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**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

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SECURITIES AND EXCHANGE	:	
COMMISSION,	:	
	:	ECF CASE
Plaintiff,	:	
	:	COMPLAINT AND
- against -	:	JURY DEMAND
	:	
CHRISTOPHER K. DAVIES and	:	
AMERICAN TRANSPORTATION	:	
HOLDINGS, INC.,	:	
	:	
Defendants.	:	
	:	
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Plaintiff Securities and Exchange Commission (“Commission”), for its Complaint against defendants Christopher K. Davies (“Davies”) and American Transportation Holdings, Inc. (“ATHI” or the “Company”) (together, “Defendants”), alleges as follows:

SUMMARY OF ALLEGATIONS

1. Between 2012 and 2016 (the “Relevant Period”), Davies and penny stock issuer ATHI hid from the investing public, among other things, that Davies, who was ATHI’s former CEO, continued to secretly control the Company and that the Company was not actually engaged

in any business activity, in an effort to illegally issue millions of shares to entities that Davies controlled.

2. Davies—who was a licensed attorney for much of the Relevant Period—used documents with forged signatures, fake email addresses, and other deceptive devices to cause ATHI to issue stock to entities that he and his business associates controlled. During the Relevant Period, ATHI also used three different names and falsely claimed to engage in at least four distinct business ventures.¹ By its own later admission in a disclosure statement, however, ATHI never engaged in any of these claimed business ventures. In reality, ATHI was merely a shell company.

3. ATHI and Davies regularly made materially false and misleading statements in, and omitted material information from, the Company’s public disclosures and press releases. These included statements identifying a series of strawmen as the Company’s CEOs (the “Nominal CEOs”), and falsely stating that the Nominal CEOs were the sole control people of ATHI. ATHI falsely claimed in its disclosures that no fewer than six individuals were its CEO and sole control person, yet these very same disclosures failed to identify Davies who was, in fact, the actual control person. While the Nominal CEOs had little, if any, role in operating the Company, Davies had sole control over ATHI’s bank account; was ATHI’s primary, if not sole, point-of-contact with service providers such as the Company’s transfer agent, attorney, and accountant; and was directly responsible for the publication of ATHI-related press releases and disclosures. Davies also directed the issuance of millions of ATHI shares, including issuances to entities he controlled.

¹ ATHI’s name changes are discussed in ¶¶ 17-21. This Complaint refers to both the current corporate iteration of ATHI and all of its prior iterations as “ATHI” unless otherwise specified.

4. In 2016, Davies attempted to orchestrate a pump-and-dump scheme involving ATHI. In connection with that scheme, Davies caused ATHI to issue shares to Ambrose & Keith Fund Management (“Ambrose & Keith”), an entity Davies controlled, in advance of a planned stock promotion. Then ATHI issued five press releases falsely claiming, among other things, that ATHI had purchased a National Indoor Football League (“NIFL”) team, the NIFL would have “national television contracts” with several media companies, and that ATHI had developed a gaming application (“app”). The press releases and promotional campaign, as well as coordinated trading by one of Davies’ associates (“Associate 1”), were followed by a dramatic increase in ATHI’s share price from \$0.015 on June 27, 2016 to an intraday trading high of \$12 on July 15, 2016. As a result, ATHI, a shell company with no business operations, had an intraday market capitalization of nearly \$3 billion on July 15, 2016.

5. On July 26, 2016, the Commission suspended trading in ATHI shares, thwarting Davies and his associates from dumping shares on the investing public.

VIOLATIONS

6. By engaging in the conduct set forth in this Complaint, Davies violated Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”), 15 U.S.C. §§ 77e(a), 77e(c), and 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.

7. By engaging in the conduct set forth in this Complaint, ATHI violated Securities Act Section 17(a)(2), 15 U.S.C. § 77q(a)(2), and Exchange Act Section 10(b), 15 U.S.C. § 78j(b), and Rule 10b-5(b) thereunder, 17 C.F.R. § 240.10b-5(b).

8. By engaging in the conduct set forth in this Complaint, Davies is liable under Exchange Act Section 20(e), 15 U.S.C. § 78t(e), for aiding and abetting ATHI’s violations of

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

§ 240.10b-5(b), and is liable as a control person for these violations under Exchange Act Section

20(a), 15 U.S.C. § 78t(a). Davies is liable under Securities Act Section 15(b), 15 U.S.C.

§ 77o(b), for aiding and abetting ATHI's violations of Securities Act Section 17(a)(2), 15 U.S.C.

§ 77q(a)(2).

9. Unless Defendants are permanently restrained and enjoined, they will again engage in the acts, practices, transactions, and courses of business set forth in this Complaint, and in acts, practices, transactions, and courses of business of a similar type and object.

NATURE OF THE PROCEEDINGS AND THE RELIEF SOUGHT

10. The Commission brings this action pursuant to the authority conferred upon it by Securities Act Section 20(b), 15 U.S.C. § 77t(b), and Exchange Act Section 21(d), 15 U.S.C. § 78u(d).

