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**UNITED STATES DISTRICT COURT  
DISTRICT OF NEVADA**

**CASE NO.:**

<b>SECURITIES AND EXCHANGE</b>	:
<b>COMMISSION,</b>	:
	:
<b>Plaintiff,</b>	:
	:
<b>v.</b>	:
	:
<b>PRIME STAR GROUP, INC.,</b>	:
<b>ROGER MOHLMAN, DANNY COLON,</b>	:
<b>MARYSOL MORERA, FELIX RIVERA,</b>	:
<b>DC INTERNATIONAL CONSULTING LLC,</b>	:
<b>KEVIN CARSON, ESPER GULLATT, JR.,</b>	:
<b>THE STONE FINANCIAL GROUP, INC. and</b>	:
<b>JOSHUA KONIGSBERG,</b>	:
	:
<b>Defendants.</b>	:
	:

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**COMPLAINT**

Plaintiff Securities and Exchange Commission alleges:

**INTRODUCTION**

1. From 2009 through at least March 2010, Roger Mohlman, the chief executive officer of Prime Star Group, Inc., orchestrated a pump-and-dump scheme to sell unregistered shares of Prime Star’s stock to the investing public. Mohlman pumped up the price of Prime

Star's stock by disseminating false and misleading press releases regarding, among other things, lucrative agreements for the company's food and beverage products.

2. To further the scheme, Mohlman and Prime Star illegally distributed approximately 18 million shares of Prime Star's stock to Defendants Danny Colon, Marysol Morera, Felix Rivera, DC International Consulting LLC, Kevin Carson, The Stone Financial Group, Inc., and an entity controlled by Joshua Konigsberg. Mohlman orchestrated the issuing of these unregistered shares by providing Prime Star's stock transfer agent with backdated consulting agreements and attorney opinion letters, some of which were forged. These Defendants sold millions of these unregistered shares for approximately \$1.2 million, dumping them on unwitting investors at fraudulently inflated prices.

3. Mohlman also misled and enticed investors to purchase Prime Star stock by signing and certifying false financial statements in several public reports Prime Star filed with the Commission in 2009, 2010, and 2011. Among other things, the reports understated net losses or overstated Prime Star's cash balance.

4. Through their conduct, each of the Defendants violated Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act"), 15 U.S.C. §§ 77e(a), 77e(c). In addition, Mohlman and Prime Star violated, either as a primary violator or an aider and abettor, Securities Act Section 17(a), 15 U.S.C. § 77q(a), Sections 10(b), 13(a), 13(b)(2)(A), 13(b)(2)(B), and 13(b)(5) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §§ 78j(b), 78m(a), 78m(b)(2)(A), 78m(b)(2)(B), and 78m(b)(5), and Exchange Act Rules 10b-5, 12b-20, 13a-1, 13a-13, 13a-14, 13b2-1 and 13b2-2, 17 C.F.R. §§ 240.10b-5, 240.12b-20, 240.13a-1, 240.13a-13, 240.13a-14, 240.13b2-1 and 240.13b2-2.

5. Unless restrained and enjoined, the Defendants are reasonably likely to engage in future violations of the federal securities laws.

### DEFENDANTS

6. **Prime Star** is a Nevada corporation with its principal place of business in Las Vegas, Nevada. The company purported to be in the business of food and beverage manufacturing and distribution but had no revenues and no real prospects of revenue. Prime Star's common stock (ticker symbol "PSGI") is registered with the Commission pursuant to Section 12(g) of the Exchange Act, 15 U.S.C. § 781(g). The company's stock was delisted from the over-the-counter-bulletin-board and currently trades on the over-the-counter "grey market."

7. **Mohlman**, 64, is a resident of Las Vegas, Nevada. Mohlman served as Prime Star's chief executive officer, president, and chairman of the company's board of directors during the relevant time period.

8. **Colon**, 46, is a resident of Edgewater, New Jersey. He is a self-employed consultant.

9. **Morera**, 44, is a resident of Edgewater, New Jersey. She is Colon's wife.

10. **Rivera**, 37, is a resident of Clifton, New Jersey. He is Colon's half-brother.

11. **DC International** is a New Jersey limited liability company headquartered in Edgewater, New Jersey. Colon is its managing member.

12. **Carson**, 41, is a resident of Lake Worth, Florida. He is a self-employed consultant.

13. **Gullatt**, 53, is a resident of Aurora, Colorado. He is a self-employed consultant.

14. **The Stone Financial Group, Inc.** is a Minnesota corporation. Gullatt is the company's president.

15. **Konigsberg**, 51, is a resident of Palm Beach Gardens, Florida. He is a self-employed consultant.

