

18 MAG 5580

Approved: _____
NOAH FALK / JONATHAN E. REBOLD
Assistant U.S. Attorneys

Before: HONORABLE KEVIN NETHANIEL FOX
United States Magistrate Judge
Southern District of New York

-----	:	<u>SEALED COMPLAINT</u>
	:	Violation of 18 U.S.C.
UNITED STATES OF AMERICA	:	§ 1956
- v. -	:	
LUIS EDUARDO RODRIGUEZ,	:	COUNTY OF OFFENSE:
	:	NEW YORK
Defendant	:	
-----	:	

SOUTHERN DISTRICT OF NEW YORK, ss.:

DAVID BEHAR, being duly sworn, deposes and says that he is a Special Agent with the U.S. Drug Enforcement Administration ("DEA"), and charges as follows:

COUNT ONE

(Conspiracy to Commit Money Laundering)

1. From at least in or about February 2015 through at least in or about December 2016, in the Southern District of New York and elsewhere, LUIS EDUARDO RODRIGUEZ, the defendant, and others known and unknown, knowingly did combine, conspire, confederate and agree together and with each other to violate the money laundering laws of the United States.

2. It was a part and an object of the conspiracy that LUIS EDUARDO RODRIGUEZ, the defendant, and others known and unknown, knowing that the property involved in a financial transaction represented the proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such a financial transaction which in fact involved the proceeds of specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), to wit, the proceeds of the sale and distribution of a controlled substance, in violation of 21 U.S.C. § 841(a)(1), knowing that the transaction was designed in whole and in part to conceal and disguise the nature, the location, the source,

the ownership, and the control of the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

3. It was further a part and an object of the conspiracy that LUIS EDUARDO RODRIGUEZ, the defendant, and others known and unknown, would and did transport, transmit, and transfer, and attempt to transport, transmit, and transfer, a monetary instrument and funds from a place in the United States to and through a place outside the United States, and to a place in the United States from and through a place outside the United States, with the intent to promote the carrying on of specified unlawful activity, to wit, the distribution of a controlled substance, in violation of 21 U.S.C. § 841(a)(1), in violation of Title 18, United States Code, Section 1956(a)(2).

4. It was further a part and an object of the conspiracy that LUIS EDUARDO RODRIGUEZ, the defendant, and others known and unknown, in an offense involving and affecting interstate and foreign commerce, knowingly would and did engage and attempt to engage in monetary transactions in criminally derived property of a value greater than \$10,000 that was derived from specified unlawful activity, to wit, the proceeds of the sale and distribution of a controlled substance, in violation of Title 18, United States Code, Section 1957(a).

(Title 18, United States Code, Section 1956(h).)

The bases for my knowledge and for the foregoing charges are, in part, as follows:

5. I have been a DEA Special Agent for approximately twenty years. During that time, I have participated in numerous investigations of unlawful drug distribution. During the course of those investigations, I have conducted or participated in surveillance, drug transactions with undercover officers ("UCs") and confidential informants ("CIs"), the introduction of UCs and CIs, the execution of search warrants, debriefings of witnesses, and reviews of taped conversations and drug records. Through my training, education, and experience, I have become familiar with the manner in which illegal drugs are imported and distributed; the way in which illegal drugs are prepared, packaged, and sold on the street; some of the methods of payment for such drugs; and some of the methods that are used to disguise the source and nature of the profits made by drug dealers.

6. I make this Affidavit in part on personal knowledge based on my participation in the investigation and conversations with other DEA Special Agents and Task Force Officers ("TFOs"), and other law enforcement officers; conversations with UCs and CIs; reviews of reports and other documents prepared by agents and others; and physical surveillance.

7. Throughout this Affidavit, where I assert that a statement was made, I was not the individual to whom the statement was made unless I specifically so state. Rather, information about the statement was provided by the specified law-enforcement officer or cooperating witness ("CW") to whom I have spoken or whose reports I have read and reviewed. Such statements are among many statements made by others and they are set forth in substance and in part, unless otherwise indicated. Similarly, the information in this Affidavit resulting from surveillance, except where otherwise specifically indicated, does not set forth my personal observations, but rather was provided to me by other law-enforcement officers who observed the events described, and/or to whom I have spoken or whose reports I have read.

