

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Criminal Action No. 13-cr-00070-RBJ

UNITED STATES OF AMERICA,

Plaintiff,

v.

RAUL MENDOZA,
JULIA CASTILLO CARAVEO, and
ISIDRO NOE MENDOZA ORTIZ,

Defendants.

INDICTMENT

18 U.S.C. §371 and 31 U.S.C. §5324(a) and (d)
31 U.S.C. §5324(b)(1)
18 U.S.C. §§ 1956(a)(3)(B) and (C)
18 U.S.C. §1956(h)
18 U.S.C. §§ 1956(a)(1)(B)(i) and (ii)
18 U.S.C. §2
18 U.S.C. §982(a)(1)
31 U.S.C. §5317(c)(1)

The Grand Jury Charges that:

COUNT ONE

Conspiracy to Commit Structuring
18 U.S.C. §371 and 31 U.S.C. §§ 5324(a) and (d)(2)

The Conspiracy

Beginning on or about February 26, 2008, and continuing through on or about May 29, 2012, in the State and District of Colorado, defendants, **RAUL MENDOZA** and **ISIDRO NOE MENDOZA ORTIZ**, did knowingly combine, conspire, confederate, and agree with each other and with other persons, known and unknown to the Grand Jury, to commit and did commit certain offenses against the United States, to wit: knowingly

structuring currency deposit transactions with a domestic financial institution with the intent to evade the reporting requirements in violation of Title 31, United States Code, Sections 5324(a).

Manner and Means of the Conspiracy

It was part of the conspiracy that:

- a. Daily cash receipts from the business, Chopeque Auto Sales, LLC, which is owned by **RAUL MENDOZA**, were received at the business.
- b. **RAUL MENDOZA** and **ISIDRO NOE MENDOZA ORTIZ** deposited the cash into bank accounts in the following ways:
 - i. Into separate accounts held at the same bank on the same day and on consecutive days; and
 - ii. Into separate accounts held at various banks on the same day and on consecutive days.
- c. **RAUL MENDOZA** and **ISIDRO NOE MENDOZA ORTIZ** attempted to cause and did cause the financial institutions not to report the currency transactions as required by law.

Overt Acts in Furtherance of the Conspiracy

In furtherance of the conspiracy and to achieve the objectives thereof, defendants, **RAUL MENDOZA** and **ISIDRO NOE MENDOZA ORTIZ**, and others known and unknown to the Grand Jury, committed and caused to be committed the following acts, among others, in the State and District of Colorado and elsewhere, by making the following deposits of currency in amounts less than \$10,000 as detailed in overt acts one through eight below:

Overt Act	Date Range	Number of Structured Deposits	Financial Institution	Account Number	Aggregate Amount
1	July 2, 2008 through August 6, 2008	11	US Bank	xxxxxxxx8271	\$52,590
2	July 2, 2008 through August 6, 2008	11	US Bank	xxxxxxxx8289	\$53,760
3	July 4, 2008 through April 8, 2009	12	Key Bank	xxxxxxxx9213	\$109,085
4	March 3, 2008 through November 30, 2009	382	Wells Fargo Bank	xxxxxx3037	\$2,718,267
5	January 10, 2011 through May 29, 2012	179	JP Morgan Chase Bank	xxxxx3248	\$983, 583
6	February 26, 2008 through June 12, 2008	18	US Bank	xxxxxxxx9630	\$172,510
7	December 3, 2009 through August 20, 2010	12	Wells Fargo Bank	xxxxxx4200	\$108,310
8	October 18, 2011 through February 17, 2012	76	JP Morgan Chase Bank	xxxxx6801	\$345,609

All in violation of Title 18, United States Code, Section 371 and Title 31, United States Code, Section 5324(a) and (d)(2).

