

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

UNITED

JUN 23 11 2:01

UNITED STATES OF AMERICA

v.

MICHAEL FRANK BURGESS

CASE NO. 6:10-cr-161-Orl-18GJK
18 U.S.C. § 371
18 U.S.C. § 1343
18 U.S.C. § 981(a)(1)(C) - Forfeiture
28 U.S.C. § 2461(c) - Forfeiture

INDICTMENT

The Grand Jury charges:

UNSEALED

COUNT ONE
(Conspiracy)

A. INTRODUCTION

At times material to this Indictment:

1. Prosperity International LLC (Prosperity) was a Florida Limited Liability Company with its principal location listed as 8449 Sand Lake Shores Court, Orlando, Florida 32836. Defendant **MICHAEL FRANK BURGESS** was listed as a manager. Prosperity maintained a web-site at www.prosperityinternational.com.

2. Innovatis, Inc. (Innovatis) was a Florida Corporation with its principal address listed as 7380 Sand Lake Road, Suite 500, Orlando, Florida 32819. Defendant **MICHAEL FRANK BURGESS** was listed as Secretary. Innovatis maintained a web-site at www.innovatis-organization.com.

B. THE AGREEMENT

3. From in or about March 2007 and continuing thereafter through on or about May 21, 2010, in Orange County, Florida, in the Middle District of Florida, and elsewhere,

MICHAEL FRANK BURGESS

the defendant herein, did knowingly and willfully combine, conspire, confederate and agree, with others both known and unknown to the Grand Jury, to commit offenses against the United States, to-wit: Wire Fraud, in violation of Title 18, United States Code, Section 1343.

C. MANNER AND MEANS OF THE CONSPIRACY

4. The substance of the conspiracy included, among other things, the following:

a. It was a part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would and did establish entities which were used to solicit clients allegedly to assist them in obtaining financing for large scale projects.

b. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would and did establish a web-site that contained false claims of large projects in which Prosperity assisted businesses in obtaining funding for large scale real estate projects.

c. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would and did claim to clients that he was able to obtain funding from a major international bank for large scale projects.

d. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would and did have clients wire transfer funds to bank accounts which he controlled.

e. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would state to clients that at least a large portion of the money paid by the client would be held in an escrow account.

f. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would and did claim that a letter of credit or bank guarantee would be delivered to the client within approximately fourteen days of receiving funds from the client.

g. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would and did pay "commissions" to Prosperity brokers, including at least one co-conspirator.

h. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would and did require clients to sign a contract which included as one of its provisions that the agreement was confidential and that the client was not allowed to contact or have any communication with banks, bank officers, law firms, and/or brokerage firms that were to be involved in the agreed upon financing.

i. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would not and did not obtain any loans for clients.

j. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** would not and did not return clients' funds which were to have been held in escrow.

k. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** and co-conspirators would and did send e-mails to clients in which

they falsely claimed that payments to the clients were delayed due to problems not attributable to defendant **MICHAEL FRANK BURGESS**.

I. It was a further part of the conspiracy that defendant **MICHAEL FRANK BURGESS** and co-conspirators would and did perform acts and make statements to hide and conceal, and cause to be hidden and concealed, the purpose of the conspiracy and the acts committed in furtherance thereof.

OVERT ACTS

5. In furtherance of the conspiracy, and to effectuate its objectives, the following overt acts, among others, were committed within the Middle District of Florida, and elsewhere:

a. On or about the following dates, in Orange County, Florida, in the Middle District of Florida, and elsewhere, defendant **MICHAEL FRANK BURGESS** did send the following e-mails and receive the following wire transfers:

