



***United States Attorney  
Southern District of New York***

**FOR IMMEDIATE RELEASE  
OCTOBER 30, 2009**

**CONTACT: U.S. ATTORNEY'S OFFICE  
YUSILL SCRIBNER,  
REBEKAH CARMICHAEL,  
JANICE OH  
PUBLIC INFORMATION OFFICE  
(212) 637-2600**

**CANADIAN COMPANY OPTIMAL GROUP, INC. ENTERS  
NON-PROSECUTION AGREEMENT WITH  
MANHATTAN U.S. ATTORNEY'S OFFICE**

*Optimal Agrees to Pay Over \$19 Million for Processing  
Transactions for Internet Gambling Websites*

PREET BHARARA, the United States Attorney for the Southern District of New York, and JOSEPH M. DEMAREST, JR., Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation, announced today that Optimal Group, Inc ("Optimal") -- a company based in Canada and publicly traded on the NASDAQ -- agreed to forfeit approximately \$19.2 million in criminal proceeds derived from processing payments for illegal Internet gambling websites as part of a non-prosecution agreement ("NPA"). From 2004 until October 2006, Optimal, operating an electronic wallet called Firepay, processed more than \$2 billion worth of illegal gambling transactions for United States customers.

According to the NPA and a corresponding Statement of Facts:

Optimal begin processing online credit card, electronic check, and direct debit payments for Internet gambling websites beginning in 2004. These Internet gambling websites were located outside of the United States, but the substantial majority of their customers were in the United States, including in the Southern District of New York. As acknowledged by Optimal, these Internet gambling merchants violated federal criminal law by offering gambling in the United States, including 18 U.S.C. § 1084 ("the Wire Act") and 18 U.S.C. § 1955 (the "Illegal Gambling Business Act").

Between 2004 and October 2006, Optimal processed more than \$3 billion in transactions for Internet gambling merchants; more than 80% of those transactions involved United States customers. Optimal continued to process transactions originating

from U.S. customers in connection with Internet gambling merchant websites until October 13, 2006, the day the Unlawful Internet Gambling Enforcement Act ("UIGEA") was signed into law.

Optimal has since disposed of substantially all of its payment processing business and is today principally a toy and consumer electronic company. Pursuant to the NPA, Optimal has agreed to cooperate with the United States Attorney's Office for the Southern District of New York and the FBI.

Mr. BHARARA praised the investigative work of the FBI in this case.

Assistant United States Attorneys ARLO DEVLIN-BROWN and JONATHAN NEW are in charge of the prosecution, and Assistant United States Attorney SHARON COHEN LEVIN is in charge of the forfeiture proceedings.

09-354

###