



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. **19-60300** CR-ALTONAGA

18 U.S.C. § 1349

18 U.S.C. § 1343

18 U.S.C. § 1341

18 U.S.C. § 1956(h)

18 U.S.C. § 1957

18 U.S.C. § 981(a)(1)(C)

18 U.S.C. § 982(a)(1)

MAGISTRATE JUDGE
SELTZER

UNITED STATES OF AMERICA

vs.

ISAAC GROSSMAN,

Defendant.

_____ /

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

The Corporations

1. Dragon-Click Corp ("Dragon-Click") was a Florida corporation formed in 2014 with its principal place of business in Parkland, Florida.

2. Dragon Partners, LLC ("Dragon Partners") was a Florida limited liability company formed in 2014 with its principal place of business in Deerfield Beach, Florida. Dragon Partners was created to raise investor funds on behalf of Dragon-Click and invest in Dragon-Click securities.

3. Dragon Management, LLC (“Dragon Management”) was a Florida limited liability company formed in 2014 with its principal place of business in Deerfield Beach, Florida. Dragon Management was created to manage Dragon Partners.

The Conspirators

4. Defendant **ISAAC GROSSMAN** resided in Parkland, Florida, and was the president, manager, director, and registered agent of Dragon-Click. **GROSSMAN** controlled Dragon Click’s corporate bank accounts, and was the sole signatory on those accounts.

5. Co-Conspirator 1 resided in Parkland, Florida, and was the manager, director, and registered agent of Dragon Management, and the registered agent of Dragon Partners.

COUNT 1
Conspiracy to Commit Mail Fraud and Wire Fraud
(18 U.S.C. § 1349)

1. The General Allegations section of this Indictment is re-alleged and fully incorporated herein by reference.

2. From in or around September 2014, and continuing through in or around April 2018, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

ISAAC GROSSMAN,

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate, and agree with others known and unknown to the Grand Jury, to commit certain offenses against the United States, namely:

(a) to knowingly and with the intent to defraud, devise, and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, and for the purpose of

executing such scheme and artifice to defraud, did knowingly cause to be delivered certain mail matter by the United States Postal Service and by private and commercial interstate carrier, according to the directions thereon, for the purpose of executing the scheme and artifice to defraud, in violation of Title 18, United States Code, Section 1341; and

(b) to knowingly and with the intent to defraud, devise, and intend to devise a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, and for the purpose of executing such scheme and artifice to defraud, did knowingly transmit and cause to be transmitted in interstate and foreign commerce, by means of wire communication, certain writings, signs, signals, pictures, and sounds, in violation of Title 18, United States Code, Section 1343.

PURPOSE OF THE CONSPIRACY

3. It was a purpose of the conspiracy for the defendant and his co-conspirators to unjustly enrich themselves by: (a) soliciting millions of dollars in investor funds under false and fraudulent pretenses, representations, and promises; and (b) misappropriating and converting investor funds for the defendant's own personal benefit without the knowledge or authorization of the investors.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendant and his co-conspirators sought to accomplish the object and purpose of the conspiracy included, among others, the following:

4. Beginning in or around September 2014, and continuing through at least in or around April 2018, **ISAAC GROSSMAN** solicited potential investors to purchase securities in the form of Dragon-Click stock.

5. Through telephone, email using interstate wires, in-person conversations, and the dissemination of false and fraudulent sales materials through mailings, **ISAAC GROSSMAN** told potential investors that Dragon-Click was developing an internet application that would revolutionize internet shopping. **GROSSMAN** told potential investors that this Dragon-Click application would allow a user to upload a photograph of any item the user wanted to purchase, identify all retailers offering that item for sale, provide price comparisons for that item across retailers, and provide a link to retailers' websites where the user could purchase the item.

6. **ISAAC GROSSMAN** induced potential investors to purchase Dragon-Click stock by falsely and fraudulently telling potential investors that: (i) their investment money would be used to complete the technological development of the Dragon-Click internet application, to obtain patents for the application, or to close the sale of the company to a large technology company; (ii) he would double, triple, or quadruple their investments, by selling Dragon-Click to a large technology company, such as Google, Apple, or Amazon, for over \$1 billion; and (iii) he was a successful entrepreneur, investor, and hedge-fund manager.

7. **ISAAC GROSSMAN** also induced potential investors to purchase Dragon-Click stock by falsely and fraudulently concealing and omitting to state material facts, including that: (i) the Financial Industry Regulatory Authority ("FINRA") had permanently barred **GROSSMAN** from acting as a broker-dealer or associating with any broker-dealer firm; (ii) the U.S. Commodity Futures Trading Commission ("CFTC") had imposed

permanent registration and trading bans on **GROSSMAN**, and had ordered **GROSSMAN** to pay restitution in the amount of \$121,665.75; and (iii) **GROSSMAN** and Co-Conspirator 1 were spending investors' money on personal expenditures.

