

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

ADMINISTRATIVE PROCEEDINGS RULINGS

Release No. 1414/May 5, 2014

ADMINISTRATIVE PROCEEDING

File No. 3-15808

In the Matter of

AARON JOUSAN JOHNSON

ORDER FINDING RESPONDENT IN
DEFAULT AND REQUESTING
MOTION FOR SANCTIONS

The Securities and Exchange Commission (Commission) issued an Order Instituting Proceedings (OIP) on March 20, 2014, pursuant to Section 203(f) of the Investment Advisers Act of 1940. The OIP alleges that Respondent Aaron Jousan Johnson (Johnson) was associated with an investment adviser between August 2009 and October 2013, and was associated with broker-dealers/investment advisers between July 2001 and August 2009; and that on October 21, 2013, Connecticut's Department of Banking entered a final order against Johnson, finding that he violated provisions of Connecticut's securities laws that prohibit dishonest and unethical conduct. OIP at 1-2.

Johnson was served by hand delivery of the OIP on March 31, 2014, in accordance with Rule 141(a)(2)(i) of the Commission's Rules of Practice. See 17 C.F.R. § 201.141(a)(2)(i). Johnson's Answer to the OIP was due within twenty days after service of the OIP, or by April 21, 2014. See OIP at 3; 17 C.F.R. §§ 201.220(b). Johnson did not file an Answer. On April 22, 2014, Johnson was ordered to show cause, by May 2, 2014, why this proceeding should not be determined against him. Aaron Jousan Johnson, Admin. Proc. Rulings Release No. 1394, 2014 SEC LEXIS 1389. Johnson did not respond to the Order to Show Cause. Accordingly, Johnson is deemed to be in default for failing to file an Answer, participate in the April 22, 2014, prehearing conference, respond to the Order to Show Cause, or otherwise defend this proceeding.¹ See 17 C.F.R. §§ 201.155(a), .220(f).

¹ Johnson is notified that he may move to set aside the default pursuant to Rule 155(b) of the Commission's Rules of Practice, 17 C.F.R. § 201.155(b), which states:

A motion to set aside a default shall be made within a reasonable time, state the reasons for the failure to appear or defend, and specify the nature of the proposed defense in the proceeding. In order to prevent injustice and on such conditions as may be appropriate, the hearing officer, at any time prior to the filing of the initial decision, or the Commission, at any time, may for good cause shown set aside a default.

It is ORDERED that the Division of Enforcement (Division) shall file a motion for sanctions by Tuesday, June 3, 2014. The motion shall provide legal authority and evidentiary support relating to the allegations set forth in the OIP and sanctions sought by the Division in accordance with Rapoport v. SEC, 682 F.3d 98 (D.C. Cir. 2012).

Cameron Elliot
Administrative Law Judge