

Michael J. Lohnes

Partner

Chicago Office

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Practices

FOCUS: Securities Litigation

Cryptoassets and Blockchain Technology

Financial Markets Litigation and Enforcement

Insurance and Health Care Fraud Litigation Litigation

Industries

Family Offices

Finance and Financial Markets

Education

JD, The George Washington University Law School, *with highest honors*

BA, The University of Southern California

Bar Admissions

Illinois

Court Admissions

US District Court, District of Connecticut

US District Court, Northern District of Illinois

US District Court, Southern District of Illinois

US District Court, Western District of Missouri

US District Court, District of Nevada

US District Court, Eastern District of North Carolina

US Court of Appeals, Seventh Circuit

US District Court, Eastern District of Michigan

US District Court, District of Colorado

US Court of Appeals, Tenth Circuit

Community Involvements

Litigation and government investigations bring high-stakes risk that can endanger profits, careers, and even the health and survival of a company. Recognized as a leader in securities and financial services litigation, Mike Lohnes helps clients when they are named as defendants in civil litigation or targeted by regulators. His clients include publicly traded companies, their officers and directors, and major financial services firms. Mike also assists private equity firms and other investors in their efforts to recoup investments in failed or fraudulent companies.

No-nonsense advice in disputes and government actions

Recognized as a leading litigator by *The National Law Journal* and *Benchmark Litigation*, Mike represents companies and their officers and directors against securities fraud and state law claims. He also assists financial services industry clients in connection with FINRA inquiries and arbitrations. When such clients are confronted with an internal complaint or a regulatory subpoena, Mike is regularly engaged to conduct internal investigations. Mike also regularly advises clients on corporate governance, mergers, financial reporting and disclosure, shareholder demands, insider trading and initial public offerings, in addition to counseling broker-dealer clients on trade reporting and other compliance matters, including large options positions reporting.

Whether they are facing litigation, a regulatory investigation or a whistleblower complaint, Mike makes sure his clients understand the risks and challenges so they can make an informed, strategic choice about how to move forward. When aggressive litigation is called for, he is ready to step into the fight and get the results his clients need. But when the risks are too great to a client's business, he works to find the solution that best aligns with its goals.

Mike also keeps up an active pro bono practice, taking part in the Jose de Diego Community Academy's Lawyers in the Classroom program and serving as a mentor through the Leadership Council on Legal Diversity. He also

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American Bar Association
Leadership Council on Legal Diversity,
Mentor
The Chicago Bar Association

serves on the boards of directors for both the Public Interest Law Initiative and UpBeat Music & Arts.

Representative Experience

- Defended Angie's List, and certain of its current and former officers, in putative securities class action. Obtained complete dismissal of the complaint, which asserted violations of Sections 10(b) and 20(a) of the Exchange Act based on alleged misrepresentations and omissions regarding the company's business model and financial prospects.
- Represented 26 public companies named as nominal defendants in 55 related cases brought pursuant to Section 16(b) of the Securities and Exchange Act seeking disgorgement of profits by underwriters as a result of short-swing trading in initial public offerings. Obtained dismissal from the US District Court for the Western District of Washington and the US Court of Appeals for the Ninth Circuit.
- Successfully defended broker-dealer and branch manager in arbitration where claimants sought in excess of \$60 million based on claims for negligence, failure to supervise, and violations of state securities laws and FINRA rules.
- Defended a publicly traded company in putative class action alleging the board of directors breached its fiduciary duty by omitting information relating to the basis for the company's executive compensation decision. Successfully argued against entry of temporary restraining order that sought to enjoin the advisory shareholder vote on executive compensation. Obtained dismissal with prejudice.
- Represent corporate bank in consolidated class action securities litigation alleging violations of the Exchange Act and the Securities Act. The complaint arose out of alleged false representations and material omissions in solicitation materials allegedly used by a bank customer in the fraudulent sale of unregistered securities.
- Defended FINRA member in multiple arbitrations arising from a Ponzi

Michael J. Lohnes

Partner

scheme perpetrated by a third party. Obtained prehearing dismissal of each matter except one, which was successfully tried on the merits.

- Defended telecommunications company against claims that arose from allegedly false and misleading statements made by the client and its officers about one of the company's main product lines and its business prospects in developing markets. Obtained dismissal of a complaint alleging violations of Sections 10(b) and 20(a) of the Exchange Act on behalf of company and its directors. Also represented client in consolidated action in California state court seeking to block a proposed going-private transaction and claiming that company's directors breached their fiduciary duties in approving the company's merger agreement.
- Represented broker-dealer in CFTC investigation into fraudulent scheme that was allegedly perpetrated through the use of accounts held by client's customer. Matter concluded with a favorable resolution for client.

