

## BrokerCheck Report

# ANASTASIOS P BELESIS

CRD# 2707354

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Please be aware that fraudsters may link to BrokerCheck from phishing and similar scam websites, trying to steal your personal information or your money. Make sure you know who you're dealing with when investing, and contact FINRA with any concerns.

For more information read our [investor alert](#) on imposters.

## About BrokerCheck®

BrokerCheck offers information on all current, and many former, registered securities brokers, and all current and former registered securities firms. FINRA strongly encourages investors to use BrokerCheck to check the background of securities brokers and brokerage firms before deciding to conduct, or continue to conduct, business with them.

- **What is included in a BrokerCheck report?**

- BrokerCheck reports for individual brokers include information such as employment history, professional qualifications, disciplinary actions, criminal convictions, civil judgments and arbitration awards. BrokerCheck reports for brokerage firms include information on a firm's profile, history, and operations, as well as many of the same disclosure events mentioned above.

- Please note that the information contained in a BrokerCheck report may include pending actions or allegations that may be contested, unresolved or unproven. In the end, these actions or allegations may be resolved in favor of the broker or brokerage firm, or concluded through a negotiated settlement with no admission or finding of wrongdoing.

- **Where did this information come from?**

- The information contained in BrokerCheck comes from FINRA's Central Registration Depository, or CRD® and is a combination of:

- o information FINRA and/or the Securities and Exchange Commission (SEC) require brokers and brokerage firms to submit as part of the registration and licensing process, and
- o information that regulators report regarding disciplinary actions or allegations against firms or brokers.

- **How current is this information?**

- Generally, active brokerage firms and brokers are required to update their professional and disciplinary information in CRD within 30 days. Under most circumstances, information reported by brokerage firms, brokers and regulators is available in BrokerCheck the next business day.

- **What if I want to check the background of an investment adviser firm or investment adviser representative?**

- To check the background of an investment adviser firm or representative, you can search for the firm or individual in BrokerCheck. If your search is successful, click on the link provided to view the available licensing and registration information in the SEC's Investment Adviser Public Disclosure (IAPD) website at <https://www.adviserinfo.sec.gov>. In the alternative, you may search the IAPD website directly or contact your state securities regulator at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/P455414>.

- **Are there other resources I can use to check the background of investment professionals?**

- FINRA recommends that you learn as much as possible about an investment professional before deciding to work with them. Your state securities regulator can help you research brokers and investment adviser representatives doing business in your state.



Using this site/information means that you accept the FINRA BrokerCheck Terms and Conditions. A complete list of Terms and Conditions can be found at

[brokercheck.finra.org](http://brokercheck.finra.org)



For additional information about the contents of this report, please refer to the User Guidance or [www.finra.org/brokercheck](http://www.finra.org/brokercheck). It provides a glossary of terms and a list of frequently asked questions, as well as additional resources.

[For more information about FINRA, visit www.finra.org.](http://www.finra.org)

**Thank you for using FINRA BrokerCheck.**

**ANASTASIOS P. BELESIS**

CRD# 2707354

This broker is not currently registered.

## Report Summary for this Broker



This report summary provides an overview of the broker's professional background and conduct. Additional information can be found in the detailed report.

### Broker Qualifications

**This broker is not currently registered.**

#### This broker has passed:

- 3 Principal/Supervisory Exams
- 1 General Industry/Product Exam
- 1 State Securities Law Exam

### Registration History

**This broker was previously registered with the following securities firm(s):**

- B JOHN THOMAS FINANCIAL**  
CRD# 40982  
NEW YORK, NY  
01/2007 - 07/2013
- B JOSEPH GUNNAR & CO. LLC**  
CRD# 24795  
NEW YORK, NY  
12/2005 - 01/2007
- B S.W. BACH & COMPANY**  
CRD# 43522  
NEW YORK, NY  
11/2003 - 12/2005

### Disclosure Events

All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.

Are there events disclosed about this broker? **Yes**

**The following types of disclosures have been reported:**

Type	Count
Regulatory Event	7
Customer Dispute	12
Termination	1

## Broker Qualifications



### Registrations

This section provides the self-regulatory organizations (SROs) and U.S. states/territories the broker is currently registered and licensed with, the category of each license, and the date on which it became effective. This section also provides, for every brokerage firm with which the broker is currently employed, the address of each branch where the broker works.

This broker is not currently registered.



## Broker Qualifications

### Industry Exams this Broker has Passed

This section includes all securities industry exams that the broker has passed. Under limited circumstances, a broker may attain a registration after receiving an exam waiver based on exams the broker has passed and/or qualifying work experience. Any exam waivers that the broker has received are not included below.

**This individual has passed 3 principal/supervisory exams, 1 general industry/product exam, and 1 state securities law exam.**

### Principal/Supervisory Exams

Exam	Category	Date
<b>B</b> General Securities Sales Supervisor - General Module Examination	Series 10	06/27/2001
<b>B</b> General Securities Sales Supervisor - Options Module Examination	Series 9	04/11/2001
<b>B</b> General Securities Principal Examination	Series 24	12/22/1998

### General Industry/Product Exams

Exam	Category	Date
<b>B</b> General Securities Representative Examination	Series 7	04/26/1996

### State Securities Law Exams

Exam	Category	Date
<b>B</b> Uniform Securities Agent State Law Examination	Series 63	03/26/1996

Additional information about the above exams or other exams FINRA administers to brokers and other securities professionals can be found at [www.finra.org/brokerqualifications/registeredrep/](http://www.finra.org/brokerqualifications/registeredrep/).

## Broker Qualifications



## Professional Designations

This section details that the representative has reported **0** professional designation(s).

No information reported.



## Registration and Employment History

### Registration History

The broker previously was registered with the following firms:

Registration Dates	Firm Name	CRD#	Branch Location
<b>B</b> 01/2007 - 07/2013	JOHN THOMAS FINANCIAL	40982	NEW YORK, NY
<b>B</b> 12/2005 - 01/2007	JOSEPH GUNNAR & CO. LLC	24795	NEW YORK, NY
<b>B</b> 11/2003 - 12/2005	S.W. BACH & COMPANY	43522	NEW YORK, NY
<b>B</b> 09/2001 - 12/2003	HARRISON SECURITIES, INC.	14103	PORT WASHINGTON, NY
<b>B</b> 08/1998 - 10/2001	LADENBURG CAPITAL MANAGEMENT INC.	14623	BETHPAGE, NY
<b>B</b> 07/1996 - 08/1998	FIRST ASSET MANAGEMENT, INC.	17341	GARDEN CITY, NY

### Employment History

This section provides up to 10 years of an individual broker's employment history as reported by the individual broker on the most recently filed Form U4.

**Please note that the broker is required to provide this information only while registered with FINRA or a national securities exchange and the information is not updated via Form U4 after the broker ceases to be registered. Therefore, an employment end date of "Present" may not reflect the broker's current employment status.**

Employment	Employer Name	Position	Investment Related	Employer Location
01/2007 - Present	ATB HOLDING COMPANY, LLC	MANAGING MEMBER	N	NEW YORK, NY, United States
01/2007 - Present	JOHN THOMAS FINANCIAL	CEO	Y	NEW YORK, NY, United States

### Other Business Activities

This section includes information, if any, as provided by the broker regarding other business activities the broker is currently engaged in either as a proprietor, partner, officer, director, employee, trustee, agent or otherwise. This section does not include non-investment related activity that is exclusively charitable, civic, religious or fraternal and is recognized as tax exempt.

MANAGING MEMBER, - ATB HOLDING COMPANY LLC ("ATB") - FORMED IN SEPTEMBER 2006 AND IS LOCATED AT 14 WALL STREET, 23RD FLOOR NY, NY 10005. ATB IS A HOLDING COMPANY FOR FINANCIAL COMPANIES AND OTHER GENERAL BUSINESSES INCLUDING THE FOLLOWING: JOHN THOMAS FINANCIAL, INC; FOUR POINTS CAPITAL PARTNERS, LLC; AND JOHN THOMAS GLOBAL, LLC; SEPARATE HOLDING COMPANIES INCLUDE: ATB HOLDINGS II, LLC (OWNS JTF INSURANCE AGENCY); AGJ HOLDING; MPB HOLDING; APB HOLDINGS, LLC (OWNS JOHN THOMAS GLOBAL WEALTH MANAGEMENT, LLC); JOHN THOMAS GLOBAL TRADING DMCC; AND CYLLENE LTD. OTHER THAN JOHN THOMAS FINANCIAL WHICH I AM THE CEO OF, ALL OF THE ABOVE ARE EITHER

## Registration and Employment History



### Other Business Activities, continued

DORMANT OR OPERATED BY HIRED PERSONNEL. I WORK FULL TIME FOR JOHN THOMAS FINANCIAL AND SPEND FIVE TO TEN HOURS A WEEK ON AN AS-NEEDED-BASIS TENDING TO MATTERS INVOLVING ATB'S SUBSIDIARY COMPANIES. JOHN THOMAS FINANCIAL, INC.; AND FOUR POINTS CAPITAL PARTNERS, LLC ARE INVESTMENT RELATED BUSINESSES. I AM A MEMBER OF THE SCREEN ACTORS GUILD ON A PROJECT BASIS WHICH IS NOT INVESTMENT RELATED. I SERVE ON THE BOARD OF TRUSTEES FOR THE NEW YORK INSTITUTE OF ENERGY & WATER. I SERVICE AS A SPECIAL ADVISOR FOR WAFUNIF: "FORMER UN INTERNES AND FELLOWS", A NON-GOVERNMENT ORGANIZATION; I SERVE AS CHAIRMAN AND VICE PRESIDENT OF THE GLOBAL MILLENNIUM DEVELOPMENT FOUNDATION. IN ADDITION, I SERVE AS CO-CHAIRMAN FOR THE NEW YORK STATE REPUBLIC AND FINANCE COMMITTEE AND ON THE EXECUTIVE BOARD MEMBER OF THE WORLD ENERGY FORUM.