Date	Description
03/8/2007	Wire Transfer of \$620,000.00 from Edmund J. Socha to Total Bank Acct. No. xxxxx3106
7/21/2008	E-mail dated July 21, 2008 from Michael F. Burgess to Edmund J. Socha
7/23/2008	E-mail dated July 23, 2008 from Michael F. Burgess to Edmund J. Socha
8/2/2008	E-mail dated August 2, 2008 from Michael F. Burgess to Edmund J. Socha
8/28/2008	E-mail dated August 28, 2008 from Michael F. Burgess to Edmund J. Socha
9/16/2008	E-mail dated September 16, 2008 from Michael F. Burgess to Edmund J. Socha
12/15/2008	E-mail dated December 15, 2008 from Michael F. Burgess to Edmund J. Socha
1/21/2009	E-mail dated January 21, 2009 from Michael F. Burgess to Edmund J. Socha

Date	Description
2/2/2009	E-mail dated February 2, 2009 from Michael F. Burgess to Edmund J. Socha
2/9/2009	E-mail dated February 9, 2009 from Michael F. Burgess to Edmund J. Socha
2/18/2009	E-mail dated February 18, 2009 from Michael F. Burgess to Edmund J. Socha
2/25/2009	E-mail dated February 25, 2009 from Michael F. Burgess to Edmund J. Socha
3/4/2009	E-mail dated March 4, 2009 from Michael F. Burgess to Edmund J. Socha
4/7/2009	E-mail dated April 7, 2009 from Michael F. Burgess to Edmund J. Socha
4/10/2009	E-mail dated April 10, 2009 from Michael F. Burgess to Edmund J. Socha
4/21/2009	E-mail dated April 21, 2009 from Michael F. Burgess to Edmund J. Socha
4/29/2009	E-mail dated April 29, 2009 from Michael F. Burgess to Edmund J. Socha
5/29/2009	E-mail dated May 29, 2009 from Michael F. Burgess to Edmund J. Socha
6/3/2009	E-mail dated June 3, 2009 from Michael F. Burgess to Edmund J. Socha
6/12/2009	E-mail dated June 12, 2009 from Michael F. Burgess to Edmund J. Socha
6/15/2009	E-mail dated June 15, 2009 from Michael F. Burgess to Edmund J. Socha
6/22/2009	E-mail dated June 22, 2009 from Michael F. Burgess to Edmund J. Socha
6/26/2009	E-mail dated June 26, 2009 from Michael F. Burgess to Edmund J. Socha
7/31/09	E-mail dated July 31, 2009 from Michael F. Burgess to Edmund J. Socha
8/11/2009	E-mail dated August 11, 2009 from Michael F. Burgess to Edmund J. Socha
8/24/2009	E-mail dated August 24, 2009 from Michael F. Burgess to Edmund J. Socha
8/25/2009	E-mail dated August 25, 2009 from Michael F. Burgess to Edmund J. Socha
8/26/2009	E-mail dated August 26, 2009 from Michael F. Burgess to Edmund J. Socha
8/27/2009	E-mail dated August 27, 2009 from Michael F. Burgess to Edmund J. Socha
9/3/2009	E-mail dated September 3, 2009 from Michael F. Burgess to Edmund J. Socha

Date	Description
9/9/2009	E-mail dated September 9, 2009 from Michael F. Burgess to Edmund J. Socha
12/11/2009	E-mail dated December 11, 2009 from Michael F. Burgess to Edmund J. Socha
5/21/2010	E-mail dated May 10, 2010 from Michael F. Burgess to Edmund J. Socha
9/24/09	Wire Transfer of \$3,500,000.00 from Plymouth Rock Studios to Credit Suisse Acct No. xxxx-xxxxx69-12
9/11/2009	E-mail dated September 11, 2009 from Michael F. Burgess to Bob Almond
10/19/2009	E-mail dated October 19, 2009 from Michael F. Burgess to Bob Almond
10/22/2009	E-mail dated October 22, 2009 from Michael F. Burgess to Bob Almond
10/24/2009	E-mail dated October 22, 2009 from Michael F. Burgess to Bob Almond
10/30/2009	E-Mail dated October 30, 2009 from Michael F. Burgess to Bob Almond
11/9/2009	E-mail dated November 8, 2009 from Michael F. Burgess to Bob Almond
11/19/2009	E-mail dated November 19, 2009 from Michael F. Burgess to Bob Almond
12/14/2009	E-mail dated December 14, 2009 from Michael F. Burgess to Bob Almond

All in violation of Title 18, United States Code, Section 371.