11. The Commission seeks a final judgment: (a) restraining and permanently enjoining Defendants from engaging in the acts, practices and courses of business alleged against them herein and from committing future violations of the above provisions of the federal securities laws; (b) ordering Defendants to disgorge any ill-gotten gains they received and to pay prejudgment interest thereon; (c) ordering Defendants to pay civil money 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); (d) permanently barring Davies from participating in an offering of penny stock pursuant to Securities Act Section 20(g), 15 U.S.C. § 77t(g), and Exchange Act Section 21(d)(6), 15 U.S.C. § 78u(d)(6); (e) permanently barring Davies from acting as an officer or director of any issuer that has a class of securities registered pursuant to Exchange Act Section 12, 15 U.S.C. § 78l or that is required to file reports pursuant to Exchange Act Section 15(d), 15 U.S.C.

§ 78o(d); (f) prohibiting Davies from participating, directly or indirectly, including, but not limited to, through any entity owned or controlled by him, in the purchase, offer or sale of any security in an unregistered offering by an issuer pursuant to Exchange Act Section 21(d)(5), 15 U.S.C. § 78u(d)(5); and (g) ordering such other and further relief as the Court may deem just and proper.

JURISDICTION AND VENUE

12. This Court has jurisdiction over this action pursuant to Securities Act Sections 20(b), 20(d), 22(a), and 22(c), 15 U.S.C. §§ 77t(b), 77t(d), 77v(a), and 77v(c), and Exchange Act Sections 21(d) and 27, 15 U.S.C. §§ 78u(d) and 78aa.

13. Venue lies in the Eastern District of New York pursuant to Securities Act Section 22(a), 15 U.S.C. § 77v(a), and Exchange Act Section 27, 15 U.S.C. § 78aa. Certain of the acts, practices, transactions, and courses of business constituting the violations of law alleged in this Complaint occurred within the Eastern District of New York. For example, ATHI's transfer agent, with whom ATHI and Davies communicated regularly during the Relevant Period, was and is located in this district.

14. In connection with the transactions, acts, practices, and courses of business alleged in this Complaint, Defendants directly or indirectly have made use of the means and instrumentalities of interstate commerce, or of the mails, or of the facilities of a national securities exchange.

DEFENDANTS

15. Davies, age 49, resides in Florida and Arizona. Davies was the CEO of ATHI in 2010 and 2011, and covertly controlled the Company during the Relevant Period. For much of the Relevant Period, Davies was a licensed attorney, although he was suspended in 2015 from

practicing law in Illinois.

16. ATHI, f/k/a Home Health International, Inc. f/k/a Atlas Capital Holdings, Inc. f/k/a Micro Mammoth Solutions, Inc. is a Nevada corporation, controlled by Davies, and purportedly headquartered in Littleton, Colorado. ATHI's shares were quoted on OTC Link LLC, operated by OTC Markets Group, Inc. ("OTC Markets"), formerly known as the Pink Sheets, under ticker symbol "ATHI," until July 26, 2016, when the Commission suspended trading in ATHI's securities. Prior to 2012, ATHI made periodic filings with the Commission. Since 2012, ATHI has instead made disclosures on the OTC Markets website.

FACTS

I. ATHI Changed Its Name Repeatedly And Never Engaged In Its Various Purported Business Ventures.

17. Prior to January 2010, ATHI was known as Micro Mammoth Solutions, Inc. ("Micro Mammoth"). In its iteration as Micro Mammoth, ATHI claimed to provide consulting services to mortgage companies.

18. In January 2010, Micro Mammoth merged with Atlas Capital Partners, LLC ("Atlas Capital Partners") and changed its name to Atlas Capital Holdings, Inc. ("Atlas Capital Holdings"). Davies was a founding member of Atlas Capital Partners.

19. In its iteration as Atlas Capital Holdings, ATHI purported to be in the business of assisting "small to medium-sized enterprises ("SMEs") with overcoming their impediments to growth, by providing SMEs high caliber business and financial expertise as well as the capital to begin their path to growth."

20. In March 2012, Atlas Capital Holdings changed its name to Home Health International Inc. ("Home Health"). In its iteration as Home Health, ATHI purported to be in the business of home health care, have gold mining claims and a "gold trading business in the

African and Australasian region,” and to provide “transportation services to the State of Florida.”

21. In 2014, Home Health changed its name to its current name, American Transportation Holdings, Inc., and claimed to “focus[] on game development in the peer-to-peer gambling market and the entertainment industry.” ATHI has also claimed to “specialize[] in the creation and production of cloud-based games and applications.”

22. In a “Disclosure Statement” for the quarter ended June 30, 2015, which Davies posted on OTC Markets’ website, ATHI admitted that it never engaged in the previously claimed business ventures:

The Company had changed its name three times in anticipation of the new business opportunities, that were supposed to be tangential and synergistic to the current business conducted by the Company. During the past 5 years the Company entertained several investments and acquisition opportunities, however, it happened that those transactions, which would have generated significant revenue, were never finalized until recently . . . Despite the Company’s recent name change to American Transportation Holdings, Inc., the Company was never purchased by the Florida transportation company for which it changed its name.

23. As of August 2016, ATHI remained a shell company with no income or assets.

II. Davies Secretly Controlled ATHI Between 2012 and 2016.

24. Davies became the CEO of ATHI (then known as Micro Mammoth) in December 2009, and openly controlled the Company through 2011. As of June 30, 2010, Davies held more than 10 million shares of ATHI (then known as Atlas Capital Holdings), or approximately 60% of its issued and outstanding shares of common stock.