**JURISDICTION AND VENUE**

16. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d), and 22(a) of the Securities Act, 15 U.S.C. §§ 77t(b), 77t(d), and 77v(a); and Sections 21(d), 21(e), and 27 of the Exchange Act, 15 U.S.C. §§ 78u(d), 78u(e), and 78aa.

17. This Court has personal jurisdiction over the Defendants and venue is proper in the District of Nevada because the Defendants' acts, transactions, practices, and courses of conduct giving rise to the violations alleged in this Complaint occurred in the District of Nevada. More specifically, Prime Star is a Nevada corporation with its principal place of business during the relevant time period in the District of Nevada. Mohlman, Prime Star's CEO, resides in the District of Nevada.

18. Each of the other Defendants entered into consulting agreements with Mohlman and Prime Star, pursuant to which they received the unregistered Prime Star stock at issue in this case, and in which each agreed to be bound by the laws of Nevada. Further, Prime Star's stock transfer agent in Nevada sent the shares of unregistered stock to the other Defendants.

19. The Defendants, directly and indirectly, have made use of the means and instrumentalities of interstate commerce, the means and instruments of transportation and communication in interstate commerce, and the mails, in connection with the acts, transactions, practices, and courses of conduct set forth in this Complaint.

## FACTUAL ALLEGATIONS

### **I. Misrepresentations and Omissions By Mohlman and Prime Star**

20. Mohlman and Prime Star made misleading statements about Prime Star's operations and lucrative contracts in a series of press releases Prime Star issued in October 2009, and in a second series issued in March 2010. Mohlman provided an independent contractor with the information and quotes for the press releases, reviewed and approved them, and arranged for business information distributor Newswire to publish them.

21. For example, on October 14, 2009, Mohlman and Prime Star issued a press release claiming Prime Star's subsidiary, Wild Grill Foods, had received purchase orders for more than \$1.25 million of seafood products. Mohlman was quoted in the press release: "Prime Star Group is thrilled at the growth of this business unit. We will continue to grow the Wild Grill brand, its domestic distribution, and have begun exploring international opportunities for distribution abroad." However, in reality, Prime Star's just-established Wild Grill subsidiary had no operations and there were no purchase orders.

22. In another press release issued on October 21, 2009, Prime Star estimated it would produce revenues of between \$4.5 and \$6 million in the fourth quarter of 2009. However, there was no reasonable basis for this projection. Some of the purported contracts and purchase orders the projection was based on did not exist. In other cases, Mohlman had reason to know they would not result in revenues anywhere near the projected amount because the Prime Star subsidiaries that purportedly entered the contracts or received the purchase orders had no operations or products they could sell in the fourth quarter of 2009.

23. Mohlman and Prime Star continued to misrepresent Prime Star's operations and financial prospects in a second series of press releases in March 2010. For example, a March 15,

2010 press release claimed Prime Star's subsidiary, Intela-Pac, had entered into an agreement with a beverage manufacturer and distributor that would yield recurring annual revenue of approximately \$2.5 million.

24. However, these claims were false. Mohlman had signed a contract with the beverage company dated November 15, 2009, but that contract provided only for monthly payments to Prime Star, beginning in November 2009, totaling approximately \$186,000 a year. Moreover, Prime Star had no revenues in the fourth quarter of 2009 or the first quarter of 2010. Therefore, when Mohlman and Prime Star issued the press release on March 15, the beverage company had not paid Prime Star anything under the contract for the five months it had been in effect. A second purported agreement between the beverage company and Prime Star, signed by Mohlman in November 2009, never yielded any revenue because the beverage company failed to provide a letter of credit to Prime Star by the end of 2009. Therefore, there was no reasonable basis for the March 15 revenue projections when Mohlman and Prime Star made them.

25. Mohlman and Prime Star issued another false press release the following day, claiming Intela-Pac had signed a master distribution agreement with another company in the beverage business, valued at up to \$16 million annually. The following quote from Mohlman was included in the release: "We are extremely proud to be working with [the beverage company]. Through their distribution capability and penetration, we are able to make water and ice available for emergency use to local and state government in New York." However, the statements in the press release were false: Prime Star and the beverage company never entered into any agreement.

26. Overall, Mohlman and Prime Star's fraudulent promotional activities in October 2009 and March 2010 caused Prime Star's stock price and trading volume to increase markedly.

For example, on March 12, 2010, the last trading day before the March 15 and 16 press releases, Prime Star's stock price closed at \$0.036 on trading volume of 1,382,254 shares. Following the March 15 press release, Prime Star's stock price and trading volume substantially increased, closing at \$0.049 on trading volume of 1,633,702 shares. The next day, following the next press release, Prime Star's stock price increased even further to trade at a high of \$0.06. And its trading volume spiked to 16,031,058 shares – ten times more than the previous day's trading volume. On the following trading day, Prime Star's stock price decreased to \$0.029 and trading volume fell to 5,571,089 shares.

