

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

**SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff, : Civil Action No.

v.

**HEIDI ANN GAMER,
GAMER ECONOMIC SYSTEMS, LLC, and
GAMER MEDIA PARTNERS CORP.,**

Defendants.

COMPLAINT FOR INJUNCTIVE RELIEF

Plaintiff, Securities and Exchange Commission (the “Commission”), files its complaint and alleges that:

OVERVIEW

1. Between August 2011 and May 2013, Heidi Ann Gamer (“Gamer”) and two companies that she controlled, Gamer Economic Systems, LLC (“GES”), and Gamer Media Partners Corp. (“GMP”), fraudulently sold at least \$771,900 of investments to more than three dozen investors.

2. The defrauded investors resided in various states, including Georgia, California, Colorado, Connecticut, Kansas, Massachusetts, New Jersey, Virginia, and Washington.

3. The GES offering ran from approximately August 2011 until approximately August 2012, while the GMP offering occurred from approximately August 2012 until approximately May 2013.

4. Gamer, who lived in Colorado when the GES offering began, told prospective investors that GES, and later, GMP, would use investor funds to license, develop and market interactive technology, such as smart-phone applications or “apps.”

5. Between approximately August 2011 and August 2012, Gamer offered and sold investments in GES, raising approximately \$400,500 from 17 investors in various states who wired money to, or sent checks for deposit into, the GES bank account.

6. In the summer of 2012, Gamer relocated from Colorado Springs, Colorado, to Atlanta, Georgia, and began offering and selling investments in GMP, which Gamer told investors was the same entity as GES except for a name change to

improve the entity's market appeal. Between approximately August 2012 and May 2013, Gamer offered and sold approximately \$371,400 of securities of GMP to at least 27 investors in various states who wired money to, or sent checks for deposit into, the GMP bank account .

7. To induce the purchase and sale of investments in GES and GMP, Gamer intentionally misrepresented to prospective investors how investor funds would be used. During both offerings, Gamer also told prospective investors that their invested funds would be used as capital for start-up purposes and for operating the business of GES or GMP (collectively "the Companies"), respectively. However, Gamer diverted investor funds for personal uses throughout both offerings. Gamer also told individuals that both GES and, later, GMP had secured licensing rights to certain apps. Yet, no such licensing rights were acquired.

8. Although Gamer never promised a specific rate of return, she did tell various prospective investors that they would receive quarterly financial statements from the Companies. In the case of GES, Gamer provided investor agreements promising a percent return in the form of "licensing royalties" once GES became profitable, and, in the case of GMP, the agreements promised an

undetermined amount of “dividends” at some unspecified point in the future.

9. Additionally, as the offerings progressed and to induce investments in GMP, Gamer falsely represented to prospective investors that GMP had secured several lucrative contracts or funding commitments, including what she told potential investors was a \$100,000 contract with Dartmouth College on a joint project, a \$1 million contract to use a GMP app in the Bollywood film industry, a \$2 million partnership among three companies to deploy the same GMP app in the Middle East, and a contract for an unspecified amount to deploy a GMP app at the stadium for the Atlanta Falcons, a National Football League team. No such deals or commitments existed.

10. Investors were never provided financial statements, and none was paid “royalties” or “dividends” because the Companies never secured any licensing or development deals.

11. In fact, GES and GMP were separate entities, contrary to Gamer’s claims that only the company name for GES had changed. After Gamer created GMP, she took no steps to protect the ownership interests of investors in GES from the first offering and moved certain GES investor funds into a new account for GMP.

12. Throughout both the GES and GMP offerings, and instead of using investor funds for operating capital, Gamer diverted a sizeable portion of the funds raised for her own personal use, including paying for restaurant dining, shopping, rental housing, vacation travel, pet grooming and casino gambling, among other personal expenses.

13. Victims of the fraud included Gamer's friends, as well as the family and friends of Gamer's domestic partner ("Domestic Partner"), in addition to individuals whom Gamer met through a substance-abuse support program. The Domestic Partner's name was used to register GES as a limited liability company in Colorado and to open the GES bank account.

14. Gamer, as CEO of GES and GMP, used the Companies as her alter-egos in order to perpetrate the offering frauds on investors.

VIOLATIONS

15. Defendants have engaged and, unless restrained and enjoined by this Court, will continue to engage in acts and practices that constitute and will constitute violations of Section 17(a) of the Securities Act of 1933 ("Securities Act") [15 U.S.C. § 77q(a)] and Section 10(b) of the Securities Exchange Act of 1934

(“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

JURISDICTION AND VENUE

16. The Commission brings this action pursuant to Sections 20 and 22 of the Securities Act [15 U.S.C. §§ 77t and 77v] and Sections 21(d) and 21(e) of the Exchange Act [15 U.S.C. §§ 78u(d) and 78u(e)] to enjoin Defendants from engaging in the transactions, acts, practices, and courses of business alleged in this complaint, and transactions, acts, practices, and courses of business of similar purport and object, for civil penalties and for other equitable relief.

