

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WISCONSIN

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

CIVIL ACTION No. 13-cv-683

v.

HON.

JEREMY S. FISHER, THE GOOD LIFE
FINANCIAL GROUP, INC., AND
THE GOOD LIFE GLOBAL
ENTERPRISES, LLC,

Defendants.

COMPLAINT

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

SUMMARY

1. From August 2009 through December 2012, Jeremy S. Fisher and his two companies, The Good Life Financial Group, Inc. (“Good Life Financial”) and The Good Life Global Enterprises, LLC (“Good Life Global”) (collectively, “Good Life companies”), conducted fraudulent, unregistered offerings of securities and misappropriated investor funds to pay for Fisher’s personal expenses.

2. During that time, Fisher and his companies raised approximately \$1.04 million from approximately 18 investors who invested in unregistered securities offerings conducted by Fisher through his companies.

3. Fisher offered investors the opportunity to invest their money through a “special trading platform” that supposedly generated significant returns. Fisher told investors that their

money would be deposited in an overseas bank account. The funds in the account would then be used as collateral for the purchase and sale of collateralized debt obligations (“CDOs”) and medium term notes (“MTNs”) on the trading platform.

4. Fisher, however, engaged in a scheme to defraud the investors and in doing so made material misrepresentations and omissions of material facts to them.

5. Before soliciting investors, Fisher conducted almost no due diligence into the trading platform – only a brief Internet search. That search suggested that the trading platform was actually a scam. Fisher never told investors about what his search had revealed.

6. The trading platform never produced any returns to the investors. Fisher knew this, but he nevertheless continued to solicit investors. Also, through fake account statements, Fisher told investors that their investments in the trading platform were profitable.

7. It turns out, though, that the legitimacy of the trading platform was the least of the investors’ problems. After transferring the funds of early investors to the purported trading platform, Fisher began misappropriating the later investors’ funds for his personal use.

8. Of the \$1.04 million that Fisher raised, he only sent approximately \$155,000 to the purported trading platform. Fisher used at least \$166,000 of investor funds to pay previous investors their purported returns or principal. He used the other \$880,000 of investor funds for his personal use, including \$123,000 to purchase a house, \$27,000 to purchase a car, and at least \$13,600 to pay for his daughter’s college tuition.

9. Virtually all of the investors’ funds are gone.

DEFENDANTS

10. Jeremy Fisher, age 43, is currently a resident of La Crescent, Minnesota. At the time of the misconduct, he resided in LaCrosse, Wisconsin. He is the sole owner and president of The Good Life Financial Group, Inc. and The Good Life Global Enterprises, LLC.

11. The Good Life Financial Group, Inc., is a Wisconsin corporation that was located in LaCrosse, Wisconsin at the time of the misconduct. It was originally founded by Fisher in June 2008 to sell insurance and annuities. Fisher is the president and sole owner of Good Life Financial.

12. The Good Life Global Enterprises, LLC, is a Wisconsin limited liability company that had its principal place of business in LaCrosse, Wisconsin at the time of the misconduct. As its president, Fisher formed the company in March 2011 to pool investor monies for participation in the purported trading platforms. It is currently delinquent in filing its annual report with the State of Wisconsin.

JURISDICTION

13. This Court has jurisdiction over this action pursuant to Sections 20(b) and 22(a) of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. §§ 77t(b), 77v(a)], and Sections 21(d), 21(e) and 27 of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78u(d)-(e), 78aa].

14. This is an appropriate venue under 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]. The acts, transactions, practices, and courses of business constituting the violations alleged herein occurred within the jurisdiction of the United States District Court for the Western District of Wisconsin and elsewhere.

15. Defendants, directly and indirectly, have made, and are making, 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 business alleged herein.

FACTS

Fisher's Investment Offering

16. Fisher is an insurance salesman. In 2009, he decided to expand his business into investments. He solicited his insurance clients to invest in a "special" investment opportunity.

17. From at least August 2009 to December 2012, Fisher, through the Good Life companies that he formed and controlled, raised approximately \$1.04 million from approximately 18 investors by offering them the opportunity to invest on "special trading platforms" that would supposedly generate significant returns for the investors.

18. Fisher told investors that he would pool their funds with the funds of other investors and deposit those funds at an overseas bank, where the money would remain in an account for one year. Fisher explained to investors that the investors' funds in the overseas account would be used as collateral for the purchase and sale of collateralized debt obligations CDOs and MTNs through the trading platform.

19. Fisher told investors that he knew individuals who had contacts with others who operated the purported trading platforms and who would invest the investors' money.

20. Fisher promised the investors that they would earn a guaranteed 1% per month of the amount invested or 50% of the profits earned, whichever was greater. Fisher told investors that his compensation was the remaining 50% of the profits generated from the pooled investments traded on the purported platform.