**II. Mohlman And Prime Star Fraudulently Issued Unregistered Stock To Pay Stock Promoters**

27. Prime Star's press releases coincided with Mohlman and the company's illegal issuance of millions of unregistered shares of Prime Star stock. From August 2009 through March 2010, Mohlman and the company issued millions of shares to purported business consultants Colon, Morera, Rivera, Carson, DC International Consulting, LLC, The Stone Financial Group, Inc., and Konigsberg's company, Northland Holdings LLC (collectively, the "Consultants").

28. Although Prime Star had a class of shares registered pursuant Section 12(g) of the Exchange Act, that section does not permit transfers of those shares. To transfer Prime Star stock in compliance with the securities laws, Mohlman, Prime Star and the Consultants had to either register an offering of the company's shares, or meet an exemption to the offering registration requirement. However, they did neither. First, no registration statement has been filed or is in effect with the Commission in connection with the securities Prime Star offered and issued to the Consultants. Second, Prime Star and the Consultants failed to comply with

Securities Act Rule 144, 17 C.F.R. §230.144, the registration exemption on which Mohlman and Prime Star relied to transfer the shares to the Consultants.

29. Agreements between Prime Star and the other Defendants provided Prime Star would transfer stock to each Defendant pursuant to an exemption under Rule 144. The Rule provides a securities seller with a safe harbor from being considered a statutory underwriter subject to the Securities Act's offering registration requirement. Generally, to obtain the protection of Rule 144, the seller or transferor of the securities, regardless of whether or not they are an affiliate of the securities' issuer, must have held the securities for six months before reselling or transferring them. Prime Star issued the shares pursuant to Rule 144 in return for consulting services, including internet stock promotion.

30. Mohlman and Prime Star failed to comply with Rule 144. Mohlman instructed Prime Star's transfer agent to issue unrestricted shares to the Consultants, and provided the transfer agent with backdated consulting agreements he signed, as well as forged or misleading attorney opinion letters that appeared to warrant issuing stock not subject to the six-month holding period of Rule 144. Mohlman was aware that none of the stock had actually been transferred to the Consultants more than six months earlier and that Prime Star should not have issued the shares without restrictions on their subsequent transfer.

31. Instead, once the Consultants received the free-trading Prime Star stock, they deposited their shares at various broker-dealers and sold most or all of them, usually within days. The Consultants sold millions of these unregistered, unrestricted shares in October 2009 and March 2010 when the company was issuing the two series of false press releases, dumping approximately \$1.2 million worth of Prime Star's stock at inflated prices.

32. For example, on October 29, 2009, Mohlman provided Prime Star's transfer agent with a backdated consulting agreement between Prime Star and Colon. The agreement provided Colon would receive 500,000 shares of Prime Star stock pursuant to Rule 144. Mohlman had backdated the agreement to September 1, 2007. In addition, Mohlman provided the transfer agent with a forged attorney opinion letter stating the issuance to Colon was proper under Rule 144. The transfer agent issued Colon a stock certificate for 500,000 unrestricted shares. On November 10, 2009, Colon deposited the shares in a brokerage account. He sold the shares in December 2009 and January 2010.

33. The following are additional examples of Mohlman, Prime Star, and the Consultants' improper securities transfers:

34. In November 2009, Mohlman directed Prime Star's transfer agent to issue 600,000 shares to D.C. International Consulting pursuant to a consulting agreement Colon and Mohlman executed. Mohlman backdated the consulting agreement to September 1, 2007. On November 17, 2009, Mohlman provided Prime Star's transfer agent with the backdated consulting agreement and a forged attorney opinion letter stating the issuance was proper under Rule 144. On November 18, 2009, the transfer agent issued DC International Consulting 600,000 shares of unrestricted Prime Star stock. Colon, acting on behalf of D.C. International Consulting, sold these shares in January 2010. During the relevant period, Mohlman and Prime Star improperly issued Colon and D.C. Consulting an additional 3 million unregistered shares of Prime Star stock.

35. In August 2009, Mohlman directed Prime Star's transfer agent to issue 900,000 shares to Carson. Around that time, Carson and Mohlman signed a backdated consulting agreement providing Carson would receive the shares pursuant to Rule 144. Mohlman

backdated the consulting agreement to January 1, 2009. He provided a copy of the agreement, along with an attorney opinion letter that the issuance was proper under Rule 144, to Prime Star's transfer agent on or about August 7, 2009. The agent issued Carson 900,000 shares of unrestricted Prime Star stock four days later. Carson sold these shares in October 2009.

