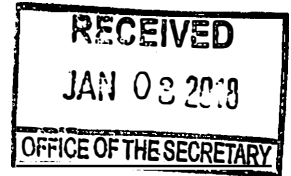




UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
NEW YORK REGIONAL OFFICE  
BROOKFIELD PLACE, 200 VESEY ST., STE. 400  
NEW YORK, NEW YORK 10281



DIVISION OF ENFORCEMENT

Michael C. Ellis  
Counsel  
(212) 336-1027  
ellism@sec.gov

January 5, 2018

**By UPS, E-mail (alj@sec.gov) and Fax ((202) 777-1031)**

The Honorable Carol Fox Foelak  
Administrative Law Judge  
Securities and Exchange Commission  
100 F St., N.E.  
Washington, DC 20549-2557

Re: **In the Matter of Demitrios Hallas, File No. 3-18229**

Dear Judge Foelak:

I write on behalf of the Division of Enforcement to inform Your Honor that the Division does not intend to submit any new evidence regarding Your Honor's reexamination of the record and to request that Your Honor ratify and affirm all actions taken in this case prior to November 30, 2017. I write, also, to respectfully request that Your Honor revise the December 19, 2017 Order to reflect that Hallas has been served with the Order Instituting Proceedings (OIP) and that Hallas has failed to answer the OIP.

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, Your Honor 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. The Division submits that the decisions made by an administrative law judge in this proceeding prior to November 30, 2017, were well-founded and requests that they be ratified and affirmed.

The Division respectfully requests, however, that Your Honor reconsider the Order dated December 19, 2017, and revise it to reflect that Hallas has been served with and failed to answer the OIP. The December 19, 2017 Order states that “Hallas has not yet been served with the OIP.” In fact, Hallas was served with the OIP last October, and the Division’s October 20, 2017 letter advised Your Honor that Mr. Hallas had been served and attached the proof of service. The Office of the Secretary has advised me that the Division’s letter dated October 20, 2017, was received and date stamped on October 23, 2017, and was distributed to Your Honor on October 23, 2017.

The Division attaches a proposed draft order to this letter that both ratifies the pre-November 30, 2017 actions in this case and revises the December 19, 2017 Order.

Further, the Division requests that following the completion of the procedures set forth in the Commission’s Order dated November 30, 2017, Your Honor enter an order against Mr. Hallas barring him from being associated with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization, and from participating in an offering of penny stock, pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934.

Sincerely,

A handwritten signature in black ink, appearing to read 'MCE', written over a horizontal line.

Michael C. Ellis  
Counsel  
Division of Enforcement

Enclosures: Division’s October 20, 2017 letter to Judge Foelak and related enclosures  
UPS delivery confirmation of Division’s October 20, 2017 letter  
Proposed draft order



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
NEW YORK REGIONAL OFFICE  
BROOKFIELD PLACE, 200 VESEY ST., STE. 400  
NEW YORK, NEW YORK 10281

DIVISION OF ENFORCEMENT

Michael C. Ellis  
Counsel  
(212) 336-1027  
ellism@sec.gov

October 20, 2017

**By UPS**

The Honorable Carol Fox Foelak  
Administrative Law Judge  
Securities and Exchange Commission  
100 F St., N.E.  
Washington, DC 20549-2557

Re: **In the Matter of Demitrios Hallas, File No. 3-18229**

Dear Judge Foelak:

I write on behalf of the Division of Enforcement with regard to Your Honor's Postponement Order dated October 12, 2017, which requires the Division to "report on the status of its efforts to serve Hallas by November 13, 2017, and every thirty days thereafter."

On October 12, 2017, Mr. Hallas was served with the Order Instituting Proceedings ("OIP") dated September 28, 2017, as well as the Order Scheduling Hearing and Designating Presiding Judge dated October 2, 2017. Mr. Hallas was also served with the Final Judgment entered by the U.S. District Court on September 27, 2017 in *SEC v. Hallas*, No. 1:17-cv-299 (S.D.N.Y).

