

B. Riley Financial, Inc.  
Form SC 13G/A  
February 16, 2016

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934  
(Amendment No. 1)\*

B. Riley Financial, Inc.  
(Name of Issuer)

Common stock, par value \$0.0001 per share  
(Title of Class of Securities)

05580M108  
(CUSIP Number)

December 31, 2015  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

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\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP  
No 05580M108

1. NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Dialectic  
Capital  
Management,  
LP

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (SEE INSTRUCTIONS)  
(a)   
(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

- NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

0

SHARED  
6. VOTING  
POWER

914,357

SOLE  
7. DISPOSITIVE  
POWER

0

SHARED  
8. DISPOSITIVE  
POWER

914,357

AGGREGATE  
AMOUNT  
9. BENEFICIALLY  
OWNED BY EACH  
REPORTING  
PERSON

914,357

CHECK  
BOX IF  
THE  
AGGREGATE  
AMOUNT  
10. IN ROW (9)  
EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

PERCENT  
OF CLASS  
11. REPRESENTED  
BY  
AMOUNT  
IN ROW (9)

5.6%

TYPE OF  
REPORTING  
12.PERSON  
(SEE  
INSTRUCTIONS)

OO, IA

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CUSIP  
No 05580M108

1. NAME OF  
REPORTING  
PERSONS  
I.R.S.  
IDENTIFICATION  
NOS. OF  
ABOVE  
PERSONS  
(ENTITIES  
ONLY)

Dialectic  
Partners,  
LLC

2. CHECK THE  
APPROPRIATE  
BOX IF A  
MEMBER OF A  
GROUP (SEE  
INSTRUCTIONS)  
(a)   
(b)

3. SEC USE  
ONLY

4. CITIZENSHIP  
OR PLACE  
OF  
ORGANIZATION

Delaware

NUMBER OF SHARES  
BENEFICIALLY  
OWNED BY EACH  
REPORTING PERSON  
WITH

5. SOLE  
VOTING  
POWER

0

SHARED  
6. VOTING  
POWER

914,357

SOLE  
7. DISPOSITIVE  
POWER

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SHARED  
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AMOUNT  
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PERSON

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AGGREGATE  
AMOUNT  
10. IN ROW (9)  
EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

PERCENT  
OF CLASS  
REPRESENTED  
11. BY  
AMOUNT  
IN ROW (9)

5.6%

12.

TYPE OF  
REPORTING  
PERSON  
(SEE  
INSTRUCTIONS)

OO

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CUSIP  
No 05580M108

1. NAME OF  
REPORTING  
PERSONS  
I.R.S.  
IDENTIFICATION  
NOS. OF  
ABOVE  
PERSONS  
(ENTITIES  
ONLY)

John  
Fichthorn

2. CHECK THE  
APPROPRIATE  
BOX IF A  
MEMBER OF A  
GROUP (SEE  
INSTRUCTIONS)

(a)   
(b)

3. SEC USE  
ONLY

4. CITIZENSHIP  
OR PLACE  
OF  
ORGANIZATION

United  
States of  
America

NUMBER OF SHARES  
BENEFICIALLY  
OWNED BY EACH  
REPORTING PERSON  
WITH

5. SOLE  
VOTING  
POWER

0



SHARED  
6. VOTING  
POWER

914,357

SOLE  
7. DISPOSITIVE  
POWER

0

SHARED  
8. DISPOSITIVE  
POWER

914,357

AGGREGATE  
AMOUNT  
9. BENEFICIALLY  
OWNED BY EACH  
REPORTING  
PERSON

914,357

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BOX IF  
THE  
AGGREGATE  
AMOUNT  
10. IN ROW (9)  
EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

PERCENT  
OF CLASS  
REPRESENTED  
11. BY  
AMOUNT  
IN ROW (9)

5.6%

TYPE OF  
REPORTING  
12.PERSON  
(SEE  
INSTRUCTIONS)  
  
