

<input type="checkbox"/> FILED	<input type="checkbox"/> LODGED
<input type="checkbox"/> RECEIVED	<input type="checkbox"/> COPY
JAN 19 2011	
CLERK U S DISTRICT COURT DISTRICT OF ARIZONA	
BY _____	DEPUTY _____

SEALED

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

United States of America,

Plaintiff,

v.

1. **ATF**
(Counts 1, 2, 7-9)
2. Hector Rolando Carlon,
(Counts 1, 2)
3. **ATF**
(Counts 1, 2, 10, 42, 43,)
4. Alfredo Celis,
(Counts 1, 2, 11, 12, 42, 52)
5. Manuel Fabian Celis-Acosta,
(Counts 1-42)
6. Jacob Wayne Chambers,
(Counts 1, 2, 13, 14)
7. Erick Avila Davila,
(Counts 1, 2, 15, 16)
8. Jonathan Earvin Fernandez,
(Counts 1, 2, 17,18)
9. Dejan Hercegovac
(Counts 1, 2, 19)
10. Kristi Gail Ireland,
(Counts 1, 2, 42, 46)

CR 11 -126 PHX JAT(LOA)

INDICTMENT

- VIO: 18 U.S.C. § 371
(Conspiracy)
Count 1
- 18 U.S.C. § 922(a)(1)(A)
(Dealing in Firearms Without a License)
Count 2
- 21 U.S.C. §846
(Conspiracy to Possess Controlled Substance with Intent to Distribute)
Count 3
- 21 U.S.C. §§841(a)(1) & 841(b)(1)(D)
(Possession with Intent to Distribute Marijuana, a Controlled Substance)
Count 4
- 21 U.S.C. §§841(a)(1) & 841(b)(1)(B)(vii)
(Possession with Intent to Distribute Marijuana, a Controlled Substance)
Count 5

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

11. Juan Jose Martinez-Gonzalez,
(Counts 1, 2)

18 U.S.C. §924(o)
(Conspiracy to Possess a Firearm
in Furtherance of a Drug
Trafficking Offense)
Count 6

12. Jacob Anthony Montelongo,
(Counts 1, 2, 20, 21, 42, 44)

13. Joshua David Moore,
(Counts 1, 2, 22, 23, 42, 45)

18 U.S.C. § 924(a)(1)(A)
(False Statements in Connection
With the Acquisition of Firearms)
Count 7 through 41

14. Danny Cruz Morones,
(Counts 1, 2, 24, 25)

15. **ATF**
(Counts 1-6, 26-35, 42, 46-48, 50, 53)

18 U.S.C. § 1956(h)
Conspiracy to Commit Money
Laundering
Count 42

16. Jose Angel Polanco
(Counts 1, 2, 41)

18 U.S.C. § 1956(a)(1)(B)(i)
Money Laundering
Counts 43 through 53

17. Francisco Javier Ponce,
(Counts 1, 2, 33, 34,)

18. John William Rowland,
(Counts 3&4)

18 U.S.C. § 2
(Aid and Abet)
Counts 2, 4, 5, 7-41, 43-53

19. **ATF**
(Counts 1, 2, 36-40, 42, 49, 51)

20. Kenneth James Thompson,
(Counts 1, 2)

18 U.S.C. §924(d)
21 U.S.C. §853
28 U.S.C. §2461
18 U.S.C. §982(a)(1)
(Forfeiture Allegations)

Defendants.

THE GRAND JURY CHARGES:

INTRODUCTION

1. Drug Trafficking Organizations rely upon the use of firearms to protect their supply of drugs, supply routes, profits, and distribution territory from both law enforcement agents and threats from competing Drug Trafficking Organizations.

2. Drug Trafficking Organizations operating in Mexico represent a ready market for firearms from the United States. These Drug Trafficking Organizations prefer certain makes, models, and caliber of firearms. These “weapons of choice” are generally semi-automatic versions of military type rifles and pistols. These include the AR-15/M-16 type rifles, AK-47

1 type rifles, AK-47 type pistols (resembling AK-47 type rifles with shorter barrels and without
2 a rear stock), 9mm pistols, 5.7mm pistols, Colt .38 Super Automatic (“38 Super”) caliber
3 pistols, as well as heavy .50 caliber belt-fed rifles, and .50 caliber sniper rifles.

