

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Anthony J. DeBlase (CRD No. 1308014),

Respondent.

DISCIPLINARY PROCEEDING
No. 2012034431401

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Respondent Anthony J. DeBlase failed to appear for an on the record interview ("OTR") following requests issued pursuant to FINRA Rule 8210. DeBlase also failed to disclose on Uniform Applications for Securities Industry Registration or Transfer ("Forms U4") that he was charged with felony possession of cocaine in the State of New Jersey.

RESPONDENT AND JURISDICTION

2. DeBlase first became registered with FINRA as a Government Securities Representative ("RG") through a former member firm on August 22, 1990. DeBlase was registered through that firm until September 19, 1991.
3. From June 1, 1993 through September 3, 1997, DeBlase was registered as an RG through two different member firms.

4. On December 16, 1997, DeBlase became registered with FINRA as an RG through an association with member firm BGC Financial, L.P. (BD No. 19801) ("BGC"). On September 16, 1998, DeBlase also became registered as a Government Securities Principal ("PG") through that firm. DeBlase was registered through BGC until December 9, 2010.
5. From September 18, 2012 until October 17, 2012, DeBlase was registered as a PG and RG through member firm JVB Financial Group, LLC ("JVB"). On October 17, 2012, JVB filed with the Central Registration Depository ("CRD") a Uniform Termination Notice for Securities Industry Registration ("Form U5") disclosing that DeBlase had been voluntarily terminated as of October 16, 2012.
6. DeBlase is not currently registered through or associated with a FINRA member firm.
7. Although DeBlase is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after the effective date of termination of his registration with JVB, namely, October 17, 2012; and (2) the Complaint charges him with misconduct committed while he was registered or associated with a FINRA member and with failing to respond to FINRA requests to appear for OTR testimony during the two-year period after the date upon which he ceased to be registered or associated with a FINRA member.

**FIRST CAUSE OF ACTION
Failure to Appear
(Violation of FINRA Rules 8210 and 2010)**

8. The Department realleges and incorporates by reference paragraphs 1 through 7 above.
9. In or about early 2014, on the dates specified below, the Department of Member Regulation Staff of FINRA's District 10 office (the "Staff") sought to obtain DeBlase's OTR testimony in connection with the Staff's investigation into DeBlase's apparent failure to disclose a felony criminal charge on his Form U4.
10. By letter dated February 7, 2014, the Staff requested, pursuant to FINRA Rule 8210, that DeBlase appear for an OTR at the Staff's New York offices at One World Financial Center, 200 Liberty Street, New York, NY 10281 (the "Staff's Offices") on February 25, 2014 at 10:00 a.m. (the "First Request").
11. The First Request was sent to DeBlase by first class mail and by certified mail, return receipt requested, to the following addresses:
 - a. DeBlase's most recent current address as reflected on Central Registration Depository "CRD") records (the "CRD Address"). The certified mailing to the CRD Address was returned to the Staff by the United States Postal Service ("USPS"), marked "FORWARD TIME EXP, RTN TO SEND." The first class mailing was also returned to the Staff with the same marking by the USPS as the certified mailing;
 - b. an address located in Atlantic Highlands, NJ, that DeBlase provided to the Staff in April 2013 as his then current address (the "Atlantic Highlands Address"). The certified mailing to the Atlantic Highlands Address was

returned to the Staff by the USPS marked “Return to sender, not deliverable as addressed, unable to forward.” The first class mailing was also returned to the Staff by the USPS. The first class mailing contained two separate notes from the USPS. One note states “Notify sender of new address” and sets forth an address for DeBlase at [REDACTED]

The second note states “Return to sender, not deliverable as addressed, unable to forward”;

- c. an address located in Long Branch, NJ, that DeBlase provided to the Staff in November 2013 as his then current address (the “Long Branch Address”). The certified mailing to the Long Branch Address was returned to the Staff by the USPS marked “Return to sender, not deliverable as addressed, unable to forward.” The first class mailing to the Long Branch Address was also returned to the Staff by the USPS with the same marking as the certified mailing;
- d. an address located in New York, NY, that DeBlase provided to the Staff in January 2014 as his then current address (the “New York Address”). Neither the certified mailing return receipt card, nor the first class mailing was returned to the Staff by the USPS.

12. The First Request was also sent to DeBlase by email to an email address that DeBlase had provided to the Staff (the “Email Address”).

