

National Wave Of Five Lawsuits Filed Against "Middlemen" Who Lined Up Victims In \$100 Million Predatory Retirement Investment Scheme

Peiffer Wolf Carr & Kane (PWCK) Seeks Recovery for Swindled Investors From Insurance Agents, Investment Advisors and Brokers in Los Angeles Area, Houston, Chicago Area, Northern Florida, and Philadelphia/New Jersey

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Peiffer Wolf Carr & Kane (PWCK) →

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LOS ANGELES, Aug. 23, 2018 /PRNewswire/ -- *A 72-year-old with no retirement plan. An 89-year-old Korean war veteran. A landscape company owner with no investing experience.* These were among the thousands of victims of an elaborate investment scheme that succeeded in large part through the credibility lent to the scheme by a network of "middlemen" insurance agents, brokers, financial planners/investment advisors (IAs) and others who roped in unwary investors for Future Income Payments LLC (FIP). Today, the law firm Peiffer Wolf Carr & Kane (PWCK) initiated a coordinated wave of five lawsuits in the Los Angeles area, Houston, Chicago area, northern Florida, and Philadelphia/New Jersey targeting the seemingly legitimate financial professionals who made the FIP scheme work. For more information, go to <https://fiplawsuit.com>.

The cases filed today by PWCK named: John Marshall/John Marshall Financial in San Diego/Los Angeles, CA area); Michael A. Frisch (investment advisor in Los Angeles, CA area)/Secure Investment Management, LLC (IA firm in Phoenix/Tucson, AZ area); Daniel T. Sharpe, Jr. d/b/a DTS Financial Services (insurance agent in greater Philadelphia/New Jersey area)/Joshua David Mellberg, LLC d/b/a JD Mellberg Financial (IA firm in Phoenix/Tucson, AZ area); Paul E. Ferraresi/Founders Group, Inc. (financial planner and investment advisor in Houston, TX area); Matthew Linklater/Linklater Financial Group/Linklater Group, Co. (investment advisor and insurance agent in Chicago, IL area); Leland Blair Whiting (registered broker in Salt Lake City, UT area)/Horner Townsend & Kent (brokerage firm in Philadelphia, PA area)/Live Abundant (insurance agency and independent marketing organization in Salt Lake City, UT area); and Gregory P. Durette d/b/a Future Secured Financial (a financial planner and insurance agent in Fort Walton/Northern Florida area). PWCK previously filed a similar complaint in the Columbus, Ohio area naming Jeffrey A. Pickett d/b/a Pickett Financial (insurance agent claiming to be a "retirement and financial specialist").

How did the FIP scheme work?

Investors were encouraged to scrape together all possible funds from retirement accounts, savings and home equity refs to buy into "structured cash flows" through FIP. Investors paid to buy a monthly income stream for a set term (usually five or 10 years) under a pension advance arrangement targeting individuals with fixed pensions (often retired police officers, teachers, and veterans). As part of the scheme, most investors also were encouraged to purchase life insurance policies and indexed universal life insurance policies. FIP "purchased" the future income from the pensioners on an upfront, lump sum and heavily discounted basis. The insurance agents, brokers, financial planners, and investment advisor firms that promoted the scheme to investors collected a healthy commission.

In reality, FIP is a small Nevada company run by a California ex-felon, Scott Kohn, who is now nowhere to be found. Several states have ruled the FIP pension purchases to be illegal loans at up to 200 percent interest. Because of mounting regulatory pressure and multiple cease and desist orders, FIP stopped collecting payments from pensioners or making payments to investors on or about April 2018.

Joseph Peiffer, attorney and managing shareholder, PWCK, said: **"FIP was a precarious house of cards where Scott Kohn and his army of willing middlemen made off with huge profits, leaving investors holding the bag. The loss of the monthly income streams that investors thought they purchased from FIP has been devastating, since in many cases these trusting individuals tied up all their money in the scheme. The bottom line is that the massive scale of this investment swindle could not have happened without an eager and complicit network of brokers, financial planners and insurance agents who facilitated the illegal transactions by making victims feel comfortable. In fact, they were leading lambs to their financial slaughter."**

Jason Kane, attorney and shareholder, PWCK, said: **"These cases are true horror stories in terms of lack of disclosure to investors. Investors were never told that Scott Kohn, the sole owner and manager of FIP, is a convicted felon who has served time in a federal penitentiary for selling counterfeit computer equipment. They were never told that FIP is a small private company operated by a handful of individuals and is not associated with or backed by any financial institution or other reputable entity. Investors were not told that the FIP cash flows are completely illiquid and that U.S. federal law prohibits the assignment of federal pensions."**

Victims of the FIP investment swindle participated in a Thursday news conference organized by PWCK. Here are their stories:

- Scott Sohn (Rancho Mirage, CA) was a small business owner who recently sold his landscaping firm, retired, and rolled his 401k into a \$350,000 FIP investment based on the advice of John Marshall. To add insult to injury, Marshall also had Sohn invest in a Ponzi scheme.
- Eldridge Parker (Tampa, FL) was retired when he started working with Derek Ifasi. Ifasi recommended FIP and had Parker invest \$225,000 into it. Also, at the same time, he had Parker put \$224,000 into an annuity. As a result, Parker can't even access his remaining retirement monies. Moreover, Ifasi told Parker to go back to work so he could afford to put his new paycheck into FIP. Parker was forced to sell his car to create an emergency fund. His current monthly expenses are \$1352, and he only takes in \$1100 per month from his new full-time job. He now works multiple additional shifts to try and cover his monthly expenses.
- Scott Kayser (greater Philadelphia area) is a 55-year-old small business owner. He thought that he had a bona fide financial advisor that he could trust, but it turned out that he had an insurance agent. The agent wanted to put Kayser into an Indexed Universal Life Policy, so he told Kayser the only way to fund the policy was through FIP. The agent convinced Scott to put \$75,000 from his savings and IRA into FIP.
- Patricia "Trish" Koch (Tarzana, CA) and her husband are retired veterans. Leland Blair Whiting convinced them to refinance their home to purchase FIP, which would fund their Indexed Universal Life Insurance policy. The Kochs took \$300,000 from their home refi and invested in FIP to pay for the policy. Additionally, Whiting convinced Koch's husband to roll his \$800,000 401k into a variable annuity. Now, they are out of money and financially devastated.

ABOUT PWCK

The law firm Peiffer Wolf Carr & Kane maintains offices in Cleveland, New York, San Francisco, Los Angeles, St. Louis, and New Orleans. PWCK is available on the web at <https://fiplawsuit.com>.

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