4 3. These firearms are not available in Mexico through regular commercial retail
5 channels, but are available in the United States through licensed retail gun shops. Firearms dealt
6 illegally by firearms traffickers are commonly purchased from licensed retail gun shops.

7 4. When a firearm purchaser buys a firearm from a Federal Firearms Licensee (FFL), a
8 business licensed under Chapter 44 of Title 18, United States Code to engage in the business of
9 dealing in firearms, that buyer must fill out Bureau of Alcohol, Tobacco, Firearms, and
10 Explosives (ATF) Form 4473, Firearms Transaction Record, listing the buyer’s true name,
11 current residential address, and other identifying information. The information on the Form
12 4473 makes it possible to trace a firearm back to its retail purchaser. Federal Firearms Licensees
13 are required by Chapter 44 of Title 18, United State Code, to maintain these forms in their
14 records.

15 5. In addition, Form 4473 asks the purchaser: “Are you the actual transferee/buyer of the
16 firearm(s) listed on this form? Warning: You are not the actual buyer if you are acquiring the
17 firearm(s) on behalf of another person. If you are not the actual buyer, the dealer cannot transfer
18 the firearm(s) to you. . .”

19 6. Firearms traffickers often employ a number of “straw purchasers” to buy firearms
20 from licensed gun dealers. These “straw purchasers” falsely claim on the 4473 that they are
21 buying the firearm(s) for themselves, when in fact they are purchasing on behalf of another.

22 7. Firearms traffickers commonly acquire firearms through “straw purchasers” to avoid
23 firearms being traceable back to the firearms trafficker himself. Firearms purchased in
24 furtherance of a firearms trafficking conspiracy are usually purchased in cash to further conceal
25 the true buyer and source of funds.

26

27

28

1 8. Firearms traffickers commonly employ multiple straw purchasers to supply them with
2 their firearms, ensuring that they have more than one source of firearms for distribution to their
3 buyers.

4 9. Only licensed firearms importers, manufacturers, or dealers may engage in the
5 business of dealing in firearms or in the course of such business may ship or transport firearms
6 in interstate or foreign commerce.

7 10. At all times relevant to this indictment, **ATF**
8 HECTOR ROLANDO CARLON, ALFREDO CELIS, MANUEL FABIAN CELIS-ACOSTA, JACOB
9 WAYNE CHAMBERS, ERICK AVILA DAVILA, JONATHAN EARVIN FERNANDEZ, DEJAN
10 HERCEGOVAC, KRISTI GAIL IRELAND, JUAN JOSE MARTINEZ-GONZALEZ, JACOB
11 ANTHONY MONTELONGO, JOSHUA DAVID MOORE, DANNY CRUZ MORONES, **ATF**
12 **ATF** JOSE ANGEL POLANCO, FRANCISCO JAVIER PONCE, JOHN WILLIAM ROWLAND,
13 **ATF** and KENNETH JAMES THOMPSON are not and have never
14 been licensed under the provisions of Chapter 44 of Title 18 as firearms importers,
15 manufacturers, and dealers.

16 11. At all times relevant to this indictment, American Gunshop, Inc.; Bear Arms; Gunnet;
17 **ATF**; J&G Sales; Olsen Firearms, LLC; and **ATF** were
18 and are each a Federal Firearms Licensee (FFL), a business licensed under the provisions of
19 Chapter 44 of Title 18, United States Code to deal in firearms.