17. This Court has jurisdiction over this action pursuant to Section 22 of the Securities Act [15 U.S.C. § 77v] and Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa].

18. Defendants, directly and indirectly, made use of the mails, the means and instruments of transportation and communication in interstate commerce and the means and instrumentalities of interstate commerce in connection with the transactions, acts, practices, and courses of business alleged in this complaint and made use of mail and means of instrumentality of interstate commerce to effect

transactions, or to induce or to attempt to induce the purchase or sale of securities alleged in this complaint.

19. Venue is proper in this Court as certain of the transactions, acts, practices, and courses of business constituting violations of the Securities Act and the Exchange Act occurred in the Northern District of Georgia. In addition, Gamer resided in the Northern District of Georgia from July 2012 until May 2013, spanning the final months of the GES offering and the entirety of the GMP offering, and directed the operations of GES and GMP during that time period from her then-residence in the Northern District of Georgia.

20. Defendants, unless restrained and enjoined by this Court, will continue to engage in the transactions, acts, practices, and courses of business alleged in this complaint, and in transactions, acts, practices, and courses of business of similar purport and object.

THE DEFENDANTS

21. Heidi Ann Gamer (“Gamer”), 41 and now a resident of Colorado Springs, Colorado, is the Chief Executive Officer (“CEO”) and registered agent for GMP and, during course of the fraud, also was the CEO of GES. She previously worked

at two registered broker-dealers, serving as a registered customer associate from 1997 to 2002 at the first, and as an investment company representative for six months in 2004 at the second. Between 2004 and the start of GES in 2011, Gamer worked at various jobs, including positions in advertising sales for a telephone book company and a newspaper. While employed in the securities industry, Gamer held the Financial Industry Regulatory Authority (“FINRA”) Series 6, 7, 63 and 65 licenses.

22. Gamer Economic Systems, LLC (“GES”) is a Colorado limited liability company created in July 2011. Although Gamer undertook the steps to create GES, she obtained the consent of her Domestic Partner to list the Domestic Partner’s name as the agent of the business. GES no longer has any active operations or assets, and is listed in “delinquent” status on the Colorado Secretary of State’s website for failure to file a required 2013 periodic report.

23. Gamer Media Partners, Corp. (“GMP”) is a Georgia corporation created by Gamer in August 2012. Gamer herself is listed as GMP’s registered agent. GMP no longer has any active operations or assets, and is listed with a status of “to be dissolved” on the Georgia Secretary of State’s website.

THE FRAUDULENT SCHEME

24. In the winter of 2010-2011, while taking classes at Dartmouth College, Gamer became interested in the development and marketing of interactive software and technology, including applications, or “apps,” for smartphones. Upon returning to Colorado at the conclusion of the winter term, she undertook efforts to start a business in the technology field.

25. In July 2011, Gamer registered GES as a limited liability company in Colorado, using her Domestic Partner’s electronic signature and name as the entity’s agent on the online application.

26. Gamer contacted a former co-worker from one of her advertisement sales jobs (“Coworker”) and asked him to work with her to run the new business. Gamer convinced Coworker to leave his job at the time and begin working as the *de facto* GES chief operating officer (“COO”) for free until GES secured investors.

27. Meeting in the living room of the Domestic Partner’s home in Colorado Springs, Gamer and Coworker developed a business plan and “Prospectus” for GES explaining that GES would identify new technologies, such as smart-phone

apps, and develop and license the technologies in the marketplace. To lure individuals into investing in GES, the Prospectus also explained that GES would fund its initial business operations by raising funds from investors to serve as operating capital.

28. Gamer pitched the GES offering to Coworker's family members in 2011, stating that GES would be licensing and marketing smart-phone apps. To lure Coworker's family members into investing in GES, as explained below, Gamer told Coworker's family that investor funds would be used by GES as operating capital and Gamer said that she had connections to also build apps for political campaigns and expected to sell licensing rights for upwards of \$10 million.

29. Coworker's parents and parents-in-law invested a total of \$75,000 in GES in September 2011. Gamer instructed Coworker's family members in Texas and Colorado to wire their investment funds to the GES account.

30. Shortly after the investments in GES by Coworker's family members, Gamer began approaching other friends and acquaintances of either her, or her Domestic Partner, for investments in GES. Some investors were individuals that Gamer met through a substance-abuse support program.

