

NEWS RELEASE



***OFFICE OF THE UNITED STATES
ATTORNEY
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For Immediate Release

Sinaloa Cartel Money Launderer Pleads Guilty; Admits Laundering \$13 Million in Drug Money

NEWS RELEASE SUMMARY – April 4, 2019

SAN DIEGO – Cesar Hernandez-Martinez of Tijuana pleaded guilty in federal court today to managing and supervising an “extensive” international money laundering organization that smuggled \$13 million in narcotics proceeds from the United States to Mexico.

The narcotics - multi-kilogram quantities of cocaine, methamphetamine and heroin – were smuggled into the United States from Mexico by a drug-trafficking organization that Hernandez-Martinez acknowledged was a part of, or affiliated with, the Sinaloa Cartel.

Hernandez-Martinez, 29, was extradited from Mexico to the United States in September 2018 to face these charges. Through his plea agreement, Hernandez-Martinez admitted that, from approximately April 2013 until November 2015, he owned and operated currency exchange houses in Tijuana that received smuggled drug proceeds. Hernandez-Martinez further admitted to knowing that money received was from narcotics

trafficking activity in the United States. Hernandez-Martinez also coordinated couriers involved in smuggling this currency from the United States to Mexico, ensuring that they picked up the currency from the correct sources who were primarily located in Southern California.

Hernandez-Martinez pleaded guilty before U.S. Magistrate Judge Bernard G. Skomal. Hernandez-Martinez will be sentenced on July 8, 2019 at 9:00 a.m. before U.S. District Judge Roger T. Benitez. Hernandez-Martinez faces up to 20 years in prison and a maximum fine of \$26 million (twice the value of the funds involved). Three other defendants previously entered guilty pleas in this case and were sentenced (Omar Ayon-Diaz; Osvaldo Contreras-Arriaga; and Joel Acedo-Ojeda).

The U.S. Attorney's Office is working this matter together with the Money Laundering and Asset Recovery Section of the Criminal Division of the Department of Justice in Washington, D.C.

DEFENDANT

Case Number 15-cr-950

Cesar Hernandez-Martinez

Age: 29

Tijuana, Mexico

SUMMARY OF CHARGE TO WHICH GUILTY PLEA ENTERED

Hernandez-Martinez

Conspiracy to Commit International Money Laundering, in violation of Title 18, U.S.C., Sec. 1956(a)(2)(B)(i) and (h).

Maximum Penalties: 20 years in prison; \$500,000 fine or twice the value of the funds involved.

Prior Guilty Pleas and Sentences

Joel Acedo-Ojeda: Pleaded guilty to Conspiracy to Commit International Money Laundering, in violation of Title 18, U.S.C., Sec. 1956(a)(2)(B)(i) and (h); sentenced to 135 months custody and \$20,000 fine.

Omar Ayon-Diaz: Pleaded guilty to Conspiracy to Commit International Money Laundering, in violation of Title 18, U.S.C., Sec. 1956(a)(2)(B)(i) and (h); sentenced to 120 months custody and \$15,000 fine.

Osvaldo Contreras-Arriaga: Pleaded guilty to Conspiracy to import cocaine, in violation of Title 21, U.S.C., Secs. 952, 960 and 963; sentenced to 132 months custody and \$1,000 fine.

INVESTIGATING AGENCY

Homeland Security Investigations