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CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

July 2002 Grand Jury

UNITED STATES OF AMERICA,	)	Criminal Case No. <u>97CR2520K</u>
)	
Plaintiff,	)	<u>I N D I C T M E N T</u>
	)	(7th Superseding)
v.)	
ALBERTO BENJAMIN	)	Title 18, U.S.C., Sec. 1962(c) -
ARELLANO-FELIX (1),	)	Conducting the Affairs of an
aka El Senor,	)	Enterprise Through Pattern of
aka El Min,	)	Racketeering Activity; Title 18,
aka 76,	)	U.S.C., Sec. 1962(d) - Conspiracy
aka 7-7,	)	to Conduct Enterprise Affairs
aka MK,	)	Through Pattern of Racketeering
aka Licenciado Sanchez,	)	Activity; Title 21, U.S.C.,
aka Licenciado Alegria,	)	Secs. 952(a), 960, and 963 -
EDUARDO RAMON	)	Conspiracy to Import a Controlled
ARELLANO-FELIX (2),	)	Substance; Title 21, U.S.C.,
aka El Doctor,	)	Secs. 841(a)(1) and 846 -
aka El Gualin,	)	Conspiracy to Distribute a
aka El Profe,	)	Controlled Substance; Title 18,
aka El Abuelito,	)	U.S.C., Secs. 1956(a) and
aka 13,	)	1956(h) - Conspiracy to Launder
FRANCISCO JAVIER	)	Monetary Instruments; Title 18,
ARELLANO-FELIX (3),	)	U.S.C., Sec. 2 - Aiding and
aka El Tigrillo,	)	Abetting; Title 21, U.S.C.,
MANUEL AGUIRRE-GALINDO (4),	)	Sec. 853 and Title 18, U.S.C.,
aka El Caballo,	)	Secs. 982(a)(1), (b)(1) and
aka A-1,	)	1963(a) - Criminal Forfeiture
aka El Meno,)	
aka El Galan,)	
aka El Promotor,)	
JESUS LABRA-AVILES (5),)	
aka Chuy Labra,)	
aka Don Chuy,)	
aka Chulitio,)	
aka 25,)	

12/4/03

I hereby attest and certify on
That the foregoing document is a full true and correct
copy of the original on file in my office and in my legal
custody

**CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

By: [Signature] Deputy

LED/JDK:nlv:San Diego
12/4/03

1 ISMAEL HIGUERA-GUERRERO (6),)
 2 aka El Mayel,)
 3 aka Clave Privada,)
 4 aka Pluma-Blanca,)
 5 aka La Senora,)
 6 aka 30,)
 7 aka 8-1,)
 8 GILBERTO HIGUERA-GUERRERO (7),)
 9 aka El Gil,)
 10 aka Gil,)
 11 aka Gilillo,)
 12 aka 28,)
 13 EFRAIN PEREZ (8),)
 14 aka Efra,)
 15 aka 85,)
 16 JORGE AURELIANO-FELIX (9),)
 17 aka Macumba,)
 18 RIGOBERTO YANEZ (10),)
 19 aka Primo,)
 20 aka Primo Pedro,)
 21 ARMANDO MARTINEZ-DUARTE (11),)
 22 aka El Loco Duarte,)
 23)
 24 Defendants.)
 25)
 26)
 27)
 28)

14 The grand jury charges:

15 Count 1

16 THE RACKETEERING SUBSTANTIVE OFFENSE

17 1. Beginning in or about the year 1986, and continuing up to
 18 and including November 26, 2002, within the Southern District of
 19 California and elsewhere, defendants ALBERTO BENJAMIN ARELLANO-FELIX,
 20 aka El Senor, aka El Min, aka 76, aka 7-7, aka MK, aka Licenciado
 21 Sanchez, aka Licenciado Alegria, EDUARDO RAMON ARELLANO-FELIX, aka El
 22 Doctor, aka El Gualin, aka El Profe, aka El Abuelito, aka 13,
 23 FRANCISCO JAVIER ARELLANO-FELIX, aka El Tigrillo, MANUEL AGUIRRE-
 24 GALINDO, aka El Caballo, aka A-1, aka El Meno, aka El Galan, aka El
 25 Promotor, JESUS LABRA-AVILES, aka Chuy Labra, aka Don Chuy, aka
 26 Chulitio, aka 25, ISMAEL HIGUERA-GUERRERO, aka El Mayel, aka Clave
 27 Privada, aka Pluma-Blanca, aka La Senora, aka 30, aka 8-1, GILBERTO
 28 HIGUERA-GUERRERO, aka El Gil, aka Gil, aka Gilillo, aka 28, EFRAIN

1 PEREZ, aka Efra, aka 85, JORGE AURELIANO-FELIX, aka Macumba, RIGOBERTO
2 YANEZ, aka Primo, aka Primo Pedro, and ARMANDO MARTINEZ-DUARTE, aka El
3 Loco Duarte; co-conspirators Ramon Arellano-Felix, Everardo Arturo
4 Paez-Martinez, David Barron-Corona; and others known and unknown to
5 the grand jury, being employed by and associated with the Enterprise,
6 (as defined below), which Enterprise was engaged in, and the
7 activities of which affected interstate and foreign commerce, did
8 knowingly and intentionally conduct and participate, directly and
9 indirectly, in the conduct of the Enterprise's affairs through a
10 pattern of racketeering activity, as defined by Title 18, United
11 States Code, Sections 1961(1) and (5), and as described in paragraph 7
12 of this Count.

13 THE ENTERPRISE

14 2. At various times material to this indictment:
15 a. Defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO
16 RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-
17 GALINDO, JESUS LABRA-AVILES, ISMAEL HIGUERA-GUERRERO, GILBERTO
18 HIGUERA-GUERRERO, EFRAIN PEREZ, JORGE AURELIANO-FELIX, RIGOBERTO
19 YANEZ, ARMANDO MARTINEZ-DUARTE (collectively "Defendants"), and others
20 known and unknown, were members and associates of the Arellano-Felix
21 Organization (hereinafter "AFO"), a criminal organization whose
22 members and associates engaged in: (1) the illegal trafficking of
23 narcotics, including but not limited to cocaine and marijuana; (2) the
24 laundering of drug proceeds gained from the AFO's drug trafficking
25 activities; (3) the kidnaping, torture and murder of informants, rival
26 traffickers, uncooperative law enforcement, and other perceived
27 "enemies" of the AFO; and (4) the systematic bribing of Mexican law
28 enforcement and military personnel.

1 ORGANIZATIONAL STRUCTURE OF THE ENTERPRISE

2 4. The Enterprise operated within a well-defined hierarchical
3 structure, with defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO
4 RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-
5 GALINDO, and JESUS LABRA-AVILES, along with deceased Enterprise member
6 Ramon Arellano-Felix, serving as the top leadership of the Enterprise;
7 defendant ISMAEL HIGUERA-GUERRERO serving as the top lieutenant of the
8 Enterprise, and defendants GILBERTO HIGUERA-GUERRERO, EFRAIN PEREZ,
9 JORGE AURELIANO-FELIX, RIGOBERTO YANEZ, and ARMANDO MARTINEZ-DUARTE
10 serving as second-level managers of the Enterprise, answerable to
11 defendant ISMAEL HIGUERA-GUERRERO.

12 ROLES OF THE DEFENDANTS

13 5. The defendants participated in the operation and management
14 of the Enterprise. At various times material to this Indictment, the
15 defendants had the following roles in the Enterprise:

16 a. Defendant ALBERTO BENJAMIN ARELLANO-FELIX was principal
17 organizer and top leader of the Enterprise, and had the ultimate
18 decision-making authority over all major Enterprise decisions,
19 including the organization and transportation of shipments of drugs
20 into the United States, distribution operations in the United States,
21 and enforcement activities undertaken by members of the Enterprise.

22 b. Defendant EDUARDO RAMON ARELLANO-FELIX was the senior
23 advisor to defendant ALBERTO BENJAMIN ARELLANO-FELIX, and was involved
24 in, and consulted about, all major Enterprise decisions, including the
25 organization and transportation of drug shipments into the United
26 States, distribution operations in the United States, and the
27 kidnaping and murder of Enterprise "enemies."

