

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 74731 / April 15, 2015

INVESTMENT ADVISERS ACT OF 1940
Release No. 4060 / April 15, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16491

In the Matter of

ERIC W. JOHNSON,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
15(b) OF THE SECURITIES EXCHANGE
ACT OF 1934 AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940
AND NOTICE OF HEARING**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Eric W. Johnson (“Respondent” or “Johnson”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Respondent was Vice President of, and a registered representative with, Redridge Securities, Inc. (“Redridge,” formerly known as H.D. Brent & Company, Inc.), an investment adviser registered with the State of Illinois and broker-dealer registered with the Commission. While employed at Redridge, Johnson was compensated for, among other things,

providing investment advice to clients with respect to, among other things, securities transactions. Johnson is 51 years old and is a resident of Hinsdale, Illinois.

B. ENTRY OF THE INJUNCTION/RESPONDENT'S CRIMINAL CONVICTION

2. On March 24, 2015, a final judgment was entered against Johnson, permanently enjoining him from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206 of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Eric W. Johnson, Civil Action Number 14-cv-8825, in the United States District Court for the Northern District of Illinois.

3. The Commission's complaint alleged that, beginning in approximately 2004 and continuing through 2014, Johnson engaged in a series of fraudulent transactions by which he misappropriated funds from his clients' cash accounts. Johnson accomplished each such transaction by forging his clients' signatures on wire transfer instructions directing the transfer of funds from his clients' accounts into an account in Johnson's name at Bank Financial. Johnson did this without the clients' knowledge or authorization. Johnson engaged in approximately 115 of these fraudulent wire transactions by which he misappropriated a total of approximately \$1,050,000 from his clients.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II hereof are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act; and

C. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 203(f) of the Advisers Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent as provided for in the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary