

# ***NEWS RELEASE***

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## ***OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA***

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*For Immediate Release*

### **CALEXICO WAREHOUSE RENTER PLEADS GUILTY TO CONSPIRACY TO LAUNDER DRUG MONEY RELATED TO INCOMPLETE TUNNEL**

#### **NEWS RELEASE SUMMARY** - September 17, 2012

United States Attorney Laura E. Duffy announced today that defendant Ricardo Rosales-Rafael of Calexico, California, pled guilty to conspiracy to launder drug money, in violation of Title 18, United States Code, Sections 1956(h), 1956(a)(1)(A)(i) and 1956(a)(1)(B)(i), before the Honorable Thomas J. Whelan, United States District Court Judge. Judge Whelan scheduled a sentencing hearing on December 3, 2012 at 9:00 a.m.

As part of his guilty plea, defendant Ricardo Rosales-Rafael admitted that over a 9-month period, he received \$340,172 in bulk cash in Mexico, which he subsequently deposited into U.S. bank accounts. By making cash deposits into these U.S. banks, issuing checks for the warehouse's rental, and renting the warehouse, Rosales-Rafael knew that he was conducting financial transactions designed to conceal and disguise the nature, the location, the source, the ownership, and the control of the drug proceeds.

According to court records, Ricardo Rosales-Rafael rented a large warehouse in Calexico, California, located near the international border, in from December 2010 to August 2011, at the direction of his son-in-law. On August 25, 2011, Special Agents with Homeland Security Investigations (HSI) discovered an incomplete tunnel inside that large Calexico warehouse along with a Horizontal Directional Drilling machine, alignment tools, level tripods, jack hammers, drills, electric saws, forklifts, hydraulic lifts, air compressors, and other tools used in the construction of a tunnel. The Internal Revenue Service, Criminal Investigation, subsequently joined the investigation with HSI Special Agents.

United States Attorney Duffy said, “In addition to shutting down tunnels and seizing illegal drugs, we must consistently follow and disrupt the trail of money that attracts these criminal activities. That goal was deftly accomplished in this case through collaboration, coordination, and teamwork with our federal law enforcement partners.”

“Money laundering is how criminal networks pay their bills,” said Derek Benner, special agent in charge for HSI in San Diego. “I applaud the HSI and IRS agents whose hard work not only uncovered an incomplete tunnel that was constructed with state-of-the-art technology, but more importantly, federal agents unraveled the financial transactions that involved hundreds of thousands of dollars from illicit drug proceeds.”

Leslie P. DeMarco, Special Agent in Charge of IRS-Criminal Investigation (IRS-CI) Los Angeles Field Office commented, “IRS-Criminal Investigation is committed to unraveling money laundering transactions where individuals attempt to conceal their true source of illegal activity. IRS-Criminal Investigation is proud to provide our financial expertise as we work alongside our law enforcement partners to bring criminals to justice.”

**DEFENDANT**

**Case Number: 11CR4302W**

Ricardo Rosales-Rafael

**SUMMARY OF CHARGE**

Conspiracy to Launder Money - Title 18, United States Code, Sections 1956(h), 1956(a)(1)(A)(i) and 1956(a)(1)(B)(i)

Maximum Penalties: 20 years in custody; \$500,000 fine; 3 years of supervised release

## **INVESTIGATING AGENCIES**

Immigration and Customs Enforcement's Homeland Security Investigations  
Internal Revenue Service, Criminal Investigation