

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEVADA

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CLERK OF COURT
DISTRICT OF NEVADA

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

INTELIGENTRY, LTD., PLASMERG, INC.,
PTP LICENSING, LTD., and JOHN P. ROHNER,

Defendants.

2:13-cv-00344-GMN-NJK

COMPLAINT
(FILED UNDER SEAL)

Plaintiff Securities and Exchange Commission (“Commission”) alleges as follows:

SUMMARY

1. From at least July 2009 and continuing to the date of the filing of this Complaint, defendants Inteligentry, Ltd. (“Inteligentry”), PlasmERG, Inc. (“PlasmERG”), and PTP Licensing, Ltd. (“PTP Licensing”) (collectively “Rohner Companies”) and John P. Rohner (“Rohner”), their founder, principal, and person who controls the Rohner Companies (collectively “Defendants”), have engaged in an ongoing fraudulent investment scheme that has defrauded at least 98 people nationwide out of at least \$1.4 million.

2. Rohner, directly and through the Rohner Companies, solicited investors for the scheme by claiming on the Companies’ websites, during in-person meetings, and over the telephone that he and his companies have developed, tested, and patented an operational “plasma engine” fueled by abundant and inexpensive noble gases, which Defendants claim will replace the internal combustion engine and can run for several months on a single charge of gas mixture at a cost of less than \$1.

3. Defendants have lured investors into purchasing stock by claiming that the Rohner Companies' stock will be worth billions of dollars when the plasma engine is publicly revealed. To create a sense of urgency for prospective investors and to lull existing investors about the status of the purported engine development, Defendants have claimed for more than two years that the "final" engines that will be revealed to the public are weeks from completion, after which time Rohner company stock will be unavailable for purchase.

4. Contrary to the representations made to investors, and the statements currently appearing on the Defendants' websites, Rohner and his companies have never run an engine fueled by noble gases, nor have they obtained patents or trademarks relating to the engine or the plasma technology. Defendants have also made false and misleading statements to investors that Rohner received advanced degrees from the Massachusetts Institute of Technology ("M.I.T.") and Harvard University.

5. In addition, despite representations by the Defendants that all investor money will be used to bring the plasma engine to market, a significant portion of the money invested with the Defendants has been used for other purposes, including among other things the purchase of a home in Iowa for Rohner and his wife.

6. The fraudulent scheme is ongoing. Several people have invested in the Rohner Companies in the past few months and the Rohner company websites, which continue to make false and misleading statements, are current and active and invite investors to visit the companies and/or invest in the Rohner Companies.

7. The offer and sale of securities by the Defendants has not been registered with the Commission and is not eligible for an exemption from registration.

8. By virtue of their conduct, the Defendants have engaged, and unless enjoined will continue to engage, in violations of, or aid and abet violations of Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)], Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. §§ 78j(b) and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder. Further, Rohner, PlasmERG and Inteligentry have also engaged and unless enjoined will continue to engage in violations of Sections 5(a) and 5(c) and of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c)].

JURISDICTION AND VENUE

9. The Commission brings this action, and this Court has jurisdiction over this action, pursuant to authority conferred by Sections 20(b) and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b) 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].

10. This Court has personal jurisdiction over the defendants and venue is proper in the District of Nevada pursuant to Section 22(a) of the Securities Act [15 U.S.C. § 77v(a)] and Section 27 of the Exchange Act [15 U.S.C. § 78aa] because each defendant engaged in transactions, acts, practices, and courses of business constituting the violations alleged herein within this district and all of the defendants can be found and do business in this district.

11. The Defendants, directly and indirectly, have made use of the means and instrumentalities of interstate commerce, and the means and instruments of transportation and communication in interstate commerce, in connection with the transactions, acts, practices, and courses of business alleged in this Complaint.

DEFENDANTS

12. **John P. Rohner**, age 71, is a resident of Las Vegas, Nevada and is the founder, President, Chief Executive Officer, Treasurer, and director of Inteligentry, Ltd., PlasmERG, Inc., and PTP Licensing, Ltd.

13. **Inteligentry, Ltd. (“Inteligentry”)** is a Nevada corporation Rohner formed in May 2011 with its principal place of business at 3087 E. Warm Springs, Suite 100, Las Vegas, NV 89120. Inteligentry has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act.

14. **PlasmERG, Inc. (“PlasmERG”)** is a Nevada corporation Rohner formed in May 2011 with its principal place of business at 3087 E. Warm Springs, Suite 100, Las Vegas, NV 89120 and its corporate agent at 3087 E. Warm Springs, Suite 100, Las Vegas, NV 89120. PlasmERG has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act. PlasmERG was originally incorporated in Iowa in 2008 until its dissolution there in November 2011.