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## Disclosure Events

### What you should know about reported disclosure events:

1. All individuals registered to sell securities or provide investment advice are required to disclose customer complaints and arbitrations, regulatory actions, employment terminations, bankruptcy filings, and criminal or civil judicial proceedings.
2. **Certain thresholds must be met before an event is reported to CRD, for example:**
  - o A law enforcement agency must file formal charges before a broker is required to disclose a particular criminal event.
  - o A customer dispute must involve allegations that a broker engaged in activity that violates certain rules or conduct governing the industry and that the activity resulted in damages of at least \$5,000.
  - o
3. **Disclosure events in BrokerCheck reports come from different sources:**
  - o As mentioned at the beginning of this report, information contained in BrokerCheck comes from brokers, brokerage firms and regulators. When more than one of these sources reports information for the same disclosure event, all versions of the event will appear in the BrokerCheck report. The different versions will be separated by a solid line with the reporting source labeled.
  - o
4. **There are different statuses and dispositions for disclosure events:**
  - o A disclosure event may have a status of *pending*, *on appeal*, or *final*.
    - § A "pending" event involves allegations that have not been proven or formally adjudicated.
    - § An event that is "on appeal" involves allegations that have been adjudicated but are currently being appealed.
    - § A "final" event has been concluded and its resolution is not subject to change.
  - o A final event generally has a disposition of *adjudicated*, *settled* or *otherwise resolved*.
    - § An "adjudicated" matter includes a disposition by (1) a court of law in a criminal or civil matter, or (2) an administrative panel in an action brought by a regulator that is contested by the party charged with some alleged wrongdoing.
    - § A "settled" matter generally involves an agreement by the parties to resolve the matter. Please note that brokers and brokerage firms may choose to settle customer disputes or regulatory matters for business or other reasons.
    - § A "resolved" matter usually involves no payment to the customer and no finding of wrongdoing on the part of the individual broker. Such matters generally involve customer disputes.

For your convenience, below is a matrix of the number and status of disclosure events involving this broker. Further information regarding these events can be found in the subsequent pages of this report. You also may wish to contact the broker to obtain further information regarding these events.

	Pending	Final	On Appeal
Regulatory Event	0	7	0
Customer Dispute	2	10	N/A
Termination	N/A	1	N/A



## Disclosure Event Details

When evaluating this information, please keep in mind that a disclosure event may be pending or involve allegations that are contested and have not been resolved or proven. The matter may, in the end, be withdrawn, dismissed, resolved in favor of the broker, or concluded through a negotiated settlement for certain business reasons (e.g., to maintain customer relationships or to limit the litigation costs associated with disputing the allegations) with no admission or finding of wrongdoing.

This report provides the information exactly as it was reported to CRD and therefore some of the specific data fields contained in the report may be blank if the information was not provided to CRD.

### Regulatory - Final

This type of disclosure event may involve (1) a final, formal proceeding initiated by a regulatory authority (e.g., a state securities agency, self-regulatory organization, federal regulatory such as the Securities and Exchange Commission, foreign financial regulatory body) for a violation of investment-related rules or regulations; or (2) a revocation or suspension of a broker's authority to act as an attorney, accountant, or federal contractor.

#### Disclosure 1 of 7

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Sanction(s) Sought:</b>	Cease and Desist
<b>Date Initiated:</b>	08/01/2017
<b>Docket/Case Number:</b>	3-18088
<b>Employing firm when activity occurred which led to the regulatory action:</b>	Liberty Silver Corp.
<b>Product Type:</b>	Equity-OTC
<b>Allegations:</b>	<p>SEC Admin Release 33-10395, 34-81276, IA Release 40-32772 / August 1, 2017: The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 8A of the Securities Act of 1933 ("Securities Act"), Sections 15(b) and 21C of the Securities Exchange Act of 1934 ("Exchange Act"), and Section 9(b) of the Investment Company Act of 1940 ("Investment Company Act") against Anastasios P. "Tommy" Belesis ("Belesis," or "Respondent").</p> <p>The Commission finds that this case concerns violations of the anti-fraud and securities registration provisions by Belesis, the former CEO of John Thomas Financial, Inc. ("JTF"), a now-defunct New York-based broker-dealer, in the offer</p>



and sale, and in connection with the purchase and sale, of the common stock of Liberty Silver Corp. ("Liberty Silver"), a purported mining exploration company that was then quoted on the Over the Counter Bulletin Board ("OTCBB") under the symbol "LBSV." During the relevant period, Belesis and a controlling shareholder of Liberty Silver (the "Affiliate") agreed that JTF would sell the Affiliate's Liberty Silver securities to its customers, and that the Affiliate would provide a \$2 million loan to ATB Holding Company, LLC ("ATB"), which is wholly owned by Belesis and was JTF's holding company. They also took steps toward the Affiliate providing Belesis additional funds through ATB. The Affiliate deposited 13,100,000 shares of Liberty Silver securities in newly-opened accounts at JTF, and Belesis solicited multiple JTF customers to purchase the Affiliate's shares. While recommending Liberty Silver to his customers, Belesis made statements concerning individuals controlling Liberty Silver, and Liberty Silver's financial prospects, but failed to inform his customers of multiple material facts, including that the shares were owned by the Affiliate, the concurrent financial arrangements between the Affiliate and Belesis, the Affiliate's status as a controlling shareholder of Liberty Silver, or that the Affiliate was intending to imminently sell at least 13.1 million shares of his position. Between August 21, 2012 and October 5, 2012, when the Commission suspended trading in Liberty Silver's stock, at least 14 of Belesis's own customers purchased over 9 million Liberty Silver shares, including over 6,600,000 million shares owned by the Affiliate. No registration statement was on file or in effect as to the Affiliate's resales of his Liberty Silver securities, which did not qualify for any exemption from the registration requirements. Accordingly, in offering and selling the Affiliate's shares, Belesis also violated Section 5 of the Securities Act.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Order
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	Yes
<b>Resolution Date:</b>	08/01/2017
<b>Sanctions Ordered:</b>	Bar (Permanent) Cease and Desist Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Monetary Penalty other than Fines Prohibition



**If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?**

Yes

**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?**

Yes

**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**

No



**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

No

**Sanction 1 of 2**

**Sanction Type:** Bar (Permanent)  
**Capacities Affected:** participating in any offering of a penny stock  
**Duration:** Indefinite  
**Start Date:** 08/01/2017

**End Date:**

**Sanction 2 of 2**

**Sanction Type:** Bar (Permanent)  
**Capacities Affected:** association with a broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or NRSRO  
**Duration:** Indefinite  
**Start Date:** 08/01/2017

**End Date:**

**Monetary Sanction 1 of 3**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)  
**Total Amount:** \$434,628.40  
**Portion Levied against individual:** \$434,628.40

**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:****Was any portion of penalty waived?** No**Amount Waived:****Monetary Sanction 2 of 3****Monetary Related Sanction:** Monetary Penalty other than Fines**Total Amount:** \$64,266.86**Portion Levied against individual:** \$64,266.86**Payment Plan:** prejudgment interest on disgorgement**Is Payment Plan Current:****Date Paid by individual:****Was any portion of penalty waived?** No**Amount Waived:****Monetary Sanction 3 of 3****Monetary Related Sanction:** Disgorgement**Total Amount:** \$434,628.40**Portion Levied against individual:** \$434,628.40**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:****Was any portion of penalty waived?** No**Amount Waived:**

**Regulator Statement** Respondent has submitted an Offer of Settlement (the "Offer") which the Commission has determined to accept. Belesis willfully violated Sections 5(a), 5(c) and 17(a)(2) of the Securities Act and



Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder. It is ordered that Belesis cease and desist from committing or causing any violations and any future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. It is ordered that Belesis is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; prohibited from serving or acting as an employee, officer, director, member of an advisory board, investment adviser or depositor of, or principal underwriter for, a registered investment company or affiliated person of such investment adviser, depositor, or principal underwriter; and barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock. Belesis is also ordered to pay disgorgement of \$434,628.40, prejudgment interest of \$64,266.86, and a civil money penalty in the amount of \$434,628.40.

#### Disclosure 2 of 7

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Suspension
<b>Date Initiated:</b>	01/25/2017
<b>Docket/Case Number:</b>	13-01629
<b>Employing firm when activity occurred which led to the regulatory action:</b>	n/a
<b>Product Type:</b>	No Product
<b>Allegations:</b>	Respondent Belesis failed to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance.
<b>Current Status:</b>	Final
<b>Resolution:</b>	Letter



**Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?**

No

**Resolution Date:**

01/25/2017

**Sanctions Ordered:**

Suspension

**If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?**

No

**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?**





**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**

**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

**Sanction 1 of 1**

<b>Sanction Type:</b>	Suspension
<b>Capacities Affected:</b>	Any capacity
<b>Duration:</b>	n/a
<b>Start Date:</b>	01/25/2017
<b>End Date:</b>	

**Regulator Statement**

Pursuant to Article VI, Section 3 of FINRA By-Laws, and FINRA Rule 9554, Respondent Belesis is suspended on January 25, 2017 for failure to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance.

**Disclosure 3 of 7**

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Suspension
<b>Date Initiated:</b>	04/06/2016
<b>Docket/Case Number:</b>	<a href="#">13-01112</a>
<b>Employing firm when activity occurred which led to the regulatory action:</b>	n/a
<b>Product Type:</b>	No Product
<b>Allegations:</b>	Respondent Belesis failed to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance.
<b>Current Status:</b>	Final
<b>Resolution:</b>	letter
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Resolution Date:</b>	04/06/2016
<b>Sanctions Ordered:</b>	Suspension
<b>If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?</b>	No



**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?**

**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**



**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

#### Sanction 1 of 1

**Sanction Type:** Suspension  
**Capacities Affected:** any capacity  
**Duration:** n/a  
**Start Date:** 04/06/2016  
**End Date:**

#### Regulator Statement

Pursuant to Article VI, Section 3 of FINRA By-Laws, and FINRA Rule 9554, Respondent Belesis is suspended on April 6, 2016 for failure to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance.