25. Even though Davies continued to control ATHI from 2012 through at least 2016, in 2012 Davies began concealing his control of the Company behind the Nominal CEOs. From 2012 on, the Company never again disclosed Davies as a control person in periodic reports posted on the OTC Markets website, including in sections that specifically called for such

disclosure. Instead, the Company repeatedly identified the latest Nominal CEO as the sole control person. Notwithstanding the Company's claims that someone other than Davies controlled the Company, Davies remained in control throughout the Relevant Period.

26. Davies' control of the Company was evident from, among other things:
- Davies had sole control over the bank account used by the Company (which account was under the name of Atlas Capital Partners) until at least 2015;
 - Davies was the primary, and often sole, contact for ATHI's attorney, transfer agent, and accountant during the Relevant Period;
 - Davies posted, or directed the posting of, ATHI-related news and periodic reports and disclosures on the OTC Markets website;
 - Davies drafted, and directed the posting of, ATHI press releases; and
 - Davies communicated on behalf of ATHI with the Financial Industry Regulatory Authority ("FINRA") in connection with a reverse stock split effected by ATHI in December 2015.

27. Unbeknownst to the investing public, as further detailed below, the Nominal CEOs had little, if any, role in managing ATHI during the Relevant Period and did not make decisions about the Company's operations, finances, business ventures, and share issuances.

III. Misrepresentations And Omissions By Davies And ATHI In 2012.

A. ATHI Falsely Claims To Be Controlled By Two Different Nominal CEOs While Omitting Mention Of Davies' Actual Control, Using Forged Signatures, And Making Other Misrepresentations.

28. In early 2012, ATHI made inconsistent statements about the identity of its management and majority shareholders, all the while failing to disclose to the investing public that Davies was its control person.

29. On April 10, 2012, a nominal CEO ("Nominal CEO #1") purportedly signed a "Quarterly Disclosure Statement" on behalf of ATHI (then known as Home Health), as its "President," for the period ending December 31, 2011.

30. An April 30, 2012 board resolution named another person (“Nominal CEO #2) as the “Director, CEO, President, Treasurer, and Secretary of” ATHI (by that time known as Atlas Capital Holdings). Nominal CEO #2’s signature on this document was forged.

31. On May 30, 2012, ATHI posted an “Initial Information Disclosure Statement” for the period ending March 31, 2012 (the “March 2012 Disclosure Statement”), when ATHI was known as Home Health, on the OTC Markets website, which identified Nominal CEO #2 as its “President,” CEO and sole control person. This document also bore the forged signature of Nominal CEO #2.

32. The March 2012 Disclosure Statement falsely reported that the sole officer, director and control person of ATHI was Nominal CEO #2, and omitted any mention of Davies, including in a section specifically concerning the identification of control persons. Nominal CEO #2 was not an ATHI officer and did not control the Company.

33. The March 2012 Disclosure Statement also falsely and inconsistently claimed that ATHI had “gold mining claims” and a “gold trading business in the African and Australasian region” while simultaneously claiming to “provide[] home healthcare services to the Miami area[.]” In reality, ATHI was a mere shell company.

34. In addition, the March 2012 Disclosure Statement stated that Nominal CEO #1 had purchased a majority of the Company’s shares in January 2012 while simultaneously—and inconsistently—stating that an offshore entity controlled by Davies, Chadwick & Collins, beneficially owned over 90% of ATHI’s stock. Chadwick & Collins later became known as Ambrose & Keith, which was also controlled by Davies.

B. ATHI Issues Shares To Davies’ Entity Using Forged Documents.

35. In August 2012, while concealing his control of ATHI from the investing public,

Davies orchestrated a share issuance of 200 million shares to his entity, Ambrose & Keith. On August 27, 2012, Davies then-business partner emailed a conversion notice to ATHI's transfer agent, bearing the forged signature of Nominal CEO #2, directing the transfer agent to issue 200 million ATHI shares to Ambrose & Keith, purportedly to pay off a debt. In a letter of instruction, Davies directed ATHI's transfer agent to send the shares to a brokerage firm in the Cayman Islands. The value of these 200 million shares was \$220,000, based on ATHI's then-share price of \$0.0011.

36. The accompanying legal opinion claimed that ATHI was not "currently and has never been a shell company." In reality, ATHI has always been a shell company.

IV. June Through October 2014: ATHI Names Another Nominal CEO And Continues To Conceal Davies' Control And To Make Misrepresentations.

37. On June 10, 2014, ATHI posted an "Initial Disclosure Statement" for the period ending March 31, 2014 (the "March 2014 Disclosure Statement") on the OTC Markets website. It identified a new person ("Nominal CEO #3") as its CEO, sole director, and control person, and bore her signature.

38. Nominal CEO #3 was merely a front for Davies. Davies handled ATHI's finances, including matters concerning the Company's stock, during Nominal CEO #3's brief tenure. Apart from signing some documents Davies sent her, Nominal CEO #3 did very little as purported CEO of ATHI. The March 2014 Disclosure Statement, therefore, misleadingly omitted from the section identifying control persons that Davies was ATHI's true control person.

39. Unbeknownst to Nominal CEO #3, an email address containing her name and "CEO" was created by an associate of Davies and used in ATHI-related communications with the transfer agent concerning the conversion of a promissory note held by Ambrose & Keith to ATHI stock.

