

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933

Release No. 10921 / January 21, 2021

SECURITIES EXCHANGE ACT OF 1934

Release No. 90965 / January 21, 2021

INVESTMENT ADVISERS ACT OF 1940

Release No. 5672 / January 21, 2021

INVESTMENT COMPANY ACT OF 1940

Release No. 34179 / January 21, 2021

Admin. Proc. File No. 3-15255

In the Matter of

JOHN THOMAS CAPITAL MANAGEMENT GROUP
LLC d/b/a PATRIOT28 LLC; and
GEORGE R. JARKESY, JR.

PARTIAL STAY ORDER

On January 13, 2021, Respondents John Thomas Capital Management Group LLC d/b/a Patriot28 LLC (“JTCM”) and George R. Jarkesy Jr. moved for a stay of the monetary sanctions imposed in the Commission’s Order Imposing Remedial Sanctions (the “Order”)¹ pending the outcome of a petition for review they filed in the U.S. Court of Appeals for the Fifth Circuit.² Among other things, the Order imposed a civil money penalty upon Respondents jointly and severally and disgorgement plus prejudgment interest upon JTCM. Respondents state that the Division of Enforcement does not oppose their stay motion.

The Commission “has at times stayed monetary sanctions pending appeal without reference to the . . . components of the four-factor test” typically applied in determining stay

¹ *John Thomas Capital Mgmt. Grp. LLC d/b/a Patriot28 LLC*, Exchange Act Release No. 89775, 2020 WL 5291417 (Sept. 4, 2020).

² Petition for Review, *Jarkesy v. SEC*, No. 20-61007 (5th Cir. Nov. 2, 2020).

requests.³ Under the circumstances, including that the Division does not oppose a stay, and as a matter of discretion, we elect to stay the requirement in the Order that Respondents pay the monetary sanctions pending the determination of their appeal with the Fifth Circuit.

Accordingly, it is ORDERED that the requirements in the Order that Respondents pay a civil money penalty and disgorgement plus prejudgment interest are stayed until the Fifth Circuit resolves their appeal and issues its mandate. The Order remains effective in all other respects.

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Vanessa A. Countryman
Secretary

³ *Dennis J. Malouf*, Exchange Act Release No. 78739, 2016 WL 4537671, at *3 (Aug. 31, 2016); *see also id.* at *1 (stating that the four factors are “(i) whether there is a strong likelihood that the moving party will succeed on the merits of its appeal; (ii) whether the moving party will suffer irreparable harm without a stay; (iii) whether any person will suffer substantial harm as a result of a stay; and (iv) whether a stay is likely to serve the public interest”).