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1 c. Defendant FRANCISCO JAVIER ARELLANO-FELIX participated
2 in most major Enterprise decisions, acted as defendant ALBERTO
3 BENJAMIN ARELLANO-FELIX's representative at meetings defendant ALBERTO
4 BENJAMIN ARELLANO-FELIX was unable to attend, and was put in charge
5 of the Enterprise's Tijuana and Mexicali operations after the arrest
6 of defendant ISMAEL HIGUERA-GUERRERO in May of 2000.

7 d. Defendant MANUEL AGUIRRE-GALINDO participated as a
8 "senior partner" in the Enterprise. As such, he: (1) regularly
9 participated in major Enterprise decisions, including decisions to
10 murder Enterprise "enemies;" (2) used his extensive connections with
11 Colombian cocaine sources to arrange for the shipment of cocaine to
12 the Enterprise; and (3) used his law enforcement and military contacts
13 to provide protection for the Enterprise's leadership and drug
14 shipments.

15 e. Defendant JESUS LABRA-AVILES also participated as a
16 "senior partner" in the Enterprise. As such, he: (1) regularly
17 participated in major Enterprise decisions; (2) used his connections
18 with Colombian cocaine suppliers, and Mexican marijuana suppliers, to
19 arrange for the shipment of these drugs to the Enterprise; and
20 (3) used his own network of law enforcement and military contacts to
21 provide protection for the Enterprise's leadership and drug shipments.

22 f. Defendant ISMAEL HIGUERA-GUERRERO participated as the
23 Enterprise's top lieutenant, answerable to defendant ALBERTO BENJAMIN
24 ARELLANO-FELIX and responsible for the Enterprise's day-to-day
25 operations throughout Mexico, including the receipt of large shipments
26 of cocaine and marijuana, and the importation of those drugs into the
27 United States. Defendant ISMAEL HIGUERA-GUERRERO was also responsible
28 for the collection of Enterprise drug trafficking proceeds, the

1 "policing" of the Tijuana "plaza," and the kidnaping, torture and
2 murder of Enterprise "enemies."

3 g. Defendant GILBERTO HIGUERA-GUERRERO, acting under the
4 direction of his brother, defendant ISMAEL HIGUERA-GUERRERO, was
5 responsible for supervising the Enterprise's Mexicali, Mexico,
6 operations. Defendant GILBERTO HIGUERA-GUERRERO's responsibilities
7 included: (1) the receipt of drug shipments from Tijuana and elsewhere
8 in Mexico; (2) the importation of those drugs into the United States
9 through the Mexicali Port of Entry; (3) the "policing" of the Mexicali
10 "plaza;" and (4) the kidnaping, torture and murder of Enterprise
11 "enemies" operating in Mexicali, Mexico.

12 h. Defendant EFRAIN PEREZ, acting under the direction of
13 defendant ISMAEL HIGUERA-GUERRERO, was primarily responsible for:
14 (1) organizing the Enterprise's receipt of large drug shipments;
15 (2) supervising the importation of those drugs into the United States
16 through the Tijuana Port of Entry; and (3) working closely with
17 defendant ISMAEL HIGUERA-GUERRERO in the Enterprise's enforcement
18 activities in Tijuana and Ensenada, Mexico.

19 i. Defendant JORGE AURELIANO-FELIX, acting under the
20 direct supervision of defendant EFRAIN PEREZ, was responsible for:
21 (1) ensuring the safety of drugs stored in Tijuana prior to their
22 importation into the United States; and (2) for taking delivery of,
23 and accounting for, proceeds generated from the Enterprise's illegal
24 drug trafficking activities.

25 j. Defendant RIGOBERTO YANEZ acted as the Enterprise's
26 primary representative in Mexico City, Mexico. As such, he:
27 (1) served as the initial point of contact for Colombian traffickers
28 wishing to do business with defendant ISMAEL HIGUERA-GUERRERO;

1 (2) transmitted money to Colombian drug traffickers; (3) supervised
2 the receipt of drug shipments that arrived outside of the Baja
3 California, Mexico, area, and the transportation of those drugs to the
4 Tijuana and/or Mexicali areas; and (4) had primary responsibility for
5 the kidnaping and murder of Enterprise "enemies" in Mexico City.

6 k. Defendant ARMANDO MARTINEZ-DUARTE, a former high-
7 ranking Mexican law enforcement official in Mexicali, Mexico, acted
8 as the Enterprise's "chief of security" and "chief enforcer" in the
9 Mexicali area. Defendant ARMANDO MARTINEZ-DUARTE was responsible for:
10 (1) protecting Enterprise activities in Mexicali from interference by
11 Mexican law enforcement; and (2) under the direction of defendant
12 GILBERTO HIGUERA-GUERRERO, for supervising the kidnaping, torture and
13 murder of Enterprise "enemies" in the Mexicali area.

14 METHOD AND MEANS OF THE ENTERPRISE

15 6. Defendants and their associates used the following method
16 and means, among others, to conduct and participate in the conduct of
17 the affairs of the enterprise:

18 a. Defendants, along with other members of the Enterprise,
19 negotiated with Colombian cocaine suppliers to arrange for the
20 purchase and transportation of multi-ton shipments of cocaine from
21 Colombia to Mexico;

22 b. Defendants, along with other members of the Enterprise,
23 arranged for the transmission of U.S. dollars, in the form of
24 cashier's checks, wire transfers, and bulk cash shipments, to Colombia
25 to pay for these multi-ton cocaine shipments;

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1 c. Defendants, along with other members of the Enterprise,
2 also negotiated with Mexican marijuana suppliers in the interior of
3 Mexico to arrange for the purchase of multi-ton shipments of
4 marijuana;

5 d. Defendants, along with other members of the Enterprise,
6 received large shipments of cocaine in Mexico, from Colombia, via
7 commercial fishing boats, private planes, commercial airliners, and
8 cargo shipments;

9 e. Defendants, along with other members of the Enterprise,
10 transported large loads of cocaine and marijuana overland by convoys
11 of vehicles, or hidden in large commercial trucks, through Mexico, to
12 locations along the Mexico/California border;

13 f. Defendants, along with other members of the Enterprise,
14 smuggled cocaine and marijuana into the United States by various
15 methods, including the trunks of vehicles, secret compartments located
16 inside personal and commercial vehicles, helicopters, backpackers, and
17 small boats;

18 g. Defendants, along with other members of the Enterprise,
19 obtained vehicles to be used as load vehicles to transport drugs and
20 cash, and recruited and paid individuals to drive these vehicles;

21 h. Defendants, along with other members of the Enterprise,
22 arranged for cocaine and marijuana to be smuggled into the United
23 States, and delivered to their customers in Los Angeles, California,
24 and elsewhere in the United States;

25 i. Defendants, along with other members of the Enterprise,
26 arranged for the proceeds of their drug trafficking activities in the
27 United States to be smuggled across the U.S./Mexican border and into
28 Mexico;

1 j. Defendants, along with other members of the Enterprise,
2 systematically bribed Mexican law enforcement and military officials
3 to: (1) protect the Enterprise's leadership and drug shipments; (2)
4 inform Enterprise members of Mexican and United States law enforcement
5 activities; (3) arrest rival drug traffickers; and (4) seize drug
6 loads belonging to rival traffickers and give those loads to members
7 of the Enterprise;

8 k. Defendants, along with other members of the Enterprise,
9 discussed Enterprise affairs and business in person and over
10 communications equipment, using various codes to disguise their
11 identities and the meaning of their conversations;

12 l. Defendants, along with other members of the Enterprise,
13 obtained and used armored vehicles that were specially equipped with
14 guns, bulletproof glass, oil, nail or smoke dispensers, and other
15 sophisticated equipment to be used to attack or evade Mexican law
16 enforcement and rival drug traffickers;

17 m. Defendants, along with other members of the Enterprise,
18 obtained houses and other locations in Mexico and the United States
19 which they used to store drugs, guns, money, and armored vehicles, and
20 as bases for their operations;

21 n. Defendants, along with other members of the Enterprise,
22 operated houses known as "nests" or "caves" which were used to conduct
23 wiretaps and to monitor the communications of members of the
24 enterprise, rival drug traffickers, and Mexican law enforcement
25 officials in order to monitor their activities and obtain information
26 useful to the Enterprise;

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1 o. Defendants, along with other members of the Enterprise,
2 purchased hundreds of firearms and other equipment, in the United
3 States and elsewhere, including AK-47s, Colt 38 Supers, 50 Caliber
4 machine guns, Uzi machine guns, AR-15s, and bulletproof vests, for AFO
5 enforcement crew members to use in carrying out the enforcement
6 activities of the Enterprise.

