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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 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           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