15. **PTP Licensing, Ltd. (“PTP Licensing”)** is a Nevada corporation Rohner formed in March 2012 with its corporate agent at 3087 E. Warm Springs, Suite 100, Las Vegas, NV 89120. PTP has never registered an offering of securities under the Securities Act or a class of securities under the Exchange Act.

FACTS

A. Background

16. Beginning in at least July 2009 and continuing to the present, Rohner and the Rohner Companies have used the mail and wires to defraud at least 98 investors out of at least \$1.4 million by claiming that the Defendants have developed, tested, run, and patented a

revolutionary “plasma engine” that will replace the internal combustion engine and have unlimited uses to generate electricity in homes, businesses, boats, and aircraft. The investors are located in several states, including Nevada, Arizona, California, Illinois, Indiana, Louisiana, Maine, Michigan, Minnesota, North Carolina, North Dakota, Tennessee, and Washington. There are also investors located abroad, including in Australia, Poland, and Sweden.

17. Rohner and PlasmERG originally offered stock and a promissory note in PlasmERG, which Rohner incorporated in Iowa in 2008 to develop and license a technology called the “Plasmic Transition Process.” According to the Defendants’ websites, which Rohner authors, maintains, and copyrights, the Plasmic Transition Process involves the creation of plasma through a “fusion event” whereby a strong electrical charge is applied to a mixture of noble gases (such as helium). The plasma, in an ionized state, expands toward the piston head, creating a power stroke that drives the piston. The plasma then returns to a steady gaseous state, generating a vacuum-like force that pulls the engine piston back and thereby completes a “two-cycle rotating crankshaft motor system.” Defendants claim the process uses abundant non-polluting noble gases that can run two, four, and six-cylinder engines for several months on a single charge of gas mixture at a cost of less than \$1.

18. Starting in approximately May 2011, Rohner relocated to Las Vegas, Nevada, purportedly to obtain cheaper manufacturing space, and began offering and selling stock in Inteligentry, Ltd. According to its website, Inteligentry is a “research and design” and “engineering” company that owns the patents and related intellectual property for the Plasmic Transition Process. PlasmERG became the sister company to develop and manufacture the “Electronic Control Systems for the Plasmic Transition Process.”

19. In early 2012, Rohner formed another sister company, PTP Licensing, Ltd. which Inteligentry claims licenses the patented technology to original equipment manufacturers (“OEMs”) in exchange for royalty fees. Inteligentry also offers various licenses to manufacture the engines, including “Master Licenses” for particular countries, states, or geographic areas, which allow the master licensee to sub-license the technology in their particular area.

20. Defendants Rohner, PlasmERG and Inteligentry have participated in unregistered transactions with at least 98 investors, including the offer and sale of securities in PlasmERG and Inteligentry. None of these transactions has been registered with the Commission or is eligible for an exemption from registration.

21. The unregistered and fraudulent offering of Inteligentry stock is ongoing. As of January 28, 2013, the Inteligentry website states that “investment or stock purchase” in Inteligentry is “open,” and that “interested investment parties” should contact Inteligentry to obtain additional information.

B. Defendants Rohner and the Rohner Companies Defrauded Investors

1. Defendants Misrepresented That They Have Produced an Operational Plasma Engine

22. Since at least 2009, Rohner has been telling investors during in-person meetings and over the telephone that he and his companies have developed, tested and run an operational plasma engine. For example, in 2011, he told at least one investor that one of his plasma engines has been running a generator on a dairy farm for 18 months. Defendants also repeated these assertions in written communications with investors. For example, in an email dated June 18, 2010, Rohner told an investor “we had a running engine last year.”

23. Similar misrepresentations appear on current and prior versions of the Inteligentry, PlasmERG, and PTP Licensing websites. The websites state or have stated:

- a. "We have Built a REAL Engine." (Inteligentry website, as of January 28, 2013);
- b. "We have on hand 12 engines and expect to have 60 more by "showtime" with another min. 10 per manufacturer. . . All operational." (Inteligentry website, as of October 16, 2012);
- c. "Our expected per cylinder charge for gases will be less than a dollar. So for budgeting figure about Three dollars a year to run a 500 CC engine continual, pumping water, generating Power powering your Boat or ???"
(PlasmERG website as of April 26, 2012);
- d. "We have many man years of test data that prove our system works and is viable for many many months of operation" (PlasmERG website as of February 9, 2011);
- e. "[H]ere is a quiet, pollution free motor that can run, at a fixed RPM in a Generator set, for over 3 months on a \$12 gas fill." (PlasmERG website as of January 8, 2011);
- f. "It runs on a Plasmic gas mixture that will keep the motor *Running* for Over 1000 Hours, That is nearly 42 days straight. And it may be as much as 3000 hours."
(PlasmERG website as of January 22, 2009).

