UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

UNITED STATES OF AMERICA

v.

CASE NO. 8:19cr605T02EPT

18 U.S.C. § 1349
18 U.S.C. § 1957

MICHAEL J. DACORTA



**INDICTMENT**

The Grand Jury charges:

**COUNT ONE**
**(Conspiracy to Commit Wire Fraud and Mail Fraud – 18 U.S.C. § 1349)**

**Introduction**

At all times material to this Indictment:

1. MICHAEL J. DACORTA, a resident of Sarasota, in the Middle District of Florida, who had been permanently banned from registering with the Commodity Futures Trading Commission and was prohibited from soliciting U.S. residents to trade in foreign currency and from trading foreign currency for U.S. residents in any capacity, was a co-founder, director, chief executive officer, and chief investment officer of OASIS INTERNATIONAL GROUP, LTD. DACORTA created entities, opened accounts, promoted the business, solicited funds from victim-investors, directed all trading decisions and the execution of trades and, among other conduct, interacted with victim-investors in order to

perpetuate the scheme and for other purposes. DACORTA also created and/or controlled, among other entities, OASIS MANAGEMENT, LLC; 13318 LOST KEY PLACE, LLC; 6922 LACANTERA CIRCLE, LLC; 6300 MIDNIGHT PASS ROAD NO. 1002, LLC; 16804 VARDON TERRACE #108, LLC; FULL SPECTRUM WELLNESS, LLC; and ROAR OF THE LION FITNESS, LLC.

2. OASIS INTERNATIONAL GROUP, LTD. ("OIG"), a Cayman Islands limited corporation, served as the parent company for other entities including, but not limited to, OASIS MANAGEMENT, LLC, OASIS GLOBAL FX, LTD., OASIS GLOBAL (BELIZE), S.A., and 444 GULF OF MEXICO DRIVE, LLC, utilized to carry out the scheme. DACORTA and his coconspirators held OIG out to victim-investors as the entity used to conduct foreign exchange market ("FOREX") trading. OIG was not registered with the Commodity Futures Trading Commission in any capacity.

3. OASIS MANAGEMENT, LLC was a Wyoming limited liability company created and controlled by DACORTA, who used the entity to open a bank account and to receive victim-investors' funds for his personal enrichment.

4. 13318 LOST KEY PLACE, LLC was a Florida limited liability company created by DACORTA and used to open a bank account and to purchase, make improvements to, and maintain DACORTA's personal residence, located at 13318 Lost Key Place, Sarasota, Florida.

5. 6922 LACANTERA CIRCLE, LLC was a Florida limited liability company created by DACORTA and used to open a bank account and to purchase, make improvements to, and maintain DACORTA's future personal residence, located at 6922 LaCantera Circle, Sarasota, Florida.

6. 6300 MIDNIGHT PASS ROAD NO. 1002, LLC was a Florida limited liability company created by DACORTA and used to purchase DACORTA's beach condominium, located at 6300 Midnight Pass Road No. 1002, Sarasota, Florida.

7. 16804 VARDON TERRACE #108, LLC was a Florida limited liability company created by DACORTA and used to purchase a condominium, located at 16804 Vardon Terrace #108, Sarasota, Florida, for his son.

8. FULL SPECTRUM WELLNESS, LLC was a Florida limited liability company created by DACORTA and used to open a bank account and to pay business expenses and make payments to his sons.

9. ROAR OF THE LION FITNESS, LLC was a Florida limited liability company created by DACORTA and used to open a bank account and to fund a business operated by his sons.

10. COMMODITY FUTURES TRADING COMMISSION ("CFTC") was an independent federal regulatory agency charged by Congress with the

administration and enforcement of the Commodity Exchange Act, 7 U.S.C. § 1 et seq., and regulations promulgated thereunder.

11. The foreign exchange market ("FOREX") was the market for buying and selling different currencies. It was primarily an over-the-counter market with trades between large commercial banks accounting for most foreign currency transactions. Other participants in the foreign exchange market included brokers, who matched buyers and sellers in the market.