20 **COUNT 1**

21 **CONSPIRACY**

22 (18 U.S.C. §371)

23 12. Beginning on or about September of 2009, and continuing through on or about December,
24 2010, in the District of Arizona and elsewhere, defendants **ATF**, **ATF**
25 HECTOR CARLON, ALFREDO CELIS, MANUEL FABIAN CELIS-ACOSTA, JACOB WAYNE
26 CHAMBERS, ERICK AVILA DAVILA, JONATHAN EARVIN FERNANDEZ, DEJAN
27

1 HERCEGOVAC, KRISTI GAIL IRELAND, JUAN MARTINEZ-GONZALEZ, JACOB
2 MONTELONGO, JOSHUA DAVID MOORE, DANNY MORONES, **ATF**, JOSE ANGEL
3 POLANCO, FRANCISCO JAVIER PONCE, **ATF** and KENNETH
4 THOMPSON, did willfully, knowingly and unlawfully combine, conspire, confederate and agree
5 together and with each other and with others known and unknown to the grand jury, to commit
6 the following offenses against the United States:

7 (1) Title 18, United States Code, Section 922(a)(1)(A) (Dealing in Firearms Without a
8 License);

9 (2) Title 18, United States Code, Section 924(a)(1)(A) (Making False Statements in
10 Connection with the Acquisition of a Firearm)

11 (3) Title 18, United States Code, Section 554 (Smuggling Goods from the United States);
12

13 **MEANS AND METHODS OF THE CONSPIRACY**

14 13. The means and methods employed by defendants to effect the object of the conspiracy
15 were as follows:

16 14. Between September of 2009 and December of 2010, defendants willfully engaged in
17 the business of dealing in firearms even though none of the defendants were a licensed firearms
18 importer, manufacturer, and dealer, under the provisions of Title 18, United States Code,
19 Section 923, and in the course of such business did ship and transport firearms in interstate and
20 foreign commerce.

21 15. Between September of 2009 and through December of 2010, defendants fraudulently
22 and knowingly exported and sent firearms from the United States to Mexico contrary to the laws
23 and regulations of the United States.

24 16. Between September of 2009 and through December of 2010, defendants fraudulently
25 and knowingly received, concealed, bought, sold, and facilitated the transportation, concealment,
26 and sale of firearms prior to exportation, knowing the firearms were intended for exportation
27

1 contrary to the laws and regulations of the United States.

2 17. As part of the conspiracy the defendants acquired the firearms by purchasing them in
3 the District of Arizona from Federal Firearms Licensees (FFLs), licensed under the provisions
4 of Chapter 44 of Title 18, and operating as licensed gun shops.

5 18. As part of the conspiracy, and in the course of purchasing firearms in the District of
6 Arizona, defendants knowingly made false statements and representations with respect to
7 information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept
8 in the records of a business licensed under the provisions of Chapter 44 of Title 18, United States
9 Code, in that defendants executed ATF Forms 4473, Firearms Transaction Records, representing
10 that the defendant executing each form was the actual purchaser of the firearm(s) when in fact
11 they were buying the firearm(s) for others.

12 19. As part of the conspiracy, defendants purchased the firearms with money derived from
13 the illegal distribution of controlled substances.

14 20. As part of the conspiracy, after firearms were purchased from FFLs, they were
15 transferred to other members of the conspiracy both known and unknown to the grand jury to
16 be stored, sold, transported.

17 21. As part of the conspiracy, defendants acquired and dealt in the types of firearms for
18 which there was a ready market among the drug trafficking organizations in Mexico and the
19 United States.

20 22. As part of the conspiracy, the firearms were sold and transferred to others known and
21 unknown to the grand jury who were engaged in drug trafficking and possessed in furtherance
22 of drug trafficking.

23 23. As part of the conspiracy, members of the conspiracy both known and unknown to the
24 grand jury shipped, transported, and exported firearms from the United States to Mexico.

25
26
27
28

OVERT ACTS

1
2 24. As part, and in furtherance of the conspiracy, overt acts were committed in the District
3 of Arizona including, but not limited to, the following:

4 25. On or about January 16, 2010, **ATF** purchased three AK-47 type
5 firearms from FFL **ATF**, Glendale, Arizona, and during the course of
6 such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
7 firearms.

8 26. On or about April 24, 2010 **ATF** purchased two Draco AK-47 type
9 pistols from FFL Gunnet, Peoria, Arizona, and during the course of such purchase falsely
10 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

11 27. On or about June 15, 2010, **ATF** purchased one Barrett .50 caliber rifle
12 from FFL **ATF** Scottsdale, Arizona, and during the course of such purchase
13 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearm.