A process server retained by the Division delivered each of the aforementioned documents by hand to Jared Maltz, a person in charge of Mr. Hallas's office at BFS Capital. Mr. Maltz verbally confirmed that Mr. Hallas is employed by BFS Capital at the office address at which the documents were served: **263 W. 38th Street, 13th Floor, New York, NY 10018**. This manner of service complies with Rule of Practice 141(a)(2)(i), which states that service of an OIP on an individual may be made by "leaving a copy at the individual's office with a clerk or other person in charge thereof." Proof of service is enclosed.

On October 5, 2017, the Division also sent the OIP and Order Scheduling Hearing and Presiding Judge to Mr. Hallas by overnight UPS to his last known residence and by e-mail to the address that he is known to use: [REDACTED]@gmail.com. In its October 5, 2017 letter and e-mail, the Division asked the Mr. Hallas contact us to confirm receipt of the OIP and Order Scheduling Hearing and Presiding Judge. To date, Mr. Hallas has not responded to the Division's October 5, 2017 letter or e-mail, copies of which are enclosed.

Further, on October 17, 2017, the Division sent a letter to Mr. Hallas informing him that documents collected in the Division's investigation are available for his inspection and copying pursuant to Rule of Practice 230. In its letter, the Division asked that Mr. Hallas contact us to arrange to inspect the documents. The Division also enclosed a copy of Your Honor's October 12, 2017 Postponement Order and quoted Footnote 2 therein stating that Mr. Hallas's Answer is due within twenty days of service of the OIP. The Division mailed the letter and Postponement Order to Mr. Hallas via overnight UPS to his office address at BFS Capital and to his last known residence. The Division also e-mailed the letter and Postponement Order to Mr. Hallas at [REDACTED]@gmail.com. To date, Mr. Hallas has not responded to the Division's October 17, 2017 letter or e-mail, copies of which are enclosed.

Sincerely,

A handwritten signature in black ink, appearing to read "M.C. Ellis", with a stylized flourish at the end.

Michael C. Ellis  
Counsel  
Division of Enforcement

Enclosures: Proof of Service  
Division's October 5, 2017 letter to Hallas  
Division's October 5, 2017 e-mail to Hallas  
Division's October 17, 2017 letter to Hallas  
Division's October 17, 2017 e-mail to Hallas

**UNITED STATES OF AMERICA**  
Before the  
**SECURITIES AND EXCHANGE COMMISSION**

Case Number: 3-18229

In the Matter of:  
**Hallas, Demitrios**

For:  
U.S. Securities and Exchange Commission  
100 F St NE  
Washington, DC 20549

Received by Cavalier Courier & Process Service to be served on Demitrios Hallas, 518 East 83rd St, Apt 1B, New York, NY 10028.

I, Alvin Gonzalez, do hereby affirm that on the 12th day of October, 2017 at 3:14 pm, I:

Served Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934; Order Scheduling Hearing and Designating Presiding Judge; Corrected Final Judgment as to Defendant Demitrios Hallas (SDNY 17-CV-2999) to Jared Maltz at BFS Capital, 263 W 38th St, 13th Floor, New York, NY as Vice President/Person Found in Charge, being of suitable position and discretion to accept service. Upon information and belief, BFS Capital, 263 W 38th St, 13th Floor, New York, NY is the usual place of business or employment of Demitrios Hallas.

**Additional Information pertaining to this Service:**

Service was made in accordance with SEC Rules of Practice Rule 150(c)(1). Mr. Maltz verbally confirmed that Mr. Hallas remains employed by BFS Capital at the address where service was made.

I certify that I am a natural person over the age of eighteen, not a party to or otherwise interested in the subject matter in controversy, and am authorized to serve process in accordance with the laws of the jurisdiction where service was made.