36. In late July 2009, Konigsberg, on behalf of his company Northland Holdings, and Mohlman signed a consulting agreement providing Northland would receive 900,000 shares of Prime Star stock pursuant to Rule 144. Mohlman backdated the consulting agreement to January 1, 2009. Mohlman provided the backdated consulting agreement and an attorney opinion letter that the issuance was proper under Rule 144 to Prime Star's transfer agent on August 7, 2009. Within a few days, the agent issued Northland 900,000 shares of unrestricted Prime Star stock. Northland sold these shares in September and October 2009.

37. Also in August 2009, Mohlman directed Prime Star's transfer agent to issue 900,000 shares to Gullatt's company, Stone Financial Group, pursuant to a backdated consulting agreement executed at about that time. The agreement provided Stone Financial would receive the shares pursuant to Rule 144. Mohlman had backdated the consulting agreement to January 1, 2009. Mohlman provided the backdated consulting agreement and an attorney opinion letter that the issuance was proper under Rule 144 to Prime Star's transfer agent on August 7, 2009. The agent issued Stone Financial 900,000 shares of unrestricted Prime Star stock four days later. Stone Financial sold 800,000 of the shares in October 2009.

38. Colon, on behalf of his wife Morera, signed a backdated consulting agreement with Mohlman providing that Morera would receive 700,000 shares of Prime Star stock pursuant to Rule 144. Mohlman backdated the consulting agreement to September 1, 2001. Mohlman provided the backdated consulting agreement and a forged attorney opinion letter to Prime Star's

transfer agent on November 12, 2009, and the agent issued Morera 700,000 shares of unrestricted Prime Star stock on November 18. During the relevant period, Morera received at least 1,250,000 additional shares of unrestricted stock pursuant to backdated consulting agreements. Morera sold the 700,000 shares issued November 18, as well as more than 700,000 additional shares, by early January 2010.

39. In November 2009, Mohlman directed Prime Star's transfer agent to issue 500,000 shares to Rivera, who is Colon's half-brother, pursuant to a consulting agreement Colon and Mohlman signed. Colon signed the agreement on behalf of Rivera. The agreement provided for the issuance of the shares pursuant to Rule 144. Mohlman backdated the consulting agreement to March 1, 2008. Mohlman provided the backdated consulting agreement and a forged attorney opinion letter to Prime Star's transfer agent on October 29, 2009 and the agent issued Rivera 500,000 shares of unrestricted Prime Star stock on November 5. Rivera sold the 500,000 shares later that month. During the relevant period, Rivera received at least 700,000 additional shares of unrestricted Prime Star stock pursuant to backdated consulting agreements.

40. At least one of the Consultants, Konigsberg, paid a portion of the stock sale proceeds to stock promoters to tout Prime Star's stock on the internet. On October 8, 2009, Konigsberg wired \$20,000 to a stock promoter to pay to tout Prime Star on an internet stock promotion website.

### **III. Mohlman and Prime Star Made Material Misrepresentations and Omissions in Prime Star's Annual And Quarterly Reports Filed With The Commission**

#### **A. Prime Star's Reporting Obligations**

41. During the relevant period, Prime Star's common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act, 15 U.S.C. § 78l(g), and was quoted on OTC Link operated by OTC Markets Group, Inc. under the symbol PSGI.

42. As an issuer of registered securities, Prime Star was required to furnish the Commission with annual and quarterly reports in accordance with Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Exchange Act Rules 13a-1 and 13a-13, 17 C.F.R. §§ 240.13a-1 and 240.13a-13.

43. Pursuant to Exchange Act Rule 12b-20, 17 C.F.R. § 240.12b-20, Prime Star was required to include in the annual and quarterly reports it furnished the Commission information that was necessary to make the required statements, in light of the circumstances under which they were made, not misleading.

44. Additionally, Exchange Act Regulation S-X, 17 C.F.R. §§ 1-01 et. seq., required that the financial statements Prime Star furnished to the Commission in its annual and quarterly reports be presented in conformity with Generally Accepted Accounting Principals (“GAAP”).

**B. Mohlman Caused Prime Star To Understate Its Net Losses and Overstate Its Cash Balance In Its Public Filings**

45. On May 14, 2010, Prime Star filed its 2009 Form 10-K annual report with the Commission containing material misstatements and omissions about Prime Star’s finances. Prime Star amended the filing twice, in June and November 2010, but failed to correct the misrepresentations and omissions. More specifically, in Prime Star’s 2009 annual report, Mohlman and Prime Star significantly underreported the expense for stock issued to the Consultants and others.

46. Instead of calculating the expense of issuing stock using the share price on the day it was issued, a method consistent with GAAP, Mohlman and Prime Star used a per-share price well below the stock’s trading price. By underreporting the company’s expense for issuing stock, Mohlman and Prime Star understated the company’s net loss by more than \$1.3 million, or 33%. The company reported net losses of approximately \$2.7 million in its 2009 annual report,

but the company's actual net losses, calculating the expense of its stock issuances using the stock's true market value when issued, were more than \$4 million. Prime Star's accounting for its expenses and net loss did not accord with GAAP.

47. Prime Star's 2009 annual report also significantly overstated the company's cash balance by more than 133%. The report claimed a cash balance of \$17,060. However, this cash balance was overstated by at least \$9,700. Mohlman provided the overstated cash balance to Prime Star's auditor. To support the overstated cash balance figure in the audit, Mohlman provided the auditor with a forged bank statement showing that a Prime Star subsidiary had a year-end cash balance of approximately \$9,700. In reality, the forged bank statement, and the cash balance it contained, belonged to the account of RHM Group, Ltd., an unrelated entity Mohlman controlled.

48. Prime Star also overstated its cash position by as much as thousands of percent in its reports on Form 10-Q for the four quarters ending September 30, 2009, and March 31, June 30, and September 30, 2010. Prime Star's September 2009 Form 10-Q stated the company's quarter-end cash balance was \$6,033. In fact, the company had no cash. Prime Star's March 2010 Form 10-Q stated the company's cash balance was \$8,230 but the company had only about \$745 cash. The company's June 2010 Form 10-Q stated the company had a cash balance of \$3,180. However, Prime Star had no cash that quarter end. Finally, Prime Star's September 2010 Form 10-Q stated the company's cash balance was \$15,423 but in fact it had only about \$2 in cash.

49. Mohlman was Prime Star's chief financial and accounting officer during the time these filings were prepared and filed. He was responsible for the preparation and contents of the company's public financial filings. Other than an independent contractor who reported to

Mohlman and performed, among other duties, some bookkeeping at the company, Mohlman was the only person at Prime Star responsible for the company's accounting and financial reporting. Mohlman also signed and certified Prime Star's annual and quarterly reports as its CEO, CFO, and chief accounting officer.

**C. Mohlman Falsely Certified Prime Star's Reports Were Accurate**

50. Exchange Act Rule 13a-14, 17 C.F.R. § 240.13a-14, required Mohlman, while serving as Prime Star's chief executive officer and chief financial officer, to certify in writing the accuracy of the reports and financial statements Prime Star filed with the Commission.

51. Mohlman certified in writing the information contained in Prime Star's 2009 annual report and in its quarterly reports for period ending September 2009, March 31, June 30, and September 30, 2010 "fairly present[ed], in all material respects, the financial condition and result of operations of the Company." Mohlman signed Rule 13a-14 certifications with respect to Prime Star's December 31, 2009 Form 10-K and the four Forms 10-Q, despite knowing those filings significantly misstated Prime Star's expenses, cash balances, or both.

**D. Mohlman Misled And Provided False Accounting Records To Prime Star's Auditor**

52. A Public Company Accounting Board certified auditor issued an opinion that Prime Star's financial statements for fiscal year 2009 were prepared in accordance with GAAP and fairly presented the financial condition of the company in all material respects. Prime Star filed both the financial statements and the opinion letter with the Commission.

53. In connection with Prime Star's fiscal year-end 2009 audit, Mohlman provided Prime Star's audit firm with a management representation letter that was materially false and misleading. In the letter, Mohlman falsely stated Prime Star valued the shares issued by the company in 2009 based upon the market value of the stock on the date issued. In connection

with the same audit, Mohlman also misled Prime Star's auditor by providing the auditor with, among other things, a schedule of Prime Star's 2009 stock issuances including the understated per-share prices at which they were issued; and a forged bank statement.

**E. Prime Star and Mohlman Failed to Ensure The Accuracy of Prime Star's Books and Records And To Ensure Its Internal Controls Were Sufficient**

54. Mohlman was responsible for creating and maintaining Prime Star's books and records. Prime Star's books and records did not accurately and fairly reflect the company's accounting and finances because those books and records included the false entries in the company's financial statements for expenses, net losses and cash, the misleading schedule of the company's 2009 stock issuances, and at least one forged bank account statement misrepresenting the company's cash position.

55. Mohlman's Rule 13a-14 certifications stated he was responsible for Prime Star's internal controls over financial reporting during the relevant period. However, Mohlman and Prime Star failed to devise and implement adequate internal controls to prevent the material misstatements and omissions in the company's 2009 Form 10-K and the Forms 10-Q discussed above. Mohlman failed to ensure the company had sufficient controls to prevent or detect that he provided incomplete, false and misleading information to the company's auditor regarding the expense of issuing Prime Star's stock to the Consultants, and about Prime Star's cash balance. Further, to carry out his scheme, Mohlman circumvented any internal controls Prime Star did have in place.

**COUNT I**

**SALE OF UNREGISTERED SECURITIES IN  
VIOLATION OF SECTIONS 5(a) AND 5(c) OF THE SECURITIES ACT  
(As to all Defendants)**

56. The Commission repeats and realleges paragraphs 1 through 40 of this Complaint.

57. Starting in 2009, the Defendants directly and indirectly: a) made use of means or instruments of transportation or communication in interstate commerce or of the mails to sell, through the use or medium of a prospectus or otherwise, securities as to which no registration statements was in effect; b) for the purpose of sale or delivery after sale, carried and/or caused to be carried through the mails or in interstate commerce, by means or instruments of transportation, securities as to which no registration statements was in effect; and c) made use of means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy, through the use or medium of a prospectus or otherwise, securities as to which no registration statement had been filed.

58. No valid registration statement was filed or in effect with the Commission pursuant to the Securities Act and no exemption from registration existed with respect to the securities and transactions described in this Complaint, specifically the distribution of Prime Star shares issued pursuant to Rule 144.

59. By reason of the foregoing, the Defendants, directly and indirectly, violated and unless enjoined, are reasonably likely to continue to violate, Sections 5(a) and 5(c) of the Securities Act, 15 U.S.C. §§ 77e(a) and 77e(c).

## **COUNT II**

### **VIOLATIONS OF SECTION 17(a)(1) OF THE SECURITIES ACT** **(As to Defendants Prime Star and Mohlman)**

60. The Commission repeats and realleges paragraphs 1 through 55 of this Complaint.

61. Starting in 2009, Prime Star and Mohlman directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by use of the mails, in the offer or sale of securities, knowingly or recklessly employed devices, schemes or artifices to defraud.

62. By reason of the foregoing, Prime Star and Mohlman, directly and indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Section 17(a)(1) of the Securities Act, 15 U.S.C. § 77q(a).

**COUNT III**

**VIOLATIONS OF SECTIONS 17(a)(2) AND 17(a)(3)**  
**OF THE SECURITIES ACT**  
**(As to Defendants Prime Star and Mohlman)**

63. The Commission repeats and realleges paragraphs 1 through 55 of this Complaint.

64. Starting in 2009, Prime Star and Mohlman, directly and indirectly, by use of the means or instruments of transportation or communication in interstate commerce and by the use of the mails, in the offer or sale of securities: (a) obtained money or property by means of untrue statements of material facts and omissions to state material facts necessary to make the statements made, in the light of the circumstances under which they were made, not misleading; or (b) engaged in transactions, practices and courses of business which are now operating or will operate as a fraud or deceit upon purchasers and prospective purchasers of such securities.

65. By reason of the foregoing, Prime Star and Mohlman, directly and indirectly, violated and, unless enjoined, are reasonably likely to continue to violate, Sections 17(a)(2) and 17(a)(3) of the Securities Act, 15 U.S.C. §§ 77q(a)(2) and 77q(a)(3).

**COUNT IV**

**VIOLATIONS OF SECTION 10(b) AND RULE 10b-5**  
**OF THE EXCHANGE ACT**  
**(As to Defendants Prime Star and Mohlman)**

66. The Commission repeats and realleges paragraphs 1 through 55 of this Complaint.

67. Starting in 2009, Prime Star and Mohlman, directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails in connection with the

purchase or sale of securities, knowingly or recklessly: (a) employed devices, schemes or artifices to defraud; (b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices and courses of business which have operated, are now operating, or will operate as a fraud upon the purchasers of such securities.

68. By reason of the foregoing, Prime Star and Mohlman, directly and indirectly, violated and, unless enjoined, are reasonable likely to continue to violate, Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5, 17 C.F.R. § 240.10b-5.

**COUNT V**

**AIDING AND ABETTING PRIME STAR'S VIOLATIONS OF SECTION 10(b) AND  
RULE 10b-5 OF THE EXCHANGE ACT  
(As to Defendant Mohlman)**

69. The Commission repeats and realleges paragraphs 1 through 55 of this Complaint.

70. Starting in 2009, Prime Star, directly and indirectly, by use of the means and instrumentality of interstate commerce, and of the mails in connection with the purchase or sale of securities, knowingly or recklessly: (a) employed devices, schemes or artifices to defraud; (b) made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices and courses of business which have operated, are now operating or will operate as a fraud upon the purchasers of such securities.

71. Mohlman, by engaging in the conduct described above, knowingly provided substantial assistance to Prime Star's violations of Exchange Act Section 10(b) and Exchange

Act Rule 10b-5. By reason of the foregoing, Mohlman aided and abetted and, unless enjoined, is reasonably likely to continue to violate, Section 10(b) and Rule 10b-5 of the Exchange Act.

