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April 14, 2014

**Via Commercial Courier**

Ms. Elizabeth Murphy  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549-1090

**Re: In the Matter of the Association of George L. Prost (CRD # 1334567) with Intercoastal Capital Markets, Inc. (BD # 83)**

Dear Ms. Murphy:

Effective April 14, 2014, and pursuant to the Securities Exchange Act of 1934 (“SEA” or “Exchange Act”) Rule 19h-1(a)(3)(ii) (“Rule 19h-1”), the Financial Industry Regulatory Authority (“FINRA”) hereby gives notification to the United States Securities and Exchange Commission (“SEC” or “the Commission”) of the association of George L. Prost (“Prost”) As a General Securities Representative (Series 7) with Intercoastal Capital Markets, Inc. (“Intercoastal” or “the Firm”). In March 2014, the Firm submitted a Membership Continuance Application (“MC-400” or “the Application”) with FINRA’s Department of Registration and Disclosure, seeking to permit Prost’s association with the Firm.<sup>1</sup>

**Prost’s Disqualifying Event**

Prost is subject to a statutory disqualification, as that term is defined Section 3(a)(39) of the Exchange Act, as a result of a January 4, 2005 guilty plea to the criminal charge of “death by auto,” a felony in the state of New Jersey. The two-car accident that led to the felony charge against Prost occurred on December 10, 2001, and killed the driver of the other vehicle. The

<sup>1</sup> See the MC-400 Application, as well as related documents, filed by Intercoastal Capital Markets, Inc. on behalf of George L. Prost dated March 4, 2014 (attached as Exhibit 1).

accident was attributed to “reckless driving” by Prost, but did not involve drugs or alcohol. The court sentenced Prost to 364 days in jail; he served three months in a work-release facility; five years’ probation; and he had his driving privileges revoked for four years.<sup>2</sup> On January 4, 2015, Prost will no longer be subject to disqualification.

### **Prost’s Disciplinary History**

Member Regulation is unaware of any disciplinary proceedings or additional criminal actions against Prost.

### **Prost’s Proposed Business Activities**

Intercoastal proposes that Prost will work from a branch office of the Firm, which is located at 1199, Route 22 East, Suite 310, Mountainside, NJ 08092.<sup>3</sup> The Firm represents that Prost will work in the capacity of a “CMO<sup>4</sup> trader”.<sup>5</sup> Prost’s proposed compensation will be “50% of revenues generated.”<sup>6</sup>

### **Prost’s Registration and Employment History**

#### **Registration History**

Prost was first registered in the securities industry as a Municipal Securities Representative (Series 52) in October 1985.<sup>7</sup> Prost also holds the following registrations:

- Series 63 - Uniform Securities Agent State Law Exam (since 07/1991)
- Series 7 - General Securities Representative (since 04/1992)

#### **Employment History**

Prost has been associated with the following firms during the following periods of time<sup>8</sup>:

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<sup>2</sup> See Prost’s Plea Form wherein he pled guilty (attached as Exhibit 2).

<sup>3</sup> See Exhibit 1, Bates p. 101.

<sup>4</sup> CMOs are collateralized mortgage obligations.

<sup>5</sup> See Exhibit 1, Bates p. 101.

<sup>6</sup> Id.

<sup>7</sup> See Central Registration Depository (“CRD”) Examination Information for Prost (attached as Exhibit 3).

Intercoastal	02/2014 - Present
R. Seelaus & Co., Inc.	02/2009 – 11/2012
SecureVest Financial Group	03/2008 – 11/2008
R. Seelaus & Co., Inc.	01/2006 – 3/2008
RBC Dain Rauscher, Inc.	03/2003 – 05/2005
First Institutional Securities, LLC	06/1992 – 03/2003
Gilmore Securities & Co.	12/1990 – 06/1992
First Colonial Securities Group, Inc.	08/1990 – 04/1991
William M. Cadden & Co., Inc.	06/1988 – 05/1989
Glickenhau & Co.	04/1984 – 05/1988

#### Other Business Activities for Prost<sup>9</sup>

The records of CRD reflect that Prost is 100% owner of Mikebrit, LLC which was established to hold his personal investments.<sup>10</sup> He also owns 50% of SI Green Recycling Inc., a recycling operation currently awaiting a government grant, which he indicates is currently inactive.

