

## **Maria Carolina Nolasco (also referred to as Carolina Nolasco) / Brazil - New York Money Transmitters Case**

**Case ID:**

ARW-125

**Jurisdiction of Origin of Public Official or Entity Allegedly Involved:**

Brazil

**Jurisdiction of Asset Recovery:**

United States

**Jurisdiction of Asset Recovery ? Description:**

Undertaking Recovery Effort, Location of Recovery Effort, Asset Location / Alleged Asset Location

**Asset Recovery Start:**

2002

**Asset Recovery End:**

2007

**UNCAC Offenses Implicated:**

Art.23

**Money laundering Implicated:**

Yes

**Legal Basis for Asset Recovery:**

Criminal Prosecution and Forfeiture; Non-Conviction Based Confiscation

**Intl.Cooperation: MLAT/Letter of Request?:**

Unknown

**Basis for Intl Cooperation:**

Cooperation in investigation but mechanism unknown

**Contributing Factors in Asset Recovery:**

Close cooperation between U.S. and Brazilian authorities; underlying case triggered by New York County District Attorney's Office investigation into black market money transmitters.

(Source: Decennial Report of the District Attorney, County of New York, 2000-2009, "Merchant's Bank/Valley National Bank, at 131.)

**Status of Asset Recovery :**

Completed

**Stage in Asset Recovery Chain:**

Assets Returned to Victim or Requesting Jurisdiction

**Assets Returned (USD) - Description:**

Unspecified amount returned

**Agreement for Returned Assets:**

No

**Agreement for Returned Assets - Description:**

N/A

**Case Summary:**

As described in a report highlighting its work from 2000-2009, "The District Attorney's Office, as part of a 2002 investigation into unlicensed money transmissions through New York, discovered that more than 60 people, all Brazilian citizens and all foreign-based money

transmitters, were operating unlicensed money transmission businesses in New York County. The 60 Brazilians accomplished their crimes using accounts at Merchant's Bank / Valley National Bank in Manhattan, and then transmitted the funds to other accounts which were designated by their customers. In order to facilitate this criminal activity, the individuals "employed" Carolina Nolasco, a corrupt employee of Valley National Bank, via bribery payments to manage their accounts and attend to their business interests in New York. The corporate defendants were chiefly offshore shell corporations that were used by the individual defendants." (Source: Decennial Report of the District Attorney, County of New York, 2000-2009, "Merchant's Bank/Valley National Bank, at 131.) Maria Carolina Nolasco was arrested in 2002 and, in U.S. District Court for the District of New Jersey, pleaded guilty to money laundering. She also agreed to forfeit over \$21 million held in 39 bank accounts held at Merchants Bank, where she had worked. The funds were then turned over to the New York County District Attorney's office (which had initiated the investigation) for civil asset forfeiture. The NY County District Attorney's office, in turn, transferred the funds to the custody of the Department of Justice, which filed a civil asset forfeiture action in the U.S. District Court for the District of Columbia for the funds which Brazil was seeking return. (Sources: U.S. v. Nolasco, Case No. 04-cr-617 (D.N.J.); Morgenthau v. Avion Resources Ltd., et al, 898 N.E.2d 929 (NY 2008); Brief for the United States in Opposition, in Harber Corporation, et al v. U.S., U.S. SCt, 09-1389. Unable to locate the name and documents of the District of Columbia civil forfeiture case.

#### **Disposition of Criminal Case(s):**

According to a letter by the United States Attorney for the District of New Jersey that was filed in U.S. District Court for the District of New Jersey on October 4, 2004, Ms. Nolasco pleaded guilty to charges of operating a money transmitting business without a license. (Source: US v. Nolasco, Case No. 2:04-cr-617-JAG (D.N.J.), Letter by United States Attorney for the District of New Jersey filed on October 4, 2004.)