14 28. On or about November 19, 2009, prior to being pulled over by police, HECTOR
15 ROLANDO CARLON attempted to dispose of an FN Herstal 5.7mm pistol purchased on
16 November 17, 2009, by JOSE ANGEL POLANCO.

17 29. On or about June 15, 2010, HECTOR ROLANDO CARLON sent a .50 caliber belt-fed
18 rifle to manufacturer TNW for repair, which rifle had been purchased on June 7, 2010, by
19 another. On or about August 3, 2010, HECTOR ROLANDO CARLON attempted to re-acquire
20 this .50 caliber rifle in furtherance of the conspiracy.

21 30. On or about March 23, 2010, **ATF** purchased 10 AK-47 type rifles from
22 FFL **ATF** Glendale, Arizona, and during the course of such purchase
23 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

24 31. On or about November 12, 2009, ALFREDO CELIS purchased ten AK-47 type rifles
25 from FFL **ATF** Glendale, Arizona, and during the course of such
26 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

1 Within a month of their purchase four of these firearms were found in Mexico.

2 32. On or about January 20, 2010, ALFREDO CELIS purchased ten AK-47 type rifles
3 from FFL **ATF** Glendale, Arizona, and during the course of such
4 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

5 33. On or about June 24, 2010, through on or about June 29, 2010, ALFREDO CELIS
6 purchased 30 AK-47 type rifles from FFL **ATF**, Glendale, Arizona, and
7 during the course of such purchase falsely represented on ATF Form 4473 that he was the actual
8 purchaser of the firearms.

9 34. On or about June 30, 2010, ALFREDO CELIS purchased 20 AK-47 type rifles from
10 FFL **ATF** Glendale, Arizona, and during the course of such purchase
11 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

12 35. On or about July 2, 2010, in a telephone conversation with ALFREDO CELIS,
13 MANUEL FABIAN CELIS-ACOSTA directed ALFREDO CELIS to take steps to recover
14 twenty AK-47 type rifles taken by police on or about June 30, 2010.

15 36. On December 8, 2009, a male caller using a telephone number utilized by MANUEL
16 FABIAN CELIS-ACOSTA called FFL **ATF**, Glendale, Arizona, to
17 inquire as to the number of AK-47 type rifles in stock. Forty-five minutes after this call, on the
18 morning of December 8, 2009, **ATF** arrived at **ATF** and
19 purchased twenty AK-47 type rifles which he transported to an auto auction business in Phoenix,
20 Arizona, and loaded into another vehicle or vehicles.

21 37. On the evening of December 8, 2009, **ATF** returned
22 to **ATF** and purchased an additional twenty AK-47 type rifles. **ATF**
23 **ATF** loaded the rifles into a white Nissan Titan in which MANUEL
24 FABIAN CELIS-ACOSTA was a passenger. This vehicle was driven to CELIS ACOSTA's
25 residence where the rifles were unloaded.

1 38. On or about December 11, 2009, MANUEL FABIAN CELIS-ACOSTA made several
2 telephone calls to direct JACOB WAYNE CHAMBERS' delivery of ten AK-47 type rifles,
3 purchased by CHAMBERS, to another.

4 39. On or about May 20, 2010, MANUEL FABIAN CELIS-ACOSTA directed **ATF**
5 **ATF** to purchase three FN Herstal 5.7mm pistols for another person and made arrangements
6 to meet with **ATF** to give him money to pay for the purchase.

7 40. On or about May 20, 2010, **ATF** purchased three FN Herstal 5.7mm pistols
8 from FFL **ATF**.

9 41. On or about July 19, 2010, CELIS ACOSTA loaded approximately 48 pounds of
10 marijuana into a car driven by JOHN WILLIAM ROWLAND.

11 42. On or about October 13, 2009, JACOB WAYNE CHAMBERS purchased three AK-47
12 type rifles from FFL **ATF**, Glendale, Arizona, and during the course of
13 such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
14 firearms.

15 43. On or about October 26, 2009, JACOB WAYNE CHAMBERS purchased three AK-47
16 type firearms from FFL **ATF**, Glendale, Arizona, and during the course
17 of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
18 firearms.

