business without obtaining the requisite approvals for their associations in accordance with NASD standards. In addition, Block took actions to conceal the unlawful associations of Miller, Rubin and the third individual by signing and having Marsh Block file false Form U4 and Form U5 notices with NASD and directed Marsh Block and individuals at the firm to make and keep false books and records.

As a result of his misconduct, Block was suspended from association with any broker, dealer, investment adviser, investment company or municipal securities dealer for a period of four months and was permanently barred from associating in a supervisory or proprietary capacity. He was also ordered to pay a civil penalty of \$50,000.³

Background Information of Alfred G. Block

Prior SEC Rule 19h-1 and 19d-1 Notices

No prior 19h-1 Notices or Notifications have been filed on behalf of Block.⁴

business in 1997. In 1993 and 1994, he was Marsh Block’s sole stockholder, Chief Executive Officer and one of its registered principals. *Id.* at pp. 1-2.

³ *Id.* at p. 6. The firm’s broker-dealer registration was revoked but disgorgement of more than \$276,000 was waived due to the firm’s demonstrated inability to pay.

⁴ FINRA amended its rules in 2009 to include findings that persons who willfully violate federal securities laws are subject to a statutory disqualification as articulated in Section 3(a)(39)(F) of the Exchange Act. *See* FINRA Regulatory Notice 09-19 (April 2009). Thus, although, Block has been subject to disqualification since 1999, his prior employer, ViewTrade Securities, Inc. (“ViewTrade”), was not required to file a MC-400 Application, with FINRA, before 2009. Separately, in 2009 when FINRA amended its rules it made no requirement that disqualified individuals like Block file an MC-400 Application. Rather, it allowed these individuals to remain associated with their then employing firm until such time as those individuals “trigger” the need for an application. An individual would trigger the need for an application if they changed employers or the member firm makes an application for the registration of such person as a principal pursuant to FINRA rules. It is Block’s request that he be registered with BBR that has necessitated the need for this Application. *See* FINRA Regulatory Notice 09-19.

Proposed Association, Responsibilities and Compensation

BBR proposes to employ Block as a registered representative. The Firm has represented that Block will serve as a “broker to individual investors.”⁵ Block will work from the Firm’s home office located at 44 Church Street, Little Silver, New Jersey and will only be paid a sales commission .⁶

Employment and Registration History

Employment History

Block has been associated with the following firms during the following periods:⁷

<u>Employer</u>	<u>Period of Employment</u>
BBR	June 2016 to present
ViewTrade Securities, Inc.	October 2005 to June 2016
ViewTrade Financial	December 2003 to December 2005
ViewTrade Securities, Inc.	November 2000 to December 2003
Barron Chase Securities, Inc.	January 2000 to November 2000
First Montauk Securities Corp.	July 1997 to September 1999
Marsh Block & Co., Inc.	August 1969 to June 1997
Lawrence Kotkin Associates, Inc. ⁸	November 1963 to August 1969

Registration History

In January 1984, Block received an official waiver for his registration as a General Securities Representative (Series 7), a General Securities Principal (Series 24) and as a Registered Options Principal (Series 4).⁹ He passed the Uniform Securities Agent State

⁵ See Exhibit 1, MC-400 Application, at Bates p. 163.

⁶ *Id.*

⁷ See CRD Snapshot for Alfred G. Block at pp. 7 - 9 (attached as Exhibit 3).

⁸ See CRD Excerpt: Legacy Employment History for Block (attached as Exhibit 4).

⁹ See Exhibit 3 at p. 9.

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Law Examination (Series 63) in September 1980 and qualified as a Municipal Securities Principal (Series 53) in August 1984.¹⁰

Block's Regulatory History

In addition to the SEC Order, Block has been the subject of two disciplinary matters; once occurring over 18 years ago (for failing to timely file FOCUS reports and an Annual Audit) and the other over 12 years ago (for failing to timely register in the state of New Jersey). In the matter occurring 18 years ago, he was censured, fined \$2,500 and suspended from association with any NASD member in a principal capacity for 30 days. In the matter occurring 12 years ago, he was fined \$1000.

Block has also been named in 10 customer complaints. These complaints were filed against Block between periods 1995 and 2004. Three of them were settled in arbitration, jointly and severally for a total of \$548,898; five of them were discharged as a part of Block's bankruptcy filing in 1997; one was withdrawn with prejudice; and one was closed by his then employing firm without action.¹¹

Outside Business Activities

Block does not list any outside business activities ("OBAs").