8. As a result of **ISAAC GROSSMAN's** fraudulent misrepresentations, approximately 26 investors nationwide invested approximately \$2.4 million in Dragon-Click.

9. **ISAAC GROSSMAN** and Co-Conspirator 1 misappropriated investors' money for their own personal use, and spent approximately \$1.3 million of investors' money on gambling, diamond jewelry, luxury cars, home mortgage payments, tuition payments for their children's private education, and other personal expenditures unrelated to the operations of Dragon-Click.

All in violation of Title 18, United States Code, Section 1349.

COUNTS 2-7
Mail Fraud
(18 U.S.C. § 1341)

1. The General Allegations section of this Indictment is re-alleged and fully incorporated herein by reference.

2. From in or around September 2014, and continuing through in or around April 2018, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

ISAAC GROSSMAN,

did knowingly, and with the intent to defraud, devise, and intend to devise a scheme and artifice to defraud, and obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, and for the purpose of executing such scheme and artifice did knowingly cause to be delivered certain mail matter by the United States Postal

Service and by private and commercial interstate carrier, according to the directions thereon, in violation of Title 18, United States Code, Section 1341.

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was a purpose of the scheme and artifice for the defendant and his accomplices to unjustly enrich themselves by: (a) soliciting millions of dollars in investor funds under false and fraudulent pretenses, representations, and promises; and (b) misappropriating and converting investor funds for the defendant's own personal benefit without the knowledge or authorization of the investors.

MANNER AND MEANS OF THE SCHEME AND ARTIFICE

4. Paragraphs 4 through 9 of the Manner and Means Section of Count 1 are re-alleged and fully incorporated herein as a description of the manner and means of the scheme and artifice.

USE OF THE MAILS

5. On or about the dates specified as to each count below, the defendant, **ISAAC GROSSMAN**, for the purpose of executing and in furtherance of the scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, did knowingly cause to be delivered certain mail matter by the United States Postal Service and by private and commercial interstate carrier, according to the directions thereon:

COUNT	APPROX. DATE	DESCRIPTION OF MAILING
2	December 18, 2014	Investor P.Z. mailed a check in the amount of \$25,000 from Urbandale, Iowa, to Dragon-Click in Deerfield Beach, Florida

3	July 23, 2015	Investor R.N. mailed a check in the amount of \$62,500 from Neskowin, Oregon, to Dragon-Click in Deerfield Beach, Florida
4	November 20, 2015	Investor T.P. mailed a check in the amount of \$25,000 from Rice Lake, Wisconsin, to Dragon-Click in Deerfield Beach, Florida
5	March 22, 2016	Investor D.H. mailed a check in the amount of \$50,000 from Murfreesboro, Tennessee, to Dragon-Click in Deerfield Beach, Florida
6	October 18, 2016	Investor D.H. mailed a check in the amount of \$12,500 from Murfreesboro, Tennessee, to Dragon-Click in Deerfield Beach, Florida
7	August 14, 2017	Investor R.N. mailed a check in the amount of \$150,000 from Neskowin, Oregon, to Dragon-Click in Deerfield Beach, Florida

In violation of Title 18, United States Code, Section 1341.

COUNTS 8-13
Wire Fraud
(18 U.S.C. § 1343)

1. The General Allegations section of this Indictment is re-alleged and fully incorporated herein by reference.

2. From in or around September 2014, and continuing through in or around April 2018, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

ISAAC GROSSMAN,

did knowingly, and with the intent to defraud, devise, and intend to devise a scheme and artifice to defraud, and obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, and for the purpose of executing such scheme and artifice did knowingly transmit and cause to be transmitted in interstate and foreign commerce, by means of wire communication, certain writings, signs, signals, pictures and sounds, in violation of Title 18, United States Code, Section 1343.

PURPOSE OF THE SCHEME AND ARTIFICE

3. It was a purpose of the scheme and artifice for the defendant and his accomplices to unjustly enrich themselves by: (a) soliciting millions of dollars in investor funds under false and fraudulent pretenses, representations, and promises; and (b) misappropriating and converting investor funds for the defendant's own personal benefit without the knowledge or authorization of the investors.

MANNER AND MEANS OF THE SCHEME AND ARTIFICE

4. Paragraphs 4 through 9 of the Manner and Means Section of Count 1 are re-alleged and fully incorporated herein as a description of the manner and means of the scheme and artifice.