12. A "Ponzi" scheme was a fraudulent investment program in which funds paid in by later investors are used to pay out non-existent, phantom "profits" to earlier investors, thus creating the illusion that the fraudulent investment program is a successful, profit-generating enterprise which, in turn, attracts new investment funds that are used to sustain the fraudulent program.

**The Conspiracy**

13. Beginning on an unknown date, but at least as early as in or about November 2011, and continuing thereafter, through and including at least on or about April 18, 2019, in the Middle District of Florida, and elsewhere, the defendant,

MICHAEL J. DACORTA,

did knowingly combine, conspire, confederate, and agree with others, both known and unknown to the Grand Jury, to commit certain offenses against the

United States, specifically:

a. To devise and intend to devise a scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, utilizing transmissions by means of wire and radio communication in interstate and foreign commerce of any writings, signs, signals, and sounds, in violation of 18 U.S.C. § 1343; and

b. To devise and intend to devise a scheme and artifice to defraud and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, utilizing the United States mail and private and commercial interstate carriers, in violation of 18 U.S.C. § 1341.

**Manner and Means of the Conspiracy**

14. The manner and means by which the defendant and his coconspirators sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

a. It was a part of the conspiracy that conspirators would and did create both domestic and offshore entities and open bank accounts in the names of said entities to facilitate the scheme.

b. It was a further part of the conspiracy that conspirators would and did make false and fraudulent representations to victim-investors and potential investors in promoting one of the conspirators as an experienced FOREX trader with a record of success in order to persuade them to transmit their investment funds to OASIS MANAGEMENT, LLC to be traded in the FOREX market.

c. It was a further part of the conspiracy that conspirators would and did make material omissions and conceal from victim-investors and potential investors that one of the conspirators had been permanently banned from registering with the CFTC and was prohibited from soliciting U.S. residents to trade in FOREX and from trading FOREX for U.S. residents in any capacity.

d. It was a further part of the conspiracy that conspirators would and did make false and fraudulent representations to victim-investors and potential investors, including, but not limited to, that: (i) conspirators did not charge any fees or commissions; (ii) investors were guaranteed a minimum 12 percent per year return on their investments; (iii) conspirators had never had a month when they had lost money on FOREX trades; (iv) interest and principal payments made to investors were funded by profitable FOREX trading; (v) conspirators owned other assets sufficient to repay investors' principal investments; and (vi) an investment with conspirators was safe and without risk.

e. It was a further part of the conspiracy that conspirators would and did encourage and cause victim-investors to transmit funds, via interstate wire transmissions and the United States mail and private and commercial interstate carriers, to OASIS MANAGEMENT, LLC to be traded in the FOREX market.

f. It was a further part of the conspiracy that conspirators would and did use funds transmitted by victim-investors for FOREX trading to: (i) make Ponzi-style payments to victim-investors; (ii) pay expenses associated with perpetuating the scheme; and (iii) fund their lifestyles and otherwise for their personal enrichment.

g. It was a further part of the conspiracy that conspirators would and did secure broker-dealer licenses from offshore regulatory entities to create the appearance that they could generate even greater earnings by facilitating FOREX trading.

h. It was a further part of the conspiracy that conspirators would and did solicit victim-investors to make "loans" to OIG, evidenced by promissory notes, purportedly to enable OIG to facilitate a larger volume of FOREX trades and thereby generate greater earnings.

i. It was a further part of the conspiracy that conspirators would and did develop and administer a "back office" operation - that is, a secure

website that falsely and fraudulently depicted victim-investors' account balances and earnings - in order to convince victim-investors that their principal balances were safe and their investments were performing.

j. It was a further part of the conspiracy that conspirators would and did encourage and cause victim-investors to: (i) transmit funds, via interstate wire transmissions and the United States mail and private and commercial interstate carriers, to OASIS MANAGEMENT, LLC and/or to OIG via a third-party fund administrator purportedly to serve as collateral for FOREX trading activity; and (ii) access a "back office" website and monitor supposed activity in their accounts, including daily earnings, principal balances, and referral fees.