19 44. On or about December 11, 2009, JACOB WAYNE CHAMBERS purchased ten AK-47
20 type rifles at FFL **ATF**, Glendale, Arizona, on behalf of MANUEL
21 FABIAN CELIS-ACOSTA, and during the course of such purchase falsely represented on ATF
22 Form 4473 that he was the actual purchaser of the firearms.

23 45. On or about December 11, 2009, MANUEL FABIAN CELIS-ACOSTA made several
24 phone calls to direct JACOB WAYNE CHAMBERS delivery of AK-47 type rifles to another
25 member of the conspiracy.

26
27
28

1 46. On or about December 11, 2009, at the direction of MANUEL FABIAN CELIS-
2 ACOSTA, JACOB WAYNE CHAMBERS delivered the AK-47 type rifles to another.

3 47. On or about June 12, 2010, ERICK AVILA DAVILA purchased five Ruger 9mm
4 pistols from **ATF** and during the course of such purchase falsely
5 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

6 48. On or about July 7, 2010, ERICK AVILA DAVILA purchased one Barrett .50 caliber
7 rifle from FFL Olsen Firearms, LLC, Scottsdale, Arizona, and during the course of such purchase
8 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

9 49. On July 13, 2010, ERICK AVILA DAVILA purchased one TNW .50 caliber belt-fed
10 rifle from manufacturer TNW Firearms, Inc., through **ATF**, Scottsdale, Arizona,
11 and during the course of such purchase falsely represented on ATF Form 4473 that he was the
12 actual purchaser of the firearm.

13 50. On or about August 10, 2010, JONATHAN EARVIN FERNANDEZ purchased ten
14 AK-47 type rifles from **ATF** and during the course of such purchase
15 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

16 51. On or about August 19, 2010, JONATHAN EARVIN FERNANDEZ purchased nine
17 AK-47 type rifles from **ATF**, and during the course of such purchase
18 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms. After
19 purchasing the firearms, FERNANDEZ and DANNY CRUZ MORONES, riding with
20 FERNANDEZ, attempted to evade agents and officers conducting surveillance.

21 52. On or about November 25, 2009, DEJAN HERCEGOVAC acquired twenty-six AK-47
22 type rifles in a series of transactions from FFL **ATF** Glendale, Arizona,
23 and during the course of such transactions falsely represented on ATF Form 4473 that he was the
24 actual purchaser of the firearms. In the course of these transactions DEJAN HERCEGOVAC
25 returned several of these rifles in exchange for others with a different type of folding stock. In
26
27
28

1 the course of these transactions, DEJAN HERCEGOVAC returned for exchange an AK-47 type
2 rifle purchased the day before, on November 24, 2009, by **ATF**

3 53. On November 25, 2009, DEJAN HERCEGOVAC delivered rifles he had purchased
4 to the residence of MANUEL FABIAN CELIS-ACOSTA and to the auto shop at 3501 West
5 Lincoln Avenue, Phoenix, Arizona.

6 54. On or about April 14, 2010, KRISTI GAIL IRELAND paid approximately \$18,000 in
7 United States Currency to **ATF** as a down payment for the purchase of
8 three Barrett .50 rifles. **ATF** retrieved the money for the down payment out of
9 KRISTI GAIL IRELAND's purse to pay for the rifles.

10 55. On or before November 24, 2009, JUAN JOSE MARTINEZ-GONZALEZ and **ATF**
11 **ATF** introduced **ATF** into the conspiracy to purchase firearms.

12 56. On or about November 24, 2009, **ATF** accompanied **ATF** into **ATF**
13 **ATF** while **ATF** purchased firearms for the conspiracy.

14 57. On or about July 13, 2010, JUAN JOSE MARTINEZ-GONZALEZ possessed sixty-
15 two firearms purchased by ERICK AVILA DAVILA, and others at the auto body shop at 3501
16 W. Lincoln, Phoenix, Arizona.

17 58. On or about March 23, 2010, JACOB ANTHONY MONTELONGO purchased ten
18 AK-47 type rifles from FFL **ATF** Glendale, Arizona, and during the
19 course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser
20 of the firearms.