COUNT TWO
Structuring by a Nonfinancial Trade or Business
31 U.S.C. §§ 5324(b)(1) and (d)(2)
18 U.S.C. §2

On or about June 4, 2011, in the State and District of Colorado, defendants,

RAUL MENDOZA, ISIDRO NOE MENDOZA ORTIZ and JULIA CASTILLO CARAVEO, knowingly and for the purpose of evading the reporting requirements of Title 31, United States Code, Section 5331 and the regulations enacted thereunder, did attempt to and did cause Chopeque Auto Sales, LLC, a non-financial trade or business, to fail to file a Federal IRS Form 8300, a report required under Title 31, United States Code, Section 5331 and the regulations enacted thereunder, for all currency transactions over \$10,000 received by a business. Further, they did so while violating another law of the United States, that is, Title 18, United States Code, Subsections 1956(a)(3)(B) and (C), as more fully described in Count Three herein below which is specifically incorporated herein by reference.

All in violation of Title 31, United States Code, Subsections 5324(b)(1) and 5324(d)(2); Title 31, Code of Federal Regulations, Part 103, Section 103.30; Title 26, Code of Federal Regulations, Part 1, Subsection 1.6050I – 1(e); or that they did aid and abet each other in committing these violations in violation of Title 18, United States Code, Section 2.

COUNT THREE
Laundering of Monetary Instruments
18 U.S.C. §§ 1956(a)(3)(B) and (C)
18 U.S.C. § 2

On or about June 4, 2011, in the State and District of Colorado, defendants, **RAUL MENDOZA, ISIDRO NOE MENDOZA ORTIZ and JULIA CASTILLO CARAVEO,** did knowingly attempt to conduct and did conduct a financial transaction affecting interstate commerce, namely, the sale of one vehicle, a 2004 Dodge Ram 1500, in exchange for \$10,500 in United States currency that was represented by law

enforcement officers to be the proceeds of a specified unlawful activity, namely drug distribution; and that they did so with the intent: (1) to conceal and disguise the nature, source and ownership of the currency believed to be the proceeds of specified unlawful activity and (2) to avoid a transaction reporting requirement under Federal law, that is, the requirement to report certain information about transactions involving the receipt of more than \$10,000 in currency in one transaction to the Internal Revenue Service on IRS Form 8300, as required by Title 31, United States Code, Section 5331, Code of Federal Regulations, Part 103, Section 103.30; and Title 26, Code of Federal Regulations Part 1, Section 1.6050I – 1(e); all in further in violation of Title 18, United States Code Section 1956(a)(3)(B); or that they did aid and abet each other in the commission of these violations in violation of Title 18, United States Code, Section 2.

COUNT FOUR
Structuring by a Nonfinancial Trade or Business
31 U.S.C. §§ 5324 (b)(1) and (d)(2)
18 U.S.C. §2

On or about March 8, 2012, in the State and District of Colorado, defendants, **RAUL MENDOZA** and **JULIA CASTILLO CARAVEO**, knowingly and for the purpose of evading the reporting requirements of Title 31, United States Code, Section 5331, and the regulations enacted thereunder, did attempt to cause and did cause Chopeque Auto Sales, LLC, a non-financial trade or business, to fail to file a Federal IRS Form 8300, a report required under Title 31, United States Code, Section 5331 and the regulations enacted thereunder, for all currency transactions over \$10,000 received in a business. Further, they did so while violating another law of the United States, that is, Title 18, United States Code, Subsections 1956 (a)(3)(B) and (C), as more fully described in

Count Five herein below which is specifically incorporated herein by reference.

All in violation of Title 31, United States Code, Subsections 5324(b)(1) and 5324(d)(2); Title 31, Code of Federal Regulations, Part 103, Section 103.30; Title 26 Code of Federal Regulations, Part 1, Subsection 1.6050I – 1(e); or that they did aid and abet each other in the commission of these violations in violation of Title 18, United States Code, Section 2.