#### Disclosure 4 of 7

**Reporting Source:** Regulator  
**Regulatory Action Initiated By:** FINRA  
**Sanction(s) Sought:** Suspension  
**Date Initiated:** 04/06/2016  
**Docket/Case Number:** [13-00041](#)



<b>Employing firm when activity occurred which led to the regulatory action:</b>	n/a
<b>Product Type:</b>	No Product
<b>Allegations:</b>	Respondent Belesis failed to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance.
<b>Current Status:</b>	Final
<b>Resolution:</b>	letter
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Resolution Date:</b>	04/06/2016
<b>Sanctions Ordered:</b>	Suspension
<b>If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?</b>	No



**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?**

**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**



**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

#### Sanction 1 of 1

**Sanction Type:** Suspension  
**Capacities Affected:** any capacity  
**Duration:** n/a  
**Start Date:** 04/06/2016  
**End Date:**

#### Regulator Statement

Pursuant to Article VI, Section 3 of FINRA By-Laws, and FINRA Rule 9554, Respondent Belesis is suspended on April 6, 2016 for failure to comply with an arbitration award or settlement agreement or to satisfactorily respond to a FINRA request to provide information concerning the status of compliance.

#### Disclosure 5 of 7

**Reporting Source:** Regulator  
**Regulatory Action Initiated By:** FINRA  
**Sanction(s) Sought:** Suspension  
**Date Initiated:** 05/29/2015  
**Docket/Case Number:** [13-02763](#)



<b>Employing firm when activity occurred which led to the regulatory action:</b>	N/A
<b>Product Type:</b>	No Product
<b>Allegations:</b>	RESPONDENT BELESIS FAILED TO COMPLY WITH AN ARBITRATION AWARD OR SETTLEMENT AGREEMENT OR TO SATISFACTORILY RESPOND TO A FINRA REQUEST TO PROVIDE INFORMATION CONCERNING THE STATUS OF COMPLIANCE.
<b>Current Status:</b>	Final
<b>Resolution:</b>	LETTER
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Resolution Date:</b>	05/29/2015
<b>Sanctions Ordered:</b>	Suspension
<b>If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?</b>	No





**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?**

**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**



**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

#### Sanction 1 of 1

**Sanction Type:** Suspension  
**Capacities Affected:** ANY CAPACITY  
**Duration:** N/A  
**Start Date:** 05/29/2015  
**End Date:**

#### Regulator Statement

PURSUANT TO ARTICLE VI, SECTION 3 OF FINRA BY-LAWS, AND FINRA RULE 9554, RESPONDENT BELESIS IS SUSPENDED ON MAY 29, 2015 FOR FAILURE TO COMPLY WITH AN ARBITRATION AWARD OR SETTLEMENT AGREEMENT OR TO SATISFACTORILY RESPOND TO A FINRA REQUEST TO PROVIDE INFORMATION CONCERNING THE STATUS OF COMPLIANCE.

#### Disclosure 6 of 7

**Reporting Source:** Regulator  
**Regulatory Action Initiated By:** FINRA  
**Sanction(s) Sought:** Other: N/A  
**Date Initiated:** 04/15/2013  
**Docket/Case Number:** [2012033467301](#)



**Employing firm when activity occurred which led to the regulatory action:**

JOHN THOMAS FINANCIAL, INC.

**Product Type:**

Equity Listed (Common & Preferred Stock)

**Allegations:**

WILLFULLY VIOLATED SECURITIES EXCHANGE ACT SECTION 10(B),RULE 10B-5 THEREUNDER, VIOLATED SECURITIES EXCHANGE ACT RULES 17A-3, 17A-4, FINRA RULES 2010, 2020, 4511(A), 5240, 5320, 8210, NASD RULES 2320, 3010, CAUSED THE VIOLATIONS OF SEC RULES 17A-3(A)(6) AND 17A-4(B)(1) - A MEMBER FIRM, THROUGH THE FIRM'S CHIEF EXECUTIVE OFFICER (CEO), ANASTASIOS BELESIS, AND ITS BRANCH OFFICE MANAGER (BOM), SOLD OVER 800,000 SHARES OF A SECURITY AT PRICES THAT WOULD HAVE SATISFIED OUTSTANDING CUSTOMER ORDERS TO SELL THIS STOCK ON THE SAME SIDE OF THE MARKET. THE FIRM RECEIVED CUSTOMER ORDERS ONE AFTERNOON BUT DID NOT EXECUTE MOST OF THEM IN THE SIZE AND AT THE SAME PRICE OR BETTER AT WHICH IT EXECUTED THE PROPRIETARY SHARES. BELESIS INSTRUCTED THE BOM TO SELL AS MUCH OF THE FIRM'S PROPRIETARY POSITION AS POSSIBLE, EFFECTIVELY PREVENTING REGISTERED REPRESENTATIVES FROM INTERRUPTING THE BOM WHILE SHE WAS SUBMITTING FIRM ORDERS TO THE CLEARING FIRM. THE FIRM, THROUGH BELESIS, ITS BOM AND A TRADER, FAILED TO USE REASONABLE DILIGENCE TO EXECUTE CUSTOMER ORDERS THAT DAY SO THAT CUSTOMER ORDERS WERE NOT FILLED AT A PRICE AS FAVORABLE AS POSSIBLE UNDER PREVAILING MARKET CONDITIONS. SOME ORDERS WERE EXECUTED THE FOLLOWING DAY AND THEREAFTER AT PRICES THAT WERE INFERIOR TO THE PRICES AVAILABLE THE DAY BEFORE AND SOME CUSTOMERS DID NOT SELL AT ALL. THE FIRM TOOK INSUFFICIENT STEPS TO FOLLOW CUSTOMER INSTRUCTIONS. THE FIRM AND BELESIS, THROUGH THE BOM AND THE CHIEF COMPLIANCE OFFICER (CCO), STATED TO REGISTERED REPRESENTATIVES THAT CUSTOMER ORDERS TO SELL THE STOCK COULD NOT BE ENTERED DUE TO A PROBLEM WITH THE CLEARING FIRM AND THE REGISTERED REPRESENTATIVES CONVEYED THIS MISREPRESENTATION TO CUSTOMERS. THE FIRM TOOK INADEQUATE STEPS, IF ANY TO TIMELY ENTER ORDERS FOR EXECUTION. BELESIS TOOK NO STEPS AT ALL. BELESIS REFUSED TO CANCEL THE SALE OF THE FIRM'S SHARES AND REBILL THEM TO CUSTOMER ACCOUNTS, STATING THAT THE CUSTOMERS' SHARES WERE RESTRICTED, WHICH WAS UNTRUE. THE FIRM, THROUGH BELESIS AND THE BOM, FAILED TO MAKE AND KEEP CURRENT RECORDS OF THESE ORDERS AS REQUIRED BY THE SEC. THE FIRM, THROUGH BELESIS AND THE BOM, FAILED TO PRESERVE RECORDS FOR AT LEAST THE UNEXECUTED CUSTOMER ORDERS IT RECEIVED AS REQUIRED BY THE SEC. THESE TICKETS WERE REQUIRED TO BE PRESERVED FOR AT LEAST THREE YEARS. BELESIS, AS THE CEO,



WAS RESPONSIBLE FOR ASSURING COMPLIANCE BY THE FIRM WITH APPLICABLE LAWS, RULES AND REGULATIONS. THE FIRM HAD WRITTEN SUPERVISORY PROCEDURES (WSPS) THAT PURPORTED TO ADDRESS TRADING AHEAD OF CUSTOMER EQUITY ORDERS THAT STRICTLY PROHIBITED FRONT RUNNING BUT THE IMPLEMENTATION OF THESE PROCEDURES WAS NOT FOLLOWED. ALTHOUGH THE FIRM DESIGNATED A TRADER WITH RESPONSIBILITY FOR ENSURING COMPLIANCE WITH THESE PROCEDURES, IT FAILED TO NOTIFY HIM OF SUCH OR PROVIDE HIM WITH THE INFORMATION NECESSARY TO BE ABLE TO DO SO. THE FIRM, THROUGH BELESIS AND THE BOM, CREATED CIRCUMSTANCES WHERE AS THE CUSTOMERS' ORDERS WERE NOT BEING ENTERED: THE TRADER WHO HAD BEEN AT THE FIRM FOR APPROXIMATELY TWO WEEKS WAS RESPONSIBLE FOR ENTERING THE ORDERS AND THE BOM COULD NOT BE BOTHERED TO ASSIST HIM BECAUSE SHE WAS BUSILY SELLING THE FIRM'S PROPRIETARILY-HELD SHARES. THE FIRM ALSO FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ENSURE COMPLIANCE WITH FINRA RULE 4511 AND SEC RULES 17A-3 AND 17A-4. THE FIRM, BELESIS AND THE BOM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM WITH RESPECT TO ITS TRADING FUNCTION AND RECORDKEEPING PRACTICES THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH SECURITIES LAWS, REGULATIONS AND RULES. [CONTINUED IN COMMENT.]

