



*United States Attorney
Southern District of New York*

FOR IMMEDIATE RELEASE
FEBRUARY 15, 2011

CONTACT: U.S. ATTORNEY'S OFFICE
ELLEN DAVIS,
EDELI RIVERA,
JESSE ERWIN
PUBLIC INFORMATION OFFICE
(212) 637-2600

**FORMER CONTINENTAL AIRLINES SALES AGENT PLEADS GUILTY
IN MANHATTAN FEDERAL COURT TO PARTICIPATING IN FAKE
TICKET VOUCHER PONZI SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that VICTORIA SCARDIGNO, a former sales agent for Continental Airlines at Newark Liberty International Airport in New Jersey, pled guilty today to one count of wire fraud stemming from a \$1 million Ponzi scheme involving the sale of hundreds of fake airline ticket vouchers.

Manhattan U.S. Attorney PREET BHARARA stated: "Victoria Scardigno's low-rent Ponzi scheme took advantage of unsuspecting air travelers who thought they were buying vouchers for plane tickets when they were really buying worthless pieces of paper. Now the only trip she will be taking is to federal prison."

According to the Indictment and other court documents, as well as statements made during the proceedings in this case before U.S. District Court Judge JOHN G. KOELTL:

While employed at Continental, SCARDIGNO misappropriated from its offices hundreds of vouchers that the airline uses to compensate customers for flight delays, cancellations, or situations in which customers were denied boarding because of overbooking, for example. After taking the vouchers, SCARDIGNO hatched a scheme to sell them to prospective passengers, on the fraudulent pretext that they could be redeemed for a round-trip ticket to anywhere in the world. SCARDIGNO sold over 2,100 such vouchers at a purchase price of approximately \$500 to \$600. Many of these vouchers were promised for travel to Israel. SCARDIGNO took in approximately \$1 million from the fraud, which was deposited directly into her personal bank account.

Continental Airlines offers no such voucher program, and SCARDIGNO's representations that the vouchers could be redeemed for air travel were false. When passengers attempted to redeem their vouchers through SCARDIGNO, she used some of the

fraud proceeds to purchase tickets for these passengers, in order to keep the fraudulent scheme going. As a result, since the cost of the tickets far exceeded the cost of the vouchers, most of the voucher purchasers were unable to redeem their vouchers. SCARDIGNO used at least some of the illicit proceeds to pay off personal debts and to purchase thousands of dollars of luxury goods from stores such as Louis Vuitton and Coach.

* * *

SCARDIGNO, 33, of Weehawken, New Jersey, faces a maximum sentence of 20 years in prison. She will also be required to pay restitution to the victims of her offense and to forfeit the proceeds of her crimes.

Mr. BHARARA praised the investigative work of the FBI. He also thanked the Corporate Security department of Continental Airlines for their assistance. Mr. BHARARA said that the investigation is continuing.

This matter is being handled by the Office's Complex Frauds Unit. Assistant U.S. Attorney ANTONIA M. APPS is in charge of the prosecution.

11-047

###