8. Furthermore, the facts and circumstances of this investigation have been summarized for the specific purposes of this Application. I have not attempted to set forth the complete factual history of this investigation or all of its details. In making this Application, I rely only on the facts stated herein.

Background to the Investigation

9. Since in or around July 2013, the DEA has been investigating an international drug trafficking and money laundering organization (the "Organization") involved in trafficking hundreds of kilograms of cocaine and heroin, among other narcotics, and laundering narcotics proceeds through a variety of methods including through one or more seemingly "legitimate" corporations under their control. As detailed further below, the Organization has ties to Panama, Mexico, Italy, Spain, and the United States, among other locations, and its members are believed to include LUIS EDUARDO RODRIGUEZ, the defendant, and his coconspirators described below.

10. In particular, and based on this investigation, which has involved debriefings of multiple CIs, consensual recordings, interceptions of narcotics and narcotics proceeds,

and agent surveillance, I am aware that Roberto Ponce-Rocha, a/k/a "Paco Ulysses," a/k/a "Licenciado," a/k/a "Lic Ponce," was a large-scale international narcotics trafficker based in Tijuana, Mexico who imported narcotics from sources of supply in South and Central America to purchasers across the world, including members of the Organization based in the United States.¹

11. Based on a review of calls, text messages, and e-mails intercepted over a series of cellular telephones belonging to Ponce-Rocha (the "Ponce-Rocha Cellphones") pursuant to judicially authorized wiretaps, I am aware that Ponce-Rocha has numerous individuals working at his direction in furtherance of his drug trafficking activities. In particular, I am aware that Ponce-Rocha used various methods including commercial shipments, drivers and couriers to move narcotics around the world and, in particular, to import narcotics into the United States. Based on a review of intercepted calls and communications occurring over the Ponce-Rocha Cellphones, I and other agents have been able to identify and intercept numerous narcotics shipments destined for importation into the United States.

12. As set forth further below, based on my debriefings of UCs and CIs with direct contact with Alejandro Javier Rodriguez-Jimenez and Jesus Rodriguez-Jimenez (together, the "Rodriguez-Jimenez Brothers") and Eloy Cardenas-Moreno; consensual recordings, including consensual recordings involving Alejandro Javier Rodriguez-Jimenez, Jesus Rodriguez-Jimenez, and Eloy Cardenas-Moreno; agent surveillance; and the review of emails obtained from accounts controlled by Alejandro Javier Rodriguez-Jimenez and Jesus Rodriguez-Jimenez, I am aware that Alejandro Javier Rodriguez-Jimenez, Jesus Rodriguez-Jimenez, and Eloy Cardenas-Moreno are drug traffickers and money launderers who, among other things, facilitated the sale of narcotics from Ponce-Rocha to various customers, and who assisted in laundering the proceeds of such sales. I am further aware that Alejandro Javier Rodriguez-Jimenez is based in Las Vegas, Nevada, as well as Mexico; Jesus Rodriguez-Jimenez and Eloy Cardenas-Moreno

¹ Ponce-Rocha is among four individuals charged in superseding Indictment *United States v. Ponce-Rocha*, 16 Cr. 30 (JMF), unsealed in this District on or about May 25, 2016. Prior to that unsealing, Ponce-Rocha was arrested by Colombian authorities on or about March 20, 2016; he was detained at that time and is currently awaiting the outcome of an extradition request.

operated principally out of Monterrey, Mexico, where Jesus Rodriguez-Jimenez controlled numerous companies that he used to launder hundreds of millions of dollars in narcotics proceeds.²

13. I have debriefed a coconspirator of the Rodriguez-Jimenez Brothers ("CW-1"), who has been charged in connection with his participation in the Rodriguez-Jimenez Brothers' money laundering and drug trafficking activities, and who is cooperating with the Government in hopes of receiving leniency at sentencing, from which I have learned the following, in relevant part:³

a. Jesus Rodriguez-Jimenez utilized a network of businesses located in both Mexico and the United States, among other countries, to launder proceeds of narcotics trafficking on behalf of Mexican drug cartels, among other clients.

b. In or about 2015 and 2016, CW-1 personally conducted multiple deliveries of narcotics proceeds, in cash, in Manhattan, New York, at the direction of the Rodriguez-Jimenez Brothers.

c. Rodriguez-Jimenez used Innova Properties LLC ("Innova"), a corporation organized under the laws of the State of Nevada, and located in Las Vegas, among at least 98 separate corporate entities located throughout the world.

d. As of at least in or about July 2016, Rodriguez-Jimenez was funneling narcotics proceeds through Innova in order to launder those proceeds.

