

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 87123 / September 26, 2019

ADMINISTRATIVE PROCEEDING
File No. 3-15654

In the Matter of	:	
	:	
	:	
G-TRADE SERVICES LLC,	:	ORDER DIRECTING SIXTH
CONVERGEX GLOBAL MARKETS	:	DISBURSEMENT OF FAIR FUND
LIMITED, and CONVERGEX	:	
EXECUTION SOLUTIONS LLC	:	
	:	
Respondents.	:	

On July 24, 2015, the Commission approved the Plan of Distribution (“Plan”)¹ for the above-captioned matter. The Plan provides for the distribution of \$109,436,318.00, plus interest, to harmed customers according to the methodology set forth in the Plan.

Pursuant to an order entered on November 23, 2016,² the Commission disbursed \$63,479,137.82 for a first tranche distribution to 200 Direct Customers and 892 Indirect Customers. Pursuant to an order entered on February 22, 2017,³ the Commission disbursed \$5,615,131.58 for a second tranche distribution to 1 Direct Customer and 176 Indirect Customers. Pursuant to an order entered March 13, 2017,⁴ the Commission disbursed \$1,925,301.67 for a third tranche distribution to 2 Direct Customers and to 91 Indirect Customers. Pursuant to an order entered September 11, 2017,⁵ the Commission disbursed \$8,954,411.01 for a fourth tranche distribution to 4 Direct Customers and to 78 Indirect

¹ See Order Approving a Plan of Distribution, Exchange Act Rel. No. 75519 (July 24, 2015).

² See Order Directing Disbursement of Fair Fund, Exchange Act Rel. No. 79235 (Nov. 23, 2016).

³ See Order Directing Second Disbursement of Fair Fund, Exchange Act Rel. No. 80078 (Feb. 22, 2017).

⁴ See Order Directing Third Disbursement of Fair Fund, Exchange Act Rel. No. 80232 (Mar. 13, 2017).

⁵ See Order Directing Fourth Disbursement of Fair Fund, Exchange Act Rel. No. 81571 (Sept. 11, 2017).

Customers. Pursuant to an order entered on September 25, 2017,⁶ the Commission disbursed \$681,809.94 for a fifth tranche distribution to 1 Direct Customer and 11 Indirect Customers (the “Fifth Tranche”). The Secretary has been granted authority to issue future orders to disburse amounts from the Fair Fund upon receipt of written certification from the Chief/Deputy Chief Litigation Counsel of the Division of Enforcement that s/he has received a payment file with distribution payments to Direct and/or Indirect Customers that is validated as being in accord with the Plan as authorized by the Commission.

After completion of the Fifth Tranche, as of August 31, 2019, there is a residual amount of \$31,110,431⁷ left in the Fair Fund after leaving a reserve of \$730,984.39 to pay for taxes and expenses, plus funds to cover uncashed or reissued checks from prior tranches.⁸

The Secretary has now received written certification from the Chief/Deputy Chief Litigation Counsel of the Division of Enforcement that s/he has received a conforming payment file in the amount of \$31,110,431 with distribution payments to 124 direct customers and 459 indirect customers.

Accordingly, it is hereby ORDERED, that:

- A. The Commission staff shall disburse all of the remaining Fair Fund from the JPMorgan Escrow Account, in the approximate amount of \$30,044,647.78, to the Fund Administrator’s account at Citibank, N.A.; and

⁶ See Order Directing Fifth Disbursement of Fair Fund, Exchange Act Rel. No. 81695 (Sept. 25, 2017).

⁷ This amount includes funds received from two related district court cases. In *SEC v. Bassily*, Khalid Bassily (“Bassily”) was ordered to pay a total of \$988,366.24 that was to be added to the ConvergeEx Fair Fund. See Final Judgment, Dkt. No. 84, *SEC v. Bassily*, 16-cv-2733 (S.D.N.Y. 2017). In *SEC v. Blumberg*, Anthony G. Blumberg (“Blumberg”) was ordered to pay a total of \$557,300 that was to be added to the ConvergeEx Fair Fund. Blumberg was ordered to pay these funds by making four installment payments over the course of 210 days. See Final Judgment, Dkt. No. 85, *SEC v. Blumberg*, 14-cv-4962 (D.N.J. 2019). Pursuant to their respective Final Judgments, Bassily has paid in full and to date, Blumberg has paid \$276,344.68. In accordance with district court orders, a total of \$1,300,920.89 was transferred from their respective accounts to the Fair Fund account at Citibank. The total includes accrued interest minus taxes and fees

⁸ The bulk of the Fair Fund, approximately \$30,044,647.78 is at JPMorgan Escrow Account, which is still accruing interest. The funds in the Fund Administrator’s account at Citibank total approximately \$1,796,767.61.

B. The Fund Administrator shall then distribute a total of \$31,110,431 to investors as provided for in the Plan.

By the Commission.

Vanessa A. Countryman
Secretary