

Treasury Targets Front Companies Linked to Los Cuinis Leader

April 20, 2017

Action Exposes Attempts by Abigael Gonzalez Valencia to Avoid Sanctions

Washington – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) designated two Mexican property management companies linked to Abigael Gonzalez Valencia, the leader of the Los Cuinis Drug Trafficking Organization (Los Cuinis DTO). OFAC designated the Los Cuinis DTO and its leader, Gonzalez Valencia, on April 8, 2015. OFAC designated these two Mexican companies today as Specially Designated Narcotics Traffickers (SDNTs) pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act). As a result of today’s action, any assets these designees may have under U.S. jurisdiction are frozen, and U.S. persons are generally prohibited from engaging in transactions with them.

“OFAC will continue to target new front companies that have been created, or coopted, for the purpose of concealing the interests of Gonzalez Valencia, the Los Cuinis DTO, and their allies in order to evade sanctions,” said OFAC Director John E. Smith. “In coordination with law enforcement and the Mexican government, OFAC will work tirelessly to expose and disrupt these organizations’ operations and assets.”

The two Mexican companies designated today are Yorv Inmobiliaria and Grupo Segtac, S.A. de C.V. Yorv Inmobiliaria acts as the property manager for Plaza Los Tules, a shopping center located in Zapopan, Jalisco, Mexico that OFAC designated on August 19, 2015, due to its links to Gonzalez Valencia. Grupo Segtac, S.A. de C.V. acts as the property manager for Xaman Ha Center, a shopping center located in Playa del Carmen, Quintana Roo, Mexico that OFAC also designated on August 19, 2015, due to its links to Gonzalez Valencia. These shopping centers were initially managed in part by Bric Inmobiliaria and Ahome Real Estate, S.A. de C.V., both of which OFAC also designated on August 19, 2015. Yorv Inmobiliaria and Grupo Segtac, S.A. de C.V. were installed as the new property managers in an attempt to circumvent OFAC sanctions by acting as the non-designated interface between these designated shopping centers and the legitimate Mexican economy.

In addition to Gonzalez Valencia and the Los Cuinis DTO, OFAC designated the Cartel de Jalisco Nueva Generacion (CJNG) and its leader, Nemesio Oseguera Cervantes (a.k.a. “Mencho”) on April 8, 2015. The Los Cuinis DTO and CJNG are closely-allied organizations. Gonzalez Valencia and Oseguera Cervantes are brothers-in-law. In March 2014, based on an investigation led by the Los Angeles Field Division of the Drug Enforcement Administration (DEA), a federal grand jury in the U.S. District Court for the District of Columbia indicted Gonzalez Valencia and Oseguera Cervantes on several charges, including being the principal leaders of a Continuing Criminal Enterprise. Gonzalez Valencia was captured in Mexico in late February 2015, but Oseguera Cervantes remains a fugitive.

The Treasury Department and DEA’s Los Angeles Field Division worked closely to execute today’s action.

Since June 2000, more than 2,000 individuals and entities have been named pursuant to the Kingpin Act for their role in international narcotics trafficking. Penalties for violations of the Kingpin Act range from civil penalties of up to \$1,437,153 per violation to more severe criminal penalties. Criminal penalties for corporate officers may include up to 30 years in prison and fines of up to \$5 million. Criminal fines for corporations may reach \$10 million. Other individuals could face up to 10 years in prison and fines pursuant to Title 18 of the United States Code for criminal violations of the Kingpin Act.

[Chart relating to today’s announcement](#) .

[Identifying information relating to today’s announcement.](#)