² Alejandro Javier Rodriguez-Jimenez, Jesus Rodriguez-Jimenez, and Eloy Cardenas-Moreno, among other coconspirators, are charged in indictment 16 Cr. 644 (KBF), pending before Judge Forrest in the Southern District of New York. To date, Jesus Rodriguez-Jimenez has been arrested and pleaded guilty to charges in that case, while Alejandro Javier Rodriguez-Jimenez and Eloy Cardenas-Moreno are fugitives. Coconspirators Filippo Magni and Giacomo Mancini are charged in indictment S1 16 Cr. 644 (KBF), also pending in the Southern District of New York, for their respective roles in the conspiracy.

³ Information provided by CW-1 has been corroborated in numerous ways, including through information provided by independent witnesses and the content of emails and recordings collected prior to CW-1's efforts to cooperate.

Cash Drops and the Philadelphia Stash House

14. I know from my participation in the investigation that in or about July 22, 2015, a DEA agent acting in an undercover capacity ("UC-1") and posing as a money launderer, was introduced into the Organization through Alejandro Javier Rodriguez-Jimenez. From debriefing UC-1, reviewing consensual recordings made by UC-1, and my own contemporaneous surveillance, among other means, I have learned the following:

a. From in or about July 2015 through in or about June 2016, UC-1 infiltrated the Organization by facilitating various money laundering transactions at the direction of Alejandro Javier Rodriguez-Jimenez. For example, on or about July 22, 2015, in Manhattan, UC-1 received a suitcase filled with \$171,000 in United States currency in a hotel lobby from a member of the Organization. Subsequently, UC-1 received routing information via email from a member of the Organization, instructing UC-1 to wire those funds to multiple Mexico-based shell corporations controlled by Jesus Rodriguez-Jimenez.

b. As a result of the relationship UC-1 established with the Organization, and in coordination with UC-1, on or about May 9, 2016, Alejandro Javier Rodriguez-Jimenez directed Eloy Cardenas-Moreno to meet with a paid confidential informant ("CS-1") in Philadelphia, Pennsylvania, in order to establish a "stash house" to be utilized by the Organization (the "Philadelphia Stash House").

15. CS-1, who has proven to be reliable and accurate and has been corroborated by information obtained through other sources, including through consensual recordings and statements made to law enforcement by other members of the Organization, has provided the following information, in substance and in part:

a. Eloy Cardenas-Moreno informed CS-1 that the Philadelphia Stash House would be used by the Organization to receive deliveries of narcotics proceeds. Cardenas-Moreno was clear that only narcotics proceeds, and not narcotics themselves, would be stored at the Philadelphia Stash House. Cardenas-Moreno further informed CS-1 that Cardenas-Moreno's role in the Organization was, in part, to establish "stash houses" such as the Philadelphia Stash House in locations

throughout the United States, in order to facilitate the money laundering activities of the Organization.

b. Eloy Cardenas-Moreno and CS-1 proceeded to identify a suitable house at a particular address in Philadelphia, and proceeded to enter into a lease agreement for that house. Subsequently, Cardenas-Moreno and CS-1 began utilizing the house as the Philadelphia Stash House.

16. I know from my participation in the investigation that on or about June 24, 2016, Philadelphia-based DEA agents executed a lawfully obtained Pennsylvania state search warrant on the Philadelphia Stash House. As a result of the search, DEA agents seized \$489,948 in United States currency from the Philadelphia Stash House, as well as an electronic money counting machine.

Las Vegas Meeting

17. I know from debriefing UC-1, that immediately following the search of the Philadelphia Stash House, Alejandro Javier Rodriguez-Jimenez contacted UC-1 and demanded a face-to-face meeting between UC-1 and Jesus Rodriguez Jimenez. UC-1 understood that the Rodriguez-Jimenez Brothers were suspicious of UC-1, and sought, among other things, to recover the funds seized pursuant to the search of the Philadelphia Stash House. UC-1 agreed to meet Jesus Rodriguez-Jimenez in Las Vegas, Nevada on the evening of July 1, 2016.

