Subject: AV123.com owner, Mark L. Schifter, indicted on fraud charges
Posted by darkmoebius2 on Sun, 28 Feb 2010 07:13:37 GMT
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Heads-up to anyone considering purchasing from this company.

AV123.com sells the Focus Line Source LS6 & LS9 line arrays.

From the Longmont Times-Call newspaper in Colorado where AV123.com is headquartered.

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Longmont man accused of charity fraud

By Scott Rochat
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A grand jury has indicted 53-year-old Mark L. Schifter of Longmont on suspicion of stealing $180,034 through a charity fraud.

Colorado Attorney General John Suthers announced the indictment Friday. He said the grand jury accused Schifter of running 27 illegal charity raffles online at his company's main Web site, www.AV123.com, and then keeping most of the money for himself.

"Of that amount, only $29,500 was ever given to the ostensible recipients of the donated raffle money," the grand jury said in its indictment. "Many charities that Mark Schifter said would receive large amounts of donations from his raffles, in fact, received nothing."

Schifter heads Perpetual Technologies, a company that sells high-end audio equipment. According to the indictment, he is believed to have run the raffles between Oct. 18, 2004, and Aug. 25, 2009, through an online forum at the AV123 site. At one point, the indictment said, he even set up a PayPal account to make it easier to donate.

Each raffle included an expensive piece of audio equipment as a prize, the indictment said, as well as an emotional appeal for help written by Schifter.

"The scam not only defrauded Colorado consumers, but it also preyed on their generosity," Suthers said in a statement Friday.

A total of 707 people from across the United States gave to the raffles, Suthers said. The causes promoted by the raffles included the Dana-Farber Cancer Institute, The Children's Hospital of Denver, Russian orphanages, the Salvation Army and the American Red Cross efforts to help victims of Hurricane Katrina, according to the indictment.

Schifter ran each raffle without a license and without permission to use the names of the charities, the indictment claims.

"In fact, most of the organizations were unaware that a so-called raffle was being held to benefit

them," the grand jury said in its indictment.

The grand jury indicted Schifter on five counts, consisting of:

• Theft of $20,000 or more.

• Committing a computer crime to scheme or defraud $20,000 or more.

• Violating raffle law by failing to get a charitable gaming license.

• Charitable fraud.

• Use of an organization's name without authorization in connection with a charitable fraud.

Suthers said his office worked with the Longmont Police Department to get the indictment.

Suthers also said that those wanting to investigate a Colorado charity can go online to www.checkthecharity.org.

Charities also can be checked out through the Boulder/Denver office of the Better Business Bureau at www.denver.bbb.org/charity.

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