

Treasury Sanctions Businesses Linked to Mexican Cartels

March 11, 2020

Treasury action taken in coordination with DEA operation

Washington – The U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) today designated four Mexican businesses pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act) because of their links to the Cartel de Jalisco Nueva Generacion (CJNG) and the Los Cuinis Drug Trafficking Organization (Los Cuinis), two closely allied Mexican drug trafficking organizations. CJNG and Los Cuinis funnel fentanyl and other deadly drugs into the United States, fueling drug addiction across the nation. Today’s action is the result of OFAC’s ongoing collaboration with the Drug Enforcement Administration (DEA), which today executed Project Python, a nationwide operation to disrupt CJNG through a series of coordinated arrests, seizures, and indictments.

“The United States will continue to work with our Mexican counterparts to expose drug trafficking organizations that profit off of the suffering of American families,” said Deputy Secretary Justin G. Muzinich.

“DEA targets drug trafficking organizations, including CJNG, on all fronts,” said DEA Acting Administrator Uttam Dhillon. “Making money is at the heart of drug trafficking, and by choking off their means to launder drug proceeds, DEA, along with our interagency partners, is taking another step toward dismantling CJNG and associated organizations.”

The first company designated today is International Investments Holding S.A. de C.V., an asset holding company registered in Guadalajara, Jalisco, Mexico. It is owned or controlled by Los Cuinis leader Abigael Gonzalez Valencia and his wife, Jeniffer Beaney Camacho Cazares, whom OFAC designated on August 19, 2015 because she assists her husband’s drug trafficking activities. The second company is GBJ de Colima, S.A. de C.V., a gas station company located in Villa de Alvarez, Colima, Mexico. This company is owned or controlled by Diana Maria Sanchez Carlon, whom OFAC designated on August 19, 2015, because she assists Abigael Gonzalez Valencia’s drug trafficking activities and plays a key role in the management of his assets.

The two other companies designated today represent attempts by Los Cuinis and CJNG to evade sanctions and maintain access to the financial system. Master Reposterias y Restaurantes, S.A. de C.V. serves as the new management company for Bake and Kitchen, a restaurant in Zapopan, Jalisco, Mexico designated on September 14, 2017 for being owned or controlled by Abigael Gonzalez Valencia and Jeniffer Beaney Camacho Cazares. Corporativo Sushi Provi, S. de R.L. de C.V. acts as the new management company for Kenzo Sushi, a restaurant in Guadalajara, Mexico designated on September 14, 2017, because it is owned or controlled by CJNG and Los Cuinis. Bake and Kitchen and Kenzo Sushi both recently opened new locations in the Guadalajara area.

In addition to these designations, OFAC identified two new names for a cabin rental business located in Tapalpa, Jalisco, Mexico that was designated on September 17, 2015, because it provided material assistance to the drug trafficking activities of CJNG. Cabanas La Loma en Renta and Cabanas La Loma Tapalpa are the new names for Cabanas La Loma, which had originally been known as Las Flores Cabanas.

PREVIOUS U.S. GOVERNMENT ACTIONS ON CJNG AND LOS CUINIS

Today's Kingpin Act designation marks OFAC's eleventh action against CJNG and Los Cuinis, which were designated on April 8, 2015, along with their leaders, Ruben Oseguera Cervantes (a.k.a. "Mencho") and Abigael Gonzalez Valencia, for their significant roles in international narcotics trafficking. In March 2014, following an investigation by the DEA Los Angeles Field Division, a federal grand jury in the U.S. District Court for the District of Columbia indicted brothers-in-law Oseguera Cervantes and Gonzalez Valencia on the charge of being the principal leaders of a Continuing Criminal Enterprise. Mexican authorities captured Gonzalez Valencia in late February 2015, and he is awaiting extradition to the United States. Oseguera Cervantes remains a fugitive.

The U.S. Department of State's Narcotics Rewards Program has issued a reward of up to \$10 million for information leading to the arrest and/or conviction of [Oseguera Cervantes](#). Tips can be submitted to DEA by phone (+1-213-237-9990), through Twitter (@DEALosAngeles), and by email (MENCHOTIPS@usdoj.gov).

In previous actions, OFAC designated a wide range of businesses and individuals linked to CJNG and Los Cuinis. The previously designated businesses in Mexico include shopping centers, real estate companies, agricultural companies, a music promotion business, and a luxury boutique hotel. Many of these Mexican entities have engaged in the laundering of drug proceeds and represent attempts by CJNG and Los Cuinis to integrate themselves into the legitimate

economy. Among the previously designated individuals are those who play critical roles in CJNG's drug trafficking activities, such as Julio Alberto Castillo Rodriguez (Oseguera Cervantes's son-in-law), and those who facilitate corruption activities on behalf of CJNG and Los Cuinis, such as now former Mexican magistrate judge Isidro Avelar Gutierrez and attorney Victor Francisco Beltran Garcia.

As a result of today's action, all property and interests in property of the designated entities that are in the United States or in the possession or control of U.S. persons, are blocked and must be reported to OFAC. OFAC's regulations generally prohibit all transactions by U.S. persons or persons within (or transiting) the United States that involve any property or interests in property of designated or otherwise blocked persons.

Since June 2000, more than 2,100 entities and individuals 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 \$1,503,470 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.

For more information on the entities designated today, click [here](#).

To view the Kingpin Act chart on entities designated today, click [here](#) .

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