21 59. On June 11, 2010, JACOB ANTHONY MONTELONGO purchased one Ruger 9mm
22 pistol and one Taurus 9mm pistol at FFL **ATF** Glendale, Arizona, and
23 during the course of such purchase falsely represented on ATF Form 4473 that he was the actual
24 purchaser of the firearms.

25 60. On October 31, 2009, JOSHUA DAVID MOORE purchased six AK-47 type rifles
26 from FFL J&G Sales, Prescott, Arizona, and during the course of such purchase falsely
27

28

1 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

2 61. On November 3, 2009, MOORE purchased two AK-47 type rifles from **ATF** f
3 **ATF**, and during the course of such purchase falsely represented on ATF Form 4473
4 that he was the actual purchaser of the firearms.

5 62. On or about November 10, 2009, JOSHUA DAVID MOORE purchased ten AK-47
6 type rifles from FFL **ATF** Glendale, Arizona, and during the course of
7 such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
8 firearms.

9 63. On or about November 12, 2009, JOSHUA DAVID MOORE purchased five AK-47
10 type rifles from FFL **ATF** Glendale, Arizona, and during the course of
11 such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
12 firearms.

13 64. On or about December 10, 2009, MOORE purchased 20 AK-47 type rifles at **ATF**
14 **ATF**, and during the course of such purchase falsely represented on ATF
15 Form 4473 that he was the actual purchaser of the firearms.

16 65. On or about March 23, 2010, JOSHUA DAVID MOORE purchased ten AK-47 type
17 rifles from **ATF**, and during the course of such purchase falsely
18 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

19 66. On or about June 30, 2010, DANNY CRUZ MORONES drove ALFREDO CELIS to
20 FFL **ATF** Glendale, Arizona, where ALFREDO CELIS purchased
21 twenty AK-47 type rifles.

22 67. On or about July 2, 2010, in a telephone conversation with ALFREDO CELIS,
23 MANUEL FABIAN CELIS-ACOSTA directed ALFREDO CELIS to take steps to recover
24 twenty AK-47 type rifles seized by police on or about June 30, 2010.

25 68. On or about July 29, 2010, DANNY CRUZ MORONES purchased ten AK-47 type
26 rifles from FFL **ATF** Glendale, Arizona. On or about July 30, 2010,
27

1 DANNY CRUZ MORONES purchased seven AK-47 type rifles from **ATF**
2 **ATF**. During the course of such purchases falsely represented on ATF Form 4473 that he
3 was the actual purchaser of the firearms.

4 69. On or about August 4, 2010, DANNY CRUZ MORONES purchased ten AK-47 type
5 rifles from FFL **ATF**, Glendale, Arizona, and during the course of such
6 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

7 70. On or about November 2, 2009, **ATF** purchased four FN Herstal 5.7mm
8 pistols from FFL **ATF** Scottsdale, Arizona. On or about November 23, 2009,
9 **ATF** purchased one FN Herstal 5.7mm pistols from FFL Gunnet, Peoria, Arizona.
10 On or about November 27, 2009, **ATF** purchased one Magnum Research Desert
11 Eagle pistol and six FN Herstal 5.7mm pistols from FFL **ATF** Glendale,
12 Arizona. On or about November 28, 2009, **ATF** purchased one Magnum Research
13 Desert Eagle pistol from FFL **ATF**, Scottsdale, Arizona. During the course of
14 such purchases **ATF** falsely represented on ATF Form 4473 that he was the actual purchaser
15 of the firearms.

