UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

Holding a Criminal Term
Grand Jury Sworn on May 5, 2014

UNITED STATES OF AMERICA	)	**CRIMINAL NO. 04-cr-256**
	)	
	)	**21 U.S.C. §§ 848(a), 848(b), 848(c)**
v.	)	**and 848(e)(1)(A)**
	)	**(Continuing Criminal Enterprise)**
	)	
HECTOR BELTRAN LEYVA,	)	**21 U.S.C. §§ 959, 960, 963**
	)	**(Conspiracy to Distribute Five**
	)	**Kilograms or More of Cocaine**
Defendant.	)	**for Importation into the**
	)	**United States)**
	)	
	)	**18 U.S.C. § 2**
	)	**(Aiding and Abetting)**
	)	
	)	**21 U.S.C. § 853**
	)	**21 U.S.C. § 970**
	)	**(Criminal Forfeiture)**

SUPERSEDING INDICTMENT

THE GRAND JURY CHARGES THAT:

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

1. Since the 1990s, the Mexican Federation, also known as the "Federation," "La Federacion," the "Sinaloa Cartel" and the "Alliance," has existed as an organized crime syndicate founded upon longstanding relationships between Mexico's major drug trafficking kingpins. The Federation has functioned as a council with representatives from the respective drug trafficking organizations of its principal leaders, the defendant **HECTOR BELTRAN LEYVA**, as well as his brother Arturo Beltran Leyva, Ignacio Coronel Villareal, also known as "El Nacho," Joaquin Guzman Loera, also known as "El Chapo," Ismael Zambada Garcia, also known as "El Mayo,"

and others.

2. The Federation operated through cooperative arrangements and close coordination with South American cocaine sources of supply. Through a network of corrupt police and political contacts, the Federation directed a large-scale narcotics transportation network involving the use of land, air and sea transportation assets, shipping multi-ton quantities of cocaine from South America, through Central America and Mexico, and finally into the United States. Historically, the Federation coordinated their criminal activities, shared and controlled Mexico's trafficking routes, resolved conflicts over territory, minimized inter-organization violence and ensured their common political and judicial protection. This alliance also extended to combatting rival drug cartels together, and in the mid-2000s, the Federation was in conflict with the Gulf Cartel and Los Zetas. There were many murders and acts of violence related to this rivalry.

3. Beginning in around 2008, conflicts developed between the defendant **HECTOR BELTRAN LEYVA** and other drug trafficking kingpins within the Federation. A series of internal wars occurred, and the Federation dissolved. The defendant's faction of the Federation became known as the Beltran Leyva Organization, and continued to operate as one of the largest drug trafficking organizations in the world. The vast majority of drugs trafficked by the Beltran Leyva Organization were imported into United States, where the drugs were consumed. The Beltran Leyva Organization's drug sales in the United States generated billions of dollars in profit. The drug proceeds were then laundered back to Mexico; often the drug money was physically transported from the United States to Mexico in vehicles containing hidden compartments and through other clandestine means.

4. The defendant **HECTOR BELTRAN LEYVA** also employed "sicarios," or hitmen, who carried out numerous acts of violence, including murders, assaults, kidnappings, assassinations, and acts of torture at the direction of the defendant. In carrying out these acts of

violence, they possessed, carried, used, brandished and discharged firearms. The defendant directed and ordered these acts of violence for a variety of reasons, including but not limited to:

a. Promoting and enhancing the prestige, reputation and position of the Beltran Leyva Organization with respect to rival criminal organizations, including other drug trafficking organizations;

b. Preserving, protecting and expanding the power, territory and criminal ventures of the Beltran Leyva Organization, including but not limited to the Beltran Leyva Organization's control over drug trafficking routes over the U.S.-Mexico border;;

c. Keeping victims and rivals in fear of the Beltran Leyva Organization and its members, associates and law enforcement;

d. Dissuading Mexican law enforcement officers, members of the Mexican military and other public officials in Mexico from enforcing Mexican drug laws and disrupting the Beltran Leyva Organization's activities;

e. Enforcing discipline amongst its members and associates by punishing disloyalty and failure;

f. Enriching the members and associates of the Beltran Leyva Organization through criminal activity, including narcotics trafficking;

g. Protecting members of the Beltran Leyva Organization from arrest and prosecution by silencing potential witnesses and retaliating against anyone who provided information or assistance to law enforcement authorities; and

h. Paying retribution to elected and public officials and others for failing to provide services to the Beltran Leyva Organization.