#### Prior Rule 19h-1 Approvals

On October 20, 2006, Prost was approved by FINRA to associate with R. Seelaus & Co., Inc. (“R. Seelaus”) pursuant to SEA Rule 19h-1.<sup>11</sup> The SEC acknowledged Prost’s approval on November 29, 2006.<sup>12</sup> He was later approved to associate with SecureVest Financial Group, on April 28, 2008, pursuant to a Rule 19h-1 Notification filing with the SEC.<sup>13</sup> The SEC acknowledged Prost’s association with SecureVest Financial Group on May 20, 2008.<sup>14</sup> Prost was again approved to associate with R. Seelaus on March 6, 2009, pursuant to a Rule 19h-1

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<sup>8</sup>See CRD Employment History for Prost (attached as Exhibit 4).

<sup>9</sup>See Other Business Activities for Prost from the records of CRD (attached as Exhibit 5).

<sup>10</sup>See the Operating Agreement for MikeBrit LLC (attached as Exhibit 6).

<sup>11</sup>See Notice Pursuant to Rule 19h-1 In the Matter of the Association of George L. Prost as a General Securities Representative with R. Seelaus & Co., Inc., dated October 20, 2006 (attached as Exhibit 7).

<sup>12</sup>See the SEC’s Acknowledgement Letter, dated November 29, 2006 (attached as Exhibit 8).

<sup>13</sup>See letter from Lorraine Lee, of FINRA, to Nancy M. Morris, of the SEC, dated April 28, 2008 (attached as Exhibit 9)

<sup>14</sup>See the SEC’s Acknowledgement Letter, dated May 20, 2008 (attached as Exhibit 10).

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Notification filing with the SEC.<sup>15</sup> The SEC acknowledged Prost's association with R. Seelaus on April 14, 2009.<sup>16</sup>

### **The Firm's Information**

Intercoastal is headquartered in Boca Raton, Florida. The Firm has been a FINRA member since September 2012.<sup>17</sup> Intercoastal is also a member of the Municipal Securities Rulemaking Board ("MSRB"). The Firm describes its business as "proprietary fixed income trading with very limited retail account."<sup>18</sup>

The Firm represents that it has 2 Offices of Supervisory Jurisdiction ("OSJ") and 2 branch offices. The Firm employs 17 registered representatives, 7 registered principals and 18 associated persons.

### **Supervision of Prost**

#### *Prost's Primary Supervisor – Bruce Glasser*

As earlier stated, Prost will work from the Firm's branch office in Mountainside, New Jersey. He will be supervised by Bruce Glasser ("Glasser"), a General Securities Principal.<sup>19</sup> Glasser has been employed with Intercoastal since 2012.<sup>20</sup> He also works from the branch office in Mountainside, New Jersey. He supervises three additional individuals; none of whom are subject to statutory disqualification.

#### *Glasser's Registration and Employment History*

##### **Registration History**

Glasser first qualified for the Uniform Securities Agent State Law Exam (Series 63) in May 1985. He has also qualified for the following registrations:<sup>21</sup>

<sup>15</sup>See letter from Lorraine Lee, of FINRA, to Elizabeth Murphy, of the SEC, dated March 6, 2009 (attached as Exhibit 11).

<sup>16</sup>See the SEC's Acknowledgement Letter, dated April 14, 2009 (attached as Exhibit 12).

<sup>17</sup>See Bates page 105 of Exhibit 1.

<sup>18</sup>See Bates page 105 of Exhibit 1.

<sup>19</sup>See Bates p. 102 of Exhibit 1.

<sup>20</sup>See CRD records for Glasser (attached as Exhibit 13).

<sup>21</sup>Id.

Series 5	Interest Rate Options (since 6/85)
Series 3	National Commodity Futures (CR) (since 7/85)
Series 7	General Securities Representative (GS) (since 8/85)
Series 15	Foreign Currency Options (since 8/85)
Series 24	General Securities Principal (GP) (since 8/92)
Series 8	General Securities Sales Supervisor (since 10/94)
Series 53	Municipal Securities Principal (MP) (since 1/97)
Series 79	Limited Representative – Investment Banking (IB) (since 9/12)
Series 52	Municipal Securities Representative (MP) (since 2/14)

### Employment History

Since entering the securities industry in 1985, Glasser has been employed with 16 broker dealer firms. Prior to being employed at the Firm, he was employed with Halcyon Cabot Partners from October 2010 to November 2012.<sup>22</sup>

### *Customer Complaints Against Glasser*

There have been two customer complaints filed against Glasser. One of the complaints, from 1991, alleged misrepresentation and unsuitability. The alleged compensatory damage amount was \$29,500; the complaint was settled for \$6,000.<sup>23</sup> The second complaint, from 1992 alleged misrepresentation. The alleged compensatory damage amount was \$25,000; the complaint was settled in arbitration for \$13,000.<sup>24</sup> Glasser did not contribute to either settlement.