<b>Current Status:</b>	Final
<b>Resolution:</b>	Decision
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No
<b>Resolution Date:</b>	02/26/2015
<b>Sanctions Ordered:</b>	Bar (Permanent) Civil and Administrative Penalty(ies)/Fine(s) Disgorgement Suspension
<b>If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?</b>	No



**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?**

**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**



**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

**Sanction 1 of 2**

**Sanction Type:** Suspension  
**Capacities Affected:** ANY CAPACITY  
**Duration:** TWO YEARS  
**Start Date:** 03/02/2015  
**End Date:** 03/01/2017

**Sanction 2 of 2**

**Sanction Type:** Bar (Permanent)  
**Capacities Affected:** All Capacities  
**Duration:**  
**Start Date:** 02/26/2015  
**End Date:**

**Monetary Sanction 1 of 2**

**Monetary Related Sanction:** Disgorgement  
**Total Amount:** \$1,047,288.01  
**Portion Levied against individual:** \$1,047,288.01



**Payment Plan:** JOINTLY AND SEVERALLY

**Is Payment Plan Current:**

**Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:**

**Monetary Sanction 2 of 2**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)

**Total Amount:** \$100,000.00

**Portion Levied against individual:** \$100,000.00

**Payment Plan:** JOINTLY AND SEVERALLY

**Is Payment Plan Current:**

**Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:**

**Regulator Statement**

ALLEGATIONS CONTINUED: BELESIS PROVIDED FALSE AND MISLEADING INFORMATION TO FINRA DURING ON THE RECORD INTERVIEWS. BELESIS VIOLATED ANTIFRAUD PROVISIONS BY SELLING PROPRIETARILY HELD STOCK WHILE KNOWINGLY OR RECKLESSLY PREVENTING THE ENTRY AND EXECUTION OF MARKETABLE CUSTOMER SELL ORDERS IN THE STOCK AND MAKING MATERIAL MISREPRESENTATIONS TO CUSTOMERS, REGISTERED REPRESENTATIVES AND OTHER FIRM PERSONNEL, THAT SUCH ORDERS COULD NOT BE ENTERED BECAUSE A PROBLEM EXISTED WITH THE CLEARING FIRM; THE CUSTOMERS' SHARES WERE UNREGISTERED UNDER THE 1933 ACT AND NOT SUBJECT TO AN EXEMPTION FROM REGISTRATION; AND THERE WAS INSUFFICIENT VOLUME IN THE STOCK. BELESIS, EITHER RECKLESSLY OR INTENTIONALLY, FAILED TO CONTACT THE APPROPRIATE PERSON AT THE CLEARING FIRM TO HAVE A TRADING RESTRICTION REMOVED UNTIL AFTER THE CLOSE OF THE MARKETS. THE FIRM, ACTING THROUGH BELESIS AND THE BOM, ATTEMPTED TO CONCEAL THE MISCONDUCT BY FAILING TO MAINTAIN ORDER TICKETS FOR SOME ORDERS AND CREATING FALSIFIED TICKETS FOR SOME OF THE ORDERS. AS A RESULT OF THE FIRM'S SALE OF ITS PROPRIETARILY-HELD SHARES, IT REAPED



PROCEEDS OF APPROXIMATELY \$1,080,135. THE FIRM, THROUGH BELESIS AND THE BOM, FAILED TO OBSERVE HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE BY SELLING PROPRIETARILY HELD STOCK WHILE PREVENTING THE SALE OF SUCH STOCK BY CUSTOMERS AND MAKING MATERIAL MISREPRESENTATIONS AND OMISSIONS TO CUSTOMERS AND REPRESENTATIVES CONCERNING THE REASONS THAT ORDERS TO SELL THE STOCK WERE NOT FULLY EXECUTED OR EXECUTED AT ALL. BELESIS CONDUCTED BUSINESS IN A THREATENING, INTIMIDATING AND COERCIVE MANNER BY PHYSICALLY THREATENING AND INTIMIDATING REPRESENTATIVES WHO DISAGREED WITH HIS BUSINESS PRACTICES AND BY THREATENING TO END REPRESENTATIVES' FINANCIAL CAREERS BY FILING FORMS U5 AND AMENDMENTS FALSELY STATING THAT THEY ENGAGED IN SERIOUS WRONGDOING.

EXTENDED HEARING PANEL DECISION RENDERED JANUARY 9, 2015. THE SANCTIONS WERE BASED ON FINDINGS THAT BELESIS TRADED AHEAD OF CUSTOMER ORDERS, AND FAILED TO MAINTAIN ACCURATE AND COMPLETE BOOKS AND RECORDS. THE FINDINGS STATED THAT BELESIS PROVIDED FALSE AND MISLEADING INFORMATION TO FINRA. THE FINDINGS ALSO STATED THAT BELESIS FAILED TO OBSERVE HIGH STANDARDS OF COMMERCIAL HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE. THE FINDINGS ALSO INCLUDED THAT BELESIS HARASSED AND INTIMIDATED INDIVIDUALS ASSOCIATED WITH A MEMBER FIRM. FINRA FOUND THAT THE EVIDENCE DOES NOT SUPPORT THE CHARGES THAT BELESIS BREACHED HIS DUTY OF BEST EXECUTION OR FAILED TO FOLLOW CUSTOMER INSTRUCTIONS, THEREFORE, THOSE CHARGES ARE DISMISSED. FINRA ALSO FOUND THAT THE EVIDENCE DOES NOT SUPPORT THE CHARGES THAT BELESIS MADE MISREPRESENTATIONS TO CUSTOMERS OR FAILED TO SUPERVISE, THEREFORE, THOSE CHARGES ARE DISMISSED. THE DECISION BECAME FINAL FEBRUARY 26, 2015.

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<b>Reporting Source:</b>	Broker
<b>Regulatory Action Initiated By:</b>	FINRA
<b>Sanction(s) Sought:</b>	Other: N/A
<b>Date Initiated:</b>	04/15/2013
<b>Docket/Case Number:</b>	<a href="#">2012033467301</a>





**Employing firm when activity occurred which led to the regulatory action:** JOHN THOMAS FINANCIAL, INC.

**Product Type:** Equity Listed (Common & Preferred Stock)

**Allegations:** WILLFULLY VIOLATED SECURITIES EXCHANGE ACT SECTION 10(B),RULE 10B-5 THEREUNDER, VIOLATED SECURITIES EXCHANGE ACT RULES 17A-3, 17A-4, FINRA RULES 2010, 2020, 4511(A), 5240, 5320, 8210, NASD RULES 2320, 3010, CAUSED THE VIOLATIONS OF SEC RULES 17A-3(A)(6) AND 17A-4(B)(1) - A MEMBER FIRM, THROUGH THE FIRM'S CHIEF EXECUTIVE OFFICER (CEO), ANASTASIOS BELESIS, AND ITS BRANCH OFFICE MANAGER (BOM), SOLD OVER 800,000 SHARES OF A SECURITY AT PRICES THAT WOULD HAVE SATISFIED OUTSTANDING CUSTOMER ORDERS TO SELL THIS STOCK ON THE SAME SIDE OF THE MARKET. THE FIRM RECEIVED CUSTOMER ORDERS ONE AFTERNOON BUT DID NOT EXECUTE MOST OF THEM IN THE SIZE AND AT THE SAME PRICE OR BETTER AT WHICH IT EXECUTED THE PROPRIETARY SHARES. BELESIS INSTRUCTED THE BOM TO SELL AS MUCH OF THE FIRM'S PROPRIETARY POSITION AS POSSIBLE, EFFECTIVELY PREVENTING REGISTERED REPRESENTATIVES FROM INTERRUPTING THE BOM WHILE SHE WAS SUBMITTING FIRM ORDERS TO THE CLEARING FIRM. THE FIRM, THROUGH BELESIS, ITS BOM AND A TRADER, FAILED TO USE REASONABLE DILIGENCE TO EXECUTE CUSTOMER ORDERS THAT DAY SO THAT CUSTOMER ORDERS WERE NOT FILLED AT A PRICE AS FAVORABLE AS POSSIBLE UNDER PREVAILING MARKET CONDITIONS. SOME ORDERS WERE EXECUTED THE FOLLOWING DAY AND THEREAFTER AT PRICES THAT WERE INFERIOR TO THE PRICES AVAILABLE THE DAY BEFORE AND SOME CUSTOMERS DID NOT SELL AT ALL. THE FIRM TOOK INSUFFICIENT STEPS TO FOLLOW CUSTOMER INSTRUCTIONS. THE FIRM AND BELESIS, THROUGH THE BOM AND THE CHIEF COMPLIANCE OFFICER (CCO), STATED TO REGISTERED REPRESENTATIVES THAT CUSTOMER ORDERS TO SELL THE STOCK COULD NOT BE ENTERED DUE TO A PROBLEM WITH THE CLEARING FIRM AND THE REGISTERED REPRESENTATIVES CONVEYED THIS MISREPRESENTATION TO CUSTOMERS. THE FIRM TOOK INADEQUATE STEPS, IF ANY TO TIMELY ENTER ORDERS FOR EXECUTION. BELESIS TOOK NO STEPS AT ALL. BELESIS REFUSED TO CANCEL THE SALE OF THE FIRM'S SHARES AND REBILL THEM TO CUSTOMER ACCOUNTS, STATING THAT THE CUSTOMERS' SHARES WERE RESTRICTED, WHICH WAS UNTRUE. THE FIRM, THROUGH BELESIS AND THE BOM, FAILED TO MAKE AND KEEP CURRENT RECORDS OF THESE ORDERS AS REQUIRED BY THE SEC. THE FIRM, THROUGH BELESIS AND THE BOM, FAILED TO PRESERVE RECORDS FOR AT LEAST THE UNEXECUTED CUSTOMER ORDERS IT RECEIVED AS REQUIRED BY THE SEC. THESE TICKETS WERE REQUIRED TO BE PRESERVED FOR AT LEAST THREE YEARS. BELESIS, AS THE CEO,



WAS RESPONSIBLE FOR ASSURING COMPLIANCE BY THE FIRM WITH APPLICABLE LAWS, RULES AND REGULATIONS. THE FIRM HAD WRITTEN SUPERVISORY PROCEDURES (WSPS) THAT PURPORTED TO ADDRESS TRADING AHEAD OF CUSTOMER EQUITY ORDERS THAT STRICTLY PROHIBITED FRONT RUNNING BUT THE IMPLEMENTATION OF THESE PROCEDURES WAS NOT FOLLOWED. ALTHOUGH THE FIRM DESIGNATED A TRADER WITH RESPONSIBILITY FOR ENSURING COMPLIANCE WITH THESE PROCEDURES, IT FAILED TO NOTIFY HIM OF SUCH OR PROVIDE HIM WITH THE INFORMATION NECESSARY TO BE ABLE TO DO SO. THE FIRM, THROUGH BELESIS AND THE BOM, CREATED CIRCUMSTANCES WHERE AS THE CUSTOMERS' ORDERS WERE NOT BEING ENTERED: THE TRADER WHO HAD BEEN AT THE FIRM FOR APPROXIMATELY TWO WEEKS WAS RESPONSIBLE FOR ENTERING THE ORDERS AND THE BOM COULD NOT BE BOTHERED TO ASSIST HIM BECAUSE SHE WAS BUSILY SELLING THE FIRM'S PROPRIETARILY-HELD SHARES. THE FIRM ALSO FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM REASONABLY DESIGNED TO ENSURE COMPLIANCE WITH FINRA RULE 4511 AND SEC RULES 17A-3 AND 17A-4. THE FIRM, BELESIS AND THE BOM FAILED TO ESTABLISH AND MAINTAIN A SUPERVISORY SYSTEM WITH RESPECT TO ITS TRADING FUNCTION AND RECORDKEEPING PRACTICES THAT WAS REASONABLY DESIGNED TO ACHIEVE COMPLIANCE WITH SECURITIES LAWS, REGULATIONS AND RULES. [CONTINUED IN COMMENT.]

