



***United States Attorney
Southern District of New York***

**FOR IMMEDIATE RELEASE
January 23, 2008**

**CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL
PUBLIC INFORMATION OFFICE
(212) 637-2600**

**DEA
ERIN MCKENZIE-MULVEY
PUBLIC INFORMATION OFFICE
(212) 337-2906**

**U.S. ANNOUNCES EXTRADITION OF THREE DEFENDANTS FROM
CANADA ON INTERNATIONAL MONEY LAUNDERING CHARGES**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and JOHN P. GILBRIDE, the Special Agent-in-Charge of the United States Drug Enforcement Administration ("DEA"), announced today the arrival in New York from Canada of JUAN CARLOS ELLIS, GERARDO PALMA, and GIOVANNI DI RIENZO to face criminal charges in "Operation White Dollar," a landmark international money-laundering case that targeted the Colombian Black Market Peso Exchange ("BMPE"). Operation White Dollar led to the indictment of 34 defendants in the United States, Canada, and Colombia, and the forfeiture of more than \$20 million in Colombian drug proceeds from bank accounts around the world. ELLIS, PALMA, and DI RIENZO arrived in New York late yesterday and are expected to make their initial appearances this afternoon in Manhattan federal court. According to the Indictment:

The BMPE is an informal currency exchange system in which one or more "peso brokers" serve as middle-men between narcotics traffickers, who control massive quantities of drug money in the United States and elsewhere outside Colombia, and companies and individuals in Colombia, who wish to purchase U.S. dollars outside the legitimate Colombian banking system. The peso brokers arrange for the collection and accumulation of drug dollars in the United States, Canada, and elsewhere outside of Colombia, and then arrange for the funds to be deposited into the U.S. banking system. The peso brokers pay the drug dealers in Colombia with Colombian pesos. The peso brokers finally then sell the drug dollars to companies and individuals in Colombia

seeking to avoid the payment of taxes, import duties, and transaction fees owed to the Colombian government.

During Operation White Dollar, law enforcement officers successfully penetrated an extensive BMPE operation based in Colombia. Law enforcement officers posed as money launderers in the United States and Canada who could receive vast sums of drug proceeds and deposit the money into the U.S. banking system. During the investigation, ELLIS, PALMA, and DI RIENZO -- each of whom served as Colombian narcotics traffickers' operatives in Canada -- each unwittingly provided hundreds of thousands of dollars worth of drug proceeds to undercover officers in Montreal between 2002 and 2004 to be laundered through the BMPE.

The extraditions announced today were the result of the cooperative efforts of the United States Attorney's Office for the Southern District of New York, the DEA, and the United States Marshals Service, working together as part of the New York Organized Crime Drug Enforcement Strike Force (the "Strike Force"). The Strike Force is comprised of agents and officers of the DEA, the New York City Police Department, the United States Internal Revenue Service Criminal Investigation Division, the Department of Homeland Security Bureau of Immigration and Customs Enforcement, the Federal Bureau of Investigation, the New York State Police, the United States Marshals Service, the United States Secret Service and the Bureau of Alcohol, Tobacco, Firearms and Explosives. Mr. GARCIA praised the investigative efforts of the DEA and thanked the Royal Canadian Mounted Police, the United Kingdom's National Crime Squad, and the Colombian Departamento Administrativo De Seguridad.

Operation White Dollar is being prosecuted by the Office's International Narcotics Trafficking Unit. Assistant United States Attorneys BOYD M. JOHNSON III and KEVIN R. PUVALOWSKI are in charge of the prosecution.

08-16

###