21. Once an investor decided to invest, Fisher, on behalf of the Good Life companies, executed agreements with the investors in the form of either a promissory note or a joint venture agreement. The notes and agreements reflected the principal amount invested by the investor and the returns to be paid to the investor. Fisher used either Good Life Global or Good Life Financial interchangeably to raise investor funds.

22. At the end of the one-year term, he gave investors the option of taking their money out of the trading platform or reinvesting the principal and return earned. Most of the investors reinvested their money after the first year of investing, believing that the investments were legitimate and profitable.

23. The investors resided in Wisconsin, Minnesota, Virginia and Florida. Most of them had limited financial means and thus, were not accredited. Fisher did not provide these unaccredited investors with any financial information for his companies or for the purported trading platforms.

24. Neither Fisher nor his investment offering were registered with the Commission.

Fisher's Deception

25. Fisher deceived investors from the start.

26. Fisher knew that the investors – most of them his own insurance clients – were relying on his financial expertise to recommend a sound investment.

27. Nevertheless, Fisher did little due diligence into the trading platform investments. Fisher admitted to the Commission staff that the only independent due diligence he performed on the purported trading platforms was an online Internet search to determine whether the company involved with the purported trading platforms existed. His research, however, suggested that the

trading platforms were scams. Fisher ignored his own research and did not disclose it to the investors he solicited.

28. In soliciting investors, Fisher parroted the representations made by his contacts with the purported trading platform. He did not check into the truth of the representations that he passed on to investors.

29. After Fisher raised funds from the first few investors, he transferred approximately \$150,000 of the investors' money to various entities that supposedly had contacts with the brokers involved in the purported trading platforms. Fisher first learned sometime around August 2010 (after the due date for the expected return of one of the first investments Fisher made for investors) that the purported trading platforms were not paying any of the anticipated returns as promised. Despite knowing that the purported trading platforms had not paid any returns, Fisher nonetheless continued to solicit new investors through his companies. He never disclosed to prospective investors that the platforms never paid any profits. To this day, none of the purported trading platforms have paid any of the promised returns.

Fisher's Misappropriation of Investor Funds

30. During the relevant time period, Fisher primarily used the accounts in the name of Good Life Financial and Good Life Global to pool the investors' funds. Nearly all of Fisher's business and personal expenses also flowed through these two accounts. All payments to investors were made from Good Life Financial's bank account.

31. Fisher sent approximately \$150,000 of his initial investors' money to entities related to the purported trading platforms. However, as time passed and Fisher continued to raise money from investors, he did not invest the investors' monies. Rather, he stole it. Fisher used much of the funds that he raised to pay for his personal expenses.

32. From 2010 through April 2013, Fisher used at least \$166,000 of investor funds to pay previous investors their return or principal. Fisher spent the remaining \$880,000 of investor funds to pay his household living expenses such as home furnishings, meals, and travel. Some of these personal expenses included \$123,000 to purchase his house, \$27,000 to purchase a car, and at least \$13,600 to pay for his daughter's college tuition. Fisher never told investors that he was stealing their money.

33. Fisher has little of the investors' money left. As of September 9, 2013, the balance of all his bank accounts totaled approximately \$95.

34. To conceal his misuse of the investor funds, Fisher sent investors quarterly account statements reflecting that their money had been invested and that their investments had earned a return. Fisher admitted to the Commission staff that he fabricated the investors' account statements and that he arbitrarily invented the returns reflected on the statements.

35. Fisher also gave investors the choice of taking their money out of the trading platform or reinvesting the principal and return earned. Most of the investors reinvested their money because Fisher had duped them into believing that the investments were legitimate and profitable.

36. Fisher did not disclose his misappropriation to any of the investors until April 2013, after he was subpoenaed to give testimony to the Commission staff.

COUNT I
Unregistered Offer and Sale of Securities
Violations of Section 5(a) and (c) of the Securities Act
[15 U.S.C. § 77e(a) and (c)]
(Against Fisher and the Good Life Companies)

37. Paragraphs 1 through 36 above are realleged and incorporated herein by reference.

38. By their conduct as alleged above, Fisher and the Good Life companies, directly or indirectly: (i) 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 statement was in effect; (ii) for the purpose of sale or delivery after sale, carried or caused to be carried through the mails or in interstate commerce, by any means or instruments of transportation, securities as to which no registration statement was in effect; and (iii) made use of any 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.

39. No valid registration statement was filed or was in effect with the Commission in connection with Fisher's and the Good Life companies' offer and sale of securities.

40. By reason of the foregoing, Fisher and the Good Life companies have violated Sections 5(a) and (c) of the Securities Act [15 U.S.C. § 77e(a) and (c)].