USE OF THE WIRES

5. On or about the dates specified as to each count below, the defendant, **ISAAC GROSSMAN**, for the purpose of executing and in furtherance of the scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, did knowingly transmit and cause to be transmitted by wire some communication in interstate commerce to help carry out the scheme to defraud, according to the directions thereon:

COUNT	APPROX. DATE	DESCRIPTION OF WIRE COMMUNICATION
8	December 3, 2015	Investor T.P. wire-transferred \$50,000 from his Johnson Bank account in Racine, Wisconsin, to a Dragon Management Bank of America account located in Coral Springs, Florida
9	May 16, 2016	Investor R.N. wire-transferred \$12,500 from his First State Bank Central Texas account in Temple, Texas, to a Dragon Management Bank of America account located in Coral Springs, Florida

10	April 12, 2017	Investor R.N. wire-transferred \$25,000 from his Extraco Banks account in Temple, Texas, to a Dragon-Click SunTrust account located in Coral Springs, Florida
11	December 18, 2017	Investor R.N. wire-transferred \$16,000 from his Extraco Banks account in Temple, Texas, to a Dragon-Click SunTrust account located in Coral Springs, Florida
12	January 19, 2018	Investor R.N. wire-transferred \$5,000 from his Extraco Banks account in Temple, Texas, to a Dragon-Click SunTrust account located in Coral Springs, Florida
13	February 22, 2018	Investor D.H., wire-transferred \$10,000 from his SunTrust account in Murfreesboro, Tennessee, to a Dragon-Click SunTrust account located in Coral Springs, Florida

In violation of Title 18, United States Code, Section 1343.

COUNT 14
Conspiracy to Commit Money Laundering
(18 U.S.C. § 1956(h))

From in or around September 2014, and continuing through in or around April 2018, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

ISAAC GROSSMAN,

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate, and agree with others known and unknown to the Grand Jury, did knowingly engage in a monetary transaction affecting interstate and foreign commerce, by, through, and to a financial institution, in criminally derived property of a value greater than \$10,000, such property having been derived from a specified unlawful activity, and knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, in violation of Title 18, United States Code, Section 1957.

It is further alleged that the specified unlawful activities are mail fraud, in violation of Title 18, United States Code, Section 1341, and wire fraud, in violation of Title 18, United States Code, Section 1343.

All in violation of Title 18, United States Code, Section 1956(h).

COUNTS 15-20
Money Laundering
(18 U.S.C. § 1957)

On or about the dates specified as to each count, in Broward County, in the Southern District of Florida, and elsewhere, the defendant,

ISAAC GROSSMAN,

did knowingly engage in and attempt to engage in monetary transactions affecting interstate and foreign commerce, by, through, and to a financial institution, in criminally derived property of a value greater than \$10,000, such property having been derived from a specified unlawful activity, and knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, as more particularly described in each count below:

COUNT	APPROX. DATE	DESCRIPTION OF FINANCIAL TRANSACTION
15	October 11, 2014	\$25,000 check drawn from a Dragon Partner's Bank of America account located in Coral Springs, Florida, made payable to Lou Bachrodt Chevrolet for the purchase of a Chevrolet Tahoe
16	November 18, 2014	\$36,500 check drawn from a Dragon Management Bank of America account located in Coral Springs, Florida, made payable to Lou Bachrodt Chevrolet for the purchase of a Chevrolet Corvette
17	November 20, 2014	\$35,000 check drawn from a Dragon Management Bank of America account located in Coral Springs, Florida, made payable to jeweler B.P. for the purchase of a 4.81 carat diamond ring
18	March 22, 2015	\$14,235 check drawn from a Dragon Management Bank of America account located in Coral Springs, Florida, made payable to lender I.C. to partially pay off ISAAC GROSSMAN's home mortgage
19	March 24, 2015	\$21,200 check drawn from a Dragon Management Bank of America account located in Coral Springs, Florida, made payable to Manhattan Leasing for a lease payment of a McLaren MP4-12C

20	December 3, 2015	\$20,390 check drawn from a Dragon Management Bank of America account located in Coral Springs, Florida, made payable to lender I.C. to partially pay off ISAAC GROSSMAN's home mortgage
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It is further alleged that the specified unlawful activities are mail fraud, in violation of Title 18, United States Code, Section 1341, and wire fraud, in violation of Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Sections 1957 and 2.

FORFEITURE ALLEGATIONS

(18 U.S.C. § 981(a)(1)(C))

(18 U.S.C. § 982(a)(1))

1. The allegations of this Indictment are hereby re-alleged and by this reference fully incorporated herein for the purpose of alleging forfeiture to the United States of America of certain property in which the defendant, **ISAAC GROSSMAN**, has an interest.

2. Upon conviction of a violation of or a conspiracy to commit a violation of Title 18, United States Code, Section 1341 or 1343, as alleged in this Indictment, the defendant shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to such offense, pursuant to Title 18, United States Code, Section 981(a)(1)(C).

3. Upon conviction of a violation of Title 18, United States Code, Section 1957 or 1956(h), as alleged in this Indictment, the defendant shall forfeit to the United States any property, real or personal, involved in such offense, and any property traceable to such property, pursuant to Title 18, United States Code, Section 982(a)(1).