7 p. Defendants, along with other members of the Enterprise,
8 obtained military and law enforcement uniforms and credentials that
9 were used by Enterprise members in furtherance of their drug
10 trafficking activities;

11 q. Defendants, along with other members of the Enterprise,
12 recruited, organized, and trained groups of bodyguards and assassins
13 who would protect the Enterprise leaders and conduct assassinations
14 of Enterprise "enemies;"

15 r. Defendants, along with other members of the Enterprise,
16 enforced various rules of the Enterprise, such as the prohibition
17 against cooperating with law enforcement, and would punish and murder
18 other members of the Enterprise who violated the rules in order to
19 promote discipline, punish disobedient members, and make examples of
20 those who disobeyed the rules of the Enterprise;

21 s. Defendants, along with other members of the Enterprise,
22 organized and directed the kidnaping, torture and murder of
23 Enterprise "enemies" in Mexico and the United States, including rival
24 drug traffickers, suspected cooperators, uncooperative law enforcement
25 or military personnel, and members of the Mexican news media who
26 printed stories unfavorable toward the Enterprise.

27 t. Defendants, along with other members of the Enterprise,
28 negotiated with the FARC (Colombian Revolutionary Armed Forces), a

1 Colombian guerrilla organization, in an effort to arrange a cocaine
2 for weapons partnership with the FARC, whereby the FARC would provide
3 the AFO with cocaine in exchange for money and weapons.

4 THE PATTERN OF RACKETEERING

5 7. The pattern of racketeering activity, as defined in
6 Title 18, United States Code, Sections 1961(1) and 1961(5), consisted
7 of the following acts:

8 Racketeering Act No. 1
9 (Conspiracy to Import Controlled Substances)

10 Beginning in or about the year 1986, and continuing up to and
11 including November 26, 2002, within the Southern District of
12 California and elsewhere, defendants ALBERTO BENJAMIN ARELLANO-FELIX,
13 EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL
14 AGUIRRE-GALINDO, JESUS LABRA-AVILES, ISMAEL HIGUERA-GUERRERO, GILBERTO
15 HIGUERA-GUERRERO, EFRAIN PEREZ, JORGE AURELIANO-FELIX, RIGOBERTO
16 YANEZ, and ARMANDO MARTINEZ-DUARTE, did knowingly and intentionally
17 conspire with each other, and other persons known and unknown to the
18 grand jury, to import controlled substances, including 500 grams and
19 more of cocaine, a Schedule II Controlled Substance, and 100 kilograms
20 and more of marijuana, a Schedule I Controlled Substance, into the
21 United States from a place outside thereof; in violation of Title 21,
22 United States Code, Sections 952(a), 960, and 963.

23 Racketeering Act No. 2
24 (Conspiracy to Distribute Controlled Substances)

25 Beginning in or about the year 1986, and continuing up to and
26 including November 26, 2002, within the Southern District of
27 California and elsewhere, defendants ALBERTO BENJAMIN ARELLANO-FELIX,
28 EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL
AGUIRRE-GALINDO, JESUS LABRA-AVILES, ISMAEL HIGUERA-GUERRERO, GILBERTO
HIGUERA-GUERRERO, EFRAIN PEREZ, JORGE AURELIANO-FELIX, RIGOBERTO
YANEZ, and ARMANDO MARTINEZ-DUARTE, did knowingly and intentionally
conspire with each other, and other persons known and unknown to the
grand jury, to distribute controlled substances, including 500 grams
and more of cocaine, a Schedule II Controlled Substance, and
100 kilograms and more of marijuana, a Schedule I Controlled
Substance; in violation of Title 21, United States Code,
Sections 841(a)(1) and 846.

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Racketeering Act No. 3
(Conspiracy To Launder Drug Proceeds)

Beginning in or about the year 1986, and continuing up to and including November 26, 2002, within the Southern District of California and elsewhere, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, ISMAEL HIGUERA-GUERRERO, GILBERTO HIGUERA-GUERRERO, EFRAIN PEREZ, JORGE AURELIANO-FELIX, RIGOBERTO YANEZ, and ARMANDO MARTINEZ-DUARTE, did knowingly and intentionally conspire and agree with each other, and with other persons known and unknown to the grand jury, to:

(a) conduct a financial transaction affecting interstate and foreign commerce, knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, which in fact involved the proceeds of specified unlawful activity, that is, the felonious manufacture, importation, receiving, concealment, buying, selling and otherwise dealing in a controlled substance, punishable under the laws of the United States: (1) with the intent to promote the carrying on of specified unlawful activity; and (2) knowing that the transaction was designed, in whole or 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, Sections 1956(a)(1)(A)(i) and (B)(i); and

(b) knowingly transport, transmit, and transfer monetary instruments 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: (1) with the intent to promote the carrying on of specified unlawful activity; and (2) knowing that the monetary instruments and funds involved in the transportation, transmission and transfer represent the proceeds of some form of unlawful activity and knowing that such transportation, transmission, and transfer was designed in whole or 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, Sections 1956(a)(2)(A) and (B)(i).

All in violation of Title 18, United States Code, Section 1956(h).

TIJUANA BASED TRAFFICKING OPERATIONS - Racketeering Acts No. 4-16

Racketeering Act No. 4
(Importation of Cocaine)

On or about October 3, 1990, in Otay Mesa, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, and ISMAEL HIGUERA GUERRERO, did knowingly and intentionally import 500 grams and more of cocaine, a Schedule II Controlled Substance, into the United States from a place outside thereof; in violation of Title 21, United States Code, Sections 952(a) and Title 18, United States Code, Section 2.

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Racketeering Act No. 5
(Possession With Intent to Distribute Cocaine)

The defendants, ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, and ISMAEL HIGUERA-GUERRERO, committed the following acts, either one of which alone constitutes Racketeering Act Five:

(a.) On or about June 26, 1991, in Imperial Beach, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, and ISMAEL HIGUERA-GUERRERO, did knowingly and intentionally possess with intent to distribute 500 grams and more of cocaine, a Schedule II Controlled Substance; in violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

(b.) On or about June 26, 1991, in National City, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, and ISMAEL HIGUERA-GUERRERO, did knowingly and intentionally possess with intent to distribute 500 grams and more of cocaine, a Schedule II Controlled Substance; in violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

Racketeering Act No. 6
(Possession With Intent To Distribute Cocaine)

The defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO, committed the following acts, any one of which alone constitutes Racketeering Act Six:

(a.) On or about July 31, 1991, in Los Angeles, California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO, possessed with intent to distribute 500 grams and more of cocaine, a Schedule II Controlled Substance; in violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

(b.) On or about July 31, 1991, in Tustin, California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO, possessed with intent to distribute 500 grams and more of cocaine, a Schedule II Controlled Substance; in violation of Title 21, United

1 States Code, Section 841(a)(1), and Title 18, United States Code,
2 Section 2.

3 (c.) On or about August 6, 1991, in Fontana, California,
4 defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-
5 FELIX, FRANCISCO JAVIER ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO,
6 possessed with intent to distribute 500 grams and more of cocaine, a
7 Schedule II Controlled Substance; in violation of Title 21, United
8 States Code, Section 841(a)(1), and Title 18, United States Code,
9 Section 2.

10 (d.) On or about August 6, 1991, in Fontana, California,
11 defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-
12 FELIX, FRANCISCO JAVIER ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO,
13 possessed with intent to distribute 500 grams and more of cocaine, a
14 Schedule II Controlled Substance; in violation of Title 21, United
15 States Code, Section 841(a)(1), and Title 18, United States Code,
16 Section 2.

17 Racketeering Act No. 7

18 (Possession With Intent To Distribute Cocaine)

19 On or about October 9, 1991, in Fontana, California, defendants
20 ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX,
21 FRANCISCO JAVIER ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO,
22 possessed with intent to distribute 500 grams and more of cocaine, a
23 Schedule II Controlled Substance; in violation of Title 21, United
24 States Code, Section 841(a)(1), and Title 18, United States Code,
25 Section 2.

