

**BEFORE THE
NATIONAL FUTURES ASSOCIATION**

In the Matter of:)
)
MARK EVAN BLOOM) NFA Case No. 09-MRA-001
(NFA ID #308333 and #277872))
)
)

**NOTICE OF MEMBER AND ASSOCIATE RESPONSIBILITY
ACTION UNDER NFA COMPLIANCE RULE 3-15**

National Futures Association (“NFA”) hereby gives notice to Mark Evan Bloom (“Bloom”), who is a commodity pool operator (“CPO”) Member of NFA and an NFA Associate, that pursuant to NFA Compliance Rule 3-15, the President of NFA, with the concurrence of NFA’s Executive Committee, has taken a Member Responsibility Action (“MRA”) and an Associate Responsibility Action (“ARA”) against Bloom, whereby:

1. Bloom is suspended from NFA membership and NFA associate membership, until further notice;
2. Bloom is prohibited from soliciting or accepting any customer or pool participant funds or placing trades for any pools that he operates or accounts that he owns or controls or which are held in his name except for liquidation of existing positions;
3. Bloom and any other person acting on his behalf are prohibited from disbursing or transferring any funds from any accounts (bank, trading, or any other types of accounts) which he owns or controls (including customer accounts) or which are held in his name, without prior approval from NFA; and
4. Bloom is required to provide copies of this MRA and ARA via overnight courier to all pool participants in any pools which Bloom operates or over which he exercises control.

These actions are effective immediately and are deemed necessary to protect the commodity futures markets, pool participants, customers and other NFA Members because Bloom has failed to cooperate with NFA in its investigation of allegations that Bloom and North Hills Management, LLC (“North Hills”), a former CPO and commodity trading advisor (“CTA”) Member of NFA of which Bloom was a principal, may have operated an illegal commodity pool, and exercised unlawful control over more than \$8,000,000 which was given to them by a charitable trust and a corporation owned by that trust for the purpose of making investments on their behalf.

In support of these actions, NFA attaches the affidavit of Jennifer Sunu ("Sunu"), who is a Director in NFA's Compliance Department, and based thereon alleges as follows:

1. Bloom is a CPO Member of NFA located in New York City. He has been registered as a CPO NFA Member and an NFA Associate member since April 19, 2001.
2. On February 3, 2009, NFA received a copy of a lawsuit filed against Bloom, North Hills and Lauren Bloom on December 8, 2008 in the Supreme Court for the State of New York, County of New York—Index No. 08603590. The lawsuit was filed on behalf of "Alexander Dawson Foundation, Individually and Derivatively on behalf of North Hills, L.P., and Alexander Dawson Inc., Individually and Derivatively on behalf of North Hills, L.P." (collectively, the "Plaintiffs"). The Alexander Dawson Foundation is identified as a charitable trust and Alexander Dawson Inc. is identified as wholly owned investment arm of the trust.
3. North Hills is a former Member of NFA of which Bloom was a principal. It was a CPO and CTA Member from April 18, 1997 until it withdrew from NFA membership on September 2, 2001. Its CPO registration was withdrawn on July 31, 2002 and its CTA registration was withdrawn on September 8, 2002. Bloom was a listed principal of North Hills from April 18, 1997 through September 8, 2002. Financial statements filed with NFA by North Hills and Bloom reported that, as of December 31, 2000, North Hills operated a pool named North Hills, L.P. that traded commodity futures contracts.
4. In summary, the lawsuit alleges that the Plaintiffs entrusted a total of \$13.5 million to Bloom and North Hills through at least seven deposits made at various times between November 1997 and April 2004 with the agreement that the funds would be used to generate "moderate" returns that were contemplated to be used for the support of grade schools that were supported by the Plaintiffs.
5. The lawsuit alleges further that, during 2002 and 2003, Bloom misappropriated funds invested with North Hills by the Plaintiffs and other investors to finance his own luxurious lifestyle; that Bloom invested \$17 million deposited by the Plaintiffs and other investors in the Philadelphia Alternative Asset Fund ("PAAF"), which, pursuant to information gathered during a prior investigation NFA has reason to believe traded commodity futures contracts, without disclosing to his investors that he was a third

party marketer for PAAF and that he earned a lucrative commission from PAAF; that Bloom and North Hills distributed fraudulent monthly account statements to the Plaintiffs that did not show a loss in more than seven years when, in reality, North Hills was driven to point that it was “without material assets”; and that when the Plaintiffs tried to redeem their investment from North Hills, Bloom made only small distributions and used various explanations and strategies to stall making a full distribution. The Plaintiffs allege that they were unaware of Bloom’s alleged misdeeds until November 2008.

