

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2611 / June 26, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-12669

In the Matter of

RAJEEV JOHAR,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Rajeev Johar (“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, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that

1. Johar was a principal in Entrust Capital Management, LLC ("Entrust"), an investment adviser not registered with the Commission, from at least October 2000 through April 2005. Johar is 34 years old and is a resident of West Monroe, Louisiana.

2. On June 4, 2007, a final judgment was entered by consent against the Respondent, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Advisers Act, in the civil action entitled, SEC v. Amit Mathur et al., Civil Action No. 05-CV-10729 (MLW) in the United States District Court for the District of Massachusetts.

3. The Commission's complaint alleged, among other things, that during the period starting in October 2000 through April 2005, Johar, his partner, and their investment advisory firm engaged in a scheme to defraud investors in a purported hedge fund they ran at Entrust. Johar and other defendants made material misrepresentations to clients and prospective clients concerning the number of Entrust's clients, its assets under management, and the returns that the hedge fund generated. Approximately twenty clients placed over \$16 million with Johar and the other defendants to fund investments in publicly traded securities. Johar and his partner, through Entrust, dissipated nearly all of their clients' assets through undisclosed trading losses in Entrust's brokerage accounts, unauthorized use of investor funds to support Entrust's operating expenses, and misappropriation of client funds for personal use. Johar misappropriated at least \$450,000 in investor funds for his own personal gain. Johar and the other participants in the fraud hid their wrongdoing from investors using a variety of schemes, misrepresentations, and fraudulent business practices.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Johar be, and hereby is barred from association with any investment adviser;

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.

By the Commission.

Nancy M. Morris
Secretary