**Current Status:**

Pending

**Broker Statement**

ALLEGATIONS CONTINUED: BELESIS PROVIDED FALSE AND MISLEADING INFORMATION TO FINRA DURING ON THE RECORD INTERVIEWS. BELESIS VIOLATED ANTIFRAUD PROVISIONS BY SELLING PROPRIETARILY HELD STOCK WHILE KNOWINGLY OR RECKLESSLY PREVENTING THE ENTRY AND EXECUTION OF MARKETABLE CUSTOMER SELL ORDERS IN THE STOCK AND MAKING MATERIAL MISREPRESENTATIONS TO CUSTOMERS, REGISTERED REPRESENTATIVES AND OTHER FIRM PERSONNEL, THAT SUCH ORDERS COULD NOT BE ENTERED BECAUSE A PROBLEM EXISTED WITH THE CLEARING FIRM; THE CUSTOMERS' SHARES WERE UNREGISTERED UNDER THE 1933 ACT AND NOT SUBJECT TO AN EXEMPTION FROM REGISTRATION; AND THERE WAS INSUFFICIENT VOLUME IN THE STOCK. BELESIS, EITHER RECKLESSLY OR INTENTIONALLY, FAILED TO CONTACT THE APPROPRIATE PERSON AT THE CLEARING FIRM TO HAVE A TRADING RESTRICTION REMOVED UNTIL AFTER THE CLOSE OF THE MARKETS. THE FIRM, ACTING THROUGH BELESIS AND THE BOM, ATTEMPTED TO CONCEAL THE MISCONDUCT BY FAILING TO MAINTAIN ORDER TICKETS FOR SOME ORDERS AND CREATING FALSIFIED TICKETS FOR SOME OF THE ORDERS. AS A RESULT OF THE FIRM'S SALE OF ITS PROPRIETARILY-HELD SHARES, IT REAPED PROCEEDS OF APPROXIMATELY \$1,080,135. THE FIRM, THROUGH BELESIS AND THE BOM, FAILED TO OBSERVE HIGH STANDARDS OF COMMERCIAL



HONOR AND JUST AND EQUITABLE PRINCIPLES OF TRADE BY SELLING PROPRIETARILY HELD STOCK WHILE PREVENTING THE SALE OF SUCH STOCK BY CUSTOMERS AND MAKING MATERIAL MISREPRESENTATIONS AND OMISSIONS TO CUSTOMERS AND REPRESENTATIVES CONCERNING THE REASONS THAT ORDERS TO SELL THE STOCK WERE NOT FULLY EXECUTED OR EXECUTED AT ALL. BELESIS CONDUCTED BUSINESS IN A THREATENING, INTIMIDATING AND COERCIVE MANNER BY PHYSICALLY THREATENING AND INTIMIDATING REPRESENTATIVES WHO DISAGREED WITH HIS BUSINESS PRACTICES AND BY THREATENING TO END REPRESENTATIVES' FINANCIAL CAREERS BY FILING FORMS U5 AND AMENDMENTS FALSELY STATING THAT THEY ENGAGED IN SERIOUS WRONGDOING.

#### Disclosure 7 of 7

<b>Reporting Source:</b>	Regulator
<b>Regulatory Action Initiated By:</b>	UNITED STATES SECURITIES AND EXCHANGE COMMISSION
<b>Sanction(s) Sought:</b>	Other: N/A
<b>Date Initiated:</b>	03/22/2013
<b>Docket/Case Number:</b>	3-15255
<b>Employing firm when activity occurred which led to the regulatory action:</b>	JOHN THOMAS FINANCIAL, INC.
<b>Product Type:</b>	Other: HEDGE FUNDS
<b>Allegations:</b>	<p>SEC ADMIN RELEASE 34-70989, IA RELEASE 3732, INVESTMENT COMPANY ACT OF 1934 RELEASE 30818, DECEMBER 5, 2013: ON MARCH 22, 2013, THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") INSTITUTED PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS PURSUANT TO SECTIONS 15(B)(4) AND 15(B)(6) OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT"), SECTION 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940 ("ADVISERS ACT"), AND SECTION 9(B) OF THE INVESTMENT COMPANY ACT OF 1940 ("INVESTMENT COMPANY ACT") AGAINST A BROKER-DEALER ("BD") AND ITS CHIEF EXECUTIVE OFFICER, ANASTASIOS "TOMMY" BELESIS ("BELESIS") (COLLECTIVELY THE "RESPONDENTS").</p> <p>THE COMMISSION FOUND THAT THE CASE CONCERNS FRAUDULENT CONDUCT BY THE MANAGER (THE "MANAGER") OF TWO HEDGE FUNDS KNOWN AS FUND I AND FUND II (TOGETHER, THE "FUNDS"), AND</p>



THE FUNDS' ADVISER (THE "ADVISER"). RESPONDENT BELESIS' BROKER-DEALER PLACED CUSTOMERS IN THE FUNDS, PROVIDED VARIOUS SERVICES TO A NUMBER OF THE COMPANIES IN WHICH THE FUNDS INVESTED, AND PROVIDED EXECUTION SERVICES WITH RESPECT TO MANY OF THE FUNDS' SECURITIES TRANSACTIONS. THE MANAGER AND THE ADVISER ELEVATED THE INTERESTS OF RESPONDENTS OVER THOSE OF THE FUNDS BY PAYING OR CAUSING TO BE PAID EXCESSIVE MONIES TO THE BROKER-DEALER THAT SHOULD HAVE REMAINED WITH THE FUNDS. THROUGH BELESIS' INFLUENCE OVER THE MANAGER AND THE ADVISER, RESPONDENTS AIDED, ABETTED AND CAUSED THE MANAGER'S AND ADVISER'S BREACHES OF THEIR FIDUCIARY DUTIES TO THE FUNDS.

ALTHOUGH THE BROKER-DEALER AND THE FUNDS SHARED THE SAME BRAND NAME, THE ADVISER PURPORTED TO BE WHOLLY INDEPENDENT OF THE BROKER-DEALER. LIKEWISE, THE MANAGER REPRESENTED THAT HE WAS "RESPONSIBLE FOR ALL OF THE INVESTMENT DECISIONS" OF THE FUNDS. HOWEVER, THE MANAGER AND THE ADVISER ON OCCASION ACQUIESCED TO RESPONDENT BELESIS' DEMANDS REGARDING CERTAIN INVESTMENT DECISIONS. THE INDEPENDENCE OF THE ADVISER AND THE BROKER-DEALER WAS UNTRUE.

IN ADDITION, THE MANAGER AND THE ADVISER USED THE FUNDS' ASSETS TO PAY THE RESPONDENTS SIGNIFICANT AMOUNTS FOR PROVIDING SERVICES THAT HAD LITTLE OR NO DIRECT VALUE TO THE FUNDS. AS ONE EXAMPLE, IN CONNECTION WITH CERTAIN BRIDGE LOANS MADE BY FUND I, RESPONDENTS RECEIVED HUNDREDS OF THOUSANDS OF DOLLARS IN "FEES" FOR PROVIDING LITTLE OR NO SERVICES.

AS A RESULT OF THE CONDUCT, RESPONDENTS BROKER-DEALER AND BELESIS WILLFULLY AIDED AND ABETTED AND CAUSED THE ADVISER'S AND THE MANAGER' VIOLATIONS OF SECTION 206(2) OF THE ADVISERS ACT.

<b>Current Status:</b>	Final
<b>Resolution:</b>	Order
<b>Does the order constitute a final order based on violations of any laws or regulations that prohibit fraudulent, manipulative, or deceptive conduct?</b>	No



**Resolution Date:** 12/05/2013

**Sanctions Ordered:** Bar (Permanent)  
Cease and Desist  
Censure  
Civil and Administrative Penalty(ies)/Fine(s)  
Disgorgement  
Monetary Penalty other than Fines  
Prohibition

**If the regulator is the SEC, CFTC, or an SRO, did the action result in a finding of a willful violation or failure to supervise?** Yes

**(1) willfully violated any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board, or to have been unable to comply with any provision of such Act, rule or regulation?** No



**(2) willfully aided, abetted, counseled, commanded, induced, or procured the violation by any person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any of such Acts, or any of the rules of the Municipal Securities Rulemaking Board? or**

Yes

**(3) failed reasonably to supervise another person subject to your supervision, with a view to preventing the violation by such person of any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act, or any rule or regulation under any such Acts, or any of the rules of the Municipal Securities Rulemaking Board?**

No

### Sanction 1 of 3

**Sanction Type:**

Bar (Permanent)

**Capacities Affected:**

ASSOCIATION WITH ANY BROKER, DEALER, INVESTMENT ADVISER, MUNICIPAL SECURITIES DEALER, MUNICIPAL ADVISOR OR TRANSFER AGENT

**Duration:**

Indefinite

**Start Date:**

12/05/2013

**End Date:**

**End Date:****Sanction 2 of 3**

**Sanction Type:** Bar (Permanent)  
**Capacities Affected:** PARTICIPATING IN ANY OFFERING OF A PENNY STOCK  
**Duration:** Indefinite  
**Start Date:** 12/05/2013  
**End Date:**

**Sanction 3 of 3**

**Sanction Type:** Bar (Permanent)  
**Capacities Affected:** ASSOCIATION WITH ANY NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION  
**Duration:** Indefinite  
**Start Date:** 12/05/2013  
**End Date:**

**Monetary Sanction 1 of 3**

**Monetary Related Sanction:** Disgorgement  
**Total Amount:** \$311,948.00  
**Portion Levied against individual:** \$311,948.00  
**Payment Plan:**  
**Is Payment Plan Current:**  
**Date Paid by individual:**  
**Was any portion of penalty waived?** No