---

**Alvin Gonzalez**  
Process Server

**Cavalier Courier & Process Service**  
**823-C South King Street**  
**Leesburg, VA 20175**  
**(703) 431-7085**

Our Job Serial Number: CAV-2017007631  
Ref: NYRO-62097





UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
NEW YORK REGIONAL OFFICE  
BROOKFIELD PLACE, 200 VESEY ST., STE. 400  
NEW YORK, NEW YORK 10281

DIVISION OF ENFORCEMENT

Michael C. Ellis  
Counsel  
(212) 336-1027  
ellism@sec.gov

October 5, 2017

Via UPS

Dimitrios Hallas

██████████, Apt. █  
New York, NY █

Re: In the Matter of Dimitrios Hallas, Administrative Proceeding File No. 3-18229

Dear Mr. Hallas:

Please see the enclosed Order Instituting Administrative Proceedings in the above-referenced matter, along with a copy of the Order Scheduling Hearing and Designating Presiding Judge. As detailed in the Order Scheduling Hearing, a hearing on November 6, 2017 has been scheduled in this matter. Please call or e-mail us to confirm receipt of these documents.

Sincerely,

A handwritten signature in black ink, appearing to read "M.C. Ellis".

Michael C. Ellis  
Counsel  
Division of Enforcement

Enclosures: Order Instituting Administrative Proceedings  
Order Scheduling Hearing and Designating Presiding Judge

**Ellis, Michael C**

---

**From:** Ellis, Michael C  
**Sent:** Thursday, October 05, 2017 4:52 PM  
**To:** 'dimitrios hallas'  
**Cc:** Stoelting, David; Smith, Thomas  
**Subject:** In the Matter of Demitrios Hallas, Administrative Proceeding File No. 3-18229  
**Attachments:** OIP - Hallas, Demitrios (File No. 3-18229).pdf; Order Scheduling Hearing - Hallas, Demitrios (File No. 3-18229).pdf

Mr. Hallas,

Please see the attached Order Instituting Administrative Proceedings in the above-referenced matter, along with a copy of the Order Scheduling Hearing and Designating Presiding Judge. As detailed in the Order Scheduling Hearing, a hearing on November 6, 2017 has been scheduled in this matter. We mailed copies of these documents to you via overnight UPS as well.

Please call or e-mail us to confirm receipt of these documents.

Sincerely,

Michael C. Ellis | Counsel  
U.S. Securities and Exchange Commission | Division of Enforcement  
New York Regional Office | 200 Vesey Street, Suite 400 | New York, NY 10281-1022  
Tel: (212) 336 - 1027 | [ellism@sec.gov](mailto:ellism@sec.gov)



UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
NEW YORK REGIONAL OFFICE  
BROOKFIELD PLACE, 200 VESEY ST., STE. 400  
NEW YORK, NEW YORK 10281

DIVISION OF ENFORCEMENT

Michael C. Ellis  
Counsel  
(212) 336-1027  
ellism@sec.gov

October 17, 2017

**Via UPS and email:** [REDACTED]@gmail.com

Demitrios Hallas

[REDACTED]  
New York, NY [REDACTED]

and copy to:

Demitrios Hallas  
BFS Capital  
263 W. 38th Street, 13th Floor  
New York, NY 10018

**Re: In the Matter of Demitrios Hallas, File No. 3-18229**

Dear Mr. Hallas:

On September 28, 2017, the Securities and Exchange Commission issued an Order Instituting Proceedings ("OIP") against you. On October 12, 2017, you were served with the OIP when a copy was left at your office at BFS Capital with Jared Maltz, a clerk or other person in charge thereof.

Rule 230 of the Commission's Rules of Practice requires the Division to commence making its investigative file available to you for inspection and copying within seven days of service of the OIP. Accordingly, we hereby provide you notice that documents collected in the Division's investigation of the above-referenced matter are available for your inspection and copying. Please call me at (212) 336-1027, or David Stoelting, Senior Trial Counsel, at (212) 336-0174, to arrange to inspect our documents.