IN, HC

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CUSIP  
No 05580M108

1. NAME OF  
REPORTING  
PERSONS  
I.R.S.  
IDENTIFICATION  
NOS. OF  
ABOVE  
PERSONS  
(ENTITIES  
ONLY)

B.J.  
Eastwood

2. CHECK THE  
APPROPRIATE  
BOX IF A  
MEMBER OF A  
GROUP (SEE  
INSTRUCTIONS)  
(a)   
(b)

3. SEC USE  
ONLY

4. CITIZENSHIP  
OR PLACE  
OF  
ORGANIZATION

United  
Kingdom

NUMBER OF SHARES  
BENEFICIALLY  
OWNED BY EACH  
REPORTING PERSON  
WITH

5. SOLE  
VOTING  
POWER

0

SHARED  
6. VOTING  
POWER

914,357

SOLE  
7. DISPOSITIVE  
POWER

0

SHARED  
8. DISPOSITIVE  
POWER

914,357

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AMOUNT  
9. BENEFICIALLY  
OWNED BY EACH  
REPORTING  
PERSON

914,357

CHECK  
BOX IF  
THE  
AGGREGATE  
AMOUNT  
10. IN ROW (9)  
EXCLUDES  
CERTAIN  
SHARES  
(SEE  
INSTRUCTIONS)

PERCENT  
OF CLASS  
REPRESENTED  
11. BY  
AMOUNT  
IN ROW (9)

5.6%

12.

TYPE OF  
REPORTING  
PERSON  
(SEE  
INSTRUCTIONS)

IN, HC

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CUSIP  
No 05580M108

1. NAME OF  
REPORTING  
PERSONS  
I.R.S.  
IDENTIFICATION  
NOS. OF  
ABOVE  
PERSONS  
(ENTITIES  
ONLY)

Jonathan  
Bailey

2. CHECK THE  
APPROPRIATE  
BOX IF A  
MEMBER OF A  
GROUP (SEE  
INSTRUCTIONS)

(a)

(b)

3. SEC USE  
ONLY

4. CITIZENSHIP  
OR PLACE  
OF  
ORGANIZATION

United  
Kingdom

NUMBER OF SHARES  
BENEFICIALLY  
OWNED BY EACH  
REPORTING PERSON  
WITH

5. SOLE  
VOTING  
POWER

0

SHARED  
6. VOTING  
POWER

914,357

SOLE  
7. DISPOSITIVE  
POWER

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SHARED  
8. DISPOSITIVE  
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AMOUNT  
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REPORTING  
PERSON

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SHARES  
(SEE  
INSTRUCTIONS)

PERCENT  
OF CLASS  
REPRESENTED  
11. BY  
AMOUNT  
IN ROW (9)

5.6%

12.

TYPE OF  
REPORTING  
PERSON  
(SEE  
INSTRUCTIONS)

IN, HC

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05580M108

Item 1. (a). Name of Issuer:

B. Riley Financial, Inc.

(b). Address of issuer's principal executive offices:

21860 Burbank Boulevard, Suite 300 South  
Woodland Hills, California 91367

Item 2. (a). Name of person filing/citizenship/address:

Dialectic Capital Management, LP  
Dialectic Partners, LLC  
John Fichthorn  
B.J. Eastwood  
Jonathan Bailey

Address or principal business office or, if none, residence:

Dialectic Capital Management, LP  
(b). 17 State Street, Suite 3930  
New York, New York 10004  
United States of America

Dialectic Partners, LLC  
17 State Street, Suite 3930  
New York, New York 10004  
United States of America

John Fichthorn  
B.J. Eastwood  
Jonathan Bailey  
c/o Dialectic Capital Management, LP  
17 State Street, Suite 3930  
New York, New York 10004  
United States of America

Citizenship:

Dialectic Capital Management, LP – Delaware  
(c). Dialectic Partners, LLC - Delaware  
John Fichthorn – United States of America  
B.J. Eastwood – United Kingdom  
Jonathan Bailey – United Kingdom

(d). Title of class of securities:

Common stock, par value \$0.0001 per share

(e).CUSIP No.:

05580M108

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Item 3. If This Statement is filed pursuant to §§.240.13d-1(b) or 240.13d-2(b), or (c), check whether the person filing is a

- (a)  Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- (b)  Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- (c)  Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- (d)  Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8).
- (e)  An investment adviser in accordance with § 240.13d-1(b)(1)(ii)(E);
- (f)  An employee benefit plan or endowment fund in accordance with § 240.13d-1(b)(1)(ii)(F);
- (g)  A parent holding company or control person in accordance with §240.13d-1(b)(1)(ii)(G);
- (h)  A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C.1813);
- (i)  A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);
- (j)  A non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J);
- (k)  Group, in accordance with §240.13d-1(b)(1)(ii)(K). If filing as a non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J), please specify the type of institution:

Item 4. Ownership.

