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NEW JERSEY MAN CHARGED WITH SECURITIES FRAUD
IN SCAM TO RAISE MILLIONS SELLING SHARES
IN GREAT AMERICAN TECHNOLOGIES, INC.

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and RON WALKER, the Inspector-in-Charge of the New York Division of the United States Postal Inspection Service ("USPIS"), today announced the unsealing of an indictment charging VINCENT SETTEDUCATE, a/k/a "Vincent Sette," with securities fraud, mail fraud, and criminal contempt in connection with the sale to the public of shares of stock issued by Great American Technologies, Inc. ("GAT" or "the Company"), a New York corporation based in New Jersey.

Also today, the Securities and Exchange Commission ("SEC") separately announced the filing of a civil securities fraud complaint against SETTEDUCATE and GAT.

According to the Indictment, GAT held itself out as a company that invested in innovative communication technologies. In particular, GAT owned a technology, dubbed "MailCall," that would permit customers to have their e-mail read over a telephone line so that messages could be retrieved remotely without the use of a computer or a wireless device. According to the Indictment, SETTEDUCATE, who in fact ran the Company notwithstanding representations that it had more senior executives, raised over \$2 million beginning in 2002 from over 100 investors across the United States by selling 50-cent stock shares based on a series of misrepresentations about GAT and its "MailCall" product. The misrepresentations set forth in the Indictment, which were made in written offering materials and SETTEDUCATE's sales pitches, include:

- That MailCall could serve up to 10,000 users and would be expanded, through additional investment, to serve up to 500,000 users, when in fact MailCall only had the capacity to serve a few dozen users at a time.

- That the Company's revenue would exceed \$13 million by 2007, when in fact the Company had minimal business operations and no business history or prospects on which to base such a projection.

- That GAT had entered into contracts with a variety of companies and associations to provide MailCall to their employees and members, when in fact no such contracts existed.

- That GAT was overwhelmed with customer orders, and therefore additional funding had to be raised and spent on training a significant sales force.

- That GAT had over 500 beta testers evaluating the services of MailCall for large corporations and government entities, when in fact such beta testers did not exist.

- That an experienced technology executive was serving as GAT's Chief Financial Officer, when in fact this executive was not employed by the Company.

- That SETTEDUCATE had employment experience with a technology company where he in fact had never worked.

According to the Indictment, SETTEDUCATE represented to investors and potential investors that a substantial amount of capital raised would be spent on expanding MailCall's operations, and a much smaller amount would be spent on SETTEDUCATE's salary. In fact, over \$700,000 of investor proceeds were paid to SETTEDUCATE, and over \$200,000 were disbursed through ATM card withdrawals and debit card charges at various establishments including hotels, casinos and restaurants.

SETTEDUCATE is also charged with criminal contempt, based on his violation of a United States District Court order entered in Manhattan in 1998 in the action SEC v. Vincent Setteducate. That court order, which resulted from an action in which the SEC alleged that SETTEDUCATE had engaged in another fraudulent securities scheme, permanently enjoined SETTEDUCATE from marketing securities by fraudulent means or through any false or misleading statements. In connection with that scheme, SETTEDUCATE was convicted in federal court of wire fraud.

SETTEDUCATE, a 49-year-old resident of Holmdel, New

Jersey, faces maximum terms of imprisonment of twenty years on the securities fraud count, twenty years on the mail fraud count, and life imprisonment on the criminal contempt count.

Mr. GARCIA, a member of the President's Corporate Fraud Task Force, praised the investigative efforts of the USFIS, and thanked the SEC for its assistance in this matter.

SETTEDUCATE will be arraigned in the United States Courthouse before the Honorable at p.m. today.

For information regarding further proceedings in this case, interested parties and victims may, starting later today, consult the following website:

This case is being prosecuted by the Office's Major Crimes Unit. Assistant United States Attorney HARRY A. CHERNOFF is in charge of the prosecution.

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