

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

**SECURITIES ACT OF 1933**  
**Release No. 10395 / August 1, 2017**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 81276 / August 1, 2017**

**INVESTMENT COMPANY ACT OF 1940**  
**Release No. 32772 / August 1, 2017**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-18088**

**In the Matter of**

**ANASTASIOS P. “TOMMY”  
BELESIS,**

**Respondent.**

**ORDER INSTITUTING ADMINISTRATIVE  
AND CEASE-AND-DESIST PROCEEDINGS,  
PURSUANT TO SECTION 8A OF THE  
SECURITIES ACT OF 1933, SECTIONS 15(b)  
AND 21C OF THE SECURITIES EXCHANGE  
ACT OF 1934, AND SECTION 9(b) OF THE  
INVESTMENT COMPANY ACT OF 1940,  
MAKING FINDINGS, AND IMPOSING  
REMEDIAL SANCTIONS AND A CEASE-  
AND-DESIST ORDER**

**I.**

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”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these 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 herein, except as to the Commission’s jurisdiction over him and the subject matter of these

proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings, Pursuant to Section 8A of the Securities Act of 1933, Sections 15(b) and 21C of the Securities Exchange Act of 1934 and Section 9(b) of the Investment Company Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent’s Offer, the Commission finds<sup>1</sup> that:

#### Summary

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 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.

#### Respondent

1. **Belesis**, age 42, is a United States citizen who resided in New York, New York during the relevant period. Belesis was the founder and chief executive officer of JTF, which he controlled and indirectly owned through his sole ownership of ATB. At all times relevant to the

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<sup>1</sup> The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

conduct described herein, Belesis was a registered representative associated with JTF and held multiple securities licenses. On December 5, 2013, Belesis and JTF consented to the entry of a cease-and-desist order by the Commission finding that each aided and abetted and caused violations of Section 206(2) of the Advisers Act. *See In re John Thomas Capital Management Group LLC, et al.*, Admin. Proc. File No. 3-15255 (Dec. 5, 2013).

### **Other Relevant Individuals and Entities**

2. **Affiliate** is a Canadian citizen who was a controlling shareholder and affiliate<sup>2</sup> of Liberty Silver during the relevant period.

3. **JTF**, a New York corporation with its principal place of business in New York, New York, was registered with the Commission from February 2007 until September 2013. JTF employed nearly 200 registered representatives during the relevant period. JTF was wholly owned by ATB.

4. **ATB**, a Delaware corporation with its principal place of business in New York, New York, is wholly owned and controlled by Belesis.

5. **Liberty Silver** is a Nevada corporation with its principal place of business in Toronto, Ontario, Canada. During the relevant period, Liberty Silver's common shares were listed on the Toronto Stock Exchange ("TSX") under the symbol "LSL" in addition to being quoted on the OTCBB, but were not registered under Section 12 of the Exchange Act. Liberty Silver's obligation to file periodic reports with the Commission was suspended as of July 1, 2008 through and including the period relevant to the conduct described herein; however, Liberty Silver filed periodic reports, including Forms 10-K and 10-Q, on a voluntary basis. On October 5, 2012, the Commission suspended trading in the securities of Liberty Silver through October 18, 2012. On October 12, 2012, the Ontario Securities Commission also entered a cease trade order for Liberty Silver. Trading on the TSX resumed on October 22, 2012, but the TSX ultimately delisted Liberty Silver on August 5, 2014. Quotation of Liberty Silver's common shares on the OTC markets has not resumed and currently Liberty Silver's securities are traded in the United States on the grey market.

### **The Financial Arrangements Between Belesis and the Affiliate**

6. Belesis was introduced to the Affiliate in mid-August 2012 by JTF's head of Investment Banking ("Representative A") who was also associated with JTF as a registered representative. Representative A had a historical business and personal relationship with the Affiliate. Belesis was informed that the Affiliate had purchased a large quantity of Liberty Silver securities on the open market, and that the Affiliate had acquired additional shares of Liberty Silver stock through a private placement. Belesis was further informed that the Affiliate wanted to

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<sup>2</sup> Rule 144 of the Securities Act defines "affiliate" as "a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer." 17 C.F.R. § 230.144(a)(1).

increase the awareness of Liberty Silver among investors. During this initial meeting, Belesis proposed that the Affiliate provide him financing for his business interests, and the Affiliate requested that JTF sell Liberty Silver securities to its customers. Days later, Belesis began soliciting his customers to buy Liberty Silver securities.

7. In mid-September 2012, Belesis and the Affiliate agreed that the Affiliate would loan \$2,000,000 to ATB. The Affiliate and Belesis also took steps toward the Affiliate providing Belesis additional funds through ATB. These financial arrangements were in addition to the customary commissions that Belesis, Representative A or other registered representatives of JTF would earn from sales and purchases of the Affiliate's Liberty Silver securities.

### **Sales to Belesis's Customers and Belesis's Material Omissions**

8. At the same time, the Affiliate, with Belesis's awareness, consent and participation, took steps to sell a large portion of his Liberty Silver position through accounts at JTF. First, the Affiliate opened a brokerage account at JTF, as a customer of Representative A, under the name of an offshore corporation, and directed the transfer to JTF of 6,600,000 purportedly unrestricted Liberty Silver shares from a Panamanian brokerage account held by a different offshore corporation. Then, the Affiliate directed the deposit of 6,500,000 Liberty Silver shares, registered in the name of a third offshore corporation, in a physical certificate that bore a restrictive legend, into a second JTF account which the Affiliate opened under the name of a third offshore corporation. Belesis was aware that the Affiliate beneficially owned the Liberty Silver shares involved in these transactions. Finally, Belesis solicited his own customers to purchase Liberty Silver shares, was aware that representatives at JTF were soliciting their customers to purchase Liberty Silver shares, and allowed the Affiliate to make presentations at JTF recommending that the registered representatives solicit their customers to purchase Liberty Silver shares. This included soliciting purchases of shares that Belesis knew, but did not disclose, were owned by the Affiliate.

