

UNITED STATES OF AMERICA  
Before the  
COMMODITY FUTURES TRADING COMMISSION

\_\_\_\_\_) )  
In the Matter of ) )  
 ) )  
DAVID G. JOHNSON ) )  
 ) )  
Registrant. ) )  
\_\_\_\_\_)

CFTC DOCKET NO. SD 03-03

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2003 MAY -2 11:01  
OFFICE OF PROCEEDINGS  
PROCEEDING CLERK

**NOTICE OF INTENT TO SUSPEND, REVOKE, OR RESTRICT REGISTRATIONS OF  
DAVID G. JOHNSON AS AN INTRODUCING BROKER AND ASSOCIATED PERSON**

I.

The Commodity Futures Trading Commission (“Commission”) has received information from its staff which tends to show, and the Commission’s Division of Enforcement (“Division”) alleges and is prepared to prove, that:

1. David G. Johnson (“Johnson”) resides in Sweetser, Indiana.
2. Since 1982 Johnson has been registered with the Commission as an introducing broker (“IB”) doing business as Trademaster, pursuant to Section 4m of the Commodity Exchange Act, as amended (“Act”), 7 U.S.C. § 6m (2001). Since February 21, 1990, Johnson and has been registered with the Commission as an associated person (“AP”) of Trademaster, pursuant to Section 4k of the Act, 7 U.S.C. § 6k (2001).
3. On February 22, 2002, the Commission filed an amended complaint in an injunctive action in the U.S. District Court for the Northern District of Indiana against Phillip L. Ferguson, individually and doing business as Ferguson Financial, B&F Trading and First Investors Group, Inc., David G. Johnson, Thomas T. Miller, Geoffrey M. Eltzroth, James N. Wilson, individually and as an agent of JNW Management, and JNW Management. Civil Action No. 1:00 CV 0300.

4. On February 12, 2003, the court entered a Consent Order of Permanent Injunction and Other Equitable Relief Against Defendant David G. Johnson (“Consent Order”). The Consent Order permanently enjoins Johnson from:

- a. further violations of Section 40(1)(B), of the Act, 7 U.S.C. § 60(1)(B) (2001);
- b. participating in the futures industry in any registered or exempt capacity except as provided for in Commission Regulation 4.14(a)(9), 17 C.F.R. § 4.14(a)(9) (2002);
- c. trading on or subject to any registered entity and engaging in, controlling or directing the trading of any futures or options accounts for or on behalf of any other person or entity, whether by power of attorney or otherwise.

5. The facts set forth in paragraphs 3 and 4 above constitute a basis for statutory disqualification from registration under Sections 8a(2)(C) and (E) of the Act, 7 U.S.C. §§ 12a(2)(C) and (E), pursuant to which the current registrations of Johnson may be suspended, restricted or revoked.

## II.

Pursuant to Commission Regulation 3.60(a), 17 C.F.R. § 3.60(a) (2002), Johnson is hereby notified that a public proceeding shall be conducted in accordance with the provisions of Commission Regulation 3.60, 17 C.F.R. § 3.60 (2002), on the following questions:

1. Whether Johnson is subject to statutory disqualification under Sections 8a(2)(C) and (E) of the Act, as set forth in Section I, above; and
2. If the answer to question 1 is affirmative, whether the registrations of Johnson as an AP and IB should be conditioned, suspended, restricted or revoked. Such proceeding shall be held before an Administrative Law Judge, in accordance with Commission Regulation 3.60, and

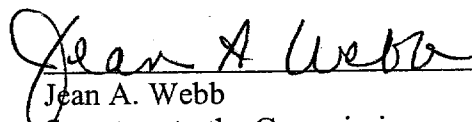
all post-hearing procedures shall be conducted pursuant to Commission Regulation 3.60(i)-(j), 17 C.F.R. § 3.60(i)-(j) (2002).

In accordance with the provisions of Commission Regulation 3.60(a)(3), 17 C.F.R. § 3.60(a)(3) (2002), Johnson is entitled to file a response challenging the evidentiary bases of the statutory disqualification or show cause why, notwithstanding the accuracy of the allegations, his registrations should not be suspended, revoked, or restricted. Such response must be filed with the Hearing Clerk, Office of Hearings and Appeals, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21<sup>st</sup> Street, N.W., Washington, D.C. 20581, and served upon David Terrell, Trial Attorney, Division of Enforcement at 525 W. Monroe Street, Suite 1100, Chicago, Illinois 60661, within thirty (30) days after the date of service of this Notice upon Johnson in accordance with the provisions of Commission Regulation 3.60(b). If Johnson fails to file a timely response to this Notice, the allegations set forth herein shall be deemed to be true and the presiding officer may issue an Order of Default in accordance with the provisions of Commission Regulation 3.60(g), 17 C.F.R. § 3.60(g) (2002).

### III.

The Hearing Clerk shall serve this Notice of Intent to Suspend, Revoke, or Restrict Registrations of David G. Johnson by registered or certified mail pursuant to Commission Regulation 3.50, 17 C.F.R. § 3.50 (2002).

By the Commission.

  
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Jean A. Webb  
Secretary to the Commission  
Commodity Futures Trading Commission

Dated: May 2, 2003