**Amount Waived:****Monetary Sanction 2 of 3**

**Monetary Related Sanction:** Civil and Administrative Penalty(ies)/Fine(s)  
**Total Amount:** \$100,000.00  
**Portion Levied against individual:** \$100,000.00  
**Payment Plan:**

**Is Payment Plan Current:****Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:****Monetary Sanction 3 of 3**

**Monetary Related Sanction:** Monetary Penalty other than Fines

**Total Amount:** \$88,052.00

**Portion Levied against individual:** \$88,052.00

**Payment Plan:****Is Payment Plan Current:****Date Paid by individual:**

**Was any portion of penalty waived?** No

**Amount Waived:****Regulator Statement**

RESPONDENTS SUBMITTED AN OFFER OF SETTLEMENT (THE "OFFER") WHICH THE COMMISSION DETERMINED TO ACCEPT. SOLELY FOR THE PURPOSE OF THE PROCEEDINGS AND ANY OTHER PROCEEDINGS BROUGHT BY OR ON BEHALF OF THE COMMISSION, OR TO WHICH THE COMMISSION IS A PARTY, AND WITHOUT ADMITTING OR DENYING THE FINDINGS, EXCEPT AS TO THE COMMISSION'S JURISDICTION OVER THEM AND THE SUBJECT MATTER OF THE PROCEEDINGS, WHICH ARE ADMITTED, RESPONDENTS CONSENTED TO THE ENTRY OF THE ORDER MAKING FINDINGS, IMPOSING REMEDIAL SANCTIONS AND A CEASE-AND-DESIST ORDER, PURSUANT TO SECTIONS 21C, 15(B)(4) AND 15(B)(6) OF THE SECURITIES EXCHANGE ACT OF 1934, SECTION 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940, AND SECTION 9(B) OF THE INVESTMENT COMPANY ACT OF 1940 ("ORDER").

THE COMMISSION DEEMED IT APPROPRIATE, IN THE PUBLIC INTEREST, AND FOR THE PROTECTION OF INVESTORS TO IMPOSE THE SANCTIONS AGREED TO IN RESPONDENTS' OFFER. ACCORDINGLY, PURSUANT TO SECTIONS 15(B)(4) AND 15(B)(6) OF THE EXCHANGE ACT, SECTION 203(K) OF THE ADVISERS ACT, AND SECTION 9(B) OF THE INVESTMENT COMPANY ACT, IT IS HEREBY ORDERED THAT RESPONDENTS SHALL CEASE AND DESIST FROM COMMITTING OR





CAUSING ANY VIOLATIONS AND ANY FUTURE VIOLATIONS OF SECTION 206(2) OF THE ADVISERS ACT. RESPONDENTS ARE CENSURED. RESPONDENT BELESIS IS BARRED FROM ASSOCIATION WITH ANY BROKER, DEALER, INVESTMENT ADVISER, MUNICIPAL SECURITIES DEALER, MUNICIPAL ADVISOR, TRANSFER AGENT, OR NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION; PROHIBITED FROM SERVING OR ACTING AS AN EMPLOYEE, OFFICER, DIRECTOR, MEMBER OF AN ADVISORY BOARD, INVESTMENT ADVISER OR DEPOSITOR OF, OR PRINCIPAL UNDERWRITER FOR, A REGISTERED INVESTMENT COMPANY OR AFFILIATED PERSON OF SUCH INVESTMENT ADVISER, DEPOSITOR, OR PRINCIPAL UNDERWRITER; AND BARRED FROM PARTICIPATING IN ANY OFFERING OF A PENNY STOCK, INCLUDING:

ACTING AS A PROMOTER, FINDER, CONSULTANT, AGENT OR OTHER PERSON WHO ENGAGES IN ACTIVITIES WITH A BROKER, DEALER OR ISSUER FOR PURPOSES OF THE ISSUANCE OR TRADING IN ANY PENNY STOCK, OR INDUCING OR ATTEMPTING TO INDUCE THE PURCHASE OR SALE OF ANY PENNY STOCK, WITH THE RIGHT TO APPLY FOR REENTRY AFTER ONE (1) YEAR TO THE APPROPRIATE SELF-REGULATORY ORGANIZATION, OR IF THERE IS NONE, TO THE COMMISSION.

ANY REAPPLICATION FOR ASSOCIATION BY RESPONDENT BELESIS WILL BE SUBJECT TO THE APPLICABLE LAWS AND REGULATIONS GOVERNING THE REENTRY PROCESS, AND REENTRY MAY BE CONDITIONED UPON A NUMBER OF FACTORS, INCLUDING, BUT NOT LIMITED TO, THE SATISFACTION OF ANY OR ALL OF THE FOLLOWING: (A) ANY DISGORGEMENT ORDERED AGAINST THE RESPONDENT, WHETHER OR NOT THE COMMISSION HAS FULLY OR PARTIALLY WAIVED PAYMENT OF SUCH DISGORGEMENT; (B) ANY ARBITRATION AWARD RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER; (C) ANY SELF-REGULATORY ORGANIZATION ARBITRATION AWARD TO A CUSTOMER, WHETHER OR NOT RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER; AND (D) ANY RESTITUTION ORDER BY A SELF-REGULATORY ORGANIZATION, WHETHER OR NOT RELATED TO THE CONDUCT THAT SERVED AS THE BASIS FOR THE COMMISSION ORDER.

RESPONDENT BELESIS SHALL PAY DISGORGEMENT OF \$311,948, PREJUDGMENT INTEREST OF \$88,052, AND A CIVIL MONEY PENALTY IN THE AMOUNT OF \$100,000.

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**Reporting Source:** Broker

**Regulatory Action Initiated By:** UNITED STATES SECURITIES AND EXCHANGE COMMISSION



**Sanction(s) Sought:** Other: N/A

**Date Initiated:** 03/28/2013

**Docket/Case Number:** 3-15255

**Employing firm when activity occurred which led to the regulatory action:** JOHN THOMAS FINANCIAL, INC.

**Product Type:** Other: HEDGE FUNDS

**Allegations:** SEC ADMIN RELEASE 33-9396, 34-69208, IA RELEASE 3571, INVESTMENT COMPANY ACT OF 1940 RELEASE 30435, MARCH 22, 2013: THE SECURITIES AND EXCHANGE COMMISSION ("COMMISSION") DEEMED IT APPROPRIATE AND IN THE PUBLIC INTEREST THAT PUBLIC ADMINISTRATIVE AND CEASE-AND-DESIST PROCEEDINGS BE INSTITUTED PURSUANT TO SECTION 8A OF THE SECURITIES ACT OF 1933 ("SECURITIES ACT"), SECTIONS 15(B)(4), 15(B)(6) AND 21C OF THE SECURITIES EXCHANGE ACT OF 1934 ("EXCHANGE ACT"), SECTIONS 203(E), 203(F) AND 203(K) OF THE INVESTMENT ADVISERS ACT OF 1940 ("ADVISERS ACT"), AND SECTION 9(B) OF THE INVESTMENT COMPANY ACT OF 1940 ("INVESTMENT COMPANY ACT") AGAINST ANASTASIOS "TOMMY" BELESIS ("BELESIS"), HIS BROKER-DEALER FIRM ("BD"), ANOTHER INDIVIDUAL, AND HIS INVESTMENT ADVISER FIRM ("ADVISER"). THE DIVISION OF ENFORCEMENT ALLEGES THAT: THE CASE CONCERNS FRAUDULENT CONDUCT BY THE MANAGER OF TWO HEDGE FUNDS (COLLECTIVELY THE "FUNDS"), AND THE FUNDS' UNREGISTERED ADVISER. AS ALLEGED, THE MANAGER ALSO ELEVATED THE INTERESTS OF BELESIS AND HIS BD OVER THOSE OF THE FUNDS BY STEERING MILLIONS OF DOLLARS IN BLOATED FEES TO THE BD. THE MANAGER AND THE ADVISER LAUNCHED FUND I IN 2007 AND FUND II IN 2009. THE FUNDS INVEST IN THREE ASSET CLASSES: BRIDGE LOANS TO START-UP COMPANIES; EQUITY INVESTMENTS PRINCIPALLY IN MICROCAP COMPANIES; AND LIFE SETTLEMENT POLICIES. THE FUNDS' ASSETS UNDER MANAGEMENT PEAKED AT APPROXIMATELY \$30 MILLION AT THE END OF 2011. AMONG OTHER THINGS, THE MANAGER AND THE ADVISER: A. RECORDED ARBITRARY VALUATIONS WITHOUT ANY REASONABLE BASIS FOR CERTAIN OF THE FUNDS' LARGEST HOLDINGS, THUS CAUSING THE FUNDS' PERFORMANCE FIGURES TO BE FALSE AND MISLEADING AND THEIR OWN COMPENSATION TO BE FALSELY INFLATED; B. MARKETED THE FUNDS ON THE BASIS OF FALSE REPRESENTATIONS ABOUT, AMONG OTHER THINGS, THE IDENTITIES OF THEIR AUDITOR AND PRIME BROKER; AND C. BREACHED THEIR FIDUCIARY DUTY OF FULL AND FAIR DISCLOSURE TO THE FUNDS BY FAILING TO DISCLOSE THEIR REPEATED FAVORING OF THE PECUNIARY INTERESTS OF BELESIS, THE CHIEF EXECUTIVE OFFICER OF THE BD, AND THE BD, WHICH SERVED AS THE