26 Racketeering Act No. 8

27 (Possession With Intent To Distribute Cocaine)

28 On or about November 12, 1991, in Jefferson City, Missouri,
defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-
FELIX, and FRANCISCO JAVIER ARELLANO-FELIX, possessed with intent to
distribute 500 grams and more of cocaine, a Schedule II Controlled
Substance; in violation of Title 21, United States Code,
Section 841(a)(1), and Title 18, United States Code, Section 2.

Racketeering Act No. 9

(Importation of Cocaine)

On or about February 4, 1992, in Campo, California, within the
Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-
FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX,
ISMAEL HIGUERA-GUERRERO, EFRAIN PEREZ, and JORGE AURELIANO-FELIX, did
knowingly and intentionally import 500 grams and more of cocaine, a
Schedule II Controlled Substance, into the United States from a place
outside thereof; in violation of Title 21, United States Code,
Sections 952(a) and 960, and Title 18, United States Code, Section 2.

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Racketeering Act No. 10
(Importation of Cocaine)

On or about February 25, 1992, in Campo, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, ISMAEL HIGUERA-GUERRERO, EFRAIN PEREZ, and JORGE AURELIANO-FELIX, did knowingly and intentionally import 500 grams and more of cocaine, a Schedule II Controlled Substance, into the United States from a place outside thereof; in violation of Title 21, United States Code, Sections 952(a) and 960, and Title 18, United States Code, Section 2.

Racketeering Act No. 11
(Importation of Cocaine)

On or about April 24, 1992, in Calexico, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX and EFRAIN PEREZ did knowingly and intentionally import 500 grams and more of cocaine, a Schedule II Controlled Substance, into the United States from a place outside thereof; in violation of Title 21, United States Code, Sections 952(a) and 960, and Title 18, United States Code, Section 2.

Racketeering Act No. 12
(Importation of Cocaine)

On or about May 28, 1992, in Otay Mesa, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, and ISMAEL HIGUERA-GUERRERO, did knowingly and intentionally import 500 grams and more of cocaine, a Schedule II Controlled Substance, into the United States from a place outside thereof; in violation of Title 21, United States Code, Sections 952(a) and 960, and Title 18, United States Code, Section 2.

Racketeering Act No. 13
(Importation of Cocaine)

On or about July 7, 1995, in San Diego, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, and FRANCISCO JAVIER ARELLANO-FELIX, did knowingly and intentionally import 500 grams and more of cocaine, a Schedule II Controlled Substance, into the United States from a place outside thereof; in violation of Title 21, United States Code, Sections 952(a) and 960, and Title 21, United States Code, Section 2.

Racketeering Act No. 14
(Possession With Intent to Distribute Cocaine)

On or about July 11, 1995, in San Diego, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, and FRANCISCO JAVIER ARELLANO-

1 FELIX, did knowingly and intentionally possess with intent to
2 distribute 500 grams and more of cocaine; in violation of Title 21,
United States Code, Section 841(a)(1), and Title 18, United States
Code, Section 2.

3
4 Racketeering Act No. 15

(Extortion and Laundering of Drug Proceeds)

5 Defendant JESUS LABRA-AVILES committed the following acts, either
6 one of which alone constitutes Racketeering Act Fifteen:

7 (a.) In or about February 1998, in Santa Ana, California, at the
8 direction of defendant JESUS LABRA-AVILES, members of an enforcement
9 crew did unlawfully extort money and other property, that is
approximately \$68,000, from another by means of force, fear, and
10 threat, that is to do an unlawful injury; in violation of California
Penal Code Section 520.

11 (b.) In or about February 1998, defendant JESUS LABRA-AVILES, did
12 knowingly and intentionally transport, transmit and transfer monetary
instruments and funds, that is approximately \$68,000, from a place in
13 the United States, that is Santa Ana, California, to and through a
place outside of the United States, that is the Republic of Mexico,
14 with the intent to promote the carrying on of a specified unlawful
activity, that is the felonious manufacture, importation, receiving,
15 concealment, buying, selling, and otherwise dealing in a controlled
substance, punishable by the law of the United States; in violation
of Title 18, United States Code, Sections 1956(a)(2)(A), and 2.

16 Racketeering Act No. 16

(Extortion and Laundering of Drug Proceeds)

17 Defendant JESUS LABRA-AVILES committed the following acts, either
18 one of which alone constitutes Racketeering Act Sixteen:

19 (a.) In or about March 1998, in Santa Ana, California, at the
20 direction of defendant JESUS LABRA-AVILES, members of an enforcement
21 crew did unlawfully extort money and other property, that is
approximately \$132,000, from another by means of force, fear, and
22 threat, that is to do an unlawful injury; in violation of California
Penal Code Section 520.

23 (b.) In or about March 1998, defendant JESUS LABRA-AVILES, did
24 knowingly and intentionally transport, transmit and transfer monetary
instruments and funds, that is approximately \$132,000, from a place
25 in the United States, that is Santa Ana, California, to and through
a place outside of the United States, that is the Republic of Mexico,
26 with the intent to promote the carrying on of a specified unlawful
activity, that is the felonious manufacture, importation, receiving,
27 concealment, buying, selling, and otherwise dealing in a controlled
substance, punishable by the law of the United States; in violation
of Title 18, United States Code, Sections 1956(a)(2)(A), and 2.

1 MEXICALI BASED TRAFFICKING OPERATIONS - Racketeering Acts No. 17-28

2 Racketeering Act No. 17
3 (Importation of Cocaine)

4 On or about January 8, 1993, in Calexico, California, within the
5 Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-
6 FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX,
7 MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, ISMAEL HIGUERA-GUERRERO,
8 and GILBERTO HIGUERA-GUERRERO, did knowingly and intentionally import
9 500 grams and more of cocaine, a Schedule II Controlled Substance,
10 into the United States from a place outside thereof; in violation of
11 Title 21, United States Code, Sections 952(a) and 960, and Title 18,
12 United States Code, Section 2.

13 Racketeering Act No. 18
14 (Distribution With Intent to Unlawfully Import Cocaine)

15 On or about November 5, 1995, near La Paz, Mexico, defendants
16 ALBERTO BENJAMIN ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, ISMAEL
17 HIGUERA-GUERRERO, GILBERTO HIGUERA-GUERRERO, EFRAIN PEREZ, and
18 RIGOBERTO YANEZ, did knowingly and intentionally distribute 500 grams
19 and more of cocaine, a Schedule II Controlled Substance, intending
20 that it would be imported into the United States; in violation of
21 Title 21, United States Code, Section 959(a)(1), and Title 18, United
22 States Code, Section 2.

23 Racketeering Act No. 19
24 (Importation of Cocaine)

25 On or about December 12, 1997, in Calexico, California, within
26 the Southern District of California, defendants ALBERTO BENJAMIN
27 ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER
28 ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, ISMAEL HIGUERA-GUERRERO, and
GILBERTO HIGUERA-GUERRERO, did knowingly and intentionally import 500
grams and more of cocaine, a Schedule II Controlled Substance, into
the United States from a place outside thereof; in violation of
Title 21, United States Code, Sections 952(a) and 960, and Title 18,
United States Code, Section 2.

Racketeering Act No. 20
(Importation of Cocaine)

On or about March 9, 1998, in Calexico, California, within the
Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-
FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX,
MANUEL AGUIRRE-GALINDO, ISMAEL HIGUERA-GUERRERO and GILBERTO HIGUERA-
GUERRERO, did knowingly and intentionally import 500 grams and more
of cocaine, a Schedule II Controlled Substance, into the United States
from a place outside thereof; in violation of Title 21, United States
Code, Sections 952(a) and 960, and Title 18, United States Code,
Section 2.

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Racketeering Act No. 21
(Importation of Cocaine)

On or about July 19, 1999, in Calexico, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, ISMAEL HIGUERA-GUERRERO and GILBERTO HIGUERA-GUERRERO, did knowingly and intentionally import 500 grams and more of cocaine, a Schedule II Controlled Substance, into the United States from a place outside thereof; in violation of Title 21, United States Code, Sections 952(a) and 960, and Title 18, United States Code, Section 2.

