

IN THE COMMON PLEAS COURT MONTGOMERY COUNTY, OHIO

CIVIL DIVISION

JEFFREY ALLEN MOHLMAN

Case No.

2201 Stayman Drive

Dayton, Ohio 45440

Plaintiff

v.

FINANCIAL INDUSTRY REGULATORY AUTHORITY

Corporation Service Company

2711 Centerville Road, Suite 400

Wilmington, Delaware 19808

SUSAN SCHROEDER

Senior Vice President, Counsel

FINRA Department of Enforcement

200 Liberty Street, 11th Floor

New York, NY 10281

Sued in her official and individual capacities

HEIDI BROWN

FINRA Department of Enforcement

200 Liberty Street, 11th Floor

New York, NY 10281

Sued in her official and individual capacities

JOHN DOE OR JOHN DOES

As Individuals

FINRA Department of Enforcement

200 Liberty Street, 11th Floor

New York, NY 10281

Sued in their official and individual capacities

Defendants

COMPLAINT

Plaintiff, Jeffrey Allen Mohlman through his attorney states as follows:

Jurisdiction

1. This action is brought pursuant to Article I, §16 of the Ohio Constitution and alleges fraud on the part of the Defendants herein to deprive the Plaintiff of his reputation and his choice of profession.

Venue

2. Montgomery County, Ohio is both the county in which the defendant conducted activity that gave rise to the claim for relief and the county in which all or part of the claim for relief arose, Ohio R. Civ. P. 3(C)(3) and (6).

Parties

3. Plaintiff is a United States citizen and at all times alleged herein was a resident of Montgomery County, Ohio.
4. Defendant Financial Regulatory Authority Defendant, (hereinafter referred to as ("FINRA")), is a not-for-profit member organization organized and operating under

the laws of the State of Delaware, whose primary place of business is in Washington, D.C.. but regulates and oversees financial representatives in all fifty states, including Ohio, FINRA's agent for service of process is: Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware, 19808.

5. Defendant Susan Schroeder is the Senior Vice President , Counsel FINRA Department of Enforcement,
6. Heidi Brown is the Associate Principal Investigator for FINRA and was assigned to Plaintiff's case with FINRA.
7. Defendants, John Doe (hereinafter referred to as the "Does"), are the person or persons who are agents of FINRA who participated in the fraud and deprivation of Plaintiff's rights under the Ohio Constitution to his reputation and his choice of profession, the identities of which are known to FINRA but are currently unknown to Plaintiff,

First Cause of Action: Fraud

8. FINRA is a Self-Regulatory Organization ("SRO"), the members of which are persons in the securities industry, which regulates practice in the securities industry, including enforcement actions against members,
9. All securities representatives are required to be members of FINRA,
10. Plaintiff has been a securities professional since July 6, 2001 and obtained the Series 6, Series 7 and Series 63 licenses,
11. Plaintiff had never been the subject of either a civil or criminal action and had no prior disciplinary action with FINRA,
12. On June 26, 2012 Plaintiff became registered with Questar Capital Corporation ,

13. While a representative for Questar, the Plaintiff had conversations with approximately six family members and friends concerning WMA Enterprises, Inc. (“WMA”). Plaintiff did not attempt to sell investments with WMA nor did he receive compensation of any sort from WMA,
14. Plaintiff learned that WMA was a Ponzi scheme from the television news on October 31, 2014,
15. Plaintiff immediately personally informed all persons who had invested in WMA of this fact,
16. Plaintiff himself had invested \$238, 111.11 with WMA and lost a substantial amount of money,
17. Plaintiff fully cooperated with investigations by the FBI and IRS and was himself listed as a victim of the WMA scheme,
18. Plaintiff paid all bankruptcy court attorney’s fees for those persons to whom he had mentioned WMA,
19. An investigation of Plaintiff was commenced by Defendant FINRA in 2014,
20. Plaintiff was contacted concerning this matter by telephone by Defendant Heidi Brown at his home in Montgomery County, Ohio,
21. Several subsequent conversations concerning this matter were held with Plaintiff’s attorney James Fleischer via telephone at his office in Dayton, Ohio,
22. Fleischer collected and provided documents and information to Defendants FINRA, Brown, Schroeder and the Does from his Dayton office,
23. Defendants FINRA, Brown, Schroeder and the Does conducted their investigation by contacting his former clients in Montgomery County, Ohio,

