



*United States Attorney
Southern District of New York*

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**PRINCIPALS OF COLOMBIA'S DMG GROUP INDICTED
ON MONEY LAUNDERING CHARGES**

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, JOHN P. GILBRIDE, the Special Agent-In-Charge of the New York Field Division of the Drug Enforcement Administration ("DEA"), and RAYMOND W. KELLY, the Police Commissioner of the City of New York, announced today the unsealing of an Indictment against DAVID EDUARDO HELMUT MURCIA GUZMÁN, MARGARITA LEONOR PABON CASTRO, a/k/a "Margarita Castro Pabon," WILLIAM SUÁREZ-SUÁREZ, DANIEL ANGEL RUEDA, LUIS FERNANDO CEDIEL ROZO, a/k/a "Luis Fernando Sudiel Rosso," SANTIAGO BARANCHUK-RUEDA, a/k/a "Santiago Baranchuk," a/k/a "Santiago Rueda," and GERMAN ENRIQUE SERRANO-REYES, on charges relating to their alleged roles in the laundering of narcotics proceeds through Colombian marketing giant D.M.G. Group ("DMG").

According to the Indictment unsealed yesterday evening in Manhattan federal court:

MURCIA GUZMÁN created DMG (named after MURCIA GUZMÁN's initials) in 2003 as a vehicle for a multi-level marketing scheme, through which customers could buy pre-paid debit cards to purchase electronics and other items at retail stores operated by DMG. PABON CASTRO was a legal advisor to DMG and sat on the boards of several DMG-affiliated companies; SUÁREZ-SUÁREZ headed the Colombian operations of DMG, including the attempted bribery

of Colombian officials; ANGEL RUEDA headed DMG's public relations department; BARANCHUK-RUEDA worked for DMG in Mexico; and CEDIEL ROZO, who is married to PABON CASTRO, also worked for DMG in Mexico.

Over the years, MURCIA GUZMÁN, with help of PABON CASTRO, SUÁREZ-SUÁREZ, and ANGEL RUEDA, established hundreds of subsidiary and affiliated companies linked to DMG in countries including Colombia, Panama, and the United States. DMG sold prepaid debit cards to customers in Latin America, who in turn acted as affiliated salespeople for DMG. In exchange for its debit cards, DMG received large quantities of cash in the form of Colombian pesos from its Latin American customers. By 2008, DMG's customers numbered approximately 400,000.

MURCIA GUZMÁN and the other DMG employees are charged with laundering narcotics proceeds through DMG, using the Colombian Black Market Peso Exchange (the "BMPE"), an informal value transfer system commonly used to launder illicitly-obtained dollars in the United States, in exchange for pesos taken in for "legitimate" purchases in Colombia. In fall 2007, MURCIA GUZMÁN and PABON CASTRO approached another individual in Colombia and said that they had cash - apparently in U.S. dollars - that they could not deposit into the Colombian banking system; MURCIA GUZMÁN and PABON CASTRO asked the individual to set up an account in the United States in which these funds could be deposited. Acting on these instructions, the individual opened an account at Merrill Lynch in the United States, under the name "Blackstone International Development" (the "Blackstone Account"). Neither MURCIA GUZMÁN nor PABON CASTRO were listed as owners of the Blackstone Account.

In March 2008, MURCIA GUZMÁN and PABON CASTRO told the same individual that they had provided \$2.2 million worth of Colombian Pesos to SERRANO-REYES in Colombia, and, in exchange, SERRANO-REYES had caused the nearly \$2.2 million to be wired into the Blackstone Account. In approximately eighteen separate wire transfers between March 11 and May 9, 2008, a total of \$2,188,727.86 in U.S. dollars was deposited into the Blackstone Account. In May 2008, the United States Government seized \$2,188,727.86 from the Blackstone Account pursuant to a court order. When MURCIA GUZMÁN was informed of the seizure of the Blackstone Account, MURCIA GUZMÁN told the individual who set up the account that he should not attempt to retrieve the contents of the account, and should not under any circumstances inform the authorities of MURCIA GUZMÁN's or PABON CASTRO's interest in the Blackstone Account.

The Indictment also alleges that other DMG-affiliated defendants, including MURCIA GUZMÁN, BARANCHUK-RUEDA, ANGEL RUEDA and CEDIEL ROZO, coordinated the pick-up and transportation of millions of dollars in narcotics proceeds in Mexico. Finally, the Indictment alleges that some of the DMG-affiliated defendants, including MURCIA GUZMÁN, BARANCHEK-RUEDA, and ANGEL RUEDA, hid narcotics proceeds by investing them in real estate and limited liability companies in the United States.

MURCIA GUZMÁN, 28, PABON CASTRO, 35, SUÁREZ-SUÁREZ, 41, ANGEL RUEDA, 36, CEDIEL ROZO, 34, BARANCHUK-RUEDA, 34, and SERRANO-REYES, 45, are all charged with one count of conspiracy to commit money laundering. If convicted, each defendant faces a maximum sentence of twenty years in prison. The case is assigned to United States District Judge WILLIAM H. PAULEY III.

The United States has served upon the Government of Colombia requests for the provisional arrests of all the defendants pending extradition. MURCIA GUZMÁN, PABON CASTRO, and ANGEL RUEDA have been in Colombian custody since November 2008 on fraud-related charges brought by Colombian authorities, and SUÁREZ-SUÁREZ has been in Colombian custody since January 2009 on like charges. CEDIEL ROZO, BARANCHUK-RUEDA, and SERRANO-REYES have not been arrested.

Mr. DASSIN praised the outstanding investigative work of the DEA's Bogota Country Office and New York Drug Enforcement Task Force, which is comprised of agents and officers of the DEA, the New York City Police Department, and the New York State Police. Mr. DASSIN also thanked the Colombian government and the U.S. Department of Justice Office of International Affairs for its ongoing assistance.

The prosecution is being handled by the Office's International Narcotics Trafficking Unit and its Narcotics Unit, with assistance of the Asset Forfeiture Unit. Assistant United States Attorneys BENJAMIN A. NAFTALIS, NICHOLAS J. LEWIN, TELEMACHUS P. KASULIS, and AMY LESTER are in charge of the prosecution.

The charge and allegations contained in the Indictment are merely accusations and the defendants are presumed innocent unless and until proven guilty.

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