13. On February 25, 2014, DeBlase failed to appear as requested.

14. On February 25, 2014, following DeBlase’s failure to appear in response to the First Request, the Staff sent a second notice, pursuant to FINRA Rule 8210 requesting

DeBlase's appearance for an OTR at the Staff's Offices on March 12, 2014 at 10:00 a.m. (the "Second Request").

15. The Second Request was sent to DeBlase by first class mail and by certified mail, return receipt requested to the CRD Address, the Atlantic Highlands Address, the Long Branch Address and the New York Address.
16. The certified mailing to the CRD Address was returned to the Staff by the USPS, marked "FORWARD TIME EXP, RTN TO SEND." The first class mailing was also returned to the Staff with the same marking by the USPS as the certified mailing.
17. The certified mailing to the Atlantic Highlands Address was returned to the Staff by the USPS with two separate notes from the USPS. One note states "Notify Sender of New Address," and the second note states, "Return to sender, not deliverable as addressed, unable to forward." The first class mailing was also returned to the Staff by the USPS with the note "Return to sender, not deliverable as addressed, unable to forward."
18. The certified mailing to the Long Branch Address was returned to the Staff by the USPS marked "Return to sender, not deliverable as addressed, unable to forward." The first class mailing to the Long Branch Address was also returned to the Staff by the USPS with the same marking as the certified mailing.
19. With respect to the New York Address, neither the certified mailing, the certified mailing return receipt card, nor the first class mailing was returned to the Staff by the USPS.
20. The Second Request was also sent to DeBlase by email to the Email Address.

21. On March 12, 2014, DeBlase failed to appear as requested. To date, DeBlase has failed to appear for his on-the-record interview.

22. By reason of the foregoing, DeBlase violated FINRA Rules 8210 and 2010.

SECOND CAUSE OF ACTION
Form U4 Violation
(Violation of Article V, Section 2(c) of FINRA's By-Laws and
FINRA Rules 1122 and 2010)

23. The Department realleges and incorporates by reference paragraphs 1 through 22 above.

24. On October 9, 2010, at a time when DeBlase was registered with FINRA through an association with BGC, DeBlase was charged in the Municipal Court of Wall Township, New Jersey with possession of a controlled dangerous substance in the third degree in violation of section 2:35-10a(1) of the New Jersey Code of Criminal Justice, a felony equivalent under New Jersey law. Specifically, DeBlase was charged with possession of cocaine.

25. The charges were resolved on January 13, 2011 when DeBlase pled guilty to a disorderly conduct offense, a misdemeanor equivalent under New Jersey law.

26. DeBlase failed to update his Form U4 at BGC (where he remained employed until December 3, 2010) to report the felony charge.

27. Specifically, within 30 days of the charges (or no later than November 8, 2010), DeBlase should have disclosed the charges on his Form U4 in response to Form U4 question 14A(2)(b) which asks, "[h]ave you ever been charged with any felony?"

28. Thereafter, on August 1, 2012, DeBlase failed to disclose the felony charge on a Form U4 that he completed and signed in connection with an application for registration through JVB. JVB filed the Form U4 with FINRA on DeBlase's behalf

on August 1, 2012.

29. While DeBlase answered “yes” to Form U4 question 14A(2)(b), DeBlase only disclosed information regarding a 1993 felony charge that was previously disclosed on DeBlase’s Form U4.
30. DeBlase did not file a Disclosure Reporting Page or otherwise provide any information regarding the October 9, 2010 felony charge on August 1, 2012.
31. On September 12, 2012, after the results of an FBI fingerprint check performed in connection with DeBlase’s application for registration revealed the October 9, 2010 felony charge, DeBlase belatedly disclosed the charge on his Form U4 at JVB.
32. By reason of the foregoing, DeBlase violated Article V, Section 2(c) of FINRA’s By-Laws and FINRA Rules 1122 and 2010.

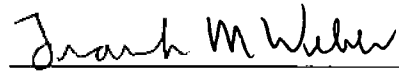
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Respondent committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed;
- C. order that Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330;

FINRA DEPARTMENT OF ENFORCEMENT

Date: August 21, 2014



Frank M. Weber, Senior Regional Counsel
Gina M. Petrocelli, Director
Lara Thyagarajan, Regional Chief Counsel
FINRA, Department of Enforcement
One World Financial Center
200 Liberty Street
New York, New York 10281-1003
(212) 858-4324; (202) 721-6575
Email: Frank.Weber@finra.org