24. Plaintiff fully cooperated with this investigation and appeared in New York for a seven and one half hour interview with Brown and Schroeder while his attorney participated from his office in Dayton, Ohio by telephone,
25. A second in-person interview was scheduled with the Plaintiff in FINRA's office in New York on September 11, 2015,
26. Defendants FINRA, Schroeder, Brown and the Does were aware of mitigating factors in Plaintiff's case including: the death of a close friend in a motorcycle accident in April, 2014, the attempted murder of his sister and the bloody suicide of her husband, which the Plaintiff clean-up in May, 2014 and was subsequently treated for PTSD and sleeplessness with two psychotropic drugs and a prior brain surgery for a brain tumor which affected his memory,
27. Mitigating factors must be taken into consideration by FINRA when sanctioning a registered person, *John M. E. Saad v. SEC*, Case No. 10-1195 (D.C. Circuit, June 11, 2013),
28. With knowledge of the requirement to take mitigating factors into account, FINRA, through Schroeder, Brown and the Does suggested that this matter be resolved by having Plaintiff state that he would not testify at this interview,
29. Plaintiff's Counsel accepted this suggestion and submitted an Acceptance, Waiver and Consent (AWC) to Defendant FINRA at FINRA's, Schroeder, Brown and the Does' direction,
30. On September 21, 2015 Plaintiff was barred from the securities industry by Defendant FINRA,

31. As part of the AWC Plaintiff was required to update his U-4 public record reflecting the disciplinary action against him,
32. As a result of the actions of Defendants FINRA, Schroeder, Brown and the Does, Plaintiff lost his securities licenses in Ohio on October 16, 2018 when the Ohio Department of Securities repeated the statement of the action suggested by FINRA, Schroeder, Brown and the Does that he had failed to cooperate in its investigation,
33. Wherefore, the Plaintiff was deprived of his reputation in the securities and insurance industries and has been deprived of the ability to pursue his profession and career in violation of Ohio Constitution Article I, Section 16.

Damages

34. Due to the fraud committed by the Defendants in inducing the Plaintiff to fail to testify at his second interview, thus fraudulently avoiding the requirement that they consider the mitigation factors in the Plaintiff's case, the Plaintiff has incurred actual damages in the amount of \$90,000 in legal fees, \$50,000.00 in residual fees for business he could not refer due to securities industry bar in 2015 which resulted in his inability to get appointed as a non-securities licensed Professional Alliance Partner, \$200,000.00 due to inability to get appointed with several insurance carriers since the 2015 bar and clients refusing to conduct business with him due to his bar, \$48,000.00 reputation rehabilitation specialist fees, \$3000.00 for PTSD therapy since March, 2015 through EMDR therapy with a psychotherapist and currently in month 3 of IASIS Therapy for PTSD and anxiety, and punitive damages in the amount of \$500,000.00.

35. WHEREFORE, the Plaintiff demands judgment in the amount of \$891,000.00 plus reasonable attorney's fees and whatever equitable or declaratory relief the Court finds appropriate.

Respectfully submitted,

/s/ George A. Katchmer

GEORGE A. KATCHMER

Attorney at Law

1886 Brock Road N.E.

Bloomington, Ohio 43106

740-437-6071

740-437-6077

Attorney for Plaintiff

JURY DEMAND

Now comes the Plaintiff through Counsel and demands a jury trial on all issues in this matter.

Respectfully submitted,

/s/George A. Katchmer

GEORGE A. KATCHMER

Attorney for Plaintiff

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CERTIFICATE OF SERVICE

A copy of the foregoing reply was served on the Defendant by Regular U. S. Mail this date of filing.

GEORGE A. KATCHMER

Attorney for Plaintiff