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**CALI CARTEL FRONT MAN PLEADS GUILTY
AND IS SENTENCED ON MONEY LAUNDERING CHARGES**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, JOHN P. GILBRIDE, the Special Agent-in-Charge of the New York Division of the United States Drug Enforcement Administration ("DEA"), and ADAM J. SZUBIN, the Director of the United States Treasury Department's Office of Foreign Assets Control ("OFAC"), announced today the guilty plea and sentencing of FERNANDO GUTIERREZ-CANCINO -- a key participant in the Cali Cartel's efforts to launder its vast cocaine proceeds -- on money-laundering charges. GUTIERREZ-CANCINO was extradited from Spain to the Southern District of New York in March 2005. According to the Indictment, filed in Manhattan federal court, other court documents, and GUTIERREZ-CANCINO's guilty plea and sentencing proceedings:

GILBERTO RODRIGUEZ-OREJUELA and MIGUEL ANGEL RODRIGUEZ-OREJUELA, co-defendants of GUTIERREZ-CANCINO, once controlled a powerful Colombian narcotics-trafficking organization based in Cali, Colombia (the "Cali Cartel"). The Cali Cartel was involved in all aspects of the cocaine trade, including production, transportation, wholesale distribution, and money laundering. Between in or about 1982 and 1995, the Cali Cartel transported and sold tens of thousands of kilograms of cocaine and ultimately amassed an illicit fortune worth in excess of \$1 billion.

In order to hide the Cali Cartel fortune from law enforcement detection and seizure, GILBERTO RODRIGUEZ-OREJUELA, MIGUEL ANGEL RODRIGUEZ-OREJUELA, and GUTIERREZ-CANCINO invested the illicit fortune of the Cali Cartel in ostensibly legitimate companies, including companies involved in the production and sale of pharmaceutical drugs. Although the RODRIGUEZ-OREJUELAS and GUTIERREZ-CANCINO were initially identified in Columbian public documents as partners in several of the companies, they

attempted to conceal their continuing ownership and control of these companies from law enforcement authorities. As part of these efforts, the RODRIGUEZ-OREJUELAS and GUTIERREZ-CANCINO arranged for their companies to be held under the names of family members or trusted associates.

On October 21, 1995, President William Jefferson Clinton, pursuant to the authority granted by, among other things, the International Emergency Economic Powers Act (Sections 1701 to 1706 of Title 50 of the United States Code, signed Executive Order 12978, entitled "Blocking Assets and Prohibiting Transactions with Significant Narcotics Traffickers"). In the Order, President Clinton declared a national emergency based on the threat posed to the United States by significant narcotics traffickers centered in Colombia and applied economic sanctions against, among others, GILBERTO and MIGUEL RODRIGUEZ-OREJUELA, and delegated the enforcement and the regulation of the economic sanctions to the OFAC. On that same date, OFAC applied economic sanctions against GUTIERREZ-CANCINO.

Between October 21, 1995, and the date of the Indictment, in an attempt to protect their assets and to evade OFAC sanctions, the RODRIGUEZ-OREJUELAS and GUTIERREZ-CANCINO removed their names from companies that had been sanctioned by OFAC. In addition, after the companies were sanctioned by OFAC, the RODRIGUEZ-OREJUELAS and GUTIERREZ-CANCINO established "new" or "re-organized" companies from the previously-sanctioned companies, which companies simply assumed the assets and continued to perform the services of previously-sanctioned companies and often maintained the same management and physical business locations. After the "new" or "re-organized" companies were formed, the RODRIGUEZ-OREJUELAS and GUTIERREZ-CANCINO then named additional family members and trusted associates, who had not been sanctioned by OFAC, to manage the companies.

GUTIERREZ-CANCINO pleaded guilty yesterday before the Honorable ALVIN K. HELLERSTEIN to money-laundering conspiracy as charged in Count One of the Indictment. He was sentenced this morning principally to 40 months imprisonment. In addition, under the terms of a plea agreement, GUTIERREZ-CANCINO also agreed to forfeit his interest in more than \$100 million worth of assets in Colombia derived from and traceable to the charged money-laundering crimes. GUTIERREZ-CANCINO's co-defendants, GILBERTO and MIGUEL RODRIGUEZ-OREJUELA, both pleaded guilty to the same money laundering charges in November 2006, and were sentenced principally to 87 months' imprisonment.

Mr. GARCIA stated, "It is clear that large

international drug trafficking organizations are as sophisticated as any business on earth, with complex systems not only to manufacture, transport and distribute their product, but also diversified methods to move and conceal their illicit profits. Narcotics laws, anti-money laundering statutes, and the controls on our banking system are all powerful law-enforcement tools we use to attack these cartels at every point in their business, and to deny traffickers access to the legitimate economy to launder their drug profits."

Mr. SZUBIN said, "The once-powerful financial empire of the Cali Cartel is crumbling. Today's plea agreement by FERNANDO GUTIERREZ-CANCINO, a key financial associate of Cali Cartel leaders GILBERTO and MIGUEL RODRIGUEZ-OREJUELA, builds on significant forfeitures and guilty pleas over the past year to deliver yet another heavy blow. It is also a vivid demonstration of the power of coordinated efforts by the Department of Justice, our law enforcement colleagues, and OFAC."

Mr. GILBRIDE stated, "The Cali Cartel has been hit hard once again by law enforcement. Today's plea agreement proves that DEA and our law enforcement partners have successfully weeded out the one person who fueled their profit, the money man. For decades, FERNANDO GUTIERREZ-CANCINO laundered and managed the profit the RODRIGUEZ-OREJUELA brothers made from drug trafficking. Today, he faced the consequences of his actions."

The charges in the Indictment were the result of a joint Organized Crime Drug Enforcement Task Force ("OCDETF") investigation entitled "Operation Dynasty," which involved the United States Attorney's Office for the Southern District of New York, the DEA, OFAC, the Colombian National Police ("CNP"), and the Colombian Fiscalía Money Laundering Section ("CFMLS"). The New York investigation was conducted as part of the New York OCDETF, comprised of law enforcement agencies including the DEA, New York City Police Department, Immigration and Customs Enforcement, Internal Revenue Service, Federal Bureau of Investigations and the New York State Police.

Mr. GARCIA praised the investigative efforts of the DEA, OFAC, the CNP, the CFMLS, and the law enforcement agencies comprising the New York OCDETF.

Operation Dynasty is being prosecuted by the Office's International Narcotics Trafficking Unit. Assistant United States Attorneys BOYD M. JOHNSON III, GLEN G. MCGORTY, and KEVIN R. PUVALOWSKI are in charge of the prosecution.

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