FUNDS' PLACEMENT AGENT. WHILE THEY SHARED THE SAME BRAND NAME, THE ADVISER PURPORTED TO BE WHOLLY INDEPENDENT OF THE BD (THE PLACEMENT AGENT). NOTWITHSTANDING REPRESENTATIONS THAT HE WAS "RESPONSIBLE FOR ALL OF THE INVESTMENT DECISIONS" OF THE FUNDS, THE MANAGER CAPITULATED TO BELESIS' AGGRESSIVE DEMANDS REGARDING CERTAIN INVESTMENT DECISIONS. THE ADVISER'S PURPORTED INDEPENDENCE FROM THE BD WAS A SHAM DESIGNED TO ENRICH BELESIS AT THE EXPENSE OF THE FUNDS, AND TO INSULATE HIM FROM FUTURE ACCUSATIONS OF WRONGDOING. IN ADDITION TO CAPITULATING TO BELESIS' DEMANDS REGARDING CERTAIN FUND ACTIVITIES, THE MANAGER AND THE ADVISER ABANDONED THEIR FIDUCIARY DUTY TO THE FUNDS BY NEGOTIATING ARRANGEMENTS WHEREBY BORROWING COMPANIES WOULD DIVERT LARGE FEES TO THE BD AND BELESIS USING PROCEEDS RECEIVED FROM THE FUNDS. FOR EXAMPLE, IN CONNECTION WITH CERTAIN BRIDGE LOANS MADE BY FUND I, BELESIS (ACTING THROUGH THE BD) RECEIVED HUNDREDS OF THOUSANDS OF DOLLARS IN "FEES" FOR PROVIDING LITTLE OR NO SERVICES. THE MANAGER AND THE ADVISER PLACED THE INTERESTS OF BELESIS AND THE BD ABOVE THE INTERESTS OF THE FUNDS, THEREBY VIOLATING THE FIDUCIARY DUTY THAT THEY OWED TO THE FUNDS. FOR EXAMPLE, AFTER BEING BERATED BY BELESIS FOR NOT DELIVERING ENOUGH FEES, THE MANAGER PROMISED HIM IN AN EMAIL IN LATE 2009, "WE WILL NEVER RETREAT WE WILL NEVER SURRENDER AND WE WILL ALWAYS TRY TO GET YOU AS MUCH [FEES] AS POSSIBLE, EVERYTIME [SIC] WITHOUT EXCEPTION!" AS A RESULT OF THE CONDUCT, THE BD AND BELESIS WILLFULLY AIDED, ABETTED AND CAUSED THE ADVISER'S AND THE MANAGER'S VIOLATIONS OF SECTIONS 206(1), 206(2) AND 206(4) OF THE ADVISERS ACT AND RULE 206(4)-8 THEREUNDER.

**Current Status:**

Pending



## Customer Dispute - Award / Judgment

This type of disclosure event involves a final, consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the broker that resulted in an arbitration award or civil judgment for the customer.

### Disclosure 1 of 5

<b>Reporting Source:</b>	Regulator
<b>Employing firm when activities occurred which led to the complaint:</b>	John Thomas Financial
<b>Allegations:</b>	breach of fiduciary duty, negligence, churning, breach of contract, fraud, misrepresentation, failure to supervise, negligent hiring, negligent supervision, violations of the conduct rules of the Financial Industry Regulatory Authority, and control person liability
<b>Product Type:</b>	Equity-OTC
<b>Alleged Damages:</b>	\$21,578.42

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [FINRA - CASE #13-02188](#)

<b>Date Notice/Process Served:</b>	07/22/2013
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Award
<b>Disposition Date:</b>	04/07/2014
<b>Disposition Detail:</b>	Belesis is jointly and severally liable for and shall pay to the Claimants \$21,578.42 plus interest at the rate of 6% per annum accruing from the date of this award until paid in full.

### Disclosure 2 of 5

<b>Reporting Source:</b>	Regulator
<b>Employing firm when activities occurred which led to the complaint:</b>	JOHN THOMAS FINANCIAL
<b>Allegations:</b>	UNSUITABLE INVESTMENT STRATEGY; VIOLATION OF DUTIES; BREACH OF FIDUCIARY DUTY; BREACH OF THE DUTY OF ORDINARY AND REASONABLE CARE; NEGLIGENCE; AND BREACH OF CONTRACT.



**Product Type:** Other: VARIOUS SECURITIES

**Alleged Damages:** \$500,000.00

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** FINRA - CASE #1302763

**Date Notice/Process Served:** 09/24/2013

**Arbitration Pending?** No

**Disposition:** Award

**Disposition Date:** 01/02/2015

**Disposition Detail:** RESPONDENT IS LIABLE, JOINTLY AND SEVERALLY, AND SHALL PAY TO CLAIMANT COMPENSATORY DAMAGES IN THE SUM OF \$500,000.00, PLUS INTEREST.

### Disclosure 3 of 5

**Reporting Source:** Regulator

**Employing firm when activities occurred which led to the complaint:** JOHN THOMAS FINANCIAL

**Allegations:** SECURITIES FRAUD IN VIOLATION OF THE SECURITIES EXCHANGE ACT OF 1934; COMMON LAW FRAUD; NEGLIGENCE; GROSS NEGLIGENCE; BREACH OF CONTRACTUAL AND LEGAL DUTIES; CHURNING; AND MISREPRESENTATION.

**Product Type:** Other: UNSPECIFIED SECURITIES

**Alleged Damages:** \$850,000.00

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [FINRA - CASE #13-00041](#)

**Date Notice/Process Served:** 01/03/2013

**Arbitration Pending?** No

**Disposition:** Award

**Disposition Date:** 08/05/2014



**Disposition Detail:** RESPONDENT IS LIABLE, JOINTLY AND SEVERALLY, FOR CHURNING AND FAILURE TO SUPERVISE AND SHALL PAY TO CLAIMANT COMPENSATORY DAMAGES IN THE AMOUNT OF \$600,000.00 PLUS INTEREST

**Regulator Statement** The Award has not been paid.

#### Disclosure 4 of 5

**Reporting Source:** Regulator

**Employing firm when activities occurred which led to the complaint:** JOHN THOMAS FINANCIAL

**Allegations:** SECURITIES FRAUD, UNSUITABILITY, COMMON LAW FRAUD, BREACH OF CONTRACTUAL AND LEGAL DUTIES, AND CHURNING.

**Product Type:** Other: PURCHASE AND SALE OF EQUITIES

**Alleged Damages:** \$26,000.00

#### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [FINRA - CASE #13-01112](#)

**Date Notice/Process Served:** 04/17/2013

**Arbitration Pending?** No

**Disposition:** Award

**Disposition Date:** 03/20/2014

**Disposition Detail:** RESPONDENT IS JOINTLY AND SEVERALLY LIABLE FOR AND SHALL PAY TO THE CLAIMANTS \$16,000.00 PLUS INTEREST AT THE RATE OF 5% PER ANNUM FROM THE DATE OF THE AWARD UNTIL THE AWARD IS PAID IN FULL.

**Regulator Statement** The Award has not been paid.

#### Disclosure 5 of 5

**Reporting Source:** Regulator

**Employing firm when activities occurred which led to the complaint:**

**Allegations:** CHURNING, SUITABILITY, COMMON LAW FRAUD, BREACH OF CONTRACT,



BREACH OF FIDUCIARY DUTY, NEGLIGENCE

**Product Type:** Other  
**Other Product Type(s):** STOCKS  
**Alleged Damages:** \$817,800.00

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** [NASD - CASE #01-06394](#)

**Date Notice/Process Served:** 11/27/2001

**Arbitration Pending?** No

**Disposition:** Award

**Disposition Date:** 05/05/2003

**Disposition Detail:** RESPONDENT IS LIABLE, JOINTLY AND SEVERALLY, AND SHALL PAY CLAIMANTS COMPENSATORY DAMAGES IN THE SUM OF \$258,940.00, PLUS INTEREST.

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** LADENBURG CAPITAL MANAGEMENT INC.

**Allegations:** CHURNING, SUITABILITY, COMMON LAW FRAUD, BREACH OF CONTRACT, BREACH OF FIDUCIARY DUTY

**Product Type:** Equity - OTC

**Alleged Damages:** \$750,000.00

### Customer Complaint Information

**Date Complaint Received:** 05/25/2001

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 12/17/2001

**Settlement Amount:**



**Individual Contribution  
Amount:**

**Arbitration Information**

**Arbitration/Reparation Claim  
filed with and Docket/Case  
No.:** [NASD-DR ARBITRATION NUMBER 01-06394](#)

**Date Notice/Process Served:** 12/17/2001

**Arbitration Pending?** No

**Disposition:** Award to Customer

**Disposition Date:** 05/05/2003

**Monetary Compensation  
Amount:** \$258,940.00

**Individual Contribution  
Amount:** \$0.00

**Firm Statement** THE PANEL'S AWARD IS JOINT AND SEVERAL AGAINST GBI/LADENBURG  
CAPITAL MANAGEMENT AND ANASTASIOS BELESIS.

**Reporting Source:** Broker

**Employing firm when  
activities occurred which led  
to the complaint:** GBI CAPITAL PARTNERS, INC.

**Allegations:** EXCESSIVE TRADING

**Product Type:** Equity - OTC

**Alleged Damages:** \$750,000.00

**Customer Complaint Information**

**Date Complaint Received:** 05/25/2001

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 05/15/2003

**Settlement Amount:**

**Individual Contribution  
Amount:**





## Arbitration Information

**Arbitration/Reparation Claim  
filed with and Docket/Case  
No.:** [NASD-DR ARBITRATION 01-06394](#)

**Date Notice/Process Served:** 12/17/2001

**Arbitration Pending?** No

**Disposition:** Award to Customer

**Disposition Date:** 05/05/2003

**Monetary Compensation  
Amount:** \$258,940.00

**Individual Contribution  
Amount:** \$0.00



## Customer Dispute - Settled

This type of disclosure event involves a consumer-initiated, investment-related complaint, arbitration proceeding or civil suit containing allegations of sale practice violations against the broker that resulted in a monetary settlement to the customer.

### Disclosure 1 of 3

<b>Reporting Source:</b>	Regulator
<b>Employing firm when activities occurred which led to the complaint:</b>	John Thomas Financial
<b>Allegations:</b>	breach of fiduciary duty, negligence, and negligent misrepresentation.
<b>Product Type:</b>	Other: private placements
<b>Alleged Damages:</b>	\$100,000.00
<b>Arbitration Information</b>	
<b>Arbitration/Reparation Claim filed with and Docket/Case No.:</b>	<a href="#">FINRA - CASE #13-02396</a>
<b>Date Notice/Process Served:</b>	08/01/2013
<b>Arbitration Pending?</b>	No
<b>Disposition:</b>	Settled
<b>Disposition Date:</b>	04/08/2016
<b>Disposition Detail:</b>	On April 8, 2016, Claimant notified FINRA Dispute Resolution that this matter was settled against Respondent Anastasios P. Belesis and his member firm.