40. The March 2014 Disclosure Statement also included inconsistent statements about the majority ownership of ATHI's shares. It reported in one section of the document that ATHI's "current officer and director," *i.e.*, Nominal CEO #3, had purchased a majority of ATHI's outstanding shares in April 2014 and, in another section, that a different individual owned over 83% of the Company's shares and that Nominal CEO #3 did not own any shares.

41. ATHI also misrepresented its business in the March 2014 Disclosure Statement. It falsely claimed to "provide[] public transportation services throughout south Florida" and that "[m]anagement of the Company has substantial experience with public transportation." In reality, ATHI was a mere shell company, as Davies plainly knew.

42. Indeed, just two days after ATHI posted the March 2014 Disclosure Statement, Davies referred to ATHI as a "shell" company in a June 12, 2014 email to the Company's transfer agent. Davies wrote, "I am selling two shells ATHI and LDSI. I will sell them from \$150K each. Please let me know if you have any buyers. I will pay finders fees."

43. ATHI's financial statements for the period ending March 31, 2014—posted on the OTC Markets website on June 10, 2014, the same day the March 2014 Disclosure Statement was posted—also belied ATHI's claim to be an operating transportation Company. The financial statements revealed that ATHI had no assets other than \$340 in cash, no revenues, a net income loss, and a shareholder deficit.

44. Just a few months later, on October 9, 2014, ATHI posted on the OTC Markets website an Annual Disclosure Statement for the period ending June 30, 2014 (the "June 2014 Disclosure Statement"), which contradicted its business description in the March 2014 Disclosure Statement. Unlike the March 2014 Disclosure Statement, the June 2014 Disclosure Statement did not mention anything about ATHI providing public transportation services. It

instead reported that, in 2013, ATHI had “received an investment from a private equity investor to build what will be the Company’s new peer-to-peer betting platform” and was now “specializ[ing] in the creation and production of cloud-based games and applications.”

45. The June 2014 Disclosure Statement also falsely reported that the sole officer, director and control person of ATHI was Nominal CEO #3, and omitted any mention of Davies, including in a section specifically concerning the identification of control persons.

46. On October 24, 2014, ATHI posted to the OTC Markets website a Quarterly Disclosure Statement (“October 2014 Quarterly Disclosure Statement”), falsely reporting that the sole officer, director and control person of ATHI was Nominal CEO #3. It again omitted any mention of Davies, including in a section of the disclosure specifically concerning the identification of control persons.

47. The October 2014 Quarterly Disclosure Statement also falsely claimed that a U.K. entity owned around 49% of the Company’s restricted shares.

V. December 2014 Through February 2015: ATHI And Davies Name Another Nominal CEO And Use Forged Signatures To Issue Shares To A Davies-Controlled Entity And For Other Purposes.

48. Davies and ATHI continued to deceive the investing public by naming yet another individual (“Nominal CEO #4”) as the “CEO, President, Secretary and Treasurer” of ATHI in a November 6, 2014 ATHI board resolution (“November 2014 Board Resolution”). This document was purportedly signed by Nominal CEO #4, but his signature was forged.

49. Nominal CEO #4 resigned in January 2015. He never signed anything as ATHI’s CEO.

A. Davies And ATHI Used Forged Signatures Of The Nominal CEOs To Issue Millions Of Shares To A Davies-Controlled Entity And In An Attempt to Issues Millions of Shares to Another Davies-Controlled Entity.

50. Both before and after Nominal CEO #4 resigned, Davies and ATHI used his forged signature in requests to the transfer agent to issue millions of shares to Davies-controlled entities. On December 26, 2014, Davies emailed to ATHI's transfer agent an ATHI board resolution bearing Nominal CEO #4's forged signature in support of ATHI's issuances of 50 million shares of stock each to three offshore entities. Davies was the CEO of one of these offshore entities, Gemeni Holdings Group, Inc., which received 50 million shares pursuant to this request. Although the shares Gemeni received were restricted, their value at the time was approximately \$2.25 million.

51. Shortly thereafter, Davies also used forged signatures to request the issuance of shares to Ambrose & Keith. On January 13, 2015, Davies emailed ATHI's transfer agent several documents, including a legal opinion, relating to another issuance of 15 million ATHI shares to Ambrose & Keith. Several documents attached to this email bore the forged signature of Nominal CEOs #2 and #4, including:

- An ATHI board resolution, claiming that ATHI owed Ambrose & Keith \$124,500, and that ATHI would pay off this supposed debt by issuing 15 million shares to Ambrose & Keith;
- A purported March 14, 2013 promissory note for \$124,500 between Ambrose & Keith and ATHI; and
- A January 7, 2015 Promissory Note Conversion Agreement between an entity controlled by Davies' then-business associate and Ambrose & Keith, whereby Ambrose & Keith assigned 15 million shares to that entity.

52. On February 2, 2015, Davies set up a misleading email address containing recently-resigned Nominal CEO #4's first name followed by "ceoathi."

53. On February 3, 2015, Davies emailed more documentation to ATHI's transfer

agent, “cc-ing” the misleading new email address, to support the share issuance to Ambrose & Keith. This email attached documents bearing Nominal CEO #4’s forged signatures with corresponding dates in February 2015 that post-dated Nominal CEO #4’s resignation. These forgeries included:

- A February 2, 2015 ATHI board resolution claiming that ATHI owed Ambrose & Keith \$124,500, and that ATHI would pay off this supposed debt by issuing 15 million shares to Ambrose & Keith; and
- A February 2, 2015 document whereby ATHI purportedly authorized certain people, including Davies, with authority to provide instructions to ATHI’s transfer agent.