COUNT II
Fraud in the Offer and Sale of Securities
Violations of Section 17(a)(1) of the Securities Act
[15 U.S.C. § 77q(a)(1)]
(Against Fisher and the Good Life companies)

41. Paragraphs 1 through 36 above are realleged and incorporated herein by reference.

42. By their conduct as alleged above, Fisher and the Good Life companies, in the offer or sale of securities, by the use of any means or instruments of transportation or communication in interstate commerce and by the use of the mails, directly or indirectly, have employed devices, schemes or artifices to defraud.

43. Fisher and the Good Life companies acted with scienter.

44. By reason of the foregoing, Fisher and the Good Life companies violated Section 17(a)(1) of the Securities Act [15 U.S.C. § 77q(a)(1)].

COUNT III
Fraud in the Offer and Sale of Securities
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)]
(Against Fisher and the Good Life companies)

45. Paragraphs 1 through 36 above are realleged and incorporated herein by reference.

46. By their conduct as alleged above, Fisher and the Good Life companies, in the offer or sale of securities, by the use of any means or instruments of transportation and communication in interstate commerce and by the use of the mails, directly or indirectly, have obtained money or property by means of untrue statements of material fact or 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; or have engaged in transactions, practices or courses of business which have been operating as a fraud or deceit upon purchasers of securities in the form of the investments through “special trading platforms.”

47. By reason of the foregoing, Fisher and the Good Life companies violated 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
Fraud in Connection the Purchase and Sale of Securities
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]
(Against Fisher and the Good Life companies)

48. Paragraphs 1 through 36 above are realleged and incorporated herein by reference.

49. By their conduct as alleged above, Fisher and the Good Life companies, in connection with the purchase or sale of securities, by the use of any means or instrumentalities of interstate commerce or by the use of the mails, directly or indirectly: (a) employed a device, scheme or artifice to defraud; (b) made untrue statements of material fact 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; and (c) engaged in an act, practice, or course of business which has been or is operating as a fraud or deceit upon other persons, including purchasers and sellers of such securities.

50. Fisher and the Good Life companies acted with scienter.

51. By reason of the foregoing, Fisher and the Good Life companies have violated 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].

COUNT V
Unregistered Broker
Violations of Section 15(a) of the Exchange Act [15 U.S.C. § 78o(a)]
(Against Fisher)

39. Paragraphs 1 through 36 are realleged and incorporated by reference herein.

40. By his conduct alleged as above, Fisher was in the business of effecting transactions in securities for the accounts of others.

41. Fisher was making use of the mails and the means and instrumentalities of interstate commerce to effect transactions in and to induce or attempt to induce the purchase of securities.

42. By his conduct alleged as above, Fisher acted as a broker but was not registered with the Commission as a broker, as required by Section 15(b) of the Exchange Act [15 U.S.C. §78o(b)].

43. By reason of the foregoing, Fisher has violated Section 15(a) of the Exchange Act [15 U.S.C. §78o(a)].

RELIEF REQUESTED

WHEREFORE, the Commission respectfully requests that the Court enter a judgment:

A. Making findings of fact and conclusions of law that the Defendants committed the alleged violations.

B. Permanently enjoining Defendant Fisher, his agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from further violations of Sections 5(a), 5(c), 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)(1), (2) and (3)] and Sections 10(b) and 15(a) of the Exchange Act [15 U.S.C. §§ 78j(b) and 78o(a)]; and Rules 10b-5(a), (b), and (c) promulgated thereunder [17 C.F.R. § 240.10b-5(a), (b), and (c)].

C. Permanently enjoining Defendant The Good Life Financial Group, Inc., its agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from further violations of Sections 5(a), 5(c), 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)(1), (2) and (3)]; and Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rules 10b-5(a), (b), and (c) promulgated thereunder [17 C.F.R. § 240.10b-5(a), (b), and (c)].

D. Permanently enjoining Defendant The Good Life Global Enterprises, LLC, its agents, servants, employees, attorneys, and all persons in active concert or participation with them, and each of them, from further violations of Sections 5(a), 5(c), 17(a)(1), 17(a)(2) and 17(a)(3) of the Securities Act [15 U.S.C. §§ 77e(a), 77e(c), and 77q(a)(1), (2) and (3)]; and

Section 10(b) of the Exchange Act [15 U.S.C. §§ 78j(b)] and Rules 10b-5(a), (b), and (c) promulgated thereunder [17 C.F.R. § 240.10b-5(a), (b), and (c)].

E. Ordering Defendants to disgorge, jointly and severally, their ill-gotten gains, derived directly or indirectly from the conduct complained of herein, together with prejudgment interest thereon;

F. Ordering Defendant Fisher to pay appropriate civil monetary penalties 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)];

G. Retaining jurisdiction of this action in accordance with the principles of equity and the Federal Rules of Civil Procedure in order to implement and to carry out the terms of all orders and decrees that may be entered or to entertain any suitable application or motion for additional relief within the jurisdiction of the Court; and

H. Granting such further relief as the Court may deem appropriate.

Respectfully submitted,

DATED: September 30, 2013

s/ Steven L. Klawans
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