9. Four of Belesis's customers purchased the Affiliate's 6,600,000 purportedly unrestricted shares of Liberty Silver securities in four separate block trades. These block trades were executed on the same day the majority of these shares were deposited.

10. Additional customers of JTF, including some of Belesis's customers, were offered and agreed to purchase blocks of the 6,500,000 shares of Liberty Silver, which the Affiliate had transferred via physical certificate bearing a restrictive legend. The sales were not effected because, before the transactions were executed, the clearing broker-dealer declined to participate further and the Commission suspended trading in Liberty Silver securities.

11. In addition, during the relevant period, Belesis's customers purchased millions more Liberty Silver shares on the OTCBB. This included at least one purchase – executed immediately after Belesis learned the clearing broker-dealer declined to participate in the Affiliate's 6,500,000 share transaction – of 328,000 shares that were sold by the Affiliate from an account the Affiliate beneficially owned and controlled at another brokerage firm.

12. In recommending that his customers purchase Liberty Silver securities, Belesis stressed, among other things, market interest and anticipated increased investment in Liberty Silver and the key roles of individuals associated with the company. Belesis also discussed with his customers the expected share price of their purchases and the amount of commission he would apply to their purchases.

13. Belesis, however, failed to inform his customers of several material facts, including that the Affiliate was a controlling shareholder of Liberty Silver as well as the source of some or all of the shares they would purchase, that the Affiliate was selling or preparing to sell at least 13,100,000 shares of his Liberty Silver position, the \$2 million loan agreement between ATB and the Affiliate, and Belesis's interest in potential additional financial transactions with the Affiliate.

14. Belesis's customers paid him a total of \$434,628.40 in commissions on their purchases of Liberty Silver shares, including their purchases of the Affiliate's shares.

15. The Affiliate's unregistered resales of his 6,600,000 shares generated \$8,646,000 in total proceeds; after commissions to Representative A and other fees, net proceeds of \$8,235,046.32 were credited to the Affiliate's account. That same day, the Affiliate directed that \$7,000,000 of the proceeds be wired to his bank account and that \$2,000,000 be wired from his bank account for purposes of funding the loan to ATB.

### **Belesis's Unregistered Sales and Offers for Sale**

16. Sections 5(a) and 5(c) of the Securities Act make it unlawful for any person, directly or indirectly, to offer or sell securities by any means or instruments of transportation or communication in interstate commerce, unless a registration statement has been filed with the Commission with respect to Section 5(c), and is in effect with respect to Section 5(a).

17. As described above, Belesis offered and sold the Affiliate's Liberty Silver shares to his customers through interstate commerce. No registration statement was on file or in effect as to the resales of the Affiliate's securities. No exemption from the registration requirements was applicable to the Affiliate's resales of Liberty Silver securities, or to Belesis as a broker in selling and offering for sale the Affiliate's shares.

### **Violations**

18. As a result of the conduct described above, Belesis willfully violated Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder, which make it unlawful, in connection with the purchase or sale of any security, to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

19. As a result of the conduct described above, Belesis willfully violated Section 17(a)(2) of the Securities Act, which makes it unlawful for any person in the offer or sale of any securities to obtain money or property by means of any untrue statement of a material fact or any

omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading.

20. As a result of the conduct described above, Belesis willfully violated Section 5(a) of the Securities Act, which prohibits the direct or indirect sale of securities through the mail or interstate commerce unless a registration statement is in effect, and Section 5(c), which prohibits the direct or indirect offer for sale of securities through the mail or interstate commerce unless a registration statement has been filed.

#### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Belesis's Offer.

Accordingly, pursuant to Section 8A of the Securities Act, Sections 15(b) and 21C of the Exchange Act, and Section 9(b) of the Investment Company Act, it is hereby ORDERED that:

A. Respondent 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.

B. Respondent Belesis be, and hereby is:

1. barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization;
2. 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
3. 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.

C. Any reapplication for association by the Respondent 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.

D. Belesis shall, within ten (10) days of the entry of this Order, pay disgorgement of \$434,628.40, prejudgment interest of \$64,266.86, and a civil money penalty in the amount of \$434,628.40, to the Securities and Exchange Commission. If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600. If timely payment of the civil money penalty is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Belesis as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Lara Shalov Mehraban, Associate Regional Director, Division of Enforcement, Securities and Exchange Commission, Brookfield Place, 200 Vesey Street Suite 400, New York, NY 10281-1022.

E. Pursuant to Section 308(a) of the Sarbanes-Oxley Act of 2002, as amended, a Fair Fund is created for the disgorgement, prejudgment interest and penalties referenced in paragraph IV.D. above. This Fair Fund may receive the funds from and/or be combined with fair funds established for civil penalties paid by other parties for conduct arising in relation to the violative conduct at issue in this proceeding, in order for the combined fair funds to be distributed to harmed investors affected by the violative conduct. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any

Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Brent J. Fields  
Secretary