18. I know from conducting surveillance pursuant to the investigation, that at approximately 1:30 p.m. local time, on or about July 1, 2016, Jesus Rodriguez-Jimenez and LUIS EDUARDO RODRIGUEZ, the defendant, met at a bar at a Las Vegas casino. Subsequently at approximately 6:05 p.m., Jesus Rodriguez-Jimenez and RODRIGUEZ proceeded to a steak house located in a second Las Vegas casino where the meeting with UC-1 was to take place. At that time, Jesus Rodriguez-Jimenez and RODRIGUEZ were arrested and taken into DEA custody.

19. Subsequent to his arrest, after having been administered *Miranda* warnings, and after waiving his *Miranda* rights, including by executing a written *Miranda* waiver of rights form, LUIS EDUARDO RODRIGUEZ, the defendant, submitted to a consensual interview, during which he stated, in substance and in part:

a. Since in or about February 2015, RODRIGUEZ transacted in real estate in partnership with Jesus Rodriguez-Jimenez. Specifically, Jesus Rodriguez-Jimenez would fund the purchase of properties, which RODRIGUEZ would select, renovate and resell, during which time, Jesus Rodriguez-Jimenez would hold his interest in those properties through shell corporations, including through Innova.

b. In the several months prior to his arrest, RODRIGUEZ had "flipped" three properties through Innova on Jesus Rodriguez-Jimenez's behalf, including one property that had sold for approximately \$220,000.

c. With respect to RODRIGUEZ's meeting with Jesus Rodriguez-Jimenez at the casino bar on the afternoon of July 1, 2016, Jesus Rodriguez-Jimenez had asked RODRIGUEZ to serve as a Spanish to English language translator at a dinner meeting that Jesus Rodriguez-Jimenez would attend later that day. Jesus Rodriguez-Jimenez explained that, during the dinner meeting, two individuals who owed \$500,000 to Jesus Rodriguez-Jimenez would discuss how they intended to repay their debt to Jesus Rodriguez-Jimenez. Jesus Rodriguez-Jimenez further explained that Jesus Rodriguez-Jimenez was supposed to have received payment of the \$500,000 in Pennsylvania from the two individuals. Jesus Rodriguez-Jimenez then proceeded to show RODRIGUEZ a photograph of a document dated June 24, 2016 that had been left by law enforcement inside a property owned by Rodriguez-Jimenez in Philadelphia, Pennsylvania. RODRIGUEZ recalled observing to Jesus Rodriguez-Jimenez that the circumstances described seemed strange, in that there were no arrests made, and that therefore this might have been a "fake raid."

d. RODRIGUEZ claimed that RODRIGUEZ did not know how the two individuals had incurred their "debt" to Jesus Rodriguez-Jimenez.

Real Estate Laundering Transactions

20. I have reviewed an email message dated January 20, 2016, sent from an account belonging to Jesus Rodriguez-Jimenez, from which I have learned that Jesus Rodriguez-Jimenez purported to control at least seven shell companies incorporated in the state of Nevada. Included in this email message was a corporation identified as Innova. The email listed Jesus Rodriguez-Jimenez and another individual ("Witness-1") as officers of Innova.

a. On or about July 3, 2016, I, along with other DEA agents involved in the investigation, conducted consensual searches of two businesses and a residence controlled by LUIS EDUARDO RODRIGUEZ, the defendant, pursuant to consent to search forms executed by RODRIGUEZ. I obtained numerous business records of Innova pursuant to these searches, including, as relevant here, documents describing certain real estate transactions involving Innova. From my review of these documents, I have learned, among other things, that, on or about March 31, 2016, Innova bought a residential property located in Las Vegas, Nevada ("Property-1") for the purchase price of \$220,252.95. On or about May 21, 2016, Innova sold Property-1 for a sale price of \$226,595.32.

