

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

ADMINISTRATIVE PROCEEDING
File No. 3-20794

In the Matter of	:	ANSWER TO ORDER INSTITUTING
	:	PUBLIC ADMINISTRATIVE
Halpern & Associates, LLC	:	PROCEEDINGS
And Barbara Halpern, CPA	:	
	:	
Respondents.	:	APRIL 29, 2022

I.

Respondents Halpern & Associates, LLC and Barbara Halpern, CPA (collectively, “Respondents”), as and for their Answer to the Securities and Exchange Commission’s (the “Commission”) Order Instituting Public Administrative Proceedings dated March 14, 2022 (the “OIP”), allege as follows:

II.

SUMMARY

1. Respondents admit that:

“Halpern & Associates, LLC was the auditor for several entities owned and controlled by Allen.”

“Allen invested at least 20% of ACP X’s funds in securities issued by NYPPEX Holdings, LLC (“Holdings”), the owner of a registered broker dealer that Allen also controlled. Halpern was the engagement partner for the audits of ACP X. Halpern approved the issuance of 2015 and 2016 audit reports for ACP X, which were issued in 2017 and 2018.”

Respondents have insufficient information or knowledge with which to form a belief and leave Commission to its burden of proof as to those portions of Paragraph 1 that state:

“In 2019, the Office of the New York Attorney General (“NYAG”) charged Allen with defrauding investors in his \$17 million private equity fund, ACP X.”

Respondents have insufficient information or knowledge with which to form a belief and leave Commission to its burden of proof as to footnote 3 in Paragraph 1.

Respondents deny the remaining allegations of Paragraph 1.

2. Paragraph 2 is admitted.

3. As to the final sentence of Paragraph 3, the decision in *In re Halpern & Associates LLC and Barbara Halpern, CPA* speaks for itself, and, therefore, Respondents deny such allegations. Respondents admit the remaining allegations of Paragraph 3.

OTHER RELEVANT PERSONS AND ENTITIES

4. Respondents admit that Mr. Allen resides in Greenwich, Connecticut, is the managing principal of ACP Investment Group, the investment advisor to ACP X, and founded NYPPEX, LLC. Respondents have insufficient information or knowledge with which to form a belief as to the remaining allegations of Paragraph 4 and leave the Commission to its burden of proof.

5. As to the second sentence in Paragraph 5, Respondents have insufficient information or knowledge with which to form a belief and leave the Commission to its burden of proof. Respondents deny that ACP Investment Group, LLC has its principal place of business in Rye Brook, New York. Respondents admit the remaining allegations of Paragraph 5.

6. Paragraph 6 is admitted.

7. Respondents deny that ACP X has its principal place of business in Rye Brook, New York. Respondents admit the second sentence of Paragraph 7. As to the allegations contained in the third sentence of Paragraph 7, Respondents have insufficient information or knowledge with which to form a belief and leave the Commission to its burden of proof. As to the allegations

contained in the fourth sentence of Paragraph 7, the offering documents speak for themselves, and, therefore, the Respondents deny such allegations.

FACTUAL ALLEGATIONS

Background

8. Paragraph 8 is admitted.

9. Paragraph 9 is admitted.

The Audit Procedures Concerning Holdings' Valuation

10. The Respondents deny the allegations regarding the 2014 audit, which is not at issue in this proceeding. With respect to the 2015 and 2016 audits, Respondents admit that they questioned estimated revenue projections. Respondents admit that at various times they encouraged Allen to obtain an independent valuation of Holdings.

Respondents admit the allegations contained in the fourth sentence of Paragraph 10.

Respondents deny the remaining allegations of Paragraph 10.

11. Respondents admit they questioned revenue projections and deny the remaining allegations of Paragraph 11.

12. The Respondents deny the allegations regarding the 2014 audit, which is not at issue in this proceeding.

13. Respondents admit that Halpern approved the 2015 and 2016 audits and that they encouraged Allen to obtain an independent valuation of Holdings. Respondents deny the remaining allegations of Paragraph 13.

14. Paragraph 14 is denied.

15. Paragraph 15 is denied.

16. Respondents admit that Halpern approved the issuance of the audits for years 2015 and 2016. The Respondents deny the allegations regarding the 2014 audit, which is not at issue in this proceeding. Respondents deny the remaining allegations of Paragraph 16.

17. Paragraph 17 is denied.

18. Paragraph 18 is denied.

19. Paragraph 19 is denied.

20. Paragraph 20 is denied.

21. Paragraph 21 is denied.

22. Paragraph 22 is denied.

AFFIRMATIVE DEFENSES

1. The Commission lacks jurisdiction over the Respondents by virtue of insufficient service of process.

2. The OIP fails to state a claim upon which relief can be granted.

3. The Commission's charges and claims are barred by the running of the statute of limitations as to the 2015 audit.

4. The Commission's charges and claims are barred by laches as to the 2015 and 2016 audits.

5. The OIP is defective on the grounds that it fails to "[s]tate the nature of any relief or action sought or taken," as required by SEC Rule of Practice 200(b)(4).

WHEREFORE, the Respondents pray for an Order finding in favor of the Respondents on all claims and charges and denying all relief sought in the Order Instituting Proceedings.

Dated: April 29, 2022

RESPONDENTS,
HALPERN & ASSOCIATES, LLC
AND BARBARA HALPERN, CPA

By /s/ Brian E. Spears
Brian E. Spears, Esq.
Spears Manning & Martini LLC
2425 Post Road, Suite 203
Southport, CT 06890
Tel. (203) 292-9766
bspears@spearsmanning.com

By /s/ Richard S. Order
Richard S. Order, Esq.
Updike, Kelly & Spellacy, P.C.
Goodwin Square
225 Asylum Street
Hartford, CT 06103
Tel. (860) 548-2659; Fax (860) 548-2680
rorder@uks.com

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing was electronically delivered, pursuant to the parties' agreement to waive paper service and to accept service by email, on April 29, 2022 to:

Christopher J. Dunnigan, Esq.
Division of Enforcement
Securities and Exchange Commission
100 Pearl Street, Suite 20-100
New York, NY 10004-2616
dunnigancj@sec.gov

Rhonda L. Jung, Esq.
Division of Enforcement
Securities and Exchange Commission
100 Pearl Street, Suite 20-100
New York, NY 10004-2616
jungr@sec.gov

BY: /s/ Richard S. Order
RICHARD S. ORDER, ESQ.
Updike, Kelly & Spellacy, P.C.