COUNTS TWO THROUGH FORTY-THREE
(Wire Fraud)

6. Count One, Paragraphs One and Two, are hereby re-alleged and incorporated by reference herein.

A. THE SCHEME TO DEFRAUD

7. From a date unknown, but no later than on or about March 5, 2007, and continuing to on or about May 21, 2010, in Orlando, Orange County, Florida, in the Middle District of Florida, and elsewhere,

MICHAEL FRANK BURGESS

the defendant herein, along with other conspirators both known and unknown to the Grand Jury, knowingly and willfully devised and executed a scheme and artifice to defraud Prosperity and Innovatis clients of money and property, and to obtain money and property of said clients, by means of false and fraudulent pretenses, representations, and promises.

MANNER AND MEANS

8. The substance of the scheme and artifice to defraud and to obtain money and property by false pretenses, representations, and promises included, among other things, the following:

a. Count One, Paragraph Four and its subparagraphs are hereby re-alleged and incorporated by reference herein.

THE WIRE COMMUNICATIONS

9. On or about the following dates, in Orange County, Florida, in the Middle District of Florida, and elsewhere,

MICHAEL FRANK BURGESS

the defendant herein, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, knowingly transmitted and caused to be transmitted the following wire transfers of money and e-mails by means of wire communications in interstate commerce signs, signals, pictures, and sounds for the purpose of executing such scheme to defraud and injure clients of Prosperity:

Count	Date	Description
2	03/8/2007	Wire Transfer of \$620,000.00 from Edmund J. Socha to Total Bank Acct. No. xxxxx3106
3	7/21/2008	E-mail dated July 21, 2008 from Michael F. Burgess to Edmund J. Socha
4	7/23/2008	E-mail dated July 23, 2008 from Michael F. Burgess to Edmund J. Socha
5	8/2/2008	E-mail dated August 2, 2008 from Michael F. Burgess to Edmund J. Socha
6	8/28/2008	E-mail dated August 28, 2008 from Michael F. Burgess to Edmund J. Socha
7	9/16/2008	E-mail dated September 16, 2008 from Michael F. Burgess to Edmund J. Socha
8	12/15/2008	E-mail dated December 15, 2008 from Michael F. Burgess to Edmund J. Socha
9	1/21/2009	E-mail dated January 21, 2009 from Michael F. Burgess to Edmund J. Socha
10	2/2/2009	E-mail dated February 2, 2009 from Michael F. Burgess to Edmund J. Socha
11	2/9/2009	E-mail dated February 9, 2009 from Michael F. Burgess to Edmund J. Socha
12	2/18/2009	E-mail dated February 18, 2009 from Michael F. Burgess to Edmund J. Socha
13	2/25/2009	E-mail dated February 25, 2009 from Michael F. Burgess to Edmund J. Socha
14	3/4/2009	E-mail dated March 4, 2009 from Michael F. Burgess to Edmund J. Socha
15	4/7/2009	E-mail dated April 7, 2009 from Michael F. Burgess to Edmund J. Socha
16	4/10/2009	E-mail dated April 10, 2009 from Michael F. Burgess to Edmund J. Socha
17	4/21/2009	E-mail dated April 21, 2009 from Michael F. Burgess to Edmund J. Socha
18	4/29/2009	E-mail dated April 29, 2009 from Michael F. Burgess to Edmund J. Socha
19	5/29/2009	E-mail dated May 29, 2009 from Michael F. Burgess to Edmund J. Socha
20	6/3/2009	E-mail dated June 3, 2009 from Michael F. Burgess to Edmund J. Socha
21	6/12/2009	E-mail dated June 12, 2009 from Michael F. Burgess to Edmund J. Socha
22	6/15/2009	E-mail dated June 15, 2009 from Michael F. Burgess to Edmund J. Socha