54. ATHI’s transfer agent, apparently unbeknownst to Davies, discovered that these signatures were forged.

55. On February 10, 2015, the attorney who wrote the opinion letter supporting ATHI’s issuance of 15 million shares to Ambrose & Keith rescinded his opinion after learning that Nominal CEO #4’s signature had been forged and the transfer agent declined to issue the 15 million shares, thereby thwarting Davies’s attempt to get more ATHI shares.

B. Davies And ATHI Used A Forged Signature For Nominal CEO #4 On Other Occasions.

56. On February 23, 2015, Davies applied to OTC Markets, purportedly on behalf of ATHI, to become an authorized user of OTC Markets’ disclosure and news service. He falsely identified himself on the application form as ATHI’s “Senior VP.” In connection with this application, Davies also submitted paperwork to OTC Markets bearing Nominal CEO #4’s forged signature, in which he designated Nominal CEO #4 (who had already resigned) as the primary authorized user of the service and designated himself as the secondary authorized user, identifying his title as “Manager.”

57. Nominal CEO #4 was last identified as ATHI’s sole officer, director, and control

person in ATHI's Quarterly Report for the period ending December 31, 2014 (the "December 2014 Quarterly Report"), posted on the OTC Markets website on March 20, 2015. This disclosure, which bore Nominal CEO #4's forged signature, falsely reported that the sole officer, director and control person of ATHI was Nominal CEO #4, and omitted any mention of Davies, including in a section specifically concerning the identification of control persons.

VI. March 2015: ATHI Names Another Nominal CEO, While Continuing To Conceal Davies' Control And Uses Fake Documents To Issue More Shares.

A. Davies Continued To Control ATHI In March 2015.

58. A board resolution dated March 13, 2015 named yet another individual ("Nominal CEO #5") as ATHI's "sole officer and director for the year 2015."

59. The December 2014 Quarterly Report falsely stated that Nominal CEO #5 owned around 45% of the Company's restricted shares.

60. During Nominal CEO #5's tenure and until February 2016, Davies was the sole person logging into, and posting information, on the OTC Markets website on behalf of ATHI and Davies had sole control of ATHI's bank account.

61. The contact telephone number that Nominal CEO #5 provided to ATHI's transfer agent was registered to Davies' brother.

62. In March 2015, Davies again submitted paperwork to OTC Markets for ATHI to use OTC Markets' disclosure and news service. Davies identified himself in this application as the primary authorized user of the service and as an "SVP."

63. On June 16, 2015, Davies emailed Nominal CEO #5, informing her that she had resigned as of May 5, 2015, and attached an ATHI board resolution dated May 5, 2015 (the "May 2015 Board Resolution") removing her as the sole director of ATHI.

B. Davies Uses Forged Documents To Procure The Issuance Of Shares To A Financing Company In Exchange For Repayment Of A Supposed Debt Owed By ATHI To Ambrose & Keith.

64. In March 2015, one month after the forgery of Nominal CEO #4's signature was exposed, and the transfer agent rejected a request to issue 15 million shares to Ambrose & Keith, Davies changed his tactics. Instead of seeking ATHI stock issuances from the transfer agent, he arranged a transaction between ATHI and a Nevada company that invested in penny stock issuers ("Financing Company") to sell almost \$63,000 of ATHI's debt, some of which was illegitimate, to Financing Company in exchange for over 225 million ATHI shares. This debt sale was part of an arrangement with Financing Company to seek court approval for the 225 million shares to be issued without restriction, purportedly in reliance on a registration exemption under Securities Act Section 3(a)(10) (the "Section 3(a)(10) Proceeding"). Section 3(a)(10) permits unrestricted securities to be issued in exchange for debt, under certain circumstances and with court approval.

65. Within just three days of the debt sale, Financing Company's complaint in the Section 3(a)(10) Proceeding, which incorporated misrepresentations and forged documents submitted by Davies and ATHI, was filed and judgment was granted. Davies made misrepresentations in documents supporting Financing Company's complaint, which also attached forged ATHI documents.

66. The illegitimate part of the underlying debt that ATHI sold to Financing Company was based on a March 12, 2013 promissory note between ATHI (then known as Home Health) and Ambrose & Keith, that bore Nominal CEO #2's forged signature. The promissory note supposedly reflected ATHI's debt obligation of around \$29,000 to Ambrose & Keith. ATHI's bank account records, however, reflect no payments from Ambrose & Keith evidencing the loan.

67. On March 10, 2015, Davies sold the March 12, 2013 promissory note to Financing Company pursuant to a Claim Purchase Agreement (“Claim Purchase Agreement”).

Davies made false statements in the Claim Purchase Agreement, including:

- “This claim is a bona fide outstanding claim against [ATHI], and is an enforceable obligation arising in the ordinary course of business, for goods and/or services rendered to [ATHI] by [Ambrose & Keith] in good faith[]” and
- “[Ambrose & Keith] is not and within the past ninety (90) days has not been directly or indirectly through one or more of the intermediaries in control, controlled by, or under common control with, the Company and is not an affiliate of the Company as defined in Rule 144 promulgated under the [Securities] Act. Creditor is not in any way affiliated with any of the Company’s Officers, Directors or ten-percent shareholders.”