Background Information of BBR

BBR is based in Little Silver, New Jersey and has been a member of NASD n/k/a FINRA since January 1989.¹² In its Application, the Firm represents that it has two branch offices and two Offices of Supervisory Jurisdiction ("OSJ"). The Firm employs approximately 66 registered representatives, 10 principals and approximately 10 non-registered individuals.¹³

¹⁰ *Id.*

¹¹ See Exhibit 3, pp. 13-17, 19-22 and 26-38.

¹² See CRD Excerpt: Organization Registration Status for BBR (attached as Exhibit 5).

¹³ See Exhibit 1 at p. 165.

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Proposed Supervisors

Primary Supervisor – John Bermingham (CRD # 1801849)¹⁴

The Firm proposes that Block will be supervised onsite by John A. Bermingham (“Bermingham”), a General Securities Principal.¹⁵ Bermingham has been associated with BBR since April 2010.¹⁶

Bermingham passed the General Securities Representative Examination (Series 7) in August 1997.¹⁷ He then qualified for the Uniform Securities Agent State Law Examination (Series 63) in February 2001.¹⁸ He also qualified as a General Securities Principal (Series 24) in April 2011¹⁹ and as an Operations Professional (Series 99) in January 2016.²⁰

Bermingham has been associated with the following firms during the following periods:²¹

<u>Employer</u>	<u>Period of Employment</u>
BBR	December 2015 to present
BBR	April 2010 to November 2015
BGC Financial, L.P.	January 2008 to April 2009
ICAP Corporates LLC	May 2003 to January 2008

¹⁴ In its MC-400 Application, the Firm designated Richard O’Reilly as the primary supervisor for Block. However, the Firm has since decided to change the supervisory structure. *See* email dated January 18, 2017 from Robert Rabinowitz to Lorraine Lee of FINRA (attached as Exhibit 6).

¹⁵ *See* CRD Snapshot for John A. Bermingham (attached as Exhibit 7).

¹⁶ *See* Exhibit 7 at p. 3. It should be noted that BBR filed a Form U5, Uniform Termination Notice for Securities Industry Registration, terminating Bermingham’s association on November 27, 2015. The Firm subsequently filed a Form U4 on December 15, 2015.

¹⁷ *Id.* at p. 7.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *See* Registrations with Current Employers for evidence of Bermingham’s Operations Professional registration with BBR (attached as Exhibit 8).

²¹ *Id.* at pp. 6 - 7.

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BNP Paribas Securities, Corp.

April 1994 to February 2003

Outside Business Activities & Regulatory History

Birmingham does not list any OBAs.

Member Regulation is unaware of any regulatory actions or customer complaints brought against Birmingham.²²

Alternate Supervisor – Andrew M. Heath (CRD # 1596015)

In the event that Birmingham is out of the office, Block will be supervised by Andrew M. Heath (“Heath”), who is the Firm’s Chief Compliance Officer (“CCO”).²³ Heath also works in the same office as Block and has been registered as a General Securities Principal (Series 24) since August 1992.²⁴

Heath passed the General Securities Representative Examination (Series 7) in May 1987 and the Uniform Securities Agent State Law Exam (Series 63) in July 1987. He passed the Uniform Investment Adviser Law Examination (Series 65) in December 1999.²⁵ He also qualified as a Financial and Operations Principal (Series 27) in February 1995, Registered Options Principal (Series 4) in April 1998, as a Municipal Securities Principal Examination (Series 53) in January 2000, as a Research Analyst Examination (Series 87) in July 2004, as a Uniform Investment Adviser Law Examination in February 2006, as an Investment Banking Representative (Series 79)²⁶ in May 2010, as an Operations Professional (Series 99) in November 2011, as Securities Trader (Series 57) and as a Proprietary Trader in January 2016.²⁷

²² It should be noted that Birmingham filed for bankruptcy in July 2011 but did not amend his Form U4 to disclose of the event until November 2011. *Id.* at pp. 10 – 11.

²³ See email dated November 17, 2016 from Andrew Heath to Lorraine Lee of FINRA (attached as Exhibit 9).

²⁴ See CRD Snapshot for Andrew M. Heath III, at p. 18 (attached as Exhibit 10).

²⁵ *Id.*

²⁶ See CRD Excerpt: Registrations with Current Employers for Heath (attached as Exhibit 11).

²⁷ See Exhibit 10 at pp. 6-7.

