



Department of Justice

Robert M. Duncan, Jr.
United States Attorney
Eastern District of Kentucky

FOR IMMEDIATE RELEASE
FRIDAY, April 24, 2020
www.usdoj.gov/usao/kye

CONTACT: Gabrielle Dudgeon
PHONE: (859) 685-4843
E-MAIL: gabrielle.dudgeon@usdoj.gov

Los Angeles Woman Convicted of Cocaine and Marijuana Trafficking and Money Laundering

*Five others pleaded guilty, prior to trial, for crimes related to nationwide drug
trafficking and money laundering scheme*

LEXINGTON, Ky. - A Los Angeles woman was convicted on Thursday, by a federal jury sitting in Lexington, of conspiracy to distribute cocaine and marijuana, along with conspiracy to commit money laundering offenses.

After nine days of deliberation, following a 29-day trial, the jury convicted 41-year old Katharine E. Matthews of conspiracy to distribute five kilograms or more of cocaine and 100 kilograms or more of marijuana and conspiracy to commit money laundering offenses.

According to testimony at trial, Matthews partnered with Robert W. Carlson to move cocaine and marijuana, belonging to the Sinaloa Cartel, from California to East Coast cities including Lexington, Louisville, New York, Charlotte, Atlanta, and Miami, using private planes. Over the course of the conspiracy, Matthews moved thousands of kilograms of cocaine and over 100 kilograms of marijuana to these cities. She also brought millions of dollars from the East Coast back to California to be handed over to the cartel.

Matthews was indicted in October 2017. Her charges stemmed from a larger investigation into drug trafficking and money laundering activities that was precipitated by a drug seizure from a private plane that arrived, from Van Nuys Airport in Southern California, at Bluegrass Airport in Lexington, in April 2017

Before Matthews's trial began, several other defendants involved in the conspiracy pleaded guilty. Carlson pleaded guilty to conspiring to distribute five kilograms or more of cocaine in February 2018. In his plea agreement, Carlson admitted to conspiring with Isaac Basilio Rosas, Cedric Allen Oronce Fajardo, and others to transport and distribute drugs found on the plane that landed in Lexington in April 2017. Carlson also admitted to planning and organizing that trip. Carlson was sentenced to 200 months in prison and five years of supervised release in October 2019. Basilio Rosas pleaded guilty to conspiring to distribute five kilograms or more of cocaine in January 2018. He was sentenced to 108 months in prison in May 2018. Oronce Fajardo pleaded guilty to conspiring to distribute five kilograms or more of cocaine in

July 2017. He is scheduled for sentencing later this year.

Two other defendants, Robert Earl Wallace and Kendra Michelle Caprice Tally also pleaded guilty for their roles in the drug conspiracy. In February 2020, Wallace pleaded guilty to conspiring to distribute cocaine. Wallace, a private pilot, admitted in his plea agreement that he flew as many as ten trips for Carlson and his associates, where drugs and/or drug proceeds were moved to locations across the country. Wallace admitted that he did at least one of those trips after he learned the trips' purpose and that that trip involved moving at least 80 kilograms of cocaine.

Tally, who was a passenger on a flight that landed in Lexington in April 2017, with cocaine and methamphetamine on the plane, pleaded guilty in February 2020 to the felony offense of lying to federal agents. She admitted in her plea agreement that she knew that there were controlled substances on the flight, but falsely told Homeland Security agents that she did not know the plane was carrying controlled substances. Tally was sentenced to a three-year term of probation.

Robert Chipperfield Jr., Nader Sarkhosh, and Torrey Ward, Matthews' remaining co-defendants, were acquitted at trial.

“This investigation, and the resulting prosecutions, helped disrupt a major drug trafficking and money laundering organization operating across the United States,” said U.S. Attorney Robert M. Duncan, Jr. “The convictions are the result of hard work and dedication of the trial team and the investigators that brought this important matter to trial. We are also appreciative of the efforts of the men and women of the jury. They were asked to observe testimony, review evidence, and then ultimately deliberate in the face of the COVID-19 pandemic, which undoubtedly added an additional level of difficulty. The Court undertook health safety measures to limit and minimize potential exposure to the virus, and the jurors faithfully discharged their duty. They bore that responsibility admirably. I thank the jurors for their important public service.”

U. S. Attorney Duncan; Steven L. Igyarto, Resident Agent in Charge, Department of Homeland Security, Homeland Security Investigations; and Rodney L. Brewer, Commissioner of the Kentucky State Police, jointly made the announcement.

The Department of Homeland Security and the Kentucky State Police conducted the investigation, with assistance from the Federal Aviation Administration. The United States was represented in this case by Assistant U.S. Attorneys Dmitry Slavin, Roger West, and Will Moynahan.

Matthews will appear for sentencing on August 4, 2020. Wallace will appear for sentencing on June 16, 2020. Both face a maximum of life in prison. However, the Court must consider the U.S. Sentencing Guidelines and the applicable federal sentencing statutes before imposing a sentence.

— END —