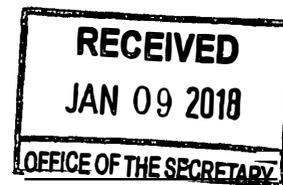




UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
NEW YORK REGIONAL OFFICE
200 VESEY STREET, 4TH FLOOR
NEW YORK, NEW YORK 10281-1022



January 5, 2018

VIA EMAIL AND UNITED PARCEL SERVICE

The Honorable Carol Fox Foelak
Administrative Law Judge
U.S. Securities and Exchange Commission
100 F. Street, N.E., Mail Stop 6553
Washington, DC 20549

Re: In the Matter of John Thomas Capital Management Group AP File No. 3-15255

Dear Judge Foelak:

On November 30, 2017, the Commission issued an order ratifying the prior appointment of its administrative law judges to preside over administrative proceedings. *See In re: Pending Administrative Proceedings*, Securities Act Release No. 10440 (Nov. 30, 2017). As applied to this proceeding, the order directs the administrative law judge to determine, based on a de novo reconsideration of the full administrative record, whether to ratify or revise in any respect all prior actions taken by any administrative law judge during the course of this proceeding. *Id.* at 1-2.

It is well established that subsequent ratification of an earlier decision rendered by an unconstitutionally appointed officer remedies any alleged harm or prejudice caused by the violation. *See Doolin Sec. Sav. Bank, F.S.B. v. Office of Thrift Supervision*, 139 F.3d 203, 213-14 (D.C. Cir. 1998); *FEC v. Legi-Tech, Inc.*, 75 F.3d 704, 707-09 (D.C. Cir. 1996). And that principle applies whether or not the ratifying authority is the same person who made the initial decision, so long as “the ratifier has the authority to take the action to be ratified,” and, “with full knowledge of the decision to be ratified,” makes a “detached and considered affirmation of th[at] earlier decision.” *Advanced Disposal Services East, Inc. v. NLRB*, 820 F.3d 592, 602-03 (3d Cir. 2016).

Accordingly, to implement this remedy, the administrative law judge should conduct a de novo review of the administrative record, engage in an independent evaluation of the merits through the exercise of detached and considered judgment, and then determine whether prior actions should be ratified and thereby affirmed. This process ensures “that the ratifier does not blindly affirm the earlier decision without due consideration.” *Advanced Disposal Services East*, 820 F.3d at 602-03.

Hon. Carol Fox Foelak
January 5, 2018

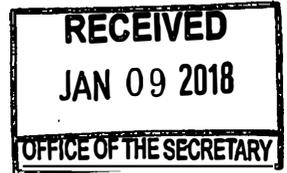
The Division submits that the previous decisions issued by the administrative law judge in this proceeding should be ratified. The Division reserves its right to seek further review before the Commission of any ratified decision or issue in a decision that is adverse to the Division. To that end, the Division attaches a proposed draft order to this letter.

Respectfully submitted,

/s/ Todd D. Brody

Todd D. Brody
Senior Trial Counsel
Division of Enforcement

cc: Brent Fields
Kathy Shields
Karen Cook, Esq. (by email only)
Michael McColloch, Esq. (by email only)



UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

ADMINISTRATIVE PROCEEDINGS RULINGS

Release No. ____/ January __, 2018

ADMINISTRATIVE PROCEEDING

File No. 3-15255

In the Matter of :
:
JOHN THOMAS CAPITAL MANAGEMENT : (PROPOSED) ORDER
GROUP LLC, d/b/a PATRIOT28 LLC, :
GEORGE R. JARKESY, JR., :
JOHN THOMAS FINANCIAL, INC., and :
ANASTASIOS "TOMMY" BELESIS :

The Securities and Exchange Commission instituted this proceeding on March 22, 2013. On October 17, 2014, an Initial Decision concluded that George R. Jarkesy, Jr. and John Thomas Capital Management Group LLC, d/b/a Patriot28 LLC (JTCM) violated the antifraud provisions of the federal securities laws and imposed various sanctions.¹ *John Thomas Capital Mgmt. Grp. LLC*, Initial Decision Release No. 693, 2014 SEC LEXIS 4162 (ALJ) (petitions for review pending).

The Commission's November 30, 2017, order concerning administrative proceedings ratifies the appointment of the undersigned as an Administrative Law Judge and directs her to "[r]econsider the record, including all substantive and procedural actions taken by an administrative law judge:" in proceedings, such as this one, pending before the Commission in which she has issued an initial decision. *Pending Admin. Proc.*, Securities Act of 1933 Release No. 10440, 2017 SEC LEXIS 3742. Examination of the record discloses that the Chief Administrative Law Judge has ratified her designation to the undersigned as the presiding administrative law judge in this proceeding.²

After a de novo review and reexamination of the record in these proceedings, I have reached the independent decision to ratify and affirm all prior actions made by an administrative law judge in these proceedings, including the initial decision issued on October 17, 2014. This

¹ The proceeding has ended as to Respondents John Thomas Financial, Inc., and Anastasios "Tommy" Belesis, who settled the charges against them. *John Thomas Capital Mgmt. Grp. LLC*, Securities Exchange Act of 1934 Release No. 70989, 2013 SEC LEXIS 3862 (Dec. 5, 2013).

² See *John Thomas Capital Mgmt. Grp. LLC*, Admin. Proc. No. 15225 (C.A.L.J. Mar. 25, 2013) (unpublished); *Pending Admin. Pro.*, Admin Proc. Rulings Release No. 5247, 2017 SEC LEXIS 3780 (C.A.L.J. Dec. 4, 2017)(designating, and ratifying the designation of, the undersigned).

decision to ratify and affirm is based on my detached and considered judgment after an independent evaluation of the merits.

IT IS SO ORDERED.

/S/ Carol Fox Foelak
Carol Fox Foelak
Administrative Law Judge