6. The Plaintiffs allege in their lawsuit that they are “out of pocket more than \$8 million” due to the misconduct of Bloom and the other defendants.
7. After reviewing the lawsuit, NFA’s Compliance Department determined to contact Bloom to investigate the allegations made in the lawsuit against him and former NFA Member North Hills by, among other initiatives, posing questions to Bloom about the nature of Bloom’s and North Hills’ business dealings, the identities of their customers and the amount and location of funds deposited by those customers and Bloom’s and North Hills’ treatment of those funds. In addition, NFA determined to require Bloom to provide supporting documentation for his responses as appropriate. In initiating its investigation NFA was mindful that NFA Compliance Rule 2-13(a) adopts by reference Commodity Futures Trading Commission Regulation (“CFTC”) 4.23(b)(3) and that, in effect, it requires CPO NFA Members such as Bloom to maintain and produce the books and records of all other transactions in all other activities in which the pool operator engages. Those books and records must include cancelled checks, bank statements, journals, ledgers, invoices, computer generated records and all other records, data and memoranda which have been prepared in the course of engaging in those activities.
8. Beginning on February 4, 2009 and continuing through the next day, an NFA audit team working under the direction of Sunu visited both the latest business location and the latest residential address provided by Bloom to NFA. The auditors were told by an individual at the purported residential address that Bloom had moved out approximately four years earlier. They found that the current business address listed for Bloom at 502 Park Avenue, New York, New York was, in fact, a luxury residential condominium building named “Trump Park Avenue”. An individual at the building confirmed that Bloom

lived there; however, Bloom did not respond when the auditors tried to contact him to arrange a meeting.

9. NFA's auditors continued to attempt to contact Bloom through e-mail and the telephone, but were unable to make direct contact. They were, however, contacted by an attorney on February 4th who told the auditors that he represented Bloom.
10. NFA attempted to make arrangements with Bloom's attorney to meet with Bloom on the morning of February 5, 2009 for the purpose of questioning Bloom in furtherance of their investigation. During the course of discussions with Bloom's attorney, NFA made it clear that it intended to make inquiry regarding the allegations made against him in the Plaintiffs' lawsuit and that a failure on Bloom's part to answer such inquiries truthfully and fully would be deemed as a failure to cooperate fully and promptly in an NFA investigation as all NFA Members are required to do under NFA Compliance Rule 2-5. NFA informed Bloom's attorney that it was highly likely that a summary action to suspend Bloom's NFA membership and Associate NFA membership would be taken should Bloom fail to make himself available to NFA and respond to its inquiries.
11. Ultimately, Bloom and his attorney determined that Bloom would not make himself available to NFA to answer questions or provide other information that would be satisfactorily responsive to inquiries of the nature that NFA intended to pursue and, on February 5, 2009, the attorney sent an e-mail to NFA in which he wrote, "Under these circumstances, we agree that it makes no sense for Mr. Bloom to appear when he will surely refuse answer questions due to our good faith disagreement over the scope of the NFA's inquiry power. [sic] Hence, although we think it would be unwarranted, we understand that Mr. Bloom will likely be suspended."
12. Bloom's failure to cooperate with NFA's investigation has materially hindered NFA's efforts to determine the nature of his business, the identities of his customers, the amount and location of funds deposited by those customers and Bloom's treatment of their funds.

The MRA and ARA will remain in effect until such time as Bloom has demonstrated to the satisfaction of NFA that he is in complete compliance with all NFA Requirements. Bloom is required to provide copies of this MRA and ARA, by overnight

courier, to all of his customers and to all banks and other financial institutions with which he has money on deposit.

NFA Members receiving notice of this MRA by service or otherwise who carry accounts in the name of, controlled by, or advised by Bloom are prohibited from disbursing or transferring funds to Bloom or to any entity or account controlled by him for any reason without prior approval of NFA.

