

STATE OF ILLINOIS
SECRETARY OF STATE
SECURITIES DEPARTMENT

IN THE MATTER OF: TRENT A. JOHNSON

File No. 0600172

NOTICE OF HEARING

TO THE RESPONDENT: Trent A. Johnson
(CRD#: 3187364)
6886 Thomas Parkway
Rockford, Illinois 61114

c/o Country Capital Management Co.
345 Executive Parkway – Suite M3
Rockford, IL 61107

You are hereby notified that a public hearing will be held in the offices of the Securities Department of the Secretary of State of Illinois, located at 69 West Washington Street - Suite 1220, Chicago, Illinois 60602, on February 15, 2006, at 10:00 a.m., or as soon thereafter as the parties to this proceeding may be heard, before Secretary of State Hearing Officer James L. Kopecky or such other hearing officer who shall be presiding at that time.

The purpose of this hearing is to determine whether an order should be entered revoking the registration of Trent A. Johnson (“Respondent”) as a salesperson in the State of Illinois, pursuant to 815 ILCS 5/8.E(1)(a), (g), and (h) and 5/12.E(1). Other sanctions to which the Respondent is subject are: suspension of registration; imposition of a fine not to exceed \$10,000 for each of the violations of the Illinois Securities Law described below; an order of public censure against the violator; and payment of all reasonable expenses, including attorney’s fees and witness fees, for the costs of investigation of the allegations in this proceeding, pursuant to 815 ILCS 5/8.E(1)(a), (g), and (h); 5/12.E(1); and 5/11.E(4).

The grounds for this proposed action are as follows:

1. On February 8, 1999, Country Capital Management Company (Country Capital), a securities dealer registered with the Secretary of State, filed with the Secretary of State an application for securities industry

registration ("U-4 Form") to register the Respondent, its employee, as a salesperson by the State of Illinois, in accordance with Section 8.C of the Act.

2. The application included in pertinent part the following required criminal background disclosure questions ("required disclosures"):
 - (a) Question 23A(1)(a): Have you ever been convicted of or pled guilty to any felony?
 - (b) Question 23A(1)(b): Have you ever been charged with any felony?
 - (c) Question 23B(1)(a): Have you ever been convicted of or pled guilty to a misdemeanor involving any wrongful taking of property?
 - (d) Question 23B(1)(b): Have you ever been charged with a misdemeanor specified in 23B(1)(a)?
3. To each of the required disclosures, the Respondent answered: "No."
4. On March 24, 1999, the Secretary of State granted the application, registering the Respondent as a securities salesperson in the state of Illinois.
5. Contrary to the Respondent's negative responses to the February 8, 1999 U-4 Form required disclosures, the Respondent's background at the time he completed the U-4 Form included the following criminal matters:
 - (a) Misdemeanor involving wrongful taking of property:
 - (i) On March 11, 1992, the Respondent was charged with retail theft, a misdemeanor, in violation of Chapter 38 of Illinois Revised Statutes, Section 16A-3, in *Illinois v. Trent Allan Johnson*, McLean County Circuit Court Case No. 1992CM000554.
 - (ii) On December 17, 1992, the Respondent pled guilty and was convicted of the misdemeanor retail theft charge.
 - (b) Felony:

- (i) On March 26, 1992, the Respondent was charged with unlawful delivery of cannabis, a felony, in violation of Chapter 56½ of Illinois Revised Statutes, Section 705(c), in *Illinois v. Trent A. Johnson*, McLean County Circuit Court Case No. 1992CF000267.
 - (ii) On December 16, 1992, the Respondent pled guilty to the 1992 felony charge; on February 9, 1993, the Respondent was convicted of the charge.
6. After filing the original February 8, 1999 U-4 Form application, Country Capital filed with the Secretary of State eight amended U-4 forms for the Respondent's salesperson registration. The amended U-4 forms were filed on May 4, 2001; January 2, 2002; March 11, 2002; August 19, 2002; April 10, 2003; September 21, 2005; January 27, 2006; and March 15, 2006.
7. The numbering of the required disclosures on the eight amended U-4 forms was revised from the original February 8, 1999 U-4 Form, as follows:
 - (a) Question 23A(1)(a) became Question 14A(1)(a): Have you ever been convicted of or pled guilty to any felony?
 - (b) Question 23A(1)(b) became Question 14A(1)(b): Have you ever been charged with any felony?
 - (c) Question 23B(1)(a) became Question 14B(1)(a): Have you ever been convicted of or pled guilty to a misdemeanor involving any wrongful taking of property?
 - (d) Question 23B(1)(b) became Question 14B(1)(b): Have you ever been charged with a misdemeanor specified in 23B(1)(a)?
8. On the first six of the amended U-4 forms, the Respondent answered as follows:
 - (a) On May 4, 2001, instead of answering "yes" to the required disclosures and disclosing his 1992 felony charge, guilty plea, and conviction; and his 1992 misdemeanor retail theft charge, guilty plea, and conviction, the Respondent answered: "No."
 - (b) On January 2, 2002, instead of answering "yes" to the required disclosures and disclosing his 1992 felony charge, guilty plea, and