COUNT FIVE
Laundering of Monetary Instruments
18 U.S.C. §§ 1956(a)(3)(B) and (C)
18 U.S.C. §2

On or about March 8, 2012, in the State and District of Colorado, defendants, **RAUL MENDOZA** and **JULIA CASTILLO CARAVEO**, did knowingly attempt to conduct and did conduct a financial transaction affecting interstate commerce, namely, the sale of one vehicle, a 2008 Chevrolet Silverado 1500, in exchange for \$20,900 in United States currency that was represented by law enforcement officers to be the proceeds of a specified unlawful activity, namely drug distribution; and they did so with the intent: (1) to conceal and disguise the nature, source and ownership of the currency believed to be the proceeds of specified unlawful activity and (2) to avoid a transaction reporting requirement under Federal law, that is, the requirement to report certain information about transactions involving the receipt of more than \$10,000 in currency in one transaction to the Internal Revenue Service on IRS Form 8300, as required by Title 31, United States Code, Section 5331, Title 31, Code of Federal Regulations, Part 103, Section 103.30; and Title 26, Code of Federal Regulations, Part 1, Subsection 1.6050I – 1(e); All in further violation of Title 18, United States Code Subsections 1956(a)(3)(B)

and (C), or that they did aid and abet each other in the commission of these offenses in violation of Title 18, United States Code, Section 2.

COUNT SIX
Conspiracy to Launder
18 U.S.C. §§ 1956(a)(1)(B)(i) and (ii) and 1956(h)

The Conspiracy

From on or about June 4, 2011, through and including September 14, 2012, in the State and District of Colorado, defendants, **RAUL MENDOZA, ISIDRO NOE MENDOZA ORTIZ** and **JULIA CASTILLO CARAVEO**, did knowingly combine, conspire, and agree with each other, and with other persons known and unknown to the Grand Jury, to commit an offense against the United States, namely: to knowingly attempt to conduct and to conduct financial transactions affecting interstate commerce which involved the proceeds of specified unlawful activity, that is, drug trafficking, believing that the financial transactions involved the proceeds of unlawful activity, and knowing that such transactions were designed in whole or in part: (1) to conceal and disguise the nature, source, ownership and control of the proceeds of specified unlawful activity; and (2) to avoid a transaction reporting requirement under Federal law, that is, the requirement to report certain information about transactions involving the receipt of more than \$10,000 in United States currency in one transaction as required by Title 31, United States Code, §5331 and the regulations promulgated thereunder in violation of Title 18, United States Code, Subsection 1956(a)(1)(B)(i) and (ii).

Manner and Means and Overt Acts in Furtherance of the Conspiracy

The manner and means used to accomplish the objectives of the conspiracy,

among others, included the following overt acts:

- (1) The sale of vehicles by Chopeque Auto Sales, LLC, to known drug dealers for currency;
- (2) The preparation of false documents relating to the sale of vehicles to known drug dealers, including, but not limited to: the use of nominee or false names in titling the vehicles; the falsifying of down payment amounts paid by the clients; and the falsifying of liens on the vehicle to provide a mechanism for getting the vehicle released from law enforcement if it were ever seized for drug trafficking related activities;
- (3) The structuring of currency deposits into bank accounts to conceal and disguise the nature, source, ownership and control of the proceeds of specified unlawful activity;
- (4) The false claim by these defendants to law enforcement authorities to be a valid lien holder of a seized vehicle in order to assist a known drug dealer in seeking the return of the vehicle; and
- (5) with knowledge of the filing requirements for IRS Form 8300 to report currency transactions over \$10,000 received in a trade or business, by agreeing not to file documents required by Federal law to report currency transactions over \$10,000 to the Internal Revenue Service, specifically, the filing of an IRS Form 8300.

All in violation of Title 18, United States Code, Subsections 1956(a)(1)(B)(i) and (ii) and (h).