24. The representations by Defendants that they have an operational plasma engine are false and misleading. Defendants have never run a plasma engine. Although Rohner claims to have an operational engine, he and his companies have represented to investors for more than two years that the engine will not be publicly revealed until the completion of final "production" engines for widespread manufacture. Defendants have never produced an operational engine.

25. Nevertheless, Defendants have created a sense of urgency for prospective investors to invest, and lulled existing investors about the status of their investment, by continually representing that the completion and public showing of "final" engines is only weeks away, that the companies' value would escalate accordingly and stock purchase prices would increase at that time. At the same time, investors have been told that investment opportunities and licenses will not be available after the final production and training engines are finished.

26. Defendants have provided investors with numerous excuses for their failure to complete the “final” engines, including delays in the shipment of engine parts, that third parties delivered faulty or damaged engine parts, that the Rohner Companies were moving to a larger production facility in Nevada with more space to produce the production engines and “train” manufacturers to build the engine, and that the public “launch” has been “held up by manufacturers not getting their final test engines ready.”

27. Defendants have repeated this cycle of misrepresentations and false statements about the completion and imminent public revelation of the engine multiple times over the past few years. They have promised to show a running engine at shareholders meetings on at least four separate occasions and promised a public unveiling during at least three public energy and technology conferences over this period. On each occasion, Rohner and his companies have claimed that they have a running engine, but at the last minute provided a variety of excuses for not showing it.

28. These representations are false and misleading, and Defendants know or are reckless in not knowing they are false and misleading. Contrary to the representations made to investors, and statements that have appeared and currently appear on the Defendants’ websites, Rohner and his companies have never run an engine on plasma. Rohner has lulled investors for years, and continues to make false and misleading statements to investors and provide them bogus excuses for his failure to show the engine.

2. Defendants Misrepresented That They Patented and Trademarked the Plasma Engine and its Components

29. Defendants have repeatedly stated to investors during in-person meetings and on their websites that they have patented and trademarked the engine, the Plasmic Transition

Process, and the electronic controllers that purportedly control the engine. Recent and prior versions of the Inteligentry, PlasmERG and PTP Licensing websites state, for example:

- a. “So Inteligentry knows how the process works, has verified it and protected it with a full fledged **REAL Patent**. The name for the process “Plasmic Transition Process” (tm) has also been trademarked, for universal protection.” (Inteligentry website as of August 30, 2012);
- b. “[T]he powerful Plasmic Transition Process (tm) [is] now Patented by Inteligentry, our partner” (PlasmERG website as of January 28, 2013; PTP Licensing website, as of April 26, 2012 and September 26, 2012);
- c. “We OWN the patent, we have “Protected” our discoveries the “proper” way & we will enforce it.” (PlasmERG website (from USPTO Trademark file) as of February 25, 2010.)

30. The Defendants have also claimed on their websites since at least February 2010 that they have “trademarked the term “Plasmic Transition Process (tm).”

31. Defendants have stressed the importance of the purported patents and trademark. For example, prior versions of the Defendants’ websites state that “we plan to be very aggressive about protecting our technology, patents, copyrights, trademarks and all IP. It is our way of securing our investors, stockholders and licensees financial security.” (E.g. PlasmERG website as of August 3, 2012.)

32. These statements are false and misleading. Neither Rohner nor any of his companies owns or has been assigned a patent or trademark relating to the Plasma engine, the “Plasmic Transition Process” or the electronic control system supposedly governing the engine, and Rohner knew or was reckless in not knowing that these statements were false and misleading.

3. Defendants Misrepresented That Rohner Received Advanced Degrees

33. Defendants have made false and misleading statements to investors about Rohner’s educational qualifications. During in-person meetings and telephone conversations

with investors, Rohner claimed that he graduated from Harvard University at age 14 and that he earned as many as three PhDs from M.I.T. At least one investor was provided a copy of Rohner's resume, which stated that Rohner earned both a Bachelors and a Master's degree in electrical engineering from M.I.T.

34. These statements are false and misleading, and Rohner knew or was reckless in not knowing they were false and misleading. Rohner never attended or obtained any degrees from Harvard or M.I.T.

4. Defendants Misrepresented Investor's Funds Would Be Used for Business

35. Defendants represented to investors that their funds would be used to finish and put the Plasma Engine into production. These statements were made in connection with the unregistered offer and sale of equity shares in and a promissory note issued by Inteligentry and PlasmERG. A significant portion of the funds raised from investors was used for other purposes, including among other things the purchase of a home in Iowa for Rohner and his wife, the purchase of vehicles for Rohner's family members and Inteligentry employees, the purchase of home goods, and the payment of personal expenses including automobile repair services and insurance, medical services, and meals at restaurants. In addition, at least \$144,000 of investor funds was transferred to Rohner's personal accounts.

5. Defendants Misrepresented the Value of the Defendants' Companies and the Purported Patents

36. Defendants have lured investors with claims that the plasma engine will yield astronomical returns as it will allegedly replace the internal combustion engine across a wide variety of uses, including in automobiles, power generation, and aviation. Rohner has told investors that PlasmERG's and Inteligentry's stock will be worth billions once the engines are publicly revealed. PlasmERG's 2011 Business Plan, which was provided to at least three

investors, states that “PlasmERG has made fossil fuels obsolete,” that the “Plasmic Transition Process is unquestionably the greatest advancement for mankind since the invention of the wheel,” and that therefore “there is nothing that can come near our revenue potentials.” The Business Plan contains projected net income of \$19.8 million in the first year of engine production, \$2.4 billion in year four, and \$29 billion in year seven. Another document used by Rohner to solicit investments in PlasmERG (dated March 18, 2011) states, “the company should hit a 12 billion dollar value in 4 years, and that is conservative.”

37. Current and prior versions of the Rohner Company websites also contain statements about the companies’ purported value. For example, as of January 28, 2013 the Inteligentry website states that the company has “a value of over **11 million dollars** now and, with 18 countries signed on, a value of over **50 million** before we show a *public engine*.” (Inteligentry website as of January 28, 2013).

38. Rohner and his companies have told investors that the patent alone is worth “at least a billion dollars,” which they claim could be sold “to make every stockholder a good ‘profit’.” (Inteligentry website, as of April 26, 2012). In addition, prior versions of Inteligentry’s website state:

- a. “Due to RECENT events at USPTO, our Patent is now valued at 5 MILLION Dollars. Up from 3 Million just 6 months ago, guaranteed. So is the companies’ value.” (Inteligentry website, as of August 30, 2012);
- b. The United States Patent & Trademark Office Today informed us that they have split our patent and will be providing two. Thus our patent portfolio *doubles in Value*, guaranteed. **As Does the companies value.** (Inteligentry website as of September 26, 2012 (emphasis in original).)

39. These statements about the value of the Rohner's Companies and the "patent" are false and misleading, because, as explained above, Rohner has never run a plasma engine, nor does he have a patent from the USPTO for the engine or any of its components.

6. Defendants Continue to Solicit New Investors With Fraudulent Claims

40. The fraudulent scheme is ongoing. Defendants continue to solicit investors in person and through the Rohner Company websites, which contain many of the fraudulent misrepresentations detailed above and as of January 28, 2013, still invite interested investors to contact the company. In December 2012 at least 9 people invested \$97,000 with the Rohner Companies and in January 2013, at least 5 people invested \$30,982.

FIRST CLAIM

Rohner, Inteligentry, and PlasmERG Violated Securities Act Sections 5(a) and 5(c)

41. The Commission realleges paragraphs 1 through 40 above

42. Each Defendant, directly or indirectly, made use of the means or instruments of transportation or communication in interstate commerce or of the mails to offer and sell securities in the form of stock certificates and at least one promissory note through the use or medium of a prospectus or otherwise, and carried or caused to be carried through the mails, or in interstate commerce, by means or instruments of transportation, such securities for the purpose of sale or for delivery after sale, when no registration statement had been filed or was in effect as to such securities and no legally recognized exemption from registration applied.

43. By reason of the foregoing, each Defendant violated and unless restrained and enjoined, will continue to violate Securities Act Sections 5(a) and 5(c) [15 U.S.C. §§ 77e(a) and 77e(c)].

SECOND CLAIM

Each Defendant Violated Exchange Act Section 10(b) and Rule 10b-5

44. The Commission realleges paragraphs 1 through 40 above.

45. Each Defendant, directly and indirectly, with *scienter*, by use of the means or instrumentalities of interstate commerce, or of the mails, employed devices, schemes or artifices to defraud; made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and engaged in acts, practices or courses of business which have been and are operating as a fraud or deceit upon the purchasers or sellers of securities.

46. As a part of and in furtherance of their scheme, Defendants directly and indirectly, prepared, disseminated, maintained, and updated, internet websites, investor and other correspondence, and oral presentations, which contained untrue statements of material facts and misrepresentations of material facts, and which omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, those set forth in Paragraphs 1 through 40 above.

47. By reason of the foregoing, each Defendant has violated and, unless restrained and enjoined, will continue to violate Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5].

THIRD CLAIM

**Rohner Aided and Abetted the Rohner Companies'
Violations of Exchange Act Section 10(b) and Rule 10b-5**

48. The Commission realleges paragraphs 44 through 47 above.

49. Pursuant to Exchange Act Section 20(e) [15 U.S.C. § 78t(e)], Rohner knowingly and recklessly provided substantial assistance to the Rohner Companies, and, unless restrained

and enjoined, will continue to aid and abet the Rohner Companies' violations of Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5].

FOURTH CLAIM

Each Defendant Violated Securities Act Section 17(a)

50. The Commission realleges paragraphs 1 through 40 above.

51. Each Defendant, directly or indirectly, in the offer or sale of securities, by the use of the means or instruments of transportation or communication in interstate commerce or by the use of the mails: (a) has employed, is employing, or is about to employ devices, schemes or artifices to defraud; (b) has obtained, is obtaining or is about to obtain money or property by means of untrue statements of material fact and omissions to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) has engaged, is engaged, or is about to engage in transactions, acts, practices and courses of business that operated or would operate as a fraud upon purchasers of securities.

52. As a part of and in furtherance of their scheme, Defendants directly and indirectly, prepared, disseminated, maintained, and updated, internet websites, investor and other correspondence, and oral presentations, which contained untrue statements of material facts and misrepresentations of material facts, and which omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, those set forth in Paragraphs 1 through 40 above.

53. By reason of the foregoing, each Defendants has violated and, unless restrained and enjoined, will continue to violate Securities Act Section 17(a) [15 U.S.C. § 77q(a)].

FIFTH CLAIM

**Rohner Aided and Abetted
the Rohner Companies' Violations of Securities Act Section 17(a)**

54. The Commission realleges paragraphs 50 through 53 above.

55. Pursuant to Securities Act Section 15(b) [15 U.S.C. § 77o(b)], Rohner knowingly or recklessly provided substantial assistance to the fraudulent conduct of the Rohner Companies and, unless restrained and enjoined, will continue to aid and abet the Rohner Companies' violations of Securities Act Section 17(a) [15 U.S.C. § 77q(a)].

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court:

I.

Enter judgment in favor of the Commission finding that the Defendants violated the federal securities laws and Commission rules as alleged in this Complaint;

II.

Permanently enjoin the Defendants from further violations of the federal securities laws and Commission rules alleged against them in this Complaint

III.

Order all Defendants and to disgorge, as the Court may direct, all ill-gotten gains received or benefits in any form derived from the illegal conduct alleged in this Complaint, together with pre-judgment interest thereon;

IV.

Order all Defendants to pay civil monetary penalties pursuant to Securities Act Section 20(d) [15 U.S.C. § 77t(d)] and Exchange Act Section 21(d)(3) [15 U.S.C. § 78u(d)(3)];

V.

Bar Rohner from serving as an officer or director of any public company pursuant to Securities Act Section 20(e) [15 U.S.C. § 77t(e)] and Exchange Act Section 21(d)(2) [15 U.S.C. § 78u(d)(2)]; and

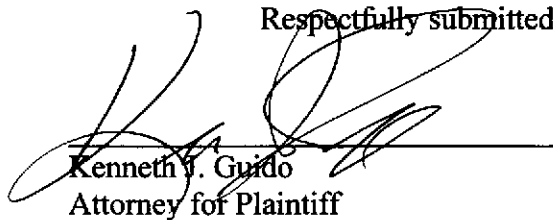
VI.

Grant such other equitable and legal relief as may be appropriate or necessary for the benefit of investors pursuant to Exchange Act Section 21(d)(5) [15 U.S.C. § 78u(d)(5)].

The Commission demands a trial by jury on all issues so triable.

Date: February 27, 2013

Respectfully submitted.



Kenneth V. Guido
Attorney for Plaintiff
Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549
Tel: (202) 551-4480
Fax: (202) 772-9282
Email: guidok@sec.gov