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:

Dialectic Capital Management, LP – 914,357  
Dialectic Partners, LLC - 914,357  
John Fichthorn – 914,357  
B.J. Eastwood - 914,357  
Jonathan Bailey - 914,357

(b) Percent of class:

Dialectic Capital Management, LP – 5.6%  
Dialectic Partners, LLC – 5.6%  
John Fichthorn – 5.6%  
B.J. Eastwood – 5.6%  
Jonathan Bailey – 5.6%



(c) Number of shares as to which the person has:

(i) Sole power to vote or to direct the vote

Dialectic Capital Management, LP	0	,
Dialectic Partners, LLC	0	
John Fichthorn	0	,
B.J. Eastwood	0	
Jonathan Bailey	0	

(ii) Shared power to vote or to direct the vote

Dialectic Capital Management, LP	914,357,
Dialectic Partners, LLC	914,357
John Fichthorn	914,357,
B.J. Eastwood	914,357
Jonathan Bailey	914,357

(iii) Sole power to dispose or to direct the disposition of

Dialectic Capital Management, LP	0	,
Dialectic Partners, LLC	0	
John Fichthorn	0	,
B.J. Eastwood	0	
Jonathan Bailey	0	

(iv) Shared power to dispose or to direct the disposition of

Dialectic Capital Management, LP	914,357
Dialectic Partners, LLC	914,357
John Fichthorn	914,357
B.J. Eastwood	914,357
Jonathan Bailey	914,357

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following [ ].

N/A

Item 6. Ownership of More Than Five Percent on Behalf of Another Person.

If any other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities, a statement to that effect should be included in response to this item and, if such interest relates to more than 5 percent of the class, such person should be identified. A listing of the shareholders of an investment company registered under the Investment Company Act of 1940 or the beneficiaries of employee benefit plan, pension fund or endowment fund is not required.

All of the securities reported in this Schedule 13G are owned by advisory clients of Dialectic Capital Management, LP, none of which directly owns more than 5% of the outstanding shares.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

If a parent holding company or control person has filed this schedule, pursuant to Rule 13d-1(b)(1)(ii)(G), so indicate under Item 3(g) and attach an exhibit stating the identity and the Item 3 classification of the relevant subsidiary. If a parent holding company or control person has filed this schedule pursuant to Rule 13d-1(c) or Rule 13d-1(d), attach an exhibit stating the identification of the relevant subsidiary.

N/A

Item 8. Identification and Classification of Members of the Group.

If a group has filed this schedule pursuant to §240.13d-1(b)(1)(ii)(J), so indicate under Item 3(j) and attach an exhibit stating the identity and Item 3 classification of each member of the group. If a group has filed this schedule pursuant to Rule 13d-1(c) or Rule 13d-1(d), attach an exhibit stating the identity of each member of the group.

N/A

Item 9. Notice of Dissolution of Group.

Notice of dissolution of a group may be furnished as an exhibit stating the date of the dissolution and that all further filings with respect to transactions in the security reported on will be filed, if required, by members of the group, in their individual capacity. See Item 5.

N/A

Item 10. Certification.

By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

February 16, 2016  
(Date)

Dialectic Capital Management, LP

By: Dialectic Partners, LLC  
Its general partner

By: /s/ John Fichthorn  
Name: John Fichthorn  
Title: Managing Member

Dialectic Partners, LLC

By: /s/ John Fichthorn  
Name: John Fichthorn  
Title: Managing Member

/s/ John Fichthorn  
Name: John Fichthorn

/s/ B.J. Eastwood  
Name: B.J. Eastwood

/s/ Jonathan Bailey  
Name: Jonathan Bailey

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative other than an executive officer or general partner of the filing person, evidence of the representative's authority to sign on behalf of such person shall be filed with the statement, provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

Note. Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See s.240.13d-7 for other parties for whom copies are to be sent.

Attention. Intentional misstatements or omissions of fact constitute Federal criminal violations (see 18 U.S.C. 1001).

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Exhibit A  
AGREEMENT

The undersigned agree that this Schedule 13G relating to the common stock, par value \$0.0001 per share, of B. Riley Financial, Inc. shall be filed on behalf of the undersigned.

Dialectic Capital Management, LP

Date: February 16, 2016

By: Dialectic Partners, LLC  
Its general partner

By: /s/ John Fichthorn  
Name: John Fichthorn  
Title: Managing Member

Dialectic Partners, LLC

By: /s/ John Fichthorn  
Name: John Fichthorn  
Title: Managing Member

/s/ John Fichthorn  
Name: John Fichthorn

/s/ B.J. Eastwood  
Name: B.J. Eastwood

/s/ Jonathan Bailey  
Name: Jonathan Bailey

SK 21843 0001 7041709