Recognitions

Recognized or listed in the following:

- *Benchmark Litigation*
 - Litigation Star, 2019–2020, 2022–2023
 - Rising Star, 2016
 - Under 40 Hotlist, 2016, 2017
- *National Law Journal*
 - Chicago 40 Under 40, 2013
- Public Interest Law Initiative
 - Fellow
- *The Legal 500 United States*
 - Recommended Attorney, 2021, 2023

Michael J. Lohnes

Partner

News

- Katten Represents Copy-Trading Platform dub in Seed Funding Round (February 23, 2024)
- Katten Lauded in The Legal 500 United States 2023 (June 9, 2023)
- Katten Insolvency and Restructuring Team's 2021 Achievements Recognized with *M&A Advisor* Awards (June 13, 2022)
- *The Cincinnati Enquirer* Speaks With Michael Lohnes on Insider Trading Scandal (November 1, 2021)
- Katten Receives High Marks in Derivatives, M&A and Securitization in The Legal 500 United States 2021 Guide (June 10, 2021)
- Michael Lohnes Discusses New Shareholder Activist Demands and Their Challenges for Directors (October 29, 2019)
- Michael Lohnes Comments on the Rising Price of Dealmaking (July 1, 2017)
- Partner Michael Lohnes Named to *Benchmark Litigation's* Under 40 Hot List (June 28, 2017)
- Partners Michael Lohnes and Christopher Atkinson Named to *National Law Journal's* 40 Under 40 (July 2, 2013)
- Katten Wins Dismissal of Say-on-Pay Lawsuit for AAR Corporation (April 9, 2013)
- Katten Names 12 New Partners in Five Practice Areas (June 1, 2012)

Publications

- FINRA Settles First Significant CAT Reporting Enforcement Action (September 7, 2023)

Michael J. Lohnes

Partner

- Recent DC Circuit Court of Appeals Case Brings FINRA to the Forefront of the SRO State Actor Controversy (July 17, 2023)
- SEC Swaps the Game: New Rules to Combat Fraud, Manipulation and CCO Undue Influence (June 21, 2023)
- Financial Markets and Funds Quick Take | Issue 13 (April 25, 2023)
- FINRA Proposes Changes to Arbitrator List Selection Process (March 22, 2023)
- Financial Markets and Funds Quick Take | Issue 8 (November 14, 2022)
- Six Takeaways From FINRA's Revised Sanction Guidelines (October 14, 2022)
- Financial Markets and Funds Quick Take | Issue 6 (September 15, 2022)
- FINRA Proposes Trade Reporting Requirements for OTC Options Transactions (September 7, 2022)
- New and Familiar Compliance Challenges for FINRA Members in 2021 and What That Means for 2022 (March 3, 2022)
- Financial Services Industry Year in Review: Regulatory Enforcement and Litigation Trends in 2021 and Beyond (December 27, 2021)
- Market Trading Trends: Expect Regulatory Guidance to Accelerate (November 24, 2021)
- What does it all mean? An exploration of meme stock litigation, regulatory scrutiny and defenses for broker-dealers (August 11, 2021)
- FINRA Clarifies Guidance on Best Execution and Payment for Order Flow (July 28, 2021)
- SEC Chairman Announces Plans for Further Regulation of Rule 10b5-1 Plans (June 21, 2021)
- Section 11: Cases in State Court Post-Cyan – Is the Tide Turning? (May 18, 2020)
- Second Circuit Issues Key Ruling Regarding Personal Benefit Requirement for Insider Trading Liability (September 8, 2017)

Michael J. Lohnes

Partner

- FINRA Publishes Guidance With Respect to Reporting Large Options Positions (May 13, 2016)
- "As Proxy Season Begins, the Dodd-Frank Say-on-Pay Cases Are on the Brink of Death," *The D&O Diary* (April 5, 2013)
- Proxy Statement Attacks Continue (December 5, 2012)
- A New Wave of Say-on-Pay and Executive Compensation Proxy Litigation (October 29, 2012)

Presentations and Events

- 2022 Crypto with Katten Annual Symposium (October 20, 2022)
- Katten's 2021 Financial Markets Litigation and Enforcement Symposium Series (November 18, 2021) | *Speaker* | *Market Trading Issues and Hot Topics*
- Market Correction Curriculum: Ponzi Schemes: Dealing With Regulatory and Litigation Risks Exposed by Market Downturns (June 2, 2020) | *Presenter*
- Update for Securities Enforcement Practitioners in Chicago (May 27, 2020) | *Co-moderator*
- Insider Trading Compliance: Trends and Legal Developments Impacting Policies and Procedures (January 23, 2020) | *Presenter* | *A Strategic-Asset General Counsel Series Webinar*