Racketeering Act No. 22
(Possession With Intent To Distribute Cocaine)

On or about January 26, 2000, in Los Angeles, California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO, possessed with intent to distribute approximately 500 grams and more of cocaine, a Schedule II Controlled Substance; in violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

Racketeering Act No. 23
(Importation of Cocaine)

On or about February 8, 2000, in Calexico, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, ISMAEL HIGUERA-GUERRERO, and GILBERTO HIGUERA-GUERRERO, did knowingly and intentionally import 500 grams and more of cocaine, a Schedule II Controlled Substance, into the United States from a place outside thereof; in violation of Title 21, United States Code, Sections 952(a) and 960, and Title 18, United States Code, Section 2.

Racketeering Act No. 24
(Importation of Cocaine)

On or about February 23, 2000, in Calexico, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX, MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, ISMAEL HIGUERA-GUERRERO, and GILBERTO HIGUERA-GUERRERO, did knowingly and intentionally import 500 grams and more of cocaine, a Schedule II Controlled Substance, into the United States from a place outside thereof; in violation of Title 21, United States Code, Sections 952(a) and 960, and Title 18, United States Code, Section 2.

Racketeering Act No. 25
(Importation of Cocaine)

On or about March 26, 2000, in Otay Mesa, California, within the Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX,

1 ISMAEL HIGUERA-GUERRERO, and GILBERTO HIGUERA-GUERRERO, did knowingly
2 and intentionally import 500 grams and more of cocaine, a Schedule II
3 Controlled Substance, into the United States from a place outside
thereof; in violation of Title 21, United States Code, Sections 952(a)
and 960, and Title 18, United States Code, Section 2.

4 Racketeering Act No. 26

(Possession With Intent To Distribute Cocaine)

5
6 On or about April 27, 2000, in Los Angeles, California,
7 defendants ALBERTO BENJAMIN ARELLANO-FELIX, EDUARDO RAMON ARELLANO-
8 FELIX, FRANCISCO JAVIER ARELLANO-FELIX, ISMAEL HIGUERA-GUERRERO, and
9 JORGE AURELIANO-FELIX possessed with intent to distribute 500 grams
and more of cocaine, a Schedule II Controlled Substance; in violation
of Title 21, United States Code, Section 841(a)(1), and Title 18,
United States Code, Section 2.

10 Racketeering Act No. 27

(Possession With Intent to Distribute Cocaine)

11 On or about May 7, 2000, in Los Angeles, California, defendant
12 GILBERTO HIGUERA-GUERRERO possessed with intent to distribute
13 500 grams and more of cocaine, a Schedule II Controlled Substance; in
violation of Title 21, United States Code, Section 841(a)(1), and
Title 18, United States Code, Section 2.

14 Racketeering Act No. 28

(Possession With Intent to Distribute Cocaine)

15
16 On or about July 11, 2000, in El Centro, California, within the
17 Southern District of California, defendants ALBERTO BENJAMIN ARELLANO-
18 FELIX, EDUARDO RAMON ARELLANO-FELIX, FRANCISCO JAVIER ARELLANO-FELIX,
19 MANUEL AGUIRRE-GALINDO, JESUS LABRA-AVILES, ISMAEL HIGUERA-GUERRERO,
and GILBERTO HIGUERA-GUERRERO, did knowingly and intentionally possess
with intent to distribute 500 grams and more of cocaine; in violation
of Title 21, United States Code, Section 841(a)(1), and Title 18,
United States Code, Section 2.

20 All in violation of Title 18, United States Code, Section 1962(c).

21 Count 2

22 THE RACKETEERING CONSPIRACY

23 1. Paragraphs 2-6 of Count 1 of this Indictment are realleged
24 and incorporated by reference as though fully set out herein.

25 2. Beginning in or about the year 1986, and continuing up to
26 and including November 26, 2002, within the Southern District of
27 California and elsewhere, defendants ALBERTO BENJAMIN ARELLANO-FELIX,
28 aka El Senor, aka El Min, aka 76, aka 7-7, aka MK, aka Licenciado

1 Sanchez, aka Licenciado Alegria, EDUARDO RAMON ARELLANO-FELIX, aka El
2 Doctor, aka El Gualin, aka El Profe, aka El Abuelito, aka 13,
3 FRANCISCO JAVIER ARELLANO-FELIX, aka El Tigrillo, MANUEL AGUIRRE-
4 GALINDO, aka El Caballo, aka A-1, aka El Meno, aka El Galan, aka El
5 Promotor, JESUS LABRA-AVILES, aka Chuy Labra, aka Don Chuy, aka
6 Chulitio, aka 25, ISMAEL HIGUERA-GUERRERO, aka El Mayel, aka Clave
7 Privada, aka Pluma-Blanca, aka La Senora, aka 30, aka 8-1, GILBERTO
8 HIGUERA-GUERRERO, aka El Gil, aka Gil, aka Gilillo, aka 28, EFRAIN
9 PEREZ, aka Efra, aka 85, JORGE AURELIANO-FELIX, aka Macumba, RIGOBERTO
10 YANEZ, aka Primo, aka Primo Pedro, and ARMANDO MARTINEZ-DUARTE, aka El
11 Loco Duarte; co-conspirators Ramon Arellano-Felix, Everardo Arturo
12 Paez-Martinez, David Barron-Corona; and others known and unknown to
13 the grand jury, being employed by and associated with the Enterprise,
14 as defined in Count 1 of this Indictment, which Enterprise was engaged
15 in, and the activities of which affected interstate and foreign
16 commerce, did knowingly and intentionally conspire with each other,
17 and other persons, to violate Section 1962(c) of Title 18, United
18 States Code, that is, to conduct and participate, directly and
19 indirectly, in the conduct of the Enterprise's affairs through a
20 pattern of racketeering activity, as defined in by Title 18, United
21 States Code, Sections 1961(1) and (5), consisting of the acts
22 contained in paragraph 7 of Count 1, as well as those described in
23 paragraph 3 of this Count;

24 3. It was further a part of the conspiracy that the defendants
25 agreed that a conspirator would commit at least two acts of
26 racketeering activity in the conduct of the affairs of the Enterprise.

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1 OVERT ACTS

2 4. In furtherance of said conspiracy and to effect the objects
3 thereof, the following Overt Acts, among others, were committed within
4 the Southern District of California and elsewhere:

5 TIJUANA BASED ENFORCEMENT OPERATIONS - OVERT ACTS 1-26

6 Overt Act No. 1
(The Murder of Armando Lopez)

7 In or about 1989, in Tijuana, Mexico, co-conspirator Ramon
8 Arellano-Felix (now deceased), shot and killed Armando Lopez, a member
9 of the Joaquin Guzman-Loera Organization and AFO rival.

10 Overt Act No. 2
(The Murder of Guillermo Castaneda-Lopez)

11 On or about October 23, 1991, in San Diego, California, at the
12 direction of defendants ALBERTO BENJAMIN and EDUARDO RAMON ARELLANO-
13 FELIX, members of an AFO Enterprise enforcement crew murdered
Guillermo Castaneda-Lopez.

14 Overt Act No. 3
(Meeting Between AFO Leaders and Guzman-Loera Organization Leaders)

15 In or about late 1991, defendants ALBERTO BENJAMIN and EDUARDO
16 RAMON ARELLANO-FELIX, ISMAEL and GILBERTO HIGUERA-GUERRERO, and co-
17 conspirator Ramon Arellano-Felix (now deceased), traveled from
18 Tijuana, Mexico, to Culiacan, Mexico, to meet with Joaquin Guzman-
Loera and other members of his organization about tensions between the
AFO and the Guzman-Loera Organization.

19 Overt Act No. 4
(AFO's First Failed Attempt to Kill Joaquin Guzman-Loera)

20 In later 1991, early 1992, in Tijuana, Mexico, defendants ALBERTO
21 BENJAMIN and EDUARDO RAMON ARELLANO-FELIX, and conspirator Ramon
22 Arellano-Felix (now deceased), planned an ultimately unsuccessful
attempt to kill Guzman-Loera.

23 Overt Act No. 5
(AFO's Second Failed Attempt to Kill Joaquin Guzman-Loera)

24 In or about the summer of 1992, in Tijuana, Mexico, defendants
25 ALBERTO BENJAMIN ARELLANO-FELIX and ISMAEL HIGUERA-GUERRERO cancelled
26 a meeting they had in Mexico City, Mexico, with Joaquin Guzman-Loera,
after learning of Guzman-Loera's plan to assassinate them.