In reality, Davies controlled both ATHI and Ambrose & Keith and the supposed debt owed by ATHI to Ambrose & Keith, which was based on a forged promissory note, was not legitimate.

68. Two days later, on March 12, 2015, Financing Company filed a complaint against ATHI, as well as a proposed settlement agreement, in Florida state court, seeking payment of the newly acquired debt. Financing Company attached to the complaint a copy of the forged March 12, 2013 promissory note, as well as the Claim Purchase Agreement signed by Davies and Financing Company’s managing member.

69. On March 13, 2015, the Florida state court approved the settlement. Financing Company then promptly obtained the shares from the transfer agent and sold these shares into the market from March 20, 2015 through September 21, 2015 for a profit of over \$100,000.

70. On March 23, 2015, Financing Company wired over \$37,000 to Ambrose & Keith, wholly controlled by Davies, representing payment for ATHI’s supposed debt obligation to Ambrose & Keith.

VII. May Through December 2015: ATHI And Davies Continue To Conceal Davies' Control Through A Sixth Nominal CEO And To Make Misrepresentations.

71. The May 2015 Board Resolution named yet another individual (“Nominal CEO #6”) as ATHI’s sole director.

72. On September 10, 2015, Davies, on behalf of ATHI, posted a “Disclosure Statement” on the OTC Markets website for the quarter ending March 31, 2015 (the “March 2015 Disclosure Statement”). Although Nominal CEO #6 was not even appointed until May 2015, the March 2015 Disclosure Statement falsely named him as ATHI’s sole officer, director, and control person. The March 2015 Disclosure Statement made no mention of Davies’ continued role in ATHI, including in a section specifically concerning the identification of control persons.

73. Nominal CEO #6 was the CEO only on paper. He had no role in the day-to-day operations of the Company and let Davies control ATHI. During Nominal CEO #6’s tenure, Davies continued to serve as ATHI’s contact person for third parties, including ATHI’s transfer agent, OTC Markets, and FINRA. In September 2015, Davies also paid for ATHI’s new CUSIP number following a stock split. In December 2015, Davies personally posted to the OTC Markets website ATHI’s Annual Report for fiscal year 2015 (“2015 Annual Report”).

74. ATHI’s March 2015 Disclosure Statement falsely claimed that Nominal CEO #6 owned 63.7% of ATHI’s stock (amounting to over 200 million shares) and that the “Company’s majority of shares were recently sold to [Nominal CEO #6].” ATHI repeated these misrepresentations in the 2015 Annual Report.

75. In both the March 2015 Disclosure Statement and the 2015 Annual Report, ATHI inconsistently claimed that the “Company changed ownership only once in the past 10 years since its inception.” This statement was contradicted by ATHI’s own disclosures, alleged *supra*.

76. Both the March 2015 Disclosure Statement and the 2015 Annual Report claimed that Nominal CEO #6 would “continue to pursue the Company’s current business in gaming and peer to peer betting industry.” By July 2016, however, ATHI had no income, bank account, or assets; had never produced anything; and did not have a business plan or short term or long term goals. The 2015 Annual Report also falsely claimed that Nominal CEO #6 prepared the Company’s financial statements.

77. The 2015 Annual Report falsely claimed that in June 2015, “the Company purchased AMCT, Inc. [“AMCT”], a company that creates mobile games and multi-media platforms for games and peer-to-peer betting based in Maryland” (the “AMCT Transaction”). AMCT never did any business and did not create mobile games or multi-media platforms.

VIII. Summer 2016: Davies’ Attempted ATHI Pump-And-Dump Scheme.

78. As part of the purported June 2015 AMCT Transaction, ATHI purportedly agreed to assume AMCT’s debt, including three debentures purportedly issued in February and March 2012 by AMCT to offshore entity Chadwick & Collins (the “AMCT Debentures”), which later became known as Ambrose & Keith.

79. On January 5, 2016, Nominal CEO #6 emailed ATHI’s transfer agent requesting the issuance of over 21 million restricted ATHI shares to Davies’ entity Ambrose & Keith, and attaching purported board resolutions (the “January 2016 Board Resolutions”) supporting the issuance to Ambrose & Keith as satisfaction of the AMCT Debentures. At the same time, he also requested the issuance of 220 million restricted ATHI shares to the NIFL.

80. Nominal CEO #6 instructed the transfer agent to send the Ambrose & Keith and NIFL share certificates to “Mr. Christopher Davies of Ambrose & Keith Inc.”

81. On February 29, 2016, Davies submitted a legal opinion to the transfer agent,

stating that the restrictions should be removed from the 21 million shares based on the statement, among other things, that Ambrose & Keith was not a “party in any matter with [ATHI] that would suggest a controlled or a controlling relationship,” and that the holding period of the notes was more than two years. The legal opinion was false because Davies controlled both ATHI and Ambrose & Keith.

82. On April 11, 2016, ATHI’s transfer agent issued Ambrose & Keith a new stock certificate for the over 21 million ATHI shares with no restrictive legend. ATHI stock next traded on April 20, 2016, when it closed at a share price of \$0.099.

