

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
Karen P. Hewitt***

For Further Information, Contact: Assistant U.S. Attorney Steven E. Stone at (619) 557-7039

For Immediate Release

Colorado Man Charged With Obstruction of Justice In \$10 Million Civil SEC Action

NEWS RELEASE SUMMARY - May 27, 2009

United States Attorney Karen P. Hewitt announced that a federal grand jury sitting in San Diego returned an indictment yesterday charging Donald Lopez (“Lopez”) with seven counts of obstruction of justice and two counts of criminal contempt of a court order. According to the indictment, Lopez obstructed justice and violated court orders for more than three months as a Relief Defendant in an action brought by the Securities and Exchange Commission (“SEC”) in the United States District Court for the Southern District of California, Case No. 08CV0764-MMA (the “SEC Action”).

According to court documents, the SEC Action alleged that Lopez and his company, Palladium Holding Company (“Palladium”), received \$10 million that included funds obtained from investors through a fraudulent investment scheme operated by Matthew La Madrid (“La Madrid”) and his company, Plus Money, Inc. (“Plus Money”). The indictment charges that in his effort to obstruct the proceedings, Lopez

caused his attorney to falsely represent on multiple occasions to both United States Magistrate Judge Nita L. Stormes and District Court Judge Michael M. Anello that he had liquidated “foreign” or “international” bonds to settle the SEC Action and repay approximately \$7.5 million from the \$10 million he received from La Madrid and Plus Money. Lopez also caused the submission of a falsified bank statement to the court-appointed Receiver in the SEC Action and, at one hearing, Lopez caused his attorney to falsely represent to Judge Stormes that Lopez was not present at the hearing as ordered because he was in Albuquerque, New Mexico attempting to wire funds to the Receiver to resolve the matter. Lopez never completed the settlement of the SEC Action and failed to repay the approximately \$7.5 million in funds that he had received from La Madrid and Plus Money.

On January 7, 2009, United States District Court Judge Michael M. Anello initiated criminal contempt proceedings against Lopez (Case Number: 09CR0105-MMA) and referred the matter to the U.S. Attorney’s Office for prosecution.

Lopez is expected to be arraigned on indictment (09CR2006-MMA) before Judge Anello on May 29, 2009.

DEFENDANT

Case number: 09CR2006-MMA

Donald Lopez

SUMMARY OF CHARGES

Title 18, United States Code, Section 401(3) - Criminal Contempt of a Court Order

Title 18, United States Code, Section 1512(c)(2) - Obstruction of Justice

AGENCIES

Federal Bureau of Investigation

Internal Revenue Service, Criminal Investigative Division

An indictment itself is not evidence that the defendant committed the crimes charged. The defendant is presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.