16 71. On or about November 24, 2009, **ATF** purchased five AK-47 type rifles
17 from FFL **ATF**, Glendale, Arizona, and during the course of such
18 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

19 72. On or about December 11, 2009, **ATF** purchased twenty AK-47 type rifles
20 at FFL **ATF**, Glendale, Arizona, and during the course of such purchase
21 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

22 73. On or about January 15, 2010, **ATF** purchased 10 AK-47 type rifles from
23 FFL **ATF** Glendale, Arizona. On or about February 8, **ATF**
24 purchased five Draco AK-47 type pistols and five AK-47 type rifles from **ATF**
25 **ATF**. On or about February 11, 2010, **ATF** purchased three AK-47 type rifles
26 and two Draco AK-47 type pistols from **ATF**. On or about February 12,

27
28

1 2010, **ATF** purchased two Draco AK-47 type pistols from **ATF**
2 **ATF** On or about February 13, 2010, **ATF** purchases eight AK-47 type rifles
3 and two Draco AK-47 type pistols from **ATF** During the course of
4 these purchases **ATF** falsely represented on ATF Form 4473 that he was the actual purchaser
5 of the firearms.

6 74. On February 20, 2010, an Isuzu Rodeo was seen on the Tohono O'odham Nation in
7 Arizona driving toward the border between the United States and Mexico. The driver abandoned
8 the vehicle but was later found by law enforcement agents. The Isuzu was loaded with forty-one
9 firearms wrapped in plastic. Thirty-seven of these firearms were AK-47 type rifles and pistols
10 purchased by **ATF** between January 15, 2010, and February 13, 2010.

11 75. On or about January 30, 2010, **ATF** purchased 15 AK-47 type rifles from
12 FFL **ATF**, Glendale, Arizona, and during the course of such purchase
13 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

14 76. On or about March 15, 2010, **ATF** purchased forty AK-47 type rifles from
15 FFL **ATF** Glendale, Arizona, and during the course of such purchase
16 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

17 77. On or about March 25, 2010, **ATF** purchased twenty-six AK-47 type
18 rifles and one Colt .38 Super pistol from FFL **ATF** Glendale, Arizona,
19 and during the course of such purchase falsely represented on ATF Form 4473 that he was the
20 actual purchaser of the firearms.

21 78. On or about March 26, 2010, **ATF** purchased six AK-47 type rifles and one
22 Colt .38 Super pistol from FFL **ATF**, Glendale, Arizona, and during the
23 course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser
24 of the firearms.

25 79. On or about April 16, 2010, **ATF** received three Barrett .50 caliber rifles
26 from FFL **ATF**, Glendale, Arizona, that he and KRISTI GAIL
27
28

1 IRELAND had previously paid for on April 14, and 15, 2010. During the course of this
2 transaction, **ATF** falsely represented on ATF Form 4473 that he was the actual purchaser of
3 the firearms.

4 80. On or about April 27, 2010, **ATF** purchased ten FN Herstal 5.7mm pistols
5 from FFL **ATF** Glendale, Arizona, and during the course of such
6 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

7 81. On or about May 28, 2010, **ATF** received a .308 caliber rifle from FFL
8 Gunnet, Peoria, Arizona, at MANUEL FABIAN CELIS-ACOSTA's instruction, and during the
9 course of such transfer falsely represented on ATF Form 4473 that he was the actual purchaser
10 of the firearms. After receiving the rifle, **ATF** spoke with MANUEL FABIAN
11 CELIS-ACOSTA by phone and MANUEL FABIAN CELIS-ACOSTA instructs **ATF**
12 **ATF** to deliver the rifle to MANUEL FABIAN CELIS-ACOSTA's residence.

13 82. On or about June 2, 2010, **ATF** purchased ten AK-47 type rifles and one
14 Bushmaster AR-15 type rifle from FFL **ATF** Glendale, Arizona, and
15 during the course of such purchase falsely represented on ATF Form 4473 that he was the actual
16 purchaser of the firearms. On June 4, 2010, the Bushmaster rifle was found in the possession of
17 another.

18 83. On or about June 18, 2010, **ATF** purchased nine FN Herstal 5.7mm pistols
19 from FFL **ATF** Glendale, Arizona, and during the course of such
20 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

21 84. On or about June 21, 2010, **ATF** purchased one Draco AK-47 type pistol
22 from FFL Bear Arms, Scottsdale, Arizona, and during the course of such purchase falsely
23 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

24 85. On or about June 22, 2010, **ATF** purchased one Draco AK-47 type pistol
25 from FFL Bear Arms, Scottsdale, Arizona, and during the course of such purchase falsely
26 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

27

28

1 86. On or about July 8, 2010, **