### Disciplinary History

Member Regulation is unaware of any disciplinary proceedings or regulatory actions against Glasser.

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<sup>22</sup>See Exhibit 13.

<sup>23</sup>See CRD Disclosure Occurrence Composite # 12808 (attached as Exhibit 14).

<sup>24</sup>See CRD Disclosure Occurrence Composite # 12809 (attached as Exhibit 15).

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*Prost's Interim Supervisor – John W. Rogers, Jr.*

In Glasser's absence, John W. Rogers, Jr. will act as Prost's interim supervisor.<sup>25</sup> Rogers works from the Firm's home office in Boca Raton and he currently serves as the Firm's President and Chief Operating Officer.

Registration History

Rogers was first registered in the securities industry as an Investment Company Products/Variable Contracts Representative (Series 6) in July 1994. He has also qualified for the following registrations:<sup>26</sup>

Series 63	Uniform Securities Agent State Law Examination (AG) (7/94)
Series 7	General Securities Representative (GS) (6/95)
Series 24	General Securities Principal (GP) (5/97)
Series 99	Operations Professional (OS) (12/12)
Series 79	Limited Representative – Investment Banking (IB) (9/13)

Employment History

Rogers has been associated with nine broker/dealers since first entering the industry in May 1994. Most recently, he has been employed with Intercoastal since June 2012, and prior to that he was employed with JVB Financial Group, LLC from January 2009 to January 2012.<sup>27</sup>

Disciplinary History

Member Regulation is unaware of any disciplinary proceedings or regulatory actions against Rogers.

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

SEA Rule 19h-1(a)(3)(ii) reads:

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

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<sup>25</sup> See email from John Rogers to Lorraine Lee, wherein he indicates that he will serve as the alternate (secondary) supervisor for Prost, dated April 9, 2014 (attached as Exhibit 16).

<sup>26</sup> See CRD records for John W. Rogers, Jr. CRD # 2424004 (attached as Exhibit 17).

<sup>27</sup> See Exhibit 17.

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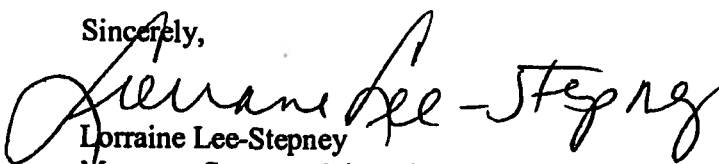
- ii. The self-regulatory organization finds, after reasonable inquiry, that except for the identity of the employer concerned, the terms and conditions of the proposed admission or continuance are the same in all material respects as those imposed or not disapproved in connection with a prior admission or continuance of the person subject to the statutory disqualification pursuant to an order of the Commission under paragraph (d) of this section or other substantially equivalent written communication and that there is no intervening conduct or other circumstance that would cause the employment to be inconsistent with the public interest or the protection of investors;

The Application meets all applicable conditions of this rule. Pursuant to Rule 19h-1 Prost's except for the identity of the supervisors and the employing firm, Prost's association with Intercoastal is the same in all material respects as those imposed in his prior Rule 19h-1 approval to associate with R. Sealaus. Further, there is no evidence of new or intervening misconduct by Prost since his last approval. Much like he did at prior approved firms, Prost will be associating with Intercoastal as a General Securities Representative.

While employed with Intercoastal, Prost will be subject to the same plan of heightened supervision as outlined in his prior Rule 19h-1 approval.<sup>28</sup> In addition to the plan of heightened supervision, Glasser and Rogers have agreed to supervise Prost's activities, related to specific provisions of the Mikebrit LLC, in accordance with all applicable FINRA Rules including but not limited to FINRA Rule 3270 and NASD Rule 3040.<sup>29</sup>

FINRA knows of no other conduct or other circumstances that would cause Prost's association with Intercoastal to be inconsistent with the public interest or the protection of investors and believes that this form of notification is appropriate. Aside from the MSRB, the Firm is not a member of any other self-regulatory organization.

Sincerely,



Lorraine Lee-Stepney  
Manager, Statutory Disqualification Program  
FINRA

Enclosures

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<sup>28</sup> See Exhibit 7.

<sup>29</sup> See page 1, paragraph 5, "Business Purposes" of Exhibit 6, the LLC Agreement for MikeBrit LLC.

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cc: John Rogers  
President and Chief Operating Officer  
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Boca Raton, FL 33431  
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Commercial Courier)

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