Bloom is entitled to a prompt hearing on this matter before NFA's Hearing Committee if he so requests. The request for a hearing shall be made in writing to:

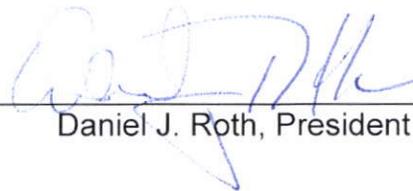
National Futures Association
300 S. Riverside Plaza
Suite 1800
Chicago, IL 60606
Attn: Legal Docketing Department
E-mail: Docketing@nfa.futures.org
Facsimile: 312/781-1672

Aggrieved parties may petition the CFTC for a stay of this MRA pending a hearing pursuant to and in conformity with the terms set forth in CFTC Regulation 171.41.

NATIONAL FUTURES ASSOCIATION

Date: February 9, 2009

By:



Daniel J. Roth, President

AFFIDAVIT

THE AFFIANT, JENNIFER SUNU, BEING DULY SWORN AND UNDER OATH STATES THAT:

1. My name is Jennifer Sunu, and I am employed by National Futures Association (“NFA”) as a Director in the Compliance Department. In my capacity as a Manager, I supervised an investigation of Mark E. Bloom (“Bloom”).
2. Bloom is a CPO Member of NFA located in New York City. He has been registered as a CPO NFA Member and an NFA Associate member since April 19, 2001.
3. On February 3, 2009, NFA received a copy of a lawsuit filed against Bloom, North Hills Management, LLC (“North Hills”) and Lauren Bloom on December 8, 2008 in the Supreme Court for the State of New York, County of New York—Index No. 08603590. The lawsuit was filed on behalf of “Alexander Dawson Foundation, Individually and Derivatively on behalf of North Hills, L.P., and Alexander Dawson Inc., Individually and Derivatively on behalf of North Hills, L.P.” (collectively, the “Plaintiffs”). The Alexander Dawson Foundation is identified as a charitable trust and Alexander Dawson Inc. is identified as wholly owned investment arm of the trust.
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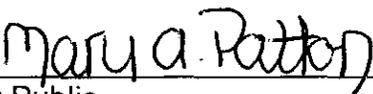
9. Beginning on February 4, 2009 and continuing through the next day, an NFA audit team working under my direction visited both the latest business location and the latest residential address provided by Bloom to NFA. The auditors were told by an individual at the purported residential address that Bloom had moved out approximately four years earlier. They found that the current business address listed for Bloom at 502 Park Avenue, New York, New York was, in fact, a luxury residential condominium building named "Trump Park Avenue". An individual at the building confirmed that Bloom lived there; however, Bloom did not respond when the auditors tried to contact him to arrange a meeting.
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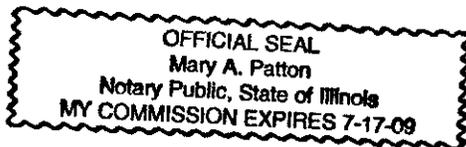
13. Bloom's failure to cooperate with NFA's investigation has materially hindered NFA's efforts to determine the nature of his business, the identities of his customers, the amount and location of funds deposited by those customers and Bloom's treatment of their funds.

Further Affiant sayeth naught.


Jennifer Sunu

Subscribed and sworn to before me
on this 9th day of February 2009.


Notary Public



m:/pmr.MRA.Mark Evan Bloom.AFF'd Sunu.docx

AFFIDAVIT OF SERVICE

I, Myra Lewis, on oath state that on February 9, 2009, I served copies of the attached Notice of Member and Associate Responsibility Action by sending such copies by facsimile and overnight mail in envelopes addressed as follows:

David Stawick, Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581
Facsimile No.: 202/418-5521

William Penner
Deputy Director Compliance & Registration
Division of Clearing and Intermediary Oversight
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581
Facsimile: 202/418-5536

and by sending a copy by overnight delivery in envelopes addressed as follows:

Mark E. Bloom
502 Park Avenue
New York, NY 10022

Mark E. Bloom
180 East End Avenue
New York, NY 10128

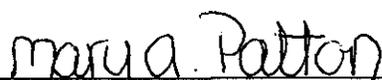
and also by sending a copy by e-mail, facsimile and overnight delivery in an envelope addressed as follows:

Judd Burstein
Judd Burstein P.C.
1790 Broadway
New York, NY 10019
Facsimile No.: 212/974-2944
E-mail: jburstein@burlaw.com



Myra Lewis

Subscribed and sworn to before
me on this 9th day of February, 2009.



Notary Public

