



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

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**MANHATTAN U.S. ATTORNEY FILES NARCO-TERRORISM
CHARGES AGAINST ALLEGED INTERNATIONAL
ARMS AND NARCOTICS TRAFFICKER**

*Defendant Allegedly Agreed To Provide Military-Grade Weapons To
Assist The FARC In Exchange For Cocaine*

PREET BHARARA, the United States Attorney for the Southern District of New York, and DEREK MALTZ, Special Agent-in-Charge, Special Operations Division of the United States Drug Enforcement Administration ("DEA"), announced that PAUL MARDIROSSIAN, a/k/a "Stallion," arrived in the Southern District of New York from Panama on Friday, May 6, 2011, to face charges for conspiring to provide weapons to DEA confidential sources whom he believed to be representatives of the Fuerzas Armadas Revolucionarias de Colombia ("FARC"), a Colombian terrorist group. As alleged in the Superseding Indictment unsealed Friday in Manhattan federal court, MARDIROSSIAN agreed to supply the FARC with military-grade weapons, including rocket-propelled grenade launchers and assault rifles. In exchange, MARDIROSSIAN, an alleged narcotics trafficker, was to receive large quantities of cocaine. MARDIROSSIAN is expected to appear in U.S. Magistrate Court for presentment and arraignment.

Manhattan U.S. Attorney PREET BHARARA stated: "As charged, Paul Mardirossian held secret meetings in countries all over the world for the purpose of supplying a violent terrorist organization with military grade weapons, including AK-47s and grenade launchers. He allegedly made these deals for large quantities of narcotics and with the understanding that the weapons would be used to harm Americans. This case underscores our ongoing commitment to work with our partners at the DEA to stop dangerous transnational criminals in their tracks."

DEA Special Agent-in-Charge, Special Operations Division DEREK MALTZ stated: "This case is a testament to DEA's unique investigative and intelligence gathering skills, and illustrates yet again the dangerous connection between global drug trafficking and terrorist networks who wish to harm innocent Americans. Mardirossian commanded a global empire of weaponry and sought to arm and fund insurgents and terrorists around the world. With "Stallion" out of business and in a U.S. courtroom, the world is a safer place."

According to the Superseding Indictment:

Beginning in February 2010, MARDIROSSIAN had a series of meetings in countries including Spain and Panama with a DEA confidential source (the "CS") who represented himself as an associate of the FARC. During those meetings, and in telephone calls and e-mail messages, MARDIROSSIAN agreed to arrange the sale of military-grade weaponry to the FARC, including AK-47 assault rifles, grenade launchers and ammunition, in exchange for large quantities of cocaine. MARDIROSSIAN and the CS agreed that he would provide a weapons sample, and later a larger quantity of weapons, for the FARC.

During a meeting in January 2011 in Panama City, Panama, the CS, and a second DEA confidential source who purported to be a senior member of the FARC, informed MARDIROSSIAN and a co-conspirator that the weapons were needed to attack a U.S. military base that was currently under construction. The following day, MARDIROSSIAN and his co-conspirator traveled outside Panama City with the CS to inspect 50 kilograms of cocaine comparable in quality to the cocaine that he would receive as payment for the weapons. In a related transaction, MARDIROSSIAN later wired \$20,000 to an undercover bank account in Manhattan, in order to invest in what the CS represented to be a shipment of cocaine destined for New York.

For several months following the January 2011 meeting, MARDIROSSIAN was in contact with the CS by telephone and e-mail to discuss his efforts to obtain a weapons sample for the FARC. In early April 2011, MARDIROSSIAN coordinated the delivery of that sample -- a grenade launcher and AK-47 assault rifle -- which were received by an undercover officer in Copenhagen, Denmark.

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MARDIROSSIAN was arrested in Panama City, Panama, on April 27, 2011, and turned over to U.S. authorities to face the

charges alleged in the Superseding Indictment in the Southern District of New York. The case has been assigned to U.S. District Judge JED S. RAKOFF.

The Indictment charges MARDIROSSIAN with the following six counts:

- Conspiracy to engage in narco-terrorism;
- Conspiracy to provide material support to a foreign terrorist organization;
- Attempting to provide material support to a foreign terrorist organization;
- Possessing, carrying, or using a firearm in furtherance of a drug trafficking crime and a crime of violence;
- Attempting to import five kilograms or more of cocaine into the United States; and,
- Money laundering.

The maximum and, in some cases, minimum penalties for these offenses are as follows:

- Count One -- life in prison, with a mandatory minimum term of 20 years in prison;
- Counts Two and Three -- 15 years in prison;
- Count Four -- life in prison, with a mandatory minimum term of 30 years in prison, consecutive to any other term imposed;
- Count Five -- life in prison, with a mandatory minimum term of 10 years in prison; and,
- Count Six -- 20 years in prison.

The charges, arrest and transfer of the defendant were the result of the close cooperation and efforts of the United States Attorney's Office for the Southern District of New York, the Special Operations Division of the DEA, the DEA Copenhagen Country Office, the DEA Madrid Country Office, the DEA Panama Country Office, the DEA Rome Country Office, the U.S. Department of Justice Office of International Affairs and National Security Division, the U.S. Department of State, the government of the

Republic of Panama, and the Danish Security and Intelligence Service.

This prosecution is being handled by the Office's Terrorism and International Narcotics Unit. Assistant U.S. Attorneys CHRISTIAN R. EVERDELL and ADAM S. HICKEY are in charge of the prosecution.

The charges contained in the Indictment are merely accusations and the defendant is presumed innocent unless and until proven guilty.

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