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Overt Act No. 6
(The Murder of Alejandro Cazares)

On or about September 23, 1992, in Imperial Beach, California, at the direction of defendants ALBERTO BENJAMIN and EDUARDO RAMON ARELLANO-FELIX, members of an AFO Enterprise enforcement crew murdered Alejandro Cazares.

Overt Act No. 7
(AFO Defend Guzman-Loera Attack at Christine's Discotheque in Puerto Vallarta, Mexico)

On or about November 8, 1992, in Puerto Vallarta, Mexico, defendants FRANCISCO JAVIER ARELLANO-FELIX, ISMAEL and GILBERTO HIGUERA-GUERRERO, and numerous other members of the AFO Enterprise, including co-conspirators Ramon Arellano-Felix and David Barron-Corona (both now deceased), fought off an assassination attempt by members of the Guzman-Loera Organization, during which several individuals were shot and killed.

Overt Act No. 8
(The Murder of Juvenal LNU, aka 11-11)

In or about March 1993, in Tijuana, Mexico, at the direction of co-conspirator Ramon Arellano-Felix (now deceased), members of an AFO Enterprise enforcement crew murdered AFO enforcer Juvenal LNU, aka 11-11.

Overt Act No. 9
(The Murder of Robert Ceballos-Corralez)

On or about March 11, 1993, in Hollenbeck, California, at the direction of co-conspirator David Barron-Corona (now deceased), members of an AFO Enterprise enforcement crew murdered Robert Ceballos-Corralez.

Overt Act No. 10
(The Murder of Juvenal Gomez-Buenrostro)

On or about March 16, 1993, in Chula Vista, California, at the direction of defendants ALBERTO BENJAMIN ARELLANO-FELIX and ISMAEL HIGUERA-GUERRERO, and co-conspirator Ramon Arellano-Felix (now deceased), members of an AFO Enterprise enforcement crew murdered Juvenal Gomez-Buenrostro.

Overt Act No. 11
(AFO Leadership Plans Third Assassination Attempt On Guzman-Loera)

In or about May, 1993, in Tijuana, Mexico, defendants ALBERTO BENJAMIN, EDUARDO RAMON, and FRANCISCO JAVIER ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO, and co-conspirators Ramon Arellano-Felix and David Barron-Corona (both now deceased), planned a third assassination attempt on AFO rival Joaquin Guzman-Loera.

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Overt Act No. 12
(Alberto Benjamin Arellano-Felix Goes Into Hiding)

On or about May 25, 1993, in Tijuana, Mexico, defendant ALBERTO BENJAMIN ARELLANO-FELIX advised members of the Enterprise that Ramon Arellano-Felix had left Tijuana, that he himself was going into hiding, that all communications needing his attention should be addressed to defendant EDUARDO RAMON ARELLANO-FELIX, and that outstanding trafficking operations should be addressed to defendant JESUS LABRA-AVILES.

Overt Act No. 13
(Murder of Maria Ramirez-Olivas)

On or about January 17, 1995, in Imperial Beach, California, at the direction of defendant ALBERTO BENJAMIN ARELLANO-FELIX, members of an AFO Enterprise enforcement crew murdered Maria Ramirez-Olivas.

Overt Act No. 14
(Murder of Alfredo (Winkey) Reynoso and Myrna Ochoa De Reynoso)

On or about January 24, 1995, in Rosarito, Baja California, Mexico, at the direction of defendant ALBERTO BENJAMIN ARELLANO-FELIX, members of an AFO Enterprise enforcement crew murdered Alfredo (Winkey) Reynoso and Myrna Ochoa De Reynoso.

Overt Act No. 15
(Murder of Arturo Ochoa-Palacios)

On or about April 17, 1996, in Tijuana, Mexico, at the direction of defendant ALBERTO BENJAMIN ARELLANO-FELIX, members of an AFO Enterprise enforcement crew murdered PGR official Arturo Ochoa-Palacios.

Overt Act No. 16
(Attack on Military Personnel In Zapopan, Jalisco, Mexico)

On or about July 22, 1996, in Zapopan, Jalisco, Mexico, at the direction of co-conspirator Ramon Arellano-Felix (now deceased), members of an AFO Enterprise enforcement crew ambushed some of their "enemies" in a shootout, which resulted in the deaths of three people, including two Mexican Military officials, Juan Fonseca Rey and Juan Daniel Fuentes Calderon.

Overt Act No. 17
(Shootout In Culiacan, Sinaloa, Mexico)

On or about September 16, 1996, in Culiacan, Sinaloa, Mexico, members of an AFO Enterprise enforcement crew engaged in a shootout with Mexican Military officials in an attempt to defend an AFO "safe house."

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Overt Act No. 18
(Plot to Murder Fernando Gutierrez)

In or about December 1996, in Tijuana, Mexico, defendants ALBERTO BENJAMIN, EDUARDO RAMON, and FRANCISCO JAVIER ARELLANO-FELIX, and co-conspirators Ramon Arellano-Felix and David Barron-Corona (both now deceased), agreed that Fernando Gutierrez would be murdered for failing to repay a debt, and plotted his murder.

Overt Act No. 19
(Murder of Fernando Gutierrez)

On or about December 11, 1996, in Coronado, California, at the direction of defendants ALBERTO BENJAMIN, EDUARDO RAMON, and FRANCISCO JAVIER ARELLANO-FELIX, and co-conspirator Ramon Arellano-Felix (now deceased), members of an AFO Enterprise enforcement crew murdered Fernando Gutierrez.

Overt Act No. 20
(Murder of Hodin Gutierrez-Rico)

On or about January 3, 1997, in Tijuana, Mexico, at the direction of defendant ALBERTO BENJAMIN ARELLANO-FELIX, members of an AFO Enterprise enforcement crew murdered Hodin Gutierrez-Rico.

Overt Act No. 21
(Kidnaping of Alejandro Hodoyan-Palacios)

In or about March 1997, in Tijuana, Mexico, at the direction of defendants ALBERTO BENJAMIN and EDUARDO RAMON ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO, members of an AFO Enterprise enforcement crew kidnaped Alejandro Hodoyan-Palacios.

Overt Act No. 22
(Interrogation of Alejandro Hodoyan-Palacios)

On or about March 5, 1997, in Tijuana, Mexico, defendant JORGE AURELIANO-FELIX tape recorded an interrogation he conducted of Alejandro Hodoyan-Palacios, and then turned the recording over to defendant ISMAEL HIGUERA-GUERRERO.

Overt Act No. 23
(Murder of Alejandro Hodoyan-Palacios)

On or about March 5, 1997, in Tijuana, Mexico, at the direction of defendants ALBERTO BENJAMIN and EDUARDO RAMON ARELLANO-FELIX, and ISMAEL HIGUERA-GUERRERO, members of the Enterprise murdered Alejandro Hodoyan-Palacios.

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Overt Act No. 24
(Attempted Murder of Ramiro Ramirez)

On or about March 7, 1997, in Chula Vista, California, at the direction of defendants ALBERTO BENJAMIN ARELLANO-FELIX and ISMAEL HIGUERA-GUERRERO, and co-conspirators Ramon Arellano-Felix and David Barron-Corona (both now deceased), members of an AFO Enterprise enforcement crew attempted to murder Ramiro Ramirez.

Overt Act No. 25
(Murder of Maria Elena Boccaccio-Guerrero)

On or about September 23, 1997, in Tijuana, Mexico, at the direction of defendant ALBERTO BENJAMIN ARELLANO-FELIX, members of an AFO Enterprise enforcement crew murdered Maria Elena Boccaccio-Guerrero.

Overt Act No. 26
(Murder of Two Mexican Federal Police Officers)

On or about November 14, 1997, in Tijuana, Mexico, members of an AFO Enterprise enforcement crew killed Mexican federal police officers Juan Antonio Martinez Catarino and Miguel Angel Anaya in front of the Tijuana court house in a blundered attempt to kill Federal Police Commander Felipe Perez-Cruz.

MEXICALI BASED ENFORCEMENT OPERATIONS - OVERT ACTS 27-32

Overt Act No. 27
(Murder of Armando Mascareno-Gaxiola)

On or about April 10, 1997, in Mexicali, Mexico, at the direction of defendants ISMAEL and GILBERTO HIGUERA-GUERRERO, members of an AFO Enterprise enforcement crew murdered Armando Mascareno-Gaxiola.