- conviction; and his 1992 misdemeanor retail theft charge, guilty plea, and conviction, the Respondent answered: "No."
- (c) On March 11, 2002, instead of answering "yes" to the required disclosures and disclosing his 1992 felony charge, guilty plea, and conviction; and his 1992 misdemeanor retail theft charge, guilty plea, and conviction, the Respondent answered: "No."
 - (d) On August 19, 2002, instead of answering "yes" to the required disclosures and disclosing his 1992 felony charge, guilty plea, and conviction; and his 1992 misdemeanor retail theft charge, guilty plea, and conviction, the Respondent answered: "No."
 - (e) On April 10, 2003, instead of answering "yes" to the required disclosures and disclosing his 1992 felony charge, guilty plea, and conviction; and his misdemeanor retail theft charge, guilty plea, and conviction, the Respondent answered: "No."
 - (f) On September 21, 2005, instead of answering "yes" to the required disclosures and disclosing his 1992 felony charge, guilty plea, and conviction; and his misdemeanor retail theft charge, guilty plea, and conviction, the Respondent answered: "No."
9. On January 27, 2006, Country Capital filed an amended U-4 Form in which the Respondent disclosed for the first time that, contrary to his assertions in his prior six amended U-4 forms, he in fact had been charged with, pled guilty to, and was convicted of one misdemeanor offense of retail theft and one felony offense of unlawful delivery of cannabis.

RELIEF REQUESTED

Revocation of Salesperson Registration

- 10. Section 8.C(4) of the Act provides that an application for registration with the Secretary of State as a securities salesperson must set forth whether the salesperson has ever been convicted of a felony, or any misdemeanor of which fraud is an essential element. 815 ILCS 5/8.C(4).
- 11. Section 12.E(1) of the Act provides it is a violation of the Act for a person to make or cause to be made any statement which is false or misleading with respect to any material fact in any application filed under the Act or any rule or regulation made by the Secretary of State in accordance with the Act. 815 ILCS 5/12.E(1).

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12. Section 8.E(1)(a) of the Act provides that the Secretary of State may suspend or revoke the registration of a registered dealer's salesperson if the salesperson has been convicted of any felony during the ten-year period preceding the date of filing of any application for registration or at any time thereafter; or of any misdemeanor in which fraud is an essential element. 815 ILCS 5/8.E(1)(a).
13. Section 8.E(1)(g) of the Act provides that the Secretary of State may suspend or revoke the registration of a registered dealer's salesperson if the Secretary finds the salesperson has violated any of the provisions of the Act. 815 ILCS 5/8.E(1)(g).
14. Section 8.E(1)(h) of the Act provides that the Secretary of State may deny, suspend, or revoke the registration of a registered dealer's salesperson if the salesperson has made any material misrepresentation to the Secretary of State in connection with any information deemed necessary to determine the salesperson's business repute or qualifications. 815 ILCS 5/8.E(1)(h).
15. The Respondent's salesperson registration is subject to suspension or revocation pursuant to Sections 12.E(1); and 8.E(1)(a), (g), and (h) of the Act. 815 ILCS 5/12.E(1); and 5/8.E(1)(a), (g), and (h).

You are further notified that:

You are required to file an answer to the allegations outlined above within thirty days of the service of this notice on you, in accordance with Section 130.1104(a) of the Rules and Regulations under the Illinois Securities Law (Rules); 14 Ill. Adm. Code 130.1104(a).

Your failure to file an answer, special appearance in accordance with Section 130.11007 of the Rules, or other responsive pleading within thirty days of the service of this notice on you shall be construed as an admission of the allegations contained in this Notice, and waives your right to this hearing. Upon such failure, the Hearing Officer shall make a recommendation that an appropriate order be entered, including finding you in default. 14 Ill. Adm. Code 130.1104(b) and 1109; 815 ILCS 5/11.F(1).

You may appear personally on your own behalf, or through an attorney. You or your attorney may present evidence; cross-examine witnesses; and otherwise participate in this proceeding.

Your failure to appear at this hearing shall constitute default, unless you or your attorney has moved for and obtained a continuance, in accordance with Section 130.1111 of the Rules.

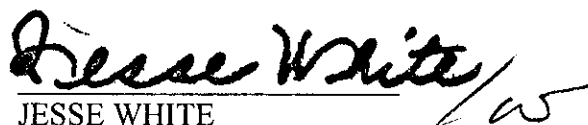
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Delivery of this Notice to Country Capital Management, your designated representative, constitutes service on you.

A copy of the Rules and Regulations promulgated under the Illinois Securities Law and concerning hearings conducted by the Securities Department of the Office of the Secretary of State is included with this Notice.

DATED: This 19th day of December, 2006.


JESSE WHITE
Secretary of State
State of Illinois

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