

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)

*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).

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
REPRESENTED
11. BY
AMOUNT
IN ROW (9)

5.6%

TYPE OF
REPORTING
12.PERSON
(SEE
INSTRUCTIONS)

OO, IA

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

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
REPRESENTED
11. BY
AMOUNT
IN ROW (9)

5.6%

12.

TYPE OF
REPORTING
PERSON
(SEE
INSTRUCTIONS)

OO

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

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)

IN, HC

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

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%

12.

TYPE OF
REPORTING
PERSON
(SEE
INSTRUCTIONS)

IN, HC

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

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
REPRESENTED
11. BY
AMOUNT
IN ROW (9)

5.6%

12.

TYPE OF
REPORTING
PERSON
(SEE
INSTRUCTIONS)

IN, HC

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

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).

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