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Heath has been associated with the following firms during the following periods:²⁸

<u>Employer</u>	<u>Period of Employment</u>
BBR	April 2010 to Present
Obsidian Financial Group, LLC	October 2009 to April 2010
Mercer Capital Ltd.	November 2007 to April 2008
Whiteweld Trading, LLC	November 2005 to October 2006
National Securities Corp.	April 2002 to November 2005
Northeast Securities, Inc.	November 2001 to April 2002
Alexander, Wescott, & Co., Inc.	September 2001 to October 2001
UBS Painewebber, Inc.	May 2001 to August 2001
Metrotech Trading, Corp.	October 1999 to September 2000
Millennium Securities, Corp.	March 1998 to March 2001
Schneider Securities, Inc.	March 1996 to June 1996
Standford Court, Inc.	January 1995 to March 1996
First Interregional Equity Corp.	April 1986 to April 1994

Outside Business Activities

Heath does not list any OBAs.

Member Regulation is unaware of any regulatory actions or customer complaints brought against Heath.²⁹

Basis for FINRA's Filing of the 19h-1 Notification

SEA Rule 19h-1(a)(3)(iv)(A)&(B) reads, in part:

A notice need not be filed with the Commission pursuant to this rule if. . .

- A. The disqualification previously – (A) was a basis for the institution of an administrative proceeding pursuant to a provision of the federal

²⁸ *Id.*

²⁹ It should be noted that Heath filed for bankruptcy in April 1997 but did not amend his Form U4 to disclose of the event until March 1998. *See* CRD Excerpt: Legacy Disclosure Occurrence Details (attached as Exhibit 12).

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securities laws, and (B) was considered by the Commission in determining a sanction against such person in the proceeding; and the Commission concluded in such proceeding that it would not restrict or limit the future securities activities of such person in the capacity now proposed or, if it imposed any such restrictions or limitations for a specified time period, such time period has elapsed[.]

It is appropriate for FINRA to file this notification pursuant to SEA Rule 19h-1(a)(3)(iv)(A)&(B), because this Application meets all applicable conditions of this rule. As noted, Block's disqualification was previously the basis for the institution of an administrative proceeding pursuant to federal securities laws, and the proceeding limited his activities in all capacities for four months, and that time has since elapsed.³⁰

FINRA knows of no other conduct or other circumstances that would cause Block's association with BBR as a General Securities Representative to be inconsistent with the public interest or the protection of investors. FINRA therefore believes that this form of notification to the Commission is appropriate. Despite the presence of Block's regulatory actions and customer complaints, FINRA is in support of approving his association with BBR due to the fact that the regulatory actions are aged, the customer complaints have all been disposed of and the Firm has proposed a suitable supervisory structure for Block.³¹

BBR is also a member of Nasdaq and that self-regulatory organization has concurred with FINRA's determination to approve Block's association with the Firm.

Sincerely,

Lorraine Lee-Stepney

Lorraine Lee-Stepney

Enclosures

³⁰ While Block was also barred in a supervisory capacity with any broker, dealer, investment adviser, investment company or municipal securities dealer; he is not seeking to associate with BBR in a supervisory capacity. See Exhibit 2 at Bates p. 156.

³¹ See Exhibit 1 at Bates pp. 183 – 186.

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cc: Andrew Heath (Via Electronic Mail)
Chief Compliance Officer
Buckman, Buckman & Reid, Inc.

Robert I. Rabinowitz, Esq. (Via Electronic Mail)
Chief Compliance Officer
(Counsel for Alfred Block)
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Glenn Riccobono
Principal Regulatory Coordinator
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(Via Electronic Mail & w/out
Exhibits)

Cathy Williams
Regulatory Analyst
Registration and Disclosure
FINRA

(Via Electronic Mail & w/out
Exhibits)

Exhibits

1. MC-400 Application and related attachments filed by BBR on July 21, 2016.
2. SEC Order Making Findings, Imposing Remedial Sanctions, and Cease and Desist Order Issued Against Marsh Block & Co., Inc., Alfred Block and Kenneth L. Marsh, and Jeffrey M. Miller (February 8, 1999).
3. CRD Snapshot for Alfred G. Block.
4. CRD Excerpt: Legacy Employment History for Block.
5. CRD Excerpt: Organization Registration Status for BBR.
6. Email from Robert Rabinowitz, dated January 18, 2017.
7. CRD Snapshot for John A. Bermingham.
8. CRD Excerpt: Registrations with Current Employers for John A. Bermingham.
9. Email dated November 17, 2016 from Andrew Heath to Lorraine Lee of FINRA.
10. CRD Snapshot for Andrew M. Heath III.
11. CRD Excerpt: Registrations with Current Employers for Andrew M. Heath III.
12. CRD Excerpt: Legacy Disclosure Occurrence Details for Andrew M. Heath III.