Further, on October 12, 2017, Judge Foelak issued a Postponement Order in the above-referenced proceeding. Footnote 2 of Judge Foelak's Postponement Order states that "Hallas's Answer is due within twenty days of service on him. *See* OIP at 3; 17 C.F.R. § 201.220(b). If he fails to file an Answer within the time provided, he will be deemed to be in default, and the undersigned will enter an order barring him from the securities industry. *See* OIP at 3; 17 C.F.R. §§ 201.155(a), .220(f)." A copy of the Postponement Order is enclosed.



Sincerely,

A handwritten signature in black ink, appearing to read 'M.C. Ellis', with a stylized flourish at the end.

Michael C. Ellis  
Counsel  
Division of Enforcement

Enclosure: Postponement Order dated October 12, 2017

**Ellis, Michael C**

---

**From:** Ellis, Michael C  
**Sent:** Tuesday, October 17, 2017 4:04 PM  
**To:** 'demitrios hallas'  
**Cc:** Stoelting, David; Smith, Thomas  
**Subject:** RE: In the Matter of Demitrios Hallas, Administrative Proceeding File No. 3-18229  
**Attachments:** Letter to Hallas (10.17.2017) (Postponement Order enclosed).pdf

Mr. Hallas,

Please see the attached letter and Postponement Order in the above-referenced matter.

Thank you,

**Michael C. Ellis | Counsel**  
U.S. Securities and Exchange Commission | Division of Enforcement  
New York Regional Office | 200 Vesey Street, Suite 400 | New York, NY 10281-1022  
Tel: (212) 336 - 1027 | [ellism@sec.gov](mailto:ellism@sec.gov)

---

**From:** Ellis, Michael C  
**Sent:** Thursday, October 05, 2017 4:52 PM  
**To:** 'demitrios hallas'  
**Cc:** Stoelting, David; Smith, Thomas  
**Subject:** In the Matter of Demitrios Hallas, Administrative Proceeding File No. 3-18229

Mr. Hallas,

Please see the attached Order Instituting Administrative Proceedings in the above-referenced matter, along with a copy of the Order Scheduling Hearing and Designating Presiding Judge. As detailed in the Order Scheduling Hearing, a hearing on November 6, 2017 has been scheduled in this matter. We mailed copies of these documents to you via overnight UPS as well.

Please call or e-mail us to confirm receipt of these documents.

Sincerely,

**Michael C. Ellis | Counsel**  
U.S. Securities and Exchange Commission | Division of Enforcement  
New York Regional Office | 200 Vesey Street, Suite 400 | New York, NY 10281-1022  
Tel: (212) 336 - 1027 | [ellism@sec.gov](mailto:ellism@sec.gov)



**Your package has been delivered.**

**Delivery Date:** Monday, 10/23/2017

**Delivery Time:** 10:10 AM

At the request of SEC NEW YORK REGION this notice alerts you that the status of the shipment listed below has changed.

## Shipment Detail

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<b>Tracking Number:</b>	<u><b>1Z88R5V42498412825</b></u>
<b>Ship To:</b>	Mr. Brent Fields Office of the Secretary 100 F ST NE WASHINGTON, DC 20549 US
<b>UPS Service:</b>	UPS NEXT DAY AIR
<b>Number of Packages:</b>	1
<b>Shipment Type:</b>	Letter
<b>Delivery Location:</b>	INSIDE DELIVERY  WILL
<b>Signature Required:</b>	A signature is required for package delivery



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**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. 3-18229**

**In the Matter of**

**DEMITRIOS HALLAS**

**ORDER**

After a de novo review and reexamination of the record in these proceedings, I have reached the independent decision to ratify and affirm all actions made by an administrative law judge in these proceedings prior to November 30, 2017. This decision to ratify and affirm is based on my detached and considered judgment after an independent evaluation of the merits.

I have also determined to correct the December 19, 2017 Order to reflect that respondent Demitrios Hallas was served with the Order Instituting Proceedings (OIP) on October 12, 2017 and, that he has not filed an Answer to the OIP.

**IT IS SO ORDERED**

---

Carol Fox Foelak  
Administrative Law Judge