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THREE MEN ARRESTED AND CHARGED WITH PRICE GOUGING;
DEFENDANTS ALLEGEDLY OFFERED MEDICAL MASKS FOR 10 TIMES PRICE

Queens District Attorney Melinda Katz, along with the New York City Police Department, Homeland Security Investigations and the United States Postal Inspections Service, announced the arrest of 3 individuals who allegedly sold 1,000 3M medical masks for 10 times the regular price.

Queens District Attorney Katz said, “We are in the midst of a global pandemic. Thousands of people have died and medical workers do not have enough personal protection equipment to do their jobs safely. The governor and mayor have mandated that all people wear masks in public. Sadly, these 3 men allegedly thought about pocketing a profit as a result of the coronavirus outbreak by price gouging. This is unconscionable and will not stand in Queens County.”

NYPD Commissioner Dermot Shea said, “Exploiting people’s need to protect themselves for personal gain is always wrong. It is unconscionable in an ongoing pandemic, when everyone from healthcare providers to police officers to everyday New Yorkers needs this lifesaving equipment, and I commend our detectives and law enforcement partners for working together to discover and end this scam.”

Special Agent in Charge of HSI New York Peter C. Fitzhugh said, “Using this worldwide pandemic to make a quick buck is as reprehensible as it gets. Our agents will continue to scour the web to flush out individuals like those arrested Friday. HSI will work tirelessly to make sure that desperately needed medical equipment and supplies get in to the hands of those that need it most, namely, our hospital and health care workers who serve on the front line every day in such a heroic fashion.”

U.S. Postal Inspector in Charge Philip R. Bartlett said, “This global pandemic represents trying times for everyone; especially those who are fighting on the front lines protecting the citizens of this great country. During a crisis of this magnitude, we must come together as a country to fight this common enemy. Unfortunately, these 3 individuals chose to use this opportunity to make money price gouging PPE. Their conduct is shameful and un-American.”

The District Attorney identified the defendants as Yuriy Borukhov, 33, Maisey Khovasov, 23, and Michael Borukhov, 23, all residents of Queens County. The 3 defendants were issued desk appearance tickets and ordered to appear in court on August 15, 2020. At that time, the defendants will be formally charged with a New York City Administrative Code violation. Last month, the New York City Department

of Affairs enacted an emergency rule declaring price gouging unconscionable for a merchant to sell or offer goods or services with an excessive price increase during an imminent threat to public health.

According to the charges, an undercover detective with the NYPD Financial Crimes Task Force posing as a buyer responded to an online advertisement offering face masks – 1,000 masks for \$10 each. After about 2 weeks of trading text messages, a meet was set up for the morning of Friday, April 17, 2020. The “buyer” met Yuriy Borukhov and Khavasov at a designated spot in Queens County shortly after 10 a.m. One of the men asked the undercover detective if he was there to buy masks. And when the “buyer” confirmed, a third man, Michael Borukhov approached and they all walked toward a waiting Chrysler automobile.

Continuing, according to the charges, defendant Michael Borokhov allegedly opened the car’s trunk and produced 2 boxes containing 240 R95 face masks made by 3M. Moments later, the undercover detective gave the 3 men \$10,000 in cash. The 3 men were promptly arrested for price gouging. Law enforcement allegedly recovered another 820 R95 masks in the same Chrysler. Face masks of this kind normally sell for up to \$1 each.

The joint investigation was conducted by members of the Queens District Attorney’s Office, Homeland Security Investigations, the United States Postal Inspection Service, Customs and Border Patrol, the New York City Police Department, Port Authority Police Department, the Drug Enforcement Agency and the Internal Revenue Service.

Assistant District Attorney Rachel B. Stein, of the District Attorney’s Economic and Environmental Crimes Bureau, is prosecuting the case under the supervision of Assistant District Attorney Christina Hanophy, Bureau Chief, and under the overall supervision of Executive Assistant District Attorney for Investigations Gerard A. Brave.

It should be noted that a criminal complaint is merely an accusation and that a defendant is presumed innocent until proven guilty.

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Note to Editors: E-version of press release and photo posted at www.queensda.org.