

UNITED STATES OF AMERICA  
before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933  
Release No. 9478 / November 13, 2013

SECURITIES EXCHANGE ACT OF 1934  
Release No. 70869 / November 13, 2013

INVESTMENT ADVISERS ACT OF 1940  
Release No. 3716 / November 13, 2013

INVESTMENT COMPANY ACT OF 1940  
Release No. 30784 / November 13, 2013

ADMINISTRATIVE PROCEEDING  
File No. 3-15255

In the Matter of

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

and

ANASTASIOS "TOMMY" BELESIS

ORDER GRANTING INTERIM STAY

On March 22, 2013, the Commission instituted administrative proceedings<sup>1</sup> against the above-named respondents pursuant to Section 8A of the Securities Act of 1933; Sections 15(b)(4), 15(b)(6), and 21C of the Securities Exchange Act of 1934; Sections 203(e), 203(f), and 203(k) of the Investment Advisers Act of 1940; and Section 9(b) of the Investment Company Act of 1940.<sup>2</sup> A hearing in this matter as to respondents John Thomas Capital Management LLC

<sup>1</sup> *John Thomas Capital Mgmt. Grp. LLC*, Securities Exchange Act Release No. 69208, 2013 WL 1180836 (Mar. 22, 2013).

<sup>2</sup> 15 U.S.C. §§ 77h-1, 78o(b)(4), 78o(b)(6), 78u-3, 80b-3(e), 80b-3(f), 80b-3(k), 80a-9(b).

d/b/a Patriot28 LLC ("JTCM") and George R. Jarkesy, Jr. is scheduled to begin on November 18, 2013 at 26 Federal Plaza, New York, New York 10278.<sup>3</sup>

At a prehearing conference on October 24, 2013, the law judge denied a request by JTCM and Jarkesy to compel (i) production of *Brady*<sup>4</sup> and Jencks Act<sup>5</sup> material, (ii) designation of *Brady* and Jencks Act material in voluminous records previously produced, (iii) certification of *Brady* and Jencks Act compliance, (iv) designation of documents produced in response to subpoenas and document requests, (v) motion to continue hearing, and (vi) motion to change venue of hearing. The law judge also denied JTCM and Jarkesy's subsequent motion to certify an interlocutory appeal to the Commission and their motion to stay the hearing pending that appeal.

On October 31, 2013, JTCM and Jarksey filed a petition with the Commission for interlocutory review of the law judge's rulings. JTCM and Jarksey argue that they "cannot possibly review the enormous quantity of data" they received from the Division of Enforcement before the November 18, 2013 hearing. JTCM and Jarksey also assert that the Division has failed to produce certain materials, which respondents claim has deprived them of their due process right to a fair hearing. They further contend that, without a change of venue, they will incur significant and unnecessary legal expense, "which materially impacts [their] ability to defend themselves [and] implicates their due process right to a fair hearing." In the interest of maintaining the status quo pending our consideration of JTCM and Jarkesy's request for interlocutory review, we have determined to grant an interim stay of the hearing scheduled to begin on November 18, 2013.<sup>6</sup>

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<sup>3</sup> Pursuant to Commission Rule of Practice 161(c)(2), 17 C.F.R. § 201.161(c)(2), the administrative law judge stayed the proceedings as to John Thomas Financial, Inc. and Anastasios "Tommy" Belesis while the Commission considers an offer of settlement by those two respondents. *John Thomas Capital Mgmt. Grp. LLC*, Admin. Proc. Release No. 964 (Oct. 16, 2013).

<sup>4</sup> *Brady v. Maryland*, 373 U.S. 83 (1963).

<sup>5</sup> 18 U.S.C. § 3500.

<sup>6</sup> *Cf. Clark T. Blizzard*, Admin. Proc. File No. 3-10007 (Mar. 5, 2002) (staying law judge's order pending consideration by the Commission of a request to grant interlocutory review).

Accordingly, it is ORDERED that the hearing is hereby stayed pending consideration by the Commission of the petition by JTCM and Jarkey to grant interlocutory review of the law judge's rulings.

By the Commission.

Elizabeth M. Murphy  
Secretary