

# Australian, American charged with running crypto Ponzi scheme

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An Australian man and a US national have been charged in California with operating a cryptocurrency Ponzi scheme, the Justice Department said Tuesday.

David Gilbert Saffron, 51, of Australia, and Vincent Anthony Mazzotta Jr, 52, of Los Angeles, are accused of defrauding victims of more than \$25 million, the department said in a statement.

They allegedly lured investors with promises of high-yield profits from cryptocurrency using trading programs that purported to employ an artificial intelligence automated trading bot.

The investment programs operated under various names including Circle Society, Bitcoin Wealth Management, Omicron Trust, Mind Capital, and Cloud9Capital.

Instead of investing the [money](#), Saffron and Mazzotta used the funds to pay for chartered jet flights, [luxury hotels](#), a personal chef and private security guards, the Justice Department said.

Saffron allegedly solicited investors using various aliases, including David Gilbert and Dave Gabe, and online personas, including the Blue Wizard and Bitcoin Yoda.

Saffron and Mazzotta are charged with conspiracy to commit wire fraud, wire fraud, conspiracy to obstruct justice, conspiracy to commit money laundering, and [money laundering](#) and potentially face decades in prison.

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