4. The property subject to forfeiture as a result of the alleged offenses includes, but is not limited to, the following:

(i) One (1) 2015 Chevrolet Tahoe bearing vehicle identification number

(“VIN”) 1GNSCKKC6FR261783;

(ii) One (1) 2015 Chevrolet Corvette bearing VIN 1G1YM2D74F5110256;

(iii) One (1) 2012 McLaren MP4-12C bearing VIN
SBM11AAA9CW000201; and

(iv) One (1) emerald fancy-yellow color 4.81 carat diamond ring.

5. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

(i) cannot be located upon the exercise of due diligence;

(ii) has been transferred or sold to, or deposited with, a third party;

(iii) has been placed beyond the jurisdiction of the court;

(iv) has been substantially diminished in value; or

(v) has been commingled with other property which cannot be divided without difficulty;

the United States shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), to include:

(i) One (1) 2016 Chevrolet Traverse bearing VIN
1GNKRJKD5GJ294236; and

(ii) One (1) 2011 Rolls Royce Ghost bearing VIN
SCAA664S54BUX49721.

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All pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(1);
Title 21, United States Code, Section 853; and Title 28, United States Code, Section 2461(c).

A TRUE BILL

FOREPERSON

Ariana Fajardo Orshan

ARIANA FAJARDO ORSHAN
UNITED STATES ATTORNEY

Michael B. Homer

MICHAEL B. HOMER
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

UNITED STATES OF AMERICA

CASE NO. _____

v.

ISAAC GROSSMAN,

CERTIFICATE OF TRIAL ATTORNEY*

Defendant _____

Superseding Case Information:

Court Division: (Select One)

<input checked="" type="checkbox"/>	Miami	<input type="checkbox"/>	Key West	<input type="checkbox"/>
<input checked="" type="checkbox"/>	FTL	<input type="checkbox"/>	WPB	<input type="checkbox"/> FTP

New defendant(s)	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Number of new defendants		<input type="checkbox"/>		<input type="checkbox"/>
Total number of counts		<input type="checkbox"/>		<input type="checkbox"/>

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.
3. Interpreter: (Yes or No) No
List language and/or dialect _____
4. This case will take 6-7 days for the parties to try.
5. Please check appropriate category and type of offense listed below:

(Check only one)

- | | | |
|-----|------------------|-------------------------------------|
| I | 0 to 5 days | <input type="checkbox"/> |
| II | 6 to 10 days | <input checked="" type="checkbox"/> |
| III | 11 to 20 days | <input type="checkbox"/> |
| IV | 21 to 60 days | <input type="checkbox"/> |
| V | 61 days and over | <input type="checkbox"/> |

(Check only one)

- | | |
|---------|-------------------------------------|
| Petty | <input type="checkbox"/> |
| Minor | <input type="checkbox"/> |
| Misdem. | <input type="checkbox"/> |
| Felony | <input checked="" type="checkbox"/> |

6. Has this case previously been filed in this District Court? (Yes or No) No

If yes: Judge _____

Case No. _____

(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) No

If yes: Magistrate Case No. _____

Related miscellaneous numbers: _____

Defendant(s) in federal custody as of _____

Defendant(s) in state custody as of _____

Rule 20 from the District of _____

Is this a potential death penalty case? (Yes or No) No

7. Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to August 9, 2013 (Mag. Judge Alicia O. Valle)? Yes ☐ No ☒
8. Does this case originate from a matter pending in the Northern Region U.S. Attorney's Office prior to August 8, 2014 (Mag. Judge Shaniek Maynard)? Yes ☐ No ☒



Michael Homer

Assistant United States Attorney

Court ID A5502497

*Penalty Sheet(s) attached

REV 8/13/2018

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name: ISAAC GROSSMAN

Case No: _____

Count #: 1

Conspiracy to Commit Mail Fraud and Wire Fraud

Title 18, United States Code, Section 1349

***Max. Penalty:** Twenty (20) Years' Imprisonment

Counts #: 2-7

Mail Fraud

Title 18, United States Code, Section 1341

***Max. Penalty:** Twenty (20) Years' Imprisonment as to Each Count

Counts #: 8-13

Wire Fraud

Title 18, United States Code, Section 1343

***Max. Penalty:** Twenty (20) Years' Imprisonment as to Each Count

Count #: 14

Conspiracy to Commit Money Laundering

Title 18, United States Code, Section 1956(h)

***Max. Penalty:** Ten (10) Years' Imprisonment

Defendant's Name: ISAAC GROSSMAN

Case No: _____

Counts #: 15-20

Money Laundering

Title 18, United States Code, Section 1957

***Max. Penalty:** Ten (10) Years' Imprisonment as to Each Count

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms, or forfeitures that may be applicable.**