31. In soliciting these individuals to invest, Gamer touted the supposed licensing rights held by GES to a product called “StoryMap,” an app that was supposed to allow television viewers to look up the episodic history of a show and even purchase items seen on a television show’s set. However, Gamer had never finalized the GES licensing agreement for the product with the original third-party developers, and, as a result, GES had no licensing rights to StoryMap.

32. Gamer also told friends and acquaintances that funds raised would be used by GES for operating capital. However, after each investor’s funds were received, Gamer diverted a sizeable portion for travel, gambling, shopping and other personal expenses.

33. Following Gamer’s instructions, these investors, residing in Colorado, New Hampshire and Virginia, wired their investment funds to the GES bank account.

34. Between August 2011 and August 2012, Gamer obtained investments in GES of approximately \$400,500 from 17 investors. At least seven of these investors were emailed investor agreements, signed by Gamer, which promised quarterly GES financial statements and five percent of any GES royalties once

GES “begins to show a profit,” and the repayment of each investor’s initial investment at the request of the investors or in consultation with GES.

35. Gamer and her Domestic Partner relocated to Atlanta in July 2012 in order to be closer to several software developers in Atlanta whom Gamer had met and hired, using GES funds, as independent contractors to write code for potential smart-phone apps for which Gamer falsely claimed to have secured licensing rights. At the same time, Gamer created a new entity named Gamer Media Partners (“GMP”), which she registered with the Georgia Secretary of State’s Office in August 2012.

36. After the creation of GMP, Gamer continued to solicit investor funds. She touted GMP’s supposed licensing rights in StoryMap to lure individuals into investing in GMP. However, GMP had no such licensing rights for StoryMap.

37. Gamer told investors that GES had changed its name to GMP so that it would be associated with more than just “economics,” but she omitted to tell investors that GMP was a completely new entity and separate from GES. As a result, GES investors were never told that they would have no interest in any

licenses procured by GMP, while GMP investors were not told that they had no interest in licenses supposedly procured by GES.

38. Gamer began to represent to various existing and prospective investors that GMP had secured contracts that she portrayed as lucrative and which she claimed would allow GMP to develop and deploy software products, including StoryMap, in various ways. For instance, Gamer, verbally and in email messages, told certain prospective investors that GMP had secured a \$1 million contract to deploy StoryMap in the “Bollywood” Indian film industry. No such contract existed.

39. Gamer, verbally and in e-mail messages, also told certain prospective investors that GMP had secured a partnership with three other companies that would make \$2 million available for the exclusive licensing of StoryMap in Dubai. No such partnership existed.

40. Gamer, verbally and in e-mail messages, also told certain prospective investors about other non-existent contracts that GMP had secured, including a supposed \$100,000 contract with Dartmouth College for what Gamer told investors was a “MetaData project” and a deal with the Atlanta Falcons to use a

GMP product in the Falcons' downtown Atlanta stadium. No such contract or deal existed.

41. Between August 2012 and May 2013, Gamer sold to 27 individuals approximately \$371,400 of investments in GMP, which she characterized as "shares" in investor agreements. To some individuals, she offered the chance to purchase 25,000 shares of GMP in exchange for \$10,000; to other investors, she offered 50,000 shares in exchange for \$10,000. Like the investors in GES, Gamer told these investors that their funds would be used for operating capital by GMP and that, in return for their investments, individuals would receive an investment return in the form of dividends. Those dividends would be derived from the profits that GMP generated through licensing and marketing agreements.

The Defendants' Misrepresentations

42. Contrary to Gamer's representations through GES and GMP, including verbal statements, e-mails and investor agreements signed in her capacity as either CEO of GES or GMP, respectively, investors never received quarterly financial statements about the Companies, nor did any investors ever receive any royalties from GES or any dividends from GMP. Further, GMP investors were not

provided the return of their initial investments, as promised by the investor agreements. Similarly, GES investors were not provided the return of their initial investments upon demand or upon consultation with GES, as the agreements provided.

43. In addition, while Gamer, through GES and GMP, told investors, both verbally and in a written “Prospectus” document designed to lure individuals into investing, that investor funds would be used as operating capital, she diverted a sizeable portion of investor funds for her own personal use throughout the GES and GMP offerings.

44. In verbal statements and in e-mails, Gamer, through GMP, also told investors, to induce them to invest, that GMP had secured high-dollar licensing deals and contracts. However, no such high-dollar licensing deals or contracts existed.

45. In verbal statements, marketing materials and e-mails, Gamer, through GES and GMP, told prospective investors and independent contractors, whom she hired for GES and GMP, that the Companies’ had licensing rights to certain third-party technologies. No such licensing rights had been obtained.

