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Southern District of New York*

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**LEADER OF INTERNATIONAL MONEY LAUNDERING ORGANIZATION  
PLEADS GUILTY IN MANHATTAN FEDERAL COURT**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that DAVID EDUARDO HELMUT MURCIA GUZMÁN, the founder of the Colombian marketing giant D.M.G. Group ("DMG"), pleaded guilty today to conspiring to launder millions of dollars worth of narcotics proceeds through DMG. MURCIA GUZMAN pleaded guilty before U.S. District Judge WILLIAM H. PAULEY III in Manhattan federal court.

United States Attorney PREET BHARARA stated: "The so-called 'Bernie Madoff of Colombia' now stands convicted of money laundering in Manhattan federal court. Criminals have an increasingly global reach. As they develop more and more sophisticated methods of concealing their criminal proceeds, we will continue to track them, working with our law enforcement partners to bring them to justice. The United States will never be a haven for illegal funds."

According to the Superseding Indictment and statements made during the guilty plea proceeding:

**The DMG Organization**

DAVID EDUARDO HELMUT MURCIA GUZMÁN created DMG in 2003 as a vehicle for a multi-level marketing scheme, through which customers could buy pre-paid debit cards. DMG sold these pre-paid debit cards to customers in Latin America, who could use them to purchase electronics and other items at retail stores operated by DMG. By 2008, DMG's customers numbered approximately 400,000. By January 2009, DMG ceased operation.

**The Money Laundering Conspiracy**

MURCIA GUZMÁN and five co-defendants -- employees and affiliates of DMG -- laundered narcotics proceeds through DMG and DMG's affiliated companies. They used the Colombian Black Market

Peso Exchange, 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.

For example, in the fall of 2007, MURCIA GUZMÁN and co-defendant MARGARITA LEONOR 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 where these funds could be deposited. Thereafter, 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 co-defendant GERMAN ENRIQUE SERRANO-REYES in Colombia, and, in exchange, SERRANO-REYES had caused the nearly \$2.2 million to be wired into the Blackstone Account through eighteen separate wire transfers. In May 2008, the U.S. Government seized about \$2.2 million 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.

Co-defendant WILLIAM SUÁREZ-SUÁREZ headed DMG's Colombian operations, including the attempted bribery of Colombian officials. In addition, SUÁREZ-SUÁREZ assisted MURCIA GUZMÁN and others in establishing hundreds of subsidiary and affiliated companies linked to DMG in countries including Colombia, Panama, and the United States.

MURCIA GUZMÁN and three co-defendants affiliated with DMG coordinated the pick-up and transportation of millions of dollars in narcotics proceeds in Mexico. The defendants concealed narcotics proceeds by investing them in legitimate real estate and limited liability companies in the United States.

MURCIA GUZMÁN pleaded guilty to conspiracy to launder the proceeds of narcotics trafficking, which carries a maximum sentence of twenty years in prison. SUÁREZ-SUÁREZ, PABON CASTRO, CEDIEL ROZO, BARANCHUK-RUEDA, and SERRANO-REYES have each previously pled guilty to the same charge.

MURCIA GUZMÁN is scheduled to be sentenced before Judge PAULEY on February 2, 2011, at 2:00 p.m.

Mr. BHARARA praised the outstanding investigative work of the DEA's New York Drug Enforcement Task Force -- which is comprised of agents and officers of the DEA, the New York City Police Department, and the NYSP -- DEA's Bogota Country Office, DEA's Caracas Country Office, DEA's Caribbean Division, U.S. Department of Homeland Security's Immigration and Customs Enforcement ("ICE"), and ICE's Caracas Country Office. Mr. BHARARA also thanked the Department of Justice's Office of International Affairs for their ongoing assistance in the investigation.

The prosecution is being handled by the Office's Terrorism and International Narcotics Unit, with the assistance of the Asset Forfeiture Unit. Assistant U.S. Attorneys BENJAMIN A. NAFTALIS, TELEMACHUS P. KASULIS, and MICHAEL D. LOCKARD are in charge of the prosecution.

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