Overt Act No. 28
(Murder of Cinthya Viveros-Rodriguez)

On or about November 21, 1999, in Mexicali, Mexico, at the direction of defendants ISMAEL and GILBERTO HIGUERA-GUERRERO, members of an AFO Enterprise enforcement crew murdered Cinthya Viveros-Rodriguez.

Overt Act No. 29
(Kidnaping of J. Amado Peralta-Rodriguez)

In or about December 1999, in Tijuana, Mexico, at the direction of defendant ISMAEL HIGUERA-GUERRERO, members of an AFO enforcement crew kidnaped J. Amado Peralta-Rodriguez, and delivered Peralta-Perez to defendants ISMAEL and GILBERTO HIGUERA-GUERRERO, and defendant EFRAIN PEREZ, who interrogated him.

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Overt Act No. 30
(Murder of J. Amado Peralta-Rodriguez)

On or about December 1, 1999, in Tijuana, Mexico, at the direction of defendant ISMAEL HIGUERA-GUERRERO, members of an AFO Enterprise enforcement crew murdered J. Amado Peralta-Rodriguez.

Overt Act No. 31
(Kidnaping of Cesar Gustavo Cruz-Prado)

In or about December 2000, in Mexicali, Baja California, Mexico, at the direction of defendant GILBERTO HIGUERA-GUERRERO, members of an AFO Enterprise enforcement crew kidnaped Cesar Gustavo Cruz-Prado, and delivered Cruz-Prado to defendant GILBERTO HIGUERA-GUERRERO, who interrogated him.

Overt Act No. 32
(Murder of Cesar Gustavo Cruz-Prado)

On or about December 17, 2000, in Mexicali, Baja California, Mexico, defendant GILBERTO HIGUERA-GUERRERO and members of an AFO Enterprise enforcement crew murdered Cesar Gustavo Cruz-Prado.

All in violation of Title 18, United States Code, Section 1962(d).

Count 3

CONSPIRACY TO IMPORT A CONTROLLED SUBSTANCE

1. Paragraphs 2 through 6 of Count 1, and Overt Acts No. 1-32 of Count 2 of this Indictment are realleged and hereby incorporated by reference in this count as though fully set forth herein.

2. Beginning in or about the year 1986, and continuing up to and including November 26, 2002, within the Southern District of California and elsewhere, defendants ALBERTO BENJAMIN ARELLANO-FELIX, aka El Senor, aka El Min, aka 76, aka 7-7, aka MK, aka Licenciado Sanchez, aka Licenciado Alegria, EDUARDO RAMON ARELLANO-FELIX, aka El Doctor, aka El Gualin, aka El Profe, aka El Abuelito, aka 13, FRANCISCO JAVIER ARELLANO-FELIX, aka El Tigritillo, MANUEL AGUIRRE-GALINDO, aka El Caballo, aka A-1, aka El Meno, aka El Galan, aka El Promotor, JESUS LABRA-AVILES, aka Chuy Labra, aka Don Chuy, aka Chulitio, aka 25, ISMAEL HIGUERA-GUERRERO, aka El Mayel, aka Clave

1 Privada, aka Pluma-Blanca, aka La Senora, aka 30, aka 8-1, GILBERTO
2 HIGUERA-GUERRERO, aka El Gil, aka Gil, aka Gilillo, aka 28, EFRAIN
3 PEREZ, aka Efra, aka 85, JORGE AURELIANO-FELIX, aka Macumba, RIGOBERTO
4 YANEZ, aka Primo, aka Primo Pedro, and ARMANDO MARTINEZ-DUARTE, aka El
5 Loco Duarte, did knowingly and intentionally conspire with each other,
6 and other persons known and unknown to the grand jury, to import a
7 controlled substance, including 500 grams and more of cocaine, a
8 Schedule II Controlled Substance, and 100 kilograms and more of
9 marijuana, a Schedule I Controlled Substance, into the United States
10 from a place outside thereof; in violation of Title 21, United States
11 Code, Sections 952(a), 960, and 963.

12 Count 4

13 CONSPIRACY TO DISTRIBUTE A CONTROLLED SUBSTANCE

14 1. Paragraphs 2 through 6, of Count 1, and Overt Acts No. 1-32
15 of Count 2 of this indictment are realleged and hereby incorporated by
16 reference in this count as though fully set forth herein.

17 2. Beginning in or about the year 1986, and continuing up to
18 and including November 26, 2002, within the Southern District of
19 California and elsewhere, defendants ALBERTO BENJAMIN ARELLANO-FELIX,
20 aka El Senor, aka El Min, aka 76, aka 7-7, aka MK, aka Licenciado
21 Sanchez, aka Licenciado Alegria, EDUARDO RAMON ARELLANO-FELIX, aka El
22 Doctor, aka El Gualin, aka El Profe, aka El Abuelito, aka 13,
23 FRANCISCO JAVIER ARELLANO-FELIX, aka El Tigritillo, MANUEL AGUIRRE-
24 GALINDO, aka El Caballo, aka A-1, aka El Meno, aka El Galan, aka El
25 Promotor, JESUS LABRA-AVILES, aka Chuy Labra, aka Don Chuy, aka
26 Chulitio, aka 25, ISMAEL HIGUERA-GUERRERO, aka El Mayel, aka Clave
27 Privada, aka Pluma-Blanca, aka La Senora, aka 30, aka 8-1, GILBERTO
28 HIGUERA-GUERRERO, aka El Gil, aka Gil, aka Gilillo, aka 28, EFRAIN

1 PEREZ, aka Efra, aka 85, JORGE AURELIANO-FELIX, aka Macumba, RIGOBERTO
2 YANEZ, aka Primo, aka Primo Pedro, and ARMANDO MARTINEZ-DUARTE, aka El
3 Loco Duarte, did knowingly and intentionally conspire with other
4 persons known and unknown to the grand jury, to distribute a
5 controlled substance, including 500 grams and more of cocaine, a
6 Schedule II Controlled Substance, and 100 kilograms and more of
7 marijuana, a Schedule I Controlled Substance; in violation of
8 Title 21, United States Code, Sections 846, and 841(a)(1).

9 Count 5

10 THE MONEY LAUNDERING CONSPIRACY

11 1. Paragraphs 2 through 6 of Count 1 of this indictment are
12 realleged and hereby incorporated by reference in this count as though
13 fully set forth herein.

14 2. Beginning in or about the year 1986, and continuing up to
15 and including November 26, 2002, within the Southern District of
16 California and elsewhere, defendants ALBERTO BENJAMIN ARELLANO-FELIX,
17 aka El Senor, aka El Min, aka 76, aka 7-7, aka MK, aka Licenciado
18 Sanchez, aka Licenciado Alegria, EDUARDO RAMON ARELLANO-FELIX, aka El
19 Doctor, aka El Gualin, aka El Profe, aka El Abuelito, aka 13,
20 FRANCISCO JAVIER ARELLANO-FELIX, aka El Tigrillo, MANUEL AGUIRRE-
21 GALINDO, aka El Caballo, aka A-1, aka El Meno, aka El Galan, aka El
22 Promotor, JESUS LABRA-AVILES, aka Chuy Labra, aka Don Chuy, aka
23 Chulitio, aka 25, ISMAEL HIGUERA-GUERRERO, aka El Mayel, aka Clave
24 Privada, aka Pluma-Blanca, aka La Senora, aka 30, aka 8-1, GILBERTO
25 HIGUERA-GUERRERO, aka El Gil, aka Gil, aka Gilillo, aka 28, EFRAIN
26 PEREZ, aka Efra, aka 85, JORGE AURELIANO-FELIX, aka Macumba, RIGOBERTO
27 YANEZ, aka Primo, aka Primo Pedro, and ARMANDO MARTINEZ-DUARTE, aka El
28 Loco Duarte, did knowingly and intentionally conspire and agree with

1 each other, and with other persons, known and unknown to the grand
2 jury, to:

3 (a) conduct a financial transaction affecting interstate and
4 foreign commerce, knowing that the property involved in the financial
5 transaction represented the proceeds of some form of unlawful
6 activity, which in fact involved the proceeds of specified unlawful
7 activity, that is, the felonious manufacture, importation, receiving,
8 concealment, buying, selling and otherwise dealing in a controlled
9 substance, punishable under the laws of the United States: (1) with
10 the intent to promote the carrying on of specified unlawful activity;
11 and (2) knowing that the transaction was designed, in whole or in
12 part, to conceal and disguise the nature, the location, the source,
13 the ownership, and the control, of the proceeds of specified unlawful
14 activity; in violation of Title 18, United States Code,
15 Sections 1956(a)(1)(A)(i) and (B)(i); and

16 (b) knowingly transport, transmit, and transfer monetary
17 instruments and funds from a place in the United States to and through
18 a place outside the United States and to a place in the United States
19 from and through a place outside the United States: (1) with the
20 intent to promote the carrying on of specified unlawful activity; and
21 (2) knowing that the monetary instruments or funds involved in the
22 transportation, transmission and transfer represent the proceeds of
23 some form of unlawful activity and knowing that such transportation,
24 transmission, and transfer was designed in whole or in part to conceal
25 and disguise the nature, the location, the source, the ownership, and
26 the control, of the proceeds of specified unlawful activity; in

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1 violation of Title 18, United States Code, Sections 1956(a)(2)(A)
2 and (B)(i).