The Defendants' Misappropriation

46. A sizeable portion of the funds that GES and GMP received from investors were diverted by Gamer to pay for her personal, non-business expenses.

47. After GES received its very first investor funds in August 2011, Gamer withdrew funds from the GES account at various ATMs in Las Vegas to pay for her personal gambling expenses. Gamer also used the account debit card that month for restaurant and shopping trips, and then used the investor funds to vacation in Mexico along with her Domestic Partner and others.

48. Similarly, Gamer used GES and GMP investor funds on a monthly basis throughout both offerings for Gamer's personal expenses, including a separate vacation to Washington, numerous casino gambling trips, and purchases of groceries, fast food and pet grooming.

49. Gamer also used investor funds to pay for a condominium that she rented in Atlanta in 2012, and to help pay for a relative of her Domestic Partner to attend a private residential weight-loss and fitness camp in Malibu, California.

50. Gamer took no efforts to track the GES or GMP funds that she diverted for her personal use and did not claim any of the investor funds that she misappropriated as income with any tax authority.

COUNT I—FRAUD

**Violations of Section 17(a)(1) of the Securities Act
[15 U.S.C. § 77q(a)(1)]**

51. Paragraphs 1 through 50 are hereby re-alleged and are incorporated herein by reference.

52. From at least August 2011 to May 2013, Defendants, in the offer and sale of the securities described herein, by the use of means and instruments of transportation and communication in interstate commerce and by use of the mails, directly and indirectly, employed devices, schemes and artifices to defraud purchasers of such securities, all as more particularly described above.

53. Defendants knowingly, intentionally, and/or recklessly engaged in the aforementioned devices, schemes and artifices to defraud.

54. While engaging in the course of conduct described above, Defendants acted with scienter, that is, with an intent to deceive, manipulate or defraud or with a severely reckless disregard for the truth.

55. By reason of the foregoing, Defendants, directly and indirectly, have violated and, unless enjoined, will continue to violate Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)].

COUNT II—FRAUD

**Violations of Sections 17(a)(2) and 17(a)(3) of the Securities Act
[15 U.S.C. §§ 77q(a)(2) and 77q(a)(3)]**

56. Paragraphs 1 through 50 are hereby realleged and are incorporated herein by reference.

57. From at least August 2011 to the May 2013, Defendants, in the offer and sale of the securities described herein, by use of means and instruments of transportation and communication in interstate commerce and by use of the mails, directly and indirectly:

- a. obtained money and 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

b. engaged in transactions, practices and courses of business which would and did operate as a fraud and deceit upon the purchasers of such securities,

all as more particularly described above.

58. By reason of the foregoing, Defendants, directly and indirectly, have violated and, unless enjoined, will 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 III—FRAUD

Violations of Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]

59. Paragraphs 1 through 50 are hereby re-alleged and are incorporated herein by reference.

60. From at least August 2011 to May 2013, Defendants, in connection with the purchase and sale of securities described herein, by the use of the means and instrumentalities of interstate commerce and by use of the mails, directly and indirectly:

a. employed devices, schemes, and 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 light of the circumstances under which they were made, not misleading; and

c. engaged in acts, practices, and courses of business which would and did operate as a fraud and deceit upon the purchasers of such securities,

all as more particularly described above.

61. Defendants knowingly, intentionally, and/or recklessly engaged in the aforementioned devices, schemes and artifices to defraud, made untrue statements of material facts and omitted to state material facts, and engaged in fraudulent acts, practices and courses of business. In engaging in such conduct, Defendants acted with scienter, that is, with an intent to deceive, manipulate or defraud or with a severely reckless disregard for the truth.

62. By reason of the foregoing, Defendants, directly and indirectly, have violated and, unless enjoined, will continue to violate Section 10(b) of the

Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

PRAYER FOR RELIEF

WHEREFORE, Plaintiff Commission respectfully prays for:

I.

Findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, finding that Defendants named herein committed the violations alleged herein.

II.

Permanent injunctions enjoining Defendants, their officers, agents, servants, employees, and attorneys from violating, directly or indirectly, Section 17(a) of the Securities Act [15 U.S.C. § 77q(a)] and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

III.

An order requiring the disgorgement by Defendants of all ill-gotten gains or unjust enrichment with prejudgment interest, to effect the remedial purposes of the federal securities laws.

IV.

An order pursuant to Section 20(d) of the Securities Act [15 U.S.C. §77t(d)] and Section 21(d)(3) of the Exchange Act [15 U.S.C. §78u(d)(3)] imposing civil penalties against Defendants.

V.

Such other and further relief as this Court may deem just, equitable, and appropriate in connection with the enforcement of the federal securities laws and for the protection of investors.

Dated: 15, 2014

Respectfully submitted,

/s/ M. Graham Loomis

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