#### **Jurisdiction of Asset Recovery: Investigative Agency:**

U.S. Immigration and Customs Enforcement; Internal Revenue Service, Criminal Division; Drug Enforcement Administration

#### **Jurisdiction of Asset Recovery: Prosecuting Authority/Civil Attorney(s):**

New York County District Attorney's Office; US Attorney for the District of New Jersey; US Department of Justice

#### **Jurisdiction of Asset Recovery: Courts Involved:**

U.S. District Court for the District of New Jersey

#### **Documents:**

Nolasco\_Amended\_Order\_Amending\_Prelim\_Order\_Forfeiture\_Jun\_8\_2006.pdf  
Nolasco\_Consent\_Order\_Prelim\_Forfeiture\_Dec\_17\_2004.pdf  
Nolasco\_Crim\_Complaint\_US\_DOJ\_PR\_Jun\_27\_2002.pdf  
Nolasco\_Haber\_US\_DOJ\_Opposition\_Brief\_2009.pdf  
Nolasco\_Morgenthau\_v.\_avion\_resources\_ltd.\_sup.\_ct.\_n.y.\_county\_decision\_.pdf  
Nolasco\_New\_York\_County\_District\_Atty\_Rept\_Dec\_30\_2009.pdf  
Nolasco\_Partial\_Final\_Order\_Forfeiture\_Nov\_16\_2005.pdf  
Nolasco\_USAtty\_Plea\_Agreement\_Oct\_4\_2004.pdf

#### **Documents Links:**

[http://www1.worldbank.org/finance/star\\_site/documents/arw/Nolasco\\_Amende...](http://www1.worldbank.org/finance/star_site/documents/arw/Nolasco_Amende...)  
[http://www1.worldbank.org/finance/star\\_site/documents/arw/Nolasco\\_Consen...](http://www1.worldbank.org/finance/star_site/documents/arw/Nolasco_Consen...)  
[http://www1.worldbank.org/finance/star\\_site/documents/arw/Nolasco\\_Crim\\_C...](http://www1.worldbank.org/finance/star_site/documents/arw/Nolasco_Crim_C...)  
[http://www1.worldbank.org/finance/star\\_site/documents/arw/Nolasco\\_Haber\\_...](http://www1.worldbank.org/finance/star_site/documents/arw/Nolasco_Haber_...)  
[http://www1.worldbank.org/finance/star\\_site/documents/arw/Nolasco\\_Morgen...](http://www1.worldbank.org/finance/star_site/documents/arw/Nolasco_Morgen...)  
[http://www1.worldbank.org/finance/star\\_site/documents/arw/Nolasco\\_New\\_Yo...](http://www1.worldbank.org/finance/star_site/documents/arw/Nolasco_New_Yo...)

[http://www1.worldbank.org/finance/star\\_site/documents/arw/Nolasco\\_Partia...](http://www1.worldbank.org/finance/star_site/documents/arw/Nolasco_Partia...)

[http://www1.worldbank.org/finance/star\\_site/documents/arw/Nolasco\\_USAtty...](http://www1.worldbank.org/finance/star_site/documents/arw/Nolasco_USAtty...)

**Other Sources:**

U.S. v. Nolasco, Case No. 04-cr-617 (D.N.J.), Plea agreement filed on October 4, 2004, Consent Order for Preliminary Forfeiture, filed on December 17, 2004, Amended Order Amending Preliminary Order of Forfeiture, filed on June 8, 2006;

Morgenthau v. Avion Resources Ltd., et al, 898 N.E.2d 929 (NY 2008);

Brief for the United States in Opposition, in Harber Corporation, et al v. U.S., SCt, 09-1389. (District of Columbia Civil Asset Forfeiture Case -- Case name and information - unable to obtain.);

Decennial Report of the District Attorney, County of New York, 2000-2009, "Merchant's Bank/Valley National Bank, at 131, accessed at <http://manhattanda.org/whatsnew/inthenews/2009-12-30.pdf>.