3 All in violation of Title 18, United States Code, Section 1956(h).

4 **FORFEITURE ALLEGATION**

5 1. The allegations contained in Counts 1 and 2 are realleged
6 and by reference are fully incorporated herein for the purpose of
7 alleging forfeiture to the United States of America, pursuant to the
8 provisions of Title 18, United States Code, Section 1963.

9 2. As a result of the commission of the felony offense alleged
10 in Count 1 and/or 2, said violation being punishable by imprisonment
11 for more than one year, and pursuant to Title 18, United States Code,
12 Section 1962(a), defendants ALBERTO BENJAMIN ARELLANO-FELIX, aka El
13 Senor, aka El Min, aka 76, aka 7-7, aka MK, aka Licenciado Sanchez,
14 aka Licenciado Alegria, EDUARDO RAMON ARELLANO-FELIX, aka El Doctor,
15 aka El Gualin, aka El Profe, aka El Abuelito, aka 13, FRANCISCO JAVIER
16 ARELLANO-FELIX, aka El Tigrillo, MANUEL AGUIRRE-GALINDO, aka El
17 Caballo, aka A-1, aka El Meno, aka El Galan, aka El Promotor, JESUS
18 LABRA-AVILES, aka Chuy Labra, aka Don Chuy, aka Chulitio, aka 25,
19 ISMAEL HIGUERA-GUERRERO, aka El Mayel, aka Clave Privada, aka Pluma-
20 Blanca, aka La Senora, aka 30, aka 8-1, GILBERTO HIGUERA-GUERRERO, aka
21 El Gil, aka Gil, aka Gilillo, aka 28, EFRAIN PEREZ, aka Efra, aka 85,
22 JORGE AURELIANO-FELIX, aka Macumba, RIGOBERTO YANEZ, aka Primo, aka
23 Primo Pedro, and ARMANDO MARTINEZ-DUARTE, aka El Loco Duarte, shall
24 forfeit to the United States: all interest the defendants acquired or
25 maintained in violation of Title 18, United States Code, Section 1962;
26 any and all interest in, security of, claim against, and property and
27 contractual right of any kind affording a source of influence over,
28 any and all enterprises the defendants established, operated,

1 controlled, conducted, and participated in the conduct of, in
2 violation of Title 18, United States Code, Section 1962; and any
3 property constituting, or derived from, any proceeds the defendants
4 obtained, directly or indirectly, from racketeering activity in
5 violation of Title 18, United States Code, Section 1962, including but
6 not limited to, \$289,000,000 in U.S. currency.

7 3. The allegations contained in Counts 3 through 5 are
8 realleged and by their reference fully incorporated herein for the
9 purpose of alleging forfeiture to the United States of America
10 pursuant to the provisions of Title 21, United States Code,
11 Section 853 and Title 18, United States Code, Section 982.

12 4. As a result of the commission of the felony offenses alleged
13 in Counts 3 and 4, said violations being punishable by imprisonment
14 for more than one year, and pursuant to Title 21, United States Code,
15 Section 853(a)(1), defendants ALBERTO BENJAMIN ARELLANO-FELIX, aka El
16 Senor, aka El Min, aka 76, aka 7-7, aka MK, aka Licenciado Sanchez,
17 aka Licenciado Alegria, EDUARDO RAMON ARELLANO-FELIX, aka El Doctor,
18 aka El Gualin, aka El Profe, aka El Abuelito, aka 13, FRANCISCO JAVIER
19 ARELLANO-FELIX, aka El Tigrillo, MANUEL AGUIRRE-GALINDO, aka El
20 Caballo, aka A-1, aka El Meno, aka El Galan, aka El Promotor, JESUS
21 LABRA-AVILES, aka Chuy Labra, aka Don Chuy, aka Chulitio, aka 25,
22 ISMAEL HIGUERA-GUERRERO, aka El Mayel, aka Clave Privada, aka Pluma-
23 Blanca, aka La Senora, aka 30, aka 8-1, GILBERTO HIGUERA-GUERRERO, aka
24 El Gil, aka Gil, aka Gilillo, aka 28, EFRAIN PEREZ, aka Efra, aka 85,
25 JORGE AURELIANO-FELIX, aka Macumba, RIGOBERTO YANEZ, aka Primo, aka
26 Primo Pedro, and ARMANDO MARTINEZ-DUARTE, aka El Loco Duarte, shall
27 upon conviction, forfeit to the United States all their rights, title
28 and interest in any and all property constituting or derived from

1 proceeds obtained directly or indirectly as the result of said
2 violations, including but not limited to: \$289,000,000 in U.S.
3 currency.

4 5. As a result of the commission of the felony offense alleged
5 in Count 5 of this indictment, said violations being punishable by
6 imprisonment for more than one year and pursuant to Title 18, United
7 States Code, Section 982(a)(1), defendants ALBERTO BENJAMIN ARELLANO-
8 FELIX, aka El Senor, aka El Min, aka 76, aka 7-7, aka MK, aka
9 Licenciado Sanchez, aka Licenciado Alegria, EDUARDO RAMON ARELLANO-
10 FELIX, aka El Doctor, aka El Gualin, aka El Profe, aka El Abuelito,
11 aka 13, FRANCISCO JAVIER ARELLANO-FELIX, aka El Tigrillo, MANUEL
12 AGUIRRE-GALINDO, aka El Caballo, aka A-1, aka El Meno, aka El Galan,
13 aka El Promotor, JESUS LABRA-AVILES, aka Chuy Labra, aka Don Chuy, aka
14 Chulitio, aka 25, ISMAEL HIGUERA-GUERRERO, aka El Mayel, aka Clave
15 Privada, aka Pluma-Blanca, aka La Senora, aka 30, aka 8-1, GILBERTO
16 HIGUERA-GUERRERO, aka El Gil, aka Gil, aka Gilillo, aka 28, EFRAIN
17 PEREZ, aka Efra, aka 85, JORGE AURELIANO-FELIX, aka Macumba, RIGOBERTO
18 YANEZ, aka Primo, aka Primo Pedro, and ARMANDO MARTINEZ-DUARTE, aka El
19 Loco Duarte, shall, upon conviction, forfeit to the United States all
20 their rights, title and interest in any and all property involved in
21 such offenses, or any property traceable to such property, including
22 but not limited to: \$289,000,000 in U.S. currency.

23 6. If any of the above-described forfeitable property, as a
24 result of any act or omission of the defendants -

25 (a) cannot be located upon the exercise of due diligence;

26 (b) has been transferred or sold to, or deposited with, a
27 third party;

28 (c) has been placed beyond the jurisdiction of the Court;

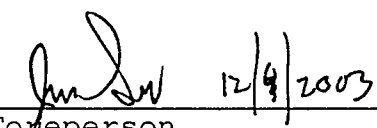
1 (d) has been substantially diminished in value; or
2 (e) has been commingled with other property which cannot be
3 subdivided without difficulty;

4 it is the intent of the United States, pursuant to Title 21, United
5 States Code, Section 853(p), to seek forfeiture of any other property
6 of the defendants up to the value of the said property listed above as
7 being subject to forfeiture.

8 All in violation of Title 21, United States Code, Section 853, and
9 Title 18, United States Code, Sections 982 and 1963.

10 DATED: December 4, 2003.

11 A TRUE BILL:

12
13  12/4/2003
14 Foreperson

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16 CAROL C. LAM
United States Attorney

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