83. On April 22, 2016, at Davies’ instruction, ATHI’s transfer agent transferred the 21 million shares to Associate 1, who deposited these shares into his brokerage account by mid-June. Associate 1 thereafter engaged in a series of purchases of ATHI that are consistent with “building a chart” – *i.e.*, trading for the purpose of elevating or supporting ATHI’s stock price in preparation for an imminent or ongoing “pump-and-dump.”

84. In late June 2016, ATHI began a promotional campaign. The Company issued five timely press releases from June 29 to July 18, 2016 (“the June-July 2016 Press Releases”). Nominal CEO #6 received the June-July 2016 Press Releases via email from Davies and posted them to the OTC Markets website at Davies’ instruction.

85. The June-July 2016 Press Releases falsely stated that the NIFL had acquired ATHI because of ATHI’s gaming technology and that ATHI had purchased an NIFL team in Dallas, Texas. As of July 2016, however, ATHI had no assets or income and Nominal CEO #6 was not aware of any purchase by ATHI of an NIFL franchise.

86. The June-July 2016 Press Releases included optimistic projections that the NIFL will reach over 30 million homes in the United States, with revenues of \$600 million in the

league's inaugural season in 2017 (or 2018, depending on the press release), and falsely stated that the NIFL "will have national television contracts with Time Warner, Charter, and Comcast as well as Dish Network and DirectTV."

87. The June-July 2016 Press Releases falsely claimed that NIFL had purchased ATHI because "ATHI has generated an app that is capable of providing an interactive gaming experience for NIFL fans." ATHI never generated such an app (or any app for that matter).

88. ATHI's trading volume and price rose dramatically following Associate 1's chart building efforts and ATHI's false press releases. ATHI's price increased from \$0.015 per share on June 27, 2016 to an intraday trading high of \$12 per share on July 15, 2016. As a result, ATHI, a shell company with no business operations, had an intraday market capitalization of nearly \$3 billion on July 15, 2016.

89. On July 26, 2016, the Commission suspended trading in ATHI shares and prevented Davies and his associates from profiting by dumping their shares on the unsuspecting investing public.

90. Prior to the trading suspension, investors had already purchased ATHI shares based on the promotion, press releases and/or the resultant increase in the stock price. One investor lost more than \$13,000.

FIRST CLAIM FOR RELIEF
(Against Davies)

Violations Of Sections 5(a) And 5(c) Of The Securities Act

91. Paragraphs 1 through 90 are re-alleged and incorporated by reference as if fully set forth herein.

92. The ATHI stock Financing Company sold into the market constitute "securities" within the meaning of Securities Act Section 2(a)(1), 15 U.S.C. § 77b(a)(1), and Exchange Act

Section 3(a)(10), 15 U.S.C. § 15 U.S.C. § 78c(a)(10).

93. Davies, directly or indirectly, singly or in concert with others, made use of the means or instruments of transportation or communication in interstate commerce, or of the mails, to offer and sell securities when no registration statement had been filed or was in effect as to such offers and sales of such securities and no exemption from registration was available.

94. By virtue of the foregoing, Davies violated and, unless restrained and enjoined, will continue violating, Securities Act Sections 5(a) and 5(c), 15 U.S.C. §§ 77e(a) & (c).

SECOND CLAIM FOR RELIEF

(Against Davies)

Violations Of Section 17(a) Of The Securities Act

95. Paragraphs 1 through 90 are re-alleged and incorporated by reference as if fully set forth herein.

96. Davies, directly or indirectly, singly or in concert with others, by use of the means or instruments of transportation or communication in interstate commerce, or of the mails, in the offer or sale of securities: (1) with scienter, employed devices, schemes, or artifices to defraud; (2) 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; and (3) engaged in transactions, practices, or courses of business which operated or would operate as a fraud or deceit upon the purchasers.

97. By virtue of the foregoing, Davies violated and, unless restrained and enjoined, will continue violating, Securities Act Section 17(a), 15 U.S.C. § 77q(a).

THIRD CLAIM FOR RELIEF

(Against Davies)

Violations Of Section 10(b) Of The Exchange Act And Rule 10b-5 Thereunder

98. Paragraphs 1 through 90 are re-alleged and incorporated by reference as if fully

set forth herein.

99. By virtue of the foregoing, Davies, directly or indirectly, singly or in concert with others, in connection with the purchase or sale of a security, with scienter, used the means or instrumentalities of interstate commerce, or of the mails, or of a facility of a national securities exchange: (1) to employ devices, schemes, or artifices to defraud; (2) to make untrue statements of a material fact or to omit 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 (3) to engage in acts, practices, or courses of business which operated or would operate as a fraud or deceit upon others.

100. By virtue of the foregoing, Davies violated and, unless restrained and enjoined, will continue violating, Exchange Act Section 10(b), 15 U.S.C. § 78j(b), and Rule 10b-5 thereunder, 17 C.F.R. § 240.10b-5.

FOURTH CLAIM FOR RELIEF
(Against ATHI)
Violations Of Section 17(a)(2) Of The Securities Act

101. Paragraphs 1 through 90 are re-alleged and incorporated by reference as if fully set forth herein.

102. By virtue of the foregoing, ATHI, directly or indirectly, singly or in concert with others, by use of the means or instruments of transportation or communication in interstate commerce, or of the mails, in the offer or sale of securities, 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.