k. It was a further part of the conspiracy that conspirators would and did use funds "loaned" by victim-investors to: (i) conduct trades, via an offshore broker, in the FOREX market, which trades resulted in catastrophic losses; (ii) make Ponzi-style payments to victim-investors; (iii) pay expenses associated with perpetuating the scheme; and (iv) purchase million-dollar residential properties, high-end vehicles, gold, silver, and other liquid assets, to fund a lavish lifestyle for conspirators, their family members and friends, and otherwise for their personal enrichment.

l. It was a further part of the conspiracy that conspirators would and did conceal the FOREX trading losses from victim-investors, including by

omitting any mention of said losses from the "back office" website, in an effort to perpetuate the scheme.

m. It was a further part of the conspiracy that conspirators would and did misrepresent, hide, and conceal, and cause to be misrepresented, hidden, and concealed, the purpose of acts performed in furtherance of the conspiracy.

All in violation of 18 U.S.C. § 1349.

**COUNT TWO**
**(Illegal Monetary Transaction – 18 U.S.C. § 1957)**

On or about February 19, 2019, in the Middle District of Florida, the defendant,

MICHAEL J. DACORTA,

did knowingly engage and attempt to engage in a monetary transaction, affecting interstate and foreign commerce, in criminally derived property of a value greater than $10,000, such property having been derived from specified unlawful activity, that is, wire fraud, in violation of 18 U.S.C. § 1343, and mail fraud, in violation of 18 U.S.C. § 1341, in that defendant caused $653,293.67 to be sent via an electronic wire from the Citibank account ending in 0764 in the name of Mainstream Fund Services to the Synovus Bank account ending in 3473 in the name of Berlin Patten Ebling, LLC in Sarasota, Florida, in connection with his

purchase of the personal residence located at 13318 Lost Key Place, Sarasota, Florida.

In violation of 18 U.S.C. § 1957.

**FORFEITURES**

1. The allegations contained in Counts One and Two of this Indictment are incorporated by reference for the purpose of alleging forfeitures pursuant to 18 U.S.C. §§ 981(a)(1)(C) and 982(a)(1), and 28 U.S.C. § 2461(c).

2. Upon conviction of a violation of 18 U.S.C. §§ 1341 and/or 1343 or a conspiracy to violate 18 U.S.C. §§ 1341 and/or 1343 (18 U.S.C. § 1349), the defendant,

MICHAEL J. DACORTA,

shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense.

3. Upon conviction of a violation of 18 U.S.C. § 1957, the defendant,

MICHAEL J. DACORTA,

shall forfeit to the United States of America, pursuant to 18 U.S.C. § 982(a)(1), any property, real or personal, involved in such offense and any property traceable to such property.

4. The property to be forfeited includes, but is not limited to an order of forfeiture in the amount of approximately $7,128,410.65, which represents proceeds the defendant personally obtained from the offenses.

5. If any of the property described above, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

c. has been placed beyond the jurisdiction of the court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty;

the United States of America shall be entitled to forfeiture of substitute property under the provisions of 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1) and 28 U.S.C. § 2461(c).

A TRUE BILL,

Foreperson

MARIA CHAPA LOPEZ
United States Attorney

By: _____
Rachelle DesVaux Bedke
Assistant United States Attorney
Deputy Chief, Economic Crimes Section

By: _____
Jay G. Trezevant
Assistant United States Attorney
Chief, Economic Crimes Section

No.

**UNITED STATES DISTRICT COURT**
Middle District of Florida
Tampa Division

THE UNITED STATES OF AMERICA

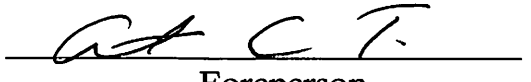
vs.

MICHAEL J. DACORTA

**INDICTMENT**

Violations: 18 U.S.C. §§ 1349, 1957

A true bill,



Foreperson

Filed in open court this 17th day

of December 2019.

_____

Clerk

Bail $_____