5. The defendant **HECTOR BELTRAN LEYVA** was one of the principal leaders of the Beltran Leyva Organization.

COUNT ONE
(Continuing Criminal Enterprise)

6. The allegations contained in paragraphs one through five are realleged and incorporated as if fully set forth in this paragraph.

7. From in or about January 1990, and continuing thereafter, up to and including October 1, 2014, both dates being approximate and inclusive, the defendant **HECTOR BELTRAN LEYVA** together with others, both known and unknown, did knowingly and intentionally engage in a continuing criminal enterprise, in that the defendant **HECTOR BELTRAN LEYVA**, committed violations of Title 21, United States Code, Sections 952(a), 959(a), 960 and 963, including Violations One through Five set forth below, which violations were part of a continuing series of violations of those statutes undertaken by the defendant **HECTOR BELTRAN LEYVA**, in concert with five or more other persons, with respect to whom the defendant **HECTOR BELTRAN LEYVA** occupied a supervisory and management position, and was the principal administrator, organizer and leader of the continuing criminal enterprise, and from which continuing series of violations the defendant **HECTOR BELTRAN LEYVA** obtained substantial income and resources, in excess of $10 million in gross receipts in a twelve month period for the manufacture, importation and distribution of cocaine. Each violation involved at least 300 times the quantity of a substance described in Section 841(b)(1)(B) of Title 21, United States Code, to wit: 150 kilograms or more of a substance containing cocaine. The continuing series of violations, as defined by Title 21, United States Code, Section 848(c), included Violations One through Five set forth below:

Violation One
(International Cocaine Distribution)

8. In or about 2004, in the countries of Colombia, Mexico, the United States and elsewhere, the defendant **HECTOR BELTRAN LEYVA**, together with others, both known and

unknown, did knowingly and intentionally distribute a controlled substance, intending and knowing that such substance would be unlawfully imported into the United States from a place outside thereof, which offense involved five kilograms or more of a substance containing cocaine, a Schedule II controlled substance, in violation of Title 21, United States Code, Sections 959(a), 960(a)(3) and 960(b)(1)(B)(ii), and Title 18, United States Code, Sections 2.

Violation Two
(International Cocaine Distribution)

9. In or about 2007, in the countries of Colombia, Mexico, the United States and elsewhere, the defendant **HECTOR BELTRAN LEYVA**, together with others, both known and unknown, did knowingly and intentionally distribute a controlled substance, intending and knowing that such substance would be unlawfully imported into the United States from a place outside thereof, which offense involved five kilograms or more of a substance containing cocaine, a Schedule II controlled substance, in violation of Title 21, United States Code, Sections 959(a), 959(c), 960(a)(3) and 960(b)(1)(B)(ii), and Title 18, United States Code, Section 2.

Violation Three
(International Cocaine Distribution)

10. In or about 2008, in the countries of Colombia, Mexico, the United States and elsewhere, the defendant **HECTOR BELTRAN LEYVA**, together with others, both known and unknown, did knowingly and intentionally distribute a controlled substance, intending and knowing that such substance would be unlawfully imported into the United States from a place outside thereof, which offense involved five kilograms or more of a substance containing cocaine, a Schedule II controlled substance, in violation of Title 21, United States Code, Sections 959(a), 960(a)(3) and 960(b)(1)(B)(ii), and Title 18, United States Code, Sections 2.

Violation Four
(International Cocaine Distribution)

11. In or about 2010, in the countries of Colombia, Costa Rica, Mexico, the United States and elsewhere, the defendant **HECTOR BELTRAN LEYVA**, together with others, both known and unknown, did knowingly and intentionally distribute a controlled substance, intending and knowing that such substance would be unlawfully imported into the United States from a place outside thereof, which offense involved five kilograms of more of a substance containing cocaine, a Schedule II controlled substance, in violation of Title 21, United States Code, Sections 959(a), 959(c), 960(a)(3) and 960(b)(1)(B)(ii), and Title 18, United States Code, Section 2.

