



*United States Attorney  
Southern District of New York*

**FOR IMMEDIATE RELEASE  
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**ARREST MADE IN INTERNET GIFT CARD SCHEME**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, and RONALD J. VERROCHIO, Inspector-in-Charge of the New York Office of the United States Postal Inspection Service ("USPIS"), announced that OLEKSANDR VEROVKIN, 50, of Brooklyn, New York, was arrested last evening at JFK Airport by Inspectors of the United States Postal Inspection Service on a charge of conspiracy to commit mail and wire fraud.

As alleged in the criminal Complaint unsealed today in Manhattan federal court:

From May 2007, through December 2007, OLEKSANDR VEROVKIN and his co-conspirators engaged in a scheme to defraud consumers, through use of the website, Otartel.com, into purchasing purportedly discounted gift cards for use at various retail establishments.

The website claimed that it was the largest reseller of gift cards online with the best prices and selections, including gift cards for Best Buy, Home Depot, Gap, Costco, Barnes & Noble and Lowe's. The Website claimed it sold and bought gift cards and that its "sell prices [were] on average 15% below face value and on the other side our buy prices about 20% below face value."

Over one hundred customers mailed or wired payment and never received their purchases; other customers received cards when they first ordered, but did not receive cards when they delivered money to make additional purchases.

Over one hundred customers from at least 36 states have filed complaints related to the Website. Based on these complaints alone, over \$155,000 was stolen.

VEROVKIN is charged with one count of conspiring to commit mail and wire fraud, which carries a maximum sentence of thirty years in prison and a fine of the greatest of \$1 million

or twice the gross gain or loss derived from the offense. He is expected to be presented before a United States Magistrate Judge in Manhattan federal court later today.

Mr. DASSIN praised the work of the USPIS in this case.

Assistant United States Attorney JENNIFER E. BURNS is in charge of the prosecution.

The charges and allegations contained in the Complaint are merely accusations and the defendant is presumed innocent unless and until proven guilty.

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