



*United States Attorney
Southern District of New York*

**FOR IMMEDIATE RELEASE
JANUARY 30, 2009**

**CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL,
JANICE OH
PUBLIC INFORMATION OFFICE
(212) 637-2600**

Note: The title of this press release has been corrected.

**OWNER OF CHILEAN FINANCIAL SERVICES COMPANY FOUND
GUILTY OF VIOLATING U.S. ANTI-MONEY LAUNDERING LAW**

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 Drug Enforcement Administration's New York Field Division, and PATRICIA J. HAYNES, the Special Agent-in-Charge of the New York Field Office of the Internal Revenue Service ("IRS"), announced that MAURICIO ALFONSO MAZZA-ALALUF, owner of the Chilean financial services company Turismo Costa Brava S.A., was found guilty of violating the Federal unlicensed money transmitting statute, an anti-money-laundering measure that was broadened by the USA PATRIOT Act. The guilty finding was handed down yesterday in a written Opinion by United States District Judge P. KEVIN CASTEL following a November 2008 bench trial in Manhattan federal court.

As reflected in the evidence at trial and Judge CASTEL's Opinion:

MAZZA-ALALUF was one of the owners of Chilean financial services company, Turismo Costa Brava, S.A. ("Turismo"), that provided fund transfer and currency exchange services for its customers. Turismo's owners and employees physically carried bulk cash, often in Euros or other European currencies, into the United States on flights from South America to Los Angeles. Turismo's couriers openly declared the cash as they passed through U.S. Customs. The cash was then handed over to an armored car service that delivered it to a Los Angeles currency exchange business, Associated Foreign Exchange ("AFEX"). AFEX then transmitted the dollar equivalent of the foreign currency to accounts that Turismo maintained at banks in New York, Chicago, and Dearborn, Michigan. Turismo then used those accounts to facilitate thousands of wire transfers totaling hundreds of millions of dollars to accounts all over the world.

As a means of ensuring effective regulation of money transfer businesses, which are frequently used to launder illicit funds, United States federal law requires money transmitting businesses operating in the United States both to comply with federal regulations of the United States Treasury, and to obtain a license from every state in which they operate if the state has a licensing requirement. New York, Illinois and Michigan all require money transmitting businesses to obtain a license. Turismo, however, did not obtain a license to operate as a money transmitting business in any of those states.

As a consequence of his involvement in conducting the operations of Turismo, MAZZA-ALALUF was charged with one count of conspiring to conduct an unlicensed money-transmitting business, and one count of conducting an unlicensed money-transmitting business. Judge CASTEL found that Turismo had not violated U.S. Treasury regulations because the Treasury regulations applied only to financial institutions "within" the United States. However, Judge CASTEL nonetheless found MAZZA-ALALUF guilty on both counts because Turismo's use of bank accounts in New York, Illinois, and Michigan did subject it to the requirement to obtain licenses in those states.

MAZZA-ALALUF faces a maximum potential sentence of five years in prison on each count.

The investigation of MAZZA and Turismo was conducted by agents of the IRS and DEA, working together as part of the New York Organized Crime Drug Enforcement Strike Force, which is comprised of agents and officers of the DEA, the New York City Police Department, the IRS, the Department of Homeland Security Bureau of Immigration and Customs Enforcement, the Federal Bureau of Investigation, the New York State Police, the United States Marshals Service, the United States Secret Service, and the Bureau of Alcohol, Tobacco, Firearms and Explosives. Mr. DASSIN thanked the IRS and DEA for their work in conducting the extensive international financial investigation.

Assistant United States Attorneys SARAH LAI and MARK LANPHER are in charge of the prosecution, which was conducted out of the Office's International Narcotics Trafficking Unit.

09-016

###