NOTICE OF FORFEITURE

The allegations contained in Counts One through Six of this Indictment are hereby re-alleged and specifically incorporated herein by reference for the purpose of seeking forfeiture pursuant to the provisions of Title 31, United States Code, Section 5317(c)(1) and Title 18, United State Code, Section 982(a)(1).

Upon conviction of a violation of one of more of the offenses alleged in Counts One, Two and Four of this Indictment involving violations of Title 31, United States Code, 5324(a), Title 18, United States Code, Section 371, Title 31, United States Code, Section 5324(b)(1), and Title 18, United States Code, Section 2, defendants, **RAUL MENDOZA, JULIA CASTILLO CARAVEO** and **ISIDRO NOE MENDOZA ORTIZ**, shall forfeit to the United States, pursuant to Title 31, United States Code, Section 5317(c)(1), any and all of these defendants' right, title, and interest in all property, real or personal, involved in such offenses, or all property traceable to such property, including but, not limited to: a money judgment in the amount of property involved in these offenses, for which the defendants are joint and severally liable.

Upon conviction of a violation of one of more of the offenses alleged in Counts Three, Five, and Six of this Indictment involving violations of Title 18, United States Code, Sections 1956 and 2, defendants **RAUL MENDOZA, JULIA CASTILLO CARAVEO** and **ISIDRO NOE MENDOZA ORTIZ**, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any and all of the defendants right, title and interest in all property, real or personal, involved in such offenses, or all property traceable to such property, including, but not limited to: a

money judgment in the amount of property involved in these offenses, for which the defendants are joint and severally liable.

If any of the property described in the paragraphs above, as a result of any act or omission of the defendants:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (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 Title 21, United States Code, Section 853(p), specifically incorporated by Title 18, United States Code, Section 982(b) and Title 31, United States Code, Section 5317(c)(1)(B), to seek forfeiture of any other property of said defendants listed above as being subject to forfeiture.

A TRUE BILL:

Ink signature on file in the Clerk's Office

FOREPERSON

APPROVED:

JOHN F. WALSH
UNITED STATES ATTORNEY

By: s/ James R. Boma

JAMES R. BOMA
ASSISTANT UNITED STATES ATTORNEY

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Attorney for the Government

DEFENDANT: Raul Mendoza
YOB: 1964
ADDRESS: Denver, Colorado
COMPLAINT FILED? _____ YES _____ X NO

IF YES, PROVIDE MAGISTRATE CASE NUMBER:
IF NO, PROCEED TO "OFFENSE" SECTION

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? _____ YES _____ X NO

OFFENSES:

Count One: Conspiracy to structure transactions to evade reporting requirements in 18 U.S.C. §371 and 31 U.S.C. §§ 5324(a) and (d)(2)

Count Two: Structuring by a Nonfinancial Trade or Business in violation of 31 U.S.C. §§ 5324(b)(1) and (d)(2) and 18 U.S.C. §2

Counts Three and Five:

Laundering of Monetary Instruments in violation of 18 U.S.C. §§1956(a)(3)(B) and (C) and 18 U.S.C. §2

Count Four: Structuring by a Nonfinancial Trade or Business in violation of 31 U.S.C. §§ 5324(b)(1) and (d)(2) and 18 U.S.C. §2

Count Six: Conspiracy to Launder in violation of 18 U.S.C. §§ 1956(a)(1)(B)(i) and (ii) and 1956(h)

LOCATION OF OFFENSE: County of Denver, CO

PENALTIES:

Counts One, Two and Four:

NMT 10 years imprisonment; NMT a \$500,000 fine, or both; NMT 3 years supervised release and a \$100 special assessment as to each count.

Counts Three, Five and Six:

NMT 10 years imprisonment; NMT a \$500,000 fine, or both; NMT 3 years supervised release and a \$100 special assessment as to each count.