Violation Five
(Murder Conspiracy)

12. From in or about and between January 1990, and continuing thereafter, up to and including October 1, 2014, both dates being approximate and inclusive, within the extraterritorial jurisdiction of the United States, the defendant **HECTOR BELTRAN LEYVA**, together with others, both known and unknown, while engaged in an offense punishable under Section 960(b)(1) of Title 21 of the United States Code, to wit: the crime charged in Count Two, did knowingly and intentionally conspire to kill and cause the intentional killing of one or more persons, to wit: leaders, members and associates of rival drug cartels, and such killings did result, in violation of Title 21, United States Code, Sections 848(e)(1)(A) and 846, and Title 18, United States Code, Sections 2.

(Title 21, United States Code, Sections 848(a), 848(b), 848(c) and 848(e)(1)(A), and Title 18, United States Code, Sections 2,3238 and 3551 et seq..)

COUNT TWO
(International Cocaine Distribution Conspiracy)

17. The allegations contained in paragraphs one through five are realleged and incorporated as if fully set forth in this paragraph.

18. From in or about January 1990, and continuing thereafter, up to and including October 1, 2014, both dates being approximate and inclusive, in the countries of Colombia, Mexico, Ecuador, Costa Rica, Guatemala, the United States, and elsewhere, the defendant **HECTOR BELTRAN LEYVA**, together with others, both known and unknown, did knowingly, intentionally and willfully conspire to commit offenses against the United States, to wit: to knowingly and intentionally distribute 5 kilograms or more of a mixture or substance containing a detectable amount of cocaine, a Schedule II controlled substance knowing and intending that said controlled substances would be unlawfully imported into the United States from a place outside thereof, in violation of Title 21, United States Code, Sections 959(a) and 960(b)(1)(A) and 960(b)(1)(B)(ii); all in violation of Title 21, United States Code, Section 963.

19. With respect to the defendant, the controlled substances involved in the conspiracy attributable to the defendant as a result of their own conduct, and the conduct of other conspirators reasonably foreseeable to them, are five (5) kilograms or more of a mixture in violation of Title 21, United States Code, Section 960(b)(1)(B)(ii).

(Conspiracy to distribute five kilograms or more of cocaine and fifty grams or more of methamphetamine, for importation into the United States in violation of Title 21, United States Code, Sections 959(c), 960(a)(3), 960(b)(1)(B)(ii) and 963, and Title 18, United States Code, Sections 3238 and 3551 et seq..)

CRIMINAL FORFEITURE ALLEGATION AS TO COUNTS ONE AND TWO

20. The United States hereby gives notice to the defendant that upon conviction of the Title 21 offenses alleged in Counts One and Two of this Indictment, the Government will seek forfeiture in accordance with Title 21, United States Code, Sections 853(a), of all property constituting or derived from any proceeds the defendant obtained directly or indirectly as a result of the alleged Title 21 violations, and all property used or intended to be used in any manner or part to commit and to facilitate the commission of such offenses.

21. Said property includes, but is not limited to:

A sum of money equal to all proceeds the defendant obtained directly or indirectly as a result of the Title 21 offenses charged in this Indictment, and all property used or intended to be used to facilitate the offenses, that is, not less than a sum of money representing the amount of funds involved in the offenses, and all interest and proceeds traceable thereto; in that such sum, in aggregate, was received by the defendant in exchange for the distribution of controlled substances or is traceable thereto. If any of the above-described forfeitable property, as a result of any act or omission of the defendant –

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

(b) has been transferred or sold to, or deposited with, a third person;

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

(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21, U.S.C. § 853(p) to seek forfeiture of any other property of the said defendant up to the value of the above forfeitable property.

(Criminal Forfeiture, in violation of Title 21, Untied States Code, Sections 853 and 970.)

A TRUE BILL.

Foreperson

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