**COUNT VI**

**VIOLATIONS OF SECTION 13(a) AND RULES 12b-20, 13a-1, AND 13a-13 OF THE EXCHANGE ACT**

**(As to Defendant Prime Star)**

72. The Commission repeats and realleges paragraphs 1 through 55 of this Complaint.

73. By filing with the Commission materially false and misleading periodic reports, including an annual report on Form 10-K for fiscal year 2009, and quarterly reports on Forms 10-Q for the third quarter of fiscal year 2009 and the first, second and third quarters of fiscal year 2010, Prime Star violated and, unless restrained and enjoined, is reasonably likely to continue to violate Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20, 13a-1, and 13a-13 thereunder, 17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13.

**COUNT VII**

**AIDING AND ABETTING PRIME STAR'S VIOLATIONS OF SECTION 13(a) AND RULES 12b-20, 13a-1, AND 13a-13 OF THE EXCHANGE ACT**

**(As to Defendant Mohlman)**

74. The Commission repeats and realleges paragraphs 1 through 55 of this Complaint.

75. Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20, 13a-1, and 13a-13, 17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13, thereunder require issuers of securities registered with the Commission pursuant to Section 12 of the Exchange Act to file with the Commission factually accurate annual and quarterly reports.

76. Through the conduct described above, Mohlman knowingly provided substantial assistance to Prime Star's violations of Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20, 13a-1, and 13a-13 thereunder, 17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a-13.

77. By reason of the foregoing, Mohlman knowingly provided substantial assistance and aided and abetted and, unless enjoined, is likely to continue to violate Section 13(a) of the Exchange Act, 15 U.S.C. § 78m(a), and Rules 12b-20, 13a-1, and 13a-13 thereunder, 17 C.F.R. §§ 240.12b-20, 240.13a-1, and 240.13a13.

**COUNT VIII**

**VIOLATIONS OF SECTION 13(b)(2)(A) OF THE EXCHANGE ACT**  
**(As to Defendant Prime Star)**

78. The Commission repeats and realleges paragraphs 1 through 19, and 27 through 55 of this Complaint.

79. By failing to make or keep books, records and accounts that in reasonable detail accurately and fairly reflected its transactions, Prime Star violated Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A).

**COUNT IX**

**AIDING AND ABETTING PRIME STAR'S VIOLATIONS OF SECTION 13(b)(2)(A) OF**  
**THE EXCHANGE ACT**  
**(As to Defendant Mohlman)**

80. The Commission repeats and realleges paragraphs 1 through 55 of this Complaint.

81. Prime Star violated Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A), by failing to make or keep books, records, and accounts, which, in reasonable detail accurately and fairly reflected its transactions.

82. Mohlman knowingly provided substantial assistance to Prime Star's violation of Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A).

83. By reason of the foregoing, Mohlman aided and abetted Prime Star's violations and, unless restrained and enjoined, is reasonably likely to continue to violate Section 13(b)(2)(A) of the Exchange Act.

**COUNT X**

**VIOLATIONS OF SECTION 13(b)(2)(B) OF THE EXCHANGE ACT**  
**(As to Defendant Prime Star)**

84. The Commission repeats and realleges paragraphs 1 through 19, and 27 through 55 of this Complaint.

85. By failing to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that transactions were recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain the accountability of transactions, Prime Star violated, and unless restrained and enjoined, is reasonably likely to continue to violate, Section 13(b)(2)(B) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(B).

**COUNT XI**

**AIDING AND ABETTING VIOLATIONS OF SECTION 13(b)(2)(B) OF THE**  
**EXCHANGE ACT**  
**(As to Defendant Mohlman)**

86. The Commission repeats and realleges paragraphs 1 through 55 of this Complaint.

87. Prime Star Section 13(b)(2)(B) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(B), by failing to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that transactions were recorded as necessary to permit preparation of financial statement in conformity with GAAP and to maintain the accountability for its transactions.

88. Mohlman knowingly provided substantial assistance to Prime Star's violation of Section 13(b)(2)(B) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(B). By engaging in the conduct described above, Mohlman aided and abetted Prime Star's violations and, unless restrained and

enjoined, is reasonably likely to continue to violate Section 13(b)(2)(B) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(B).

**COUNT XII**

**VIOLATIONS OF SECTION 13(b)(5) AND RULE 13b2-1 OF THE EXCHANGE ACT**  
**(As to Defendant Mohlman)**

89. The Commission repeats and realleges paragraphs 1 through 19, and 27 through 55 of this Complaint.

90. Section 13(b)(5) of the Exchange Act, 15 U.S.C. § 78m(b)(5) prohibits any person from knowingly circumventing or knowingly failing to implement a system of internal accounting controls or knowingly falsifying any accounting book, record, or account required by Section 13(b)(2)(A) of the Exchange Act, 15 U.S.C. § 78m(b)(2)(A).