21. During the course of the investigation, I conducted a consensual interview with Witness-1 regarding Witness-1's involvement with Innova, at which time Witness-1 stated, in substance and in part:

a. Witness-1 met Jesus Rodriguez-Jimenez in or about 2015. At that time, Witness-1 worked for LUIS EDUARDO RODRIGUEZ, the defendant, at RODRIGUEZ's real estate business. RODRIGUEZ asked Witness-1 to serve as the "administrator" for Innova, and to be the sole signatory on a bank account opened in Innova's name (the "Innova Account"). RODRIGUEZ further stated that Innova was formed by RODRIGUEZ and Jesus Rodriguez-Jimenez in order to purchase and sell real estate in Nevada. Jesus Rodriguez-Jimenez paid Witness-1 \$2,000 in cash each month to serve as the "administrator" of Innova. On several occasions, Witness-1 received payment from Jesus Rodriguez-Jimenez at a business operated by Alejandro Javier Rodriguez-Jimenez in Las Vegas. On these occasions, Jesus Rodriguez-Jimenez pulled the cash out of a small bag or his pocket to pay Witness-1.

b. During Witness-1's affiliation with Innova, Jesus Rodriguez-Jimenez regularly wired funds into the Innova Account, and provided Witness-1 with outgoing wiring instructions for those funds. Witness-1 asked RODRIGUEZ where the funds were coming from to purchase properties, and RODRIGUEZ explained that Jesus Rodriguez-Jimenez had various businesses and partnerships in Monterrey, Mexico, one of which was a truck company that transported cash for businesses.

c. In or about December 2016, Witness-1 and RODRIGUEZ received instructions from a relative of the Rodriguez-Jimenez Brothers (the "Relative") to transfer the

proceeds of the sale of Property-1 to Jesus Rodriguez-Jimenez, who had been arrested, and who needed the funds. The Relative provided Witness-1 and RODRIGUEZ with wiring instructions. RODRIGUEZ directed Witness-1 to effectuate the wire transfer, because RODRIGUEZ did not want to be connected with Jesus Rodriguez-Jimenez subsequent to his arrest on money laundering charges. Witness-1 did in fact effectuate the transfer to Jesus Rodriguez-Jimenez in accordance with the Relative's instructions.

Opening of Shell Company Accounts

22. During the course of the investigation, I conducted a consensual interview with a an individual ("Witness-2"), regarding Witness-2's interaction with LUIS EDUARDO RODRIGUEZ, the defendant. During that interview, Witness-2 stated, in substance and in part:

a. In or about October 2015, Witness-2, along with relatives of Witness-2 ("Witness-3" and "Witness-4," respectively), was recruited by Jesus Rodriguez-Jimenez to work as a "manager" for the Rodriguez-Jimenez Brothers. Jesus Rodriguez-Jimenez explained that he was a businessman working in Las Vegas, and that he required people like Witness-2, Witness-3 and Witness-4 to serve as bank account signatories, and to be listed as corporate officers, for companies involved in Jesus Rodriguez-Jimenez's business that he was in the process of establishing in Las Vegas.

b. Witness-2 identified three shell companies that Jesus Rodriguez-Jimenez ultimately established, and for which Witness-2, Witness-3, and Witness-4 were listed as corporate officers, including "RRG Electronic Devices LLC," "GAV Commercial and Luxury Furniture LLC," "Nexus Trading Company LLC," and "Nevada LED Screens Technology, LLC" (together, the "Shell Companies").

c. Jesus Rodriguez-Jimenez assured Witness-2 that there was nothing illegal about Witness-2's participation in the Shell Companies, and that "no one will hurt anyone."

d. Jesus Rodriguez-Jimenez offered Witness-2, Witness-3, and Witness-4 \$1,000 each to "manage" accounts associated with the Shell Companies, and that RODRIGUEZ would contact Witness-2, Witness-3, and Witness-4 in the coming days

to coordinate the documentation required for the businesses, and to facilitate opening of associated bank accounts.

e. Several days later, RODRIGUEZ did in fact meet Witness-2 at the branch of a financial institution located in Las Vegas ("Bank-1"). RODRIGUEZ facilitated adding Witness-2 as a signatory to a bank account belonging to Nevada LED Screens Technology LLC (the "Nevada LED Account"). RODRIGUEZ told Witness-2 that ~~if Witness-2 needed anything, Jesus Rodriguez-Jimenez would contact Witness-2~~, but that RODRIGUEZ and Jesus Rodriguez-Jimenez would likely no longer require any services from Witness-2.
↳ if RODRIGUEZ needed anything, RODRIGUEZ

f. In or about July 2016, subsequent to the arrest of Jesus Rodriguez-Jimenez, Witness-2 encountered RODRIGUEZ by chance at a branch of a financial institution. Upon seeing Witness-2, RODRIGUEZ stated that RODRIGUEZ did not want to know anything about Witness-2, Witness-3, and Witness-4, and RODRIGUEZ quickly departed.
would contact Witness-2

23. I have reviewed records maintained by the Nevada Secretary of State, including the articles of organization and the initial list of managers for Nevada LED Screens Technology LLC, which lists Witness-2 as a managing member.