AGENT: S/A Ken Valdez, IRS-CI

AUTHORIZED BY: James R. Boma, Assistant U.S. Attorney

ESTIMATED TIME OF TRIAL: ten days or less

THE GOVERNMENT: **will** seek detention in this case

The statutory presumption of detention **is not** applicable to this defendant.

OCDETF CASE: Yes No

DEFENDANT: Julia Castillo-Caraveo

YOB: 1984

ADDRESS: Denver, Colorado

COMPLAINT FILED? _____ YES _____ X NO

IF YES, PROVIDE MAGISTRATE CASE NUMBER:
IF NO, PROCEED TO "OFFENSE" SECTION

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? _____ YES _____ X NO

OFFENSES:

Count Two: Structuring by a Nonfinancial Trade or Business in violation of 31 U.S.C. §§ 5324(b)(1) and (d)(2) and 18 U.S.C. §2

Counts Three and Five:

Laundering of Monetary Instruments in violation of 18 U.S.C. §§1956(a)(3)(B) and (C) and 18 U.S.C. §2

Count Four: Structuring by a Nonfinancial Trade or Business in violation of 31 U.S.C. §§ 5324(b)(1) and (d)(2) and 18 U.S.C. §2

Count Six: Conspiracy to Launder in violation of 18 U.S.C. §§ 1956(a)(1)(B)(i) and (ii) and 1956(h)

LOCATION OF OFFENSE: County of Denver, Colorado

PENALTIES:

Counts Two and Four: NMT 10 years imprisonment; NMT a \$500,000 fine, or both; NMT 3 years supervised release and a \$100 special assessment as to each count.

Counts Three, Five and Six:

NMT 10 years imprisonment; NMT a \$500,000 fine, or both; NMT 3 years supervised release and a \$100 special assessment as to each count.

AGENT: S/A Ken Valdez, IRS-CI

AUTHORIZED BY: James R. Boma, Assistant U.S. Attorney

ESTIMATED TIME OF TRIAL: ten days or less

THE GOVERNMENT: **will not** seek detention in this case

The statutory presumption of detention **is not** applicable to this defendant.

OCDETF CASE: X Yes No

DEFENDANT: Isidro Noe Mendoza-Ortiz

YOB: 1987

ADDRESS: Thornton, Colorado

COMPLAINT FILED? _____ YES _____ X NO

IF YES, PROVIDE MAGISTRATE CASE NUMBER:
IF NO, PROCEED TO "OFFENSE" SECTION

HAS DEFENDANT BEEN ARRESTED ON COMPLAINT? _____ YES _____ X NO

OFFENSES:

Count One: Conspiracy to structure transactions to evade reporting requirements in 18 U.S.C. §371 and 31 U.S.C. §§ 5324(a) and (d)(2)

Count Two: Structuring by a Nonfinancial Trade or Business in violation of 31 U.S.C. §§ 5324(b)(1) and (d)(2) and 18 U.S.C. §2

Count Three: Laundering of Monetary Instruments in violation of 18 U.S.C. §§1956(a)(3)(B) and (C) and 18 U.S.C. §2

Count Six: Conspiracy to Launder in violation of 18 U.S.C. §§ 1956(a)(1)(B)(i) and (ii) and 1956(h)

LOCATION OF OFFENSE: County of Denver, Colorado

PENALTIES:

Counts One and Two: NMT 10 years imprisonment; NMT a \$500,000 fine, or both; NMT 3 years supervised release and a \$100 special assessment as to each count.

Counts Three and Six: NMT 10 years imprisonment; NMT a \$500,000 fine, or both; NMT 3 years supervised release and a \$100 special assessment as to each count.

AGENT: S/A Ken Valdez, IRS-CI

AUTHORIZED BY: James R. Boma, Assistant U.S. Attorney

ESTIMATED TIME OF TRIAL: ten days or less

THE GOVERNMENT: **will** seek detention in this case

The statutory presumption of detention **is not** applicable to this defendant.

OCDETF CASE: X Yes No