Count	Date	Description
23	6/22/2009	E-mail dated June 22, 2009 from Michael F. Burgess to Edmund J. Socha
24	6/26/2009	E-mail dated June 26, 2009 from Michael F. Burgess to Edmund J. Socha
25	7/31/2009	E-mail dated July 31, 2009 from Michael F. Burgess to Edmund J. Socha
26	8/11/2009	E-mail dated August 11, 2009 from Michael F. Burgess to Edmund J. Socha
27	8/24/2009	E-mail dated August 24, 2009 from Michael F. Burgess to Edmund J. Socha
28	8/25/2009	E-mail dated August 25, 2009 from Michael F. Burgess to Edmund J. Socha
29	8/26/2009	E-mail dated August 26, 2009 from Michael F. Burgess to Edmund J. Socha
30	8/27/2009	E-mail dated August 27, 2009 from Michael F. Burgess to Edmund J. Socha
31	9/3/2009	E-mail dated September 3, 2009 from Michael F. Burgess to Edmund J. Socha
32	9/9/2009	E-mail dated September 9, 2009 from Michael F. Burgess to Edmund J. Socha
33	12/11/2009	E-mail dated December 11, 2009 from Michael F. Burgess to Edmund J. Socha
34	5/21/2010	E-mail dated May 10, 2010 from Michael F. Burgess to Edmund J. Socha
35	9/24/2009	Wire Transfer of \$3,500,000.00 from Plymouth Rock Studios to Credit Suisse Acct No. xxxx-xxxxx69-12
36	9/11/2009	E-mail dated September 11, 2009 from Michael F. Burgess to Bob Almond
37	10/19/2009	E-mail dated October 19, 2009 from Michael F. Burgess to Bob Almond
38	10/22/2009	E-mail dated October 22, 2009 from Michael F. Burgess to Bob Almond
39	10/24/2009	E-mail dated October 22, 2009 from Michael F. Burgess to Bob Almond
40	10/30/2009	E-Mail dated October 30, 2009 from Michael F. Burgess to Bob Almond
41	11/9/2009	E-mail dated November 8, 2009 from Michael F. Burgess to Bob Almond
42	11/19/2009	E-mail dated November 19, 2009 from Michael F. Burgess to Bob Almond
43	12/14/2009	E-mail dated December 14, 2009 from Michael F. Burgess to Bob Almond

All in violation of Title 18, United States Code, Section 1343 and Title 18, United States Code, Section 2.

FORFEITURES

1. The allegations contained in Counts One through Forty-Three of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

2. From his engagement in the violations alleged in Counts One through Forty-Three of this Indictment, punishable by imprisonment for more than one year, the defendant

MICHAEL BURGESS

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), all of his interest in any property constituting or derived from proceeds obtained directly or indirectly as a result of the said violations. The assets to be forfeited specifically include, but are not limited to, the following:

- a. Contents of Credit Suisse Bank Account #0835-1128069-12 Held in the name of Innovatis Asset Management S.A.

3. 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,

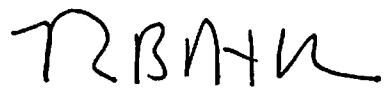
the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

A TRUE BILL,

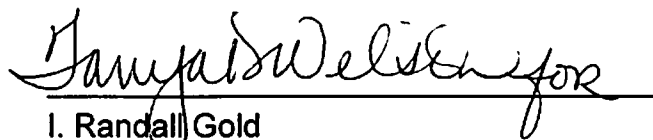


Foreperson

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United States Attorney

By: 

Roger B. Handberg
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I. Randall Gold
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Deputy Chief, Orlando Division