24. I know from my participation in the investigation that on or about July 10, 2015, a law enforcement officer acting in an undercover capacity ("UC-2") and posing as a money courier received \$199,735 in United States currency from a member of the Organization in Atlanta, Georgia. Subsequently, UC-2 was provided wiring instructions by CW-1, acting at the direction of the Rodriguez-Jimenez Brothers, including instructions to wire \$93,000 to the Nevada LED Account, which UC-2 did.

25. During the course of the investigation, I conducted a consensual interview with Witness-3, regarding Witness-3's interaction with LUIS EDUARDO RODRIGUEZ, the defendant, during which Witness-3 stated, in substance and in part:

a. Witness-3, who was present at the October 2015 meeting with Jesus Rodriguez-Jimenez, described above, was instructed by Jesus Rodriguez-Jimenez to contact RODRIGUEZ, a realtor, in order to serve as a "manager" for companies Rodriguez-Jimenez was endeavoring to open in Las Vegas.

b. Witness-3 subsequently contacted and ultimately met RODRIGUEZ on two occasions to open bank accounts associated with the Shell Companies. On each of these occasions, RODRIGUEZ informed Witness-3 that Witness-3 would be listed as a signatory on a bank account associated with a Shell Company.

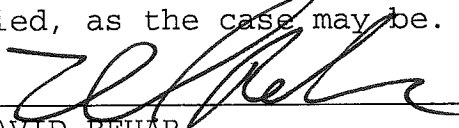
c. Witness-3 was paid \$1,000 per month for a period of six months by Jesus Rodriguez-Jimenez.

26. I have reviewed records maintained by the Nevada Secretary of State, including the articles of organization and the initial list of managers for RRG Electronic Devices LLC, which lists Witness-3 as a managing member as of December 2015. I have reviewed bank records maintained by Bank-1 relating to an account belonging to RRG Electronic Devices LLC (the "RRG Account") listing Witness-3 as a signatory.

27. I have reviewed records maintained by the Nevada Secretary of State, including the articles of organization and the initial list of managers for Nexus Trading Company LLC, which lists Witness-4 as a managing member. I have reviewed email correspondence from an email account used by Jesus Rodriguez-Jimenez, identifying Witness-4 as a signatory for an account belonging to Nexus Trading Company LLC maintained by Bank-1 (the "Nexus Account").

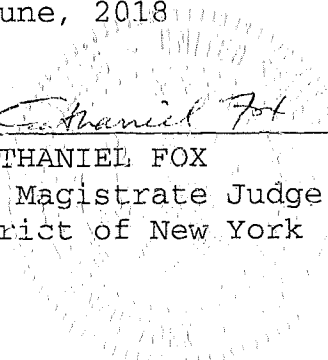
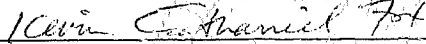
28. I know from my participation in the investigation that on or about June 14, 2016, UC-2, posing as a money courier, received \$399,855 in United States currency from a member of the Organization in Atlanta, Georgia. Subsequently, UC-2 was provided wiring instructions by Alejandro Javier Rodriguez-Jimenez, including instructions to wire approximately \$150,000 to the RRG Account, and approximately \$225,000 to the Nexus Account. Subsequently, UC-2 received revised wiring instructions replacing the account associated with Nexus Account with the Nevada LED Account. UC-2 proceeded to effectuate wire transfers of the proceeds in accordance with Alejandro Javier Rodriguez-Jimenez's revised instructions.

WHEREFORE, I respectfully request that a warrant be issued for LUIS EDUARDO RODRIGUEZ, the defendant, and that he be arrested, and imprisoned or bailed, as the case may be.



DAVID BEHAR
Special Agent
Drug Enforcement Administration

Sworn to before me this
28th day of June, 2018

HON. KEVIN NETHANIEL FOX
United States Magistrate Judge
Southern District of New York