### Disclosure 2 of 3

<b>Reporting Source:</b>	Firm
<b>Employing firm when activities occurred which led to the complaint:</b>	LADENBURG CAPITAL MANAGEMENT INC.
<b>Allegations:</b>	NEGLIGENCE, MISREPRESENTATION, SUITABILITY AND EXCESSIVE TRADING
<b>Product Type:</b>	Equity - OTC
<b>Alleged Damages:</b>	\$240,000.00

## Customer Complaint Information



**Date Complaint Received:** 01/10/2005  
**Complaint Pending?** No  
**Status:** Arbitration/Reparation  
**Status Date:** 01/10/2005

**Settlement Amount:**  
**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD #04-08373

**Date Notice/Process Served:** 01/10/2005

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 01/20/2006

**Monetary Compensation Amount:** \$62,000.00

**Individual Contribution Amount:** \$25,000.00

**Reporting Source:** Broker

**Employing firm when activities occurred which led to the complaint:** LADENBURG CAPITAL MANAGEMENT INC.

**Allegations:** NEGLIGENCE, MISREPRESENTATION, SUITABILITY AND EXCESSIVE TRADING.

**Product Type:** Equity-OTC

**Alleged Damages:** \$240,000.00

**Is this an oral complaint?** No

**Is this a written complaint?** Yes

**Is this an arbitration/CFTC reparation or civil litigation?** Yes



**Arbitration/Reparation forum  
or court name and location:** NASD

**Docket/Case #:** 04-07752

**Filing date of  
arbitration/CFTC reparation  
or civil litigation:** 12/21/2004

### Customer Complaint Information

**Date Complaint Received:** 01/10/2005

**Complaint Pending?** No

**Status:** Settled

**Status Date:** 01/20/2006

**Settlement Amount:** \$62,000.00

**Individual Contribution  
Amount:** \$25,000.00

### Arbitration Information

**Arbitration/CFTC reparation  
claim filed with (FINRA, AAA,  
CFTC, etc.):** NASD

**Docket/Case #:** [04-07752](#)

**Date Notice/Process Served:** 01/10/2005

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 01/20/2006

**Monetary Compensation  
Amount:** \$62,000.00

**Individual Contribution  
Amount:** \$25,000.00

**Broker Statement** THE REPRESENTATIVE AGREED TO SETTLE THE CUSTOMER ARBIRATION WITHOUT ADMITTING ANY WRONGDOING FOR \$25000 WHICH, IN HIS OPINION, REPRESENTS A NUISANCE VALUE CONSIDERING THE COST OF LITIGATION.



### Disclosure 3 of 3

**Reporting Source:** Firm

**Employing firm when activities occurred which led to the complaint:** LADENBURG CAPITAL MANAGEMENT INC.

**Allegations:** UNSUITABILITY, OVER-CONCENTRATION

**Product Type:** Equity - OTC

**Alleged Damages:** \$150,000.00

### Customer Complaint Information

**Date Complaint Received:** 01/24/2003

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 01/24/2003

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD CASE NUMBER 02-06612

**Date Notice/Process Served:** 01/24/2003

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 05/18/2005

**Monetary Compensation Amount:** \$37,500.00

**Individual Contribution Amount:** \$21,250.00

**Reporting Source:** Broker



**Employing firm when activities occurred which led to the complaint:** LADENBURG CAPITAL MANAGEMENT

**Allegations:** UNSUITABILITY, OVER-CONCENTRATION, EXCESSIVE COMMISSIONS

**Product Type:** Equity - OTC

**Alleged Damages:** \$150,000.00

### Customer Complaint Information

**Date Complaint Received:** 02/24/2003

**Complaint Pending?** No

**Status:** Arbitration/Reparation

**Status Date:** 02/26/2003

**Settlement Amount:**

**Individual Contribution Amount:**

### Arbitration Information

**Arbitration/Reparation Claim filed with and Docket/Case No.:** NASD CASE NUMER 02-06612

**Date Notice/Process Served:** 01/24/2003

**Arbitration Pending?** No

**Disposition:** Settled

**Disposition Date:** 05/18/2005

**Monetary Compensation Amount:** \$37,500.00

**Individual Contribution Amount:** \$21,250.00



## Customer Dispute - Closed-No Action / Withdrawn / Dismissed / Denied

This type of disclosure event involves (1) a consumer-initiated, investment-related arbitration or civil suit containing allegations of sales practice violations against the individual broker that was dismissed, withdrawn, or denied; or (2) a consumer-initiated, investment-related written complaint containing allegations that the broker engaged in sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities, which was closed without action, withdrawn, or denied.

### Disclosure 1 of 2

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	S.W. BACH & COMPANY
<b>Allegations:</b>	CUSTOMER ALLEGES SUITABILITY OF RECOMMENDATIONS BY MR. BELESIS IN ADDITION TO DISSATISFACTION WITH THE PERFORMANCE OF THE INVESTMENTS.
<b>Product Type:</b>	Equity - OTC
<b>Alleged Damages:</b>	\$130,000.00

### Customer Complaint Information

<b>Date Complaint Received:</b>	11/17/2005
<b>Complaint Pending?</b>	No
<b>Status:</b>	Denied
<b>Status Date:</b>	12/09/2005
<b>Settlement Amount:</b>	\$0.00
<b>Individual Contribution Amount:</b>	\$0.00

### Disclosure 2 of 2

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	S.W. BACH & COMPANY
<b>Allegations:</b>	CLIENT ALLEGED THOMAS BELESIS FAILED TO ENTER AN 8% STOP LOSS ORDER ON 1000 SHARES OF SIGMATEL INC.
<b>Product Type:</b>	Equity - OTC
<b>Alleged Damages:</b>	\$6,400.00



## Customer Complaint Information

**Date Complaint Received:** 05/14/2005

**Complaint Pending?** No

**Status:** Denied

**Status Date:** 06/06/2005

**Settlement Amount:**

**Individual Contribution Amount:**

**Broker Statement**

CLIENT FAILED TO REMIT THE NECESSARY FUNDS FOR THE TRANSACTION AND AS A RESULT THE POSITION WAS SOLD OUT DUE TO NONPAYMENT.





## Customer Dispute - Pending

This type of disclosure event involves (1) a pending consumer-initiated, investment-related arbitration or civil suit that contains allegations of sales practice violations against the broker; or (2) a pending, consumer-initiated, investment-related written complaint containing allegations that the broker engaged in, sales practice violations resulting in compensatory damages of at least \$5,000, forgery, theft, or misappropriation, or conversion of funds or securities.

### Disclosure 1 of 2

<b>Reporting Source:</b>	Regulator
<b>Employing firm when activities occurred which led to the complaint:</b>	John Thomas Financial
<b>Allegations:</b>	Belesis was named in a customer complaint that asserted the following causes of action: statutory and common law fraud, misrepresentation, negligence, breach of contract and breach of fiduciary duty.
<b>Product Type:</b>	Other: Unspecified Securities
<b>Alleged Damages:</b>	\$263,672.00

### Arbitration Information

<b>Arbitration/Reparation Claim filed with and Docket/Case No.:</b>	FINRA - CASE #20-02804
<b>Date Notice/Process Served:</b>	08/26/2020
<b>Arbitration Pending?</b>	Yes

### Disclosure 2 of 2

<b>Reporting Source:</b>	Broker
<b>Employing firm when activities occurred which led to the complaint:</b>	JOHN THOMAS FINANCIAL
<b>Allegations:</b>	CUSTOMER ALLEGES NEGLIGENCE AND MISREPRESENTATION.
<b>Product Type:</b>	Other: OTC.QX
<b>Alleged Damages:</b>	\$2,118,149.00
<b>Alleged Damages Amount Explanation (if amount not exact):</b>	PLUS INTERST, COSTS, AND ATTORNEY'S FEES.



## Arbitration Information

**Arbitration/CFTC reparation claim filed with (FINRA, AAA, CFTC, etc.):**

FINRA

**Docket/Case #:**

13-00807

**Date Notice/Process Served:**

04/01/2013

**Arbitration Pending?**

Yes

**Broker Statement**

MR. BELESIS VEHEMENTLY DENIES AND WILL VIGOROUSLY CONTEST ALL ALLEGATIONS BY THIS CUSTOMER.



## Employment Separation After Allegations

This type of disclosure event involves a situation where the broker voluntarily resigned, was discharged, or was permitted to resign after being accused of (1) violating investment-related statutes, regulations, rules or industry standards of conduct; (2) fraud or the wrongful taking of property; or (3) failure to supervise in connection with investment-related statutes, regulations, rules, or industry standards of conduct.

### Disclosure 1 of 1

**Reporting Source:** Firm

**Employer Name:** S.W. BACH & COMPANY

**Termination Type:** Discharged

**Termination Date:** 12/13/2005

**Allegations:** POSSIBLE BLUE SKY VIOLATION AND INACCURATE REPRESENTATION OF IDENTITY TO CUSTOMER. ON 8/2/06 S.W. BACH HAS CONCLUDED AN INTERNAL REVIEW. BASED ON AVAILABLE INFORMATION, THE COMPANY CANNOT CONCLUDE THAT A BLUE SKY VIOLATION HAS OCCURRED.

**Product Type:** Equity - OTC

**Other Product Types:**

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**Reporting Source:** Broker

**Employer Name:** SW BACH

**Termination Type:** Discharged

**Termination Date:** 12/13/2005

**Allegations:** BLUE SKY VIOLATION, MISREPRESENTATION TO A CUSTOMER

**Product Type:** No Product

**Other Product Types:**

**Broker Statement** ON AUGUST 2, 2006 S.W. BACH CONCLUDED AN INTERNAL REVIEW AND WERE NOT ABLE TO VALIDATE THAT A BLUE SKY VIOLATION HAD OCCURED.

## End of Report



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