103. By virtue of the foregoing, ATHI violated and, unless restrained and enjoined,

will continue violating, Securities Act Section 17(a)(2), 15 U.S.C. § 77q(a)(2).

FIFTH CLAIM FOR RELIEF

(Against ATHI)

Violations Of Section 10(b) Of The Exchange Act And Rule 10b-5(b) Thereunder

104. Paragraphs 1 through 90 are re-alleged and incorporated by reference as if fully set forth herein.

105. By virtue of the foregoing, ATHI, directly or indirectly, singly or in concert with others, in connection with the purchase or sale of a security, with scienter, used the means or instrumentalities of interstate commerce, or of the mails, or of a facility of a national securities exchange to make untrue statements of a material fact or to omit 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.

106. By virtue of the foregoing, ATHI violated and, unless restrained and enjoined, will continue violating, Exchange Act Section 10(b), 15 U.S.C. § 78j(b), and Rule 10b-5(b) thereunder, 17 C.F.R. § 240.10b-5(b).

SIXTH CLAIM FOR RELIEF

(Against Davies)

Aiding And Abetting ATHI's Violations Of Section 17(a)(2) Of The Securities Act

107. Paragraphs 1 through 90 are re-alleged and incorporated by reference as if fully set forth herein.

108. By virtue of the foregoing, Davies, directly or indirectly, singly or in concert with others, by use of the means or instruments of transportation or communication in interstate commerce, or of the mails, in the offer or sale of securities, provided knowing and substantial assistance to persons who, directly or indirectly, singly or in concert with others, by use of the means or instruments of transportation or communication in interstate commerce, or of the mails,

in the offer or sale of securities 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.

109. By virtue of the foregoing, pursuant to Securities Act Section 15(b), 15 U.S.C. § 77o(b), Davies aided and abetted, and, unless restrained and enjoined, will continue aiding and abetting, violations of Securities Act Section 17(a)(2), 15 U.S.C. § 77q(a)(2).

SEVENTH CLAIM FOR RELIEF

(Against Davies)

Aiding And Abetting ATHI's Violations Of Section 10(b) Of The Exchange Act And Rule 10b-5(b) Thereunder

110. Paragraphs 1 through 90 are re-alleged and incorporated by reference as if fully set forth herein.

111. By virtue of the foregoing, Davies, directly or indirectly, provided knowing and substantial assistance to persons who, directly or indirectly, singly or in concert with others, in connection with the purchase or sale of a security, with scienter, used the means or instrumentalities of interstate commerce, or of the mails, or of a facility of a national securities exchange to make untrue statements of a material fact or to omit 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.

112. By virtue of the foregoing, pursuant to Exchange Act Section 20(e), 15 U.S.C. § 78t(e), Davies aided and abetted, and, unless restrained and enjoined, will continue aiding and abetting, violations of Exchange Act Section 10(b), 15 U.S.C. § 78j(b), and Rule 10b-5(b) thereunder, 17 C.F.R. § 240.10b-5(b).

EIGHTH CLAIM FOR RELIEF

(Against Davies)

**Control Person Liability For ATHI's Violations Of Section 10(b) Of The Exchange Act
And Rule 10b-5(b) Thereunder**

113. Paragraphs 1 through 90 are re-alleged and incorporated by reference as if fully set forth herein.

114. During the Relevant Period, ATHI violated Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder.

115. During the Relevant Period, Davies has been, directly or indirectly, a control person of ATHI and was a culpable participant in ATHI's violations of Section 10(b) of the Exchange Act and Rule 10b-5(b) thereunder.

116. By virtue of the foregoing, pursuant to Exchange Act Section 20(a), 15 U.S.C. § 78t(a), Davies is liable as a control person for ATHI's violations of Exchange Act Section 10(b), 15 U.S.C. § 78j(b), and Rule 10b-5(b) thereunder, 17 C.F.R. § 240.10b-5(b).

RELIEF SOUGHT

WHEREFORE, the Commission respectfully requests that the Court enter a Final Judgment:

I.

Finding that Defendants violated the securities laws and rules promulgated thereunder as alleged against them herein.

II.

Permanently restraining and enjoining Defendants from violating, directly or indirectly, the securities laws and rules promulgated thereunder they are alleged to have violated.

III.

Directing Defendants to disgorge all ill-gotten gains plus pre-judgment interest thereon.

IV.

Directing Defendants to pay appropriate 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.

Permanently prohibiting Davies from participating in the offering of any penny stock pursuant to Securities Act Section 20(g), 15 U.S.C. § 77t(g), and Exchange Act Section 21(d)(6), 15 U.S.C. § 78u(d)(6).

VI.

Imposing a permanent bar on Davies from acting as an officer or director of any issuer that has a class of securities registered pursuant to Exchange Act Section 12, 15 U.S.C. § 78l, or that is required to file reports pursuant to Exchange Act Section 15(d), 15 U.S.C. § 78o(d).

VII.

Prohibiting Davies from participating, directly or indirectly, including, but not limited to, through any entity owned or controlled by him, in the purchase, offer or sale of any security in an unregistered offering by an issuer pursuant to Exchange Act Section 21(d)(5), 15 U.S.C. § 78u(d)(5).

VIII.

Granting such other and further relief as this Court deems just and proper.

Dated: New York, New York
April 19, 2018

SECURITIES AND EXCHANGE COMMISSION



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