91. Rule 13b2-1 of the Exchange Act, 17 C.F.R. § 240.13b2-1 prohibits any person from directly or indirectly falsifying or causing the falsification of any such accounting books, records or accounts.

92. By reason of the foregoing, Mohlman violated, directly and indirectly, and, unless restrained an enjoined, is reasonably likely to continue to violate Exchange Act Section 13(b)(5) of the Exchange Act, 15 U.S.C. § 78m(b)(5) and Rule 13b2-1, 17 C.F.R. § 240.13b2-1.

**COUNT XIII**

**VIOLATIONS OF RULE 13b2-2 OF THE EXCHANGE ACT**  
**(As to Defendant Mohlman)**

93. The Commission repeats and realleges paragraphs 1 through 19, and 41 through 55 of this Complaint.

94. Mohlman, directly or indirectly, (i) made, or caused to be made, materially false or misleading statements or (ii) omitted to state, or caused others to omit to state, material facts

necessary in order to make statements made, in light of the circumstances under which they were made, not misleading, to an accountant in connection with an audit, review or examination of financial statements or the preparation or filing of a document or report required to be filed with the Commission.

95. By reason of the foregoing, Mohlman violated and, unless restrained and enjoined will continue to violate, Exchange Act Rule 13b2-2, 17 C.F.R. § 240.13b2-2.

**COUNT XIV**

**VIOLATIONS OF RULE 13a-14 OF THE EXCHANGE ACT**  
**(As to Defendant Mohlman)**

96. The Commission repeats and realleges paragraphs 1 through 19, and 27 through 55 of this Complaint.

97. Mohlman violated Rule 13a-14 by signing the certifications included with Prime Star's fiscal year 2009 Form 10-K, third quarter 2009 Form 10-Q, and Forms 10-Q for the first, second and third quarters of fiscal year 2010. Mohlman certified, among other things, that the forms fully complied with the requirements of the Exchange Act and fairly presented, in all material respects, the financial condition and results of operations of the company, when, in fact, the reports contained untrue statements of material fact and omitted material information necessary to make the reports not misleading.

98. By reason of the foregoing, Mohlman violated Exchange Act Rule 13a-14, 17 C.F.R. § 240.13a-14. Unless restrained and enjoined, Mohlman will continue to violate Rule 13a-14, 17 C.F.R. § 240.13a-14.

**RELIEF REQUESTED**

**WHEREFORE**, the Commission respectfully requests that the Court:

**Declaratory Relief**

Declare, determine and find the Defendants committed the violations of the federal securities laws alleged in this Complaint.

**Permanent Injunctive Relief**

Issue permanent injunctions pursuant to Rule 65(d) of the Federal Rules of Civil Procedure enjoining: the Defendants, their agents, servants, employees, attorneys, representatives, and all persons in active concert or participation with them, and each of them, from directly or indirectly violating the statutes and rules they are accused of violating.

**Disgorgement and Prejudgment Interest**

Issue an Order requiring Defendants Mohlman, Colon, Morera, Rivera, DC International Consulting LLC, Carson, Gullatt, The Stone Financial Group, Inc., and Konigsberg to disgorge all ill-gotten gains, including prejudgment interest, resulting from the acts or courses of conduct alleged in this Complaint.

**Civil Money Penalties**

Issue an Order directing Defendant Mohlman to pay civil money penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d); and Section 21(d) of the Exchange Act, 15 U.S.C. § 78u(d), and directing Defendants Colon, Morera, Rivera, DC International Consulting LLC, Carson, Gullatt, The Stone Financial Group, Inc., and Konigsberg to pay civil money penalties pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d).

**Officer & Director Bar**

Issue an order pursuant to Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), and Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), barring Mohlman from serving as an officer or director of a public company.

**Penny Stock Bar**

Issue an Order pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), and Section 21(d)(6) of the Exchange Act, 15 U.S.C. § 78u(d)(6), barring Defendant Mohlman from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock, and issue an order pursuant to Section 20(g) of the Securities Act, 15 U.S.C. § 77t(g), barring Defendants Colon, Morera, Rivera, Carson, and Gullatt from participating in an offering of penny stock, including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock.

**Further Relief**

Grant such other and further relief as may be necessary and appropriate.

**Retention of Jurisdiction**

Further, the Commission respectfully requests the Court retain jurisdiction over this action in order to implement and carry out the terms of all orders and decrees that it may enter, or to entertain any suitable application or motion by the Commission for additional relief within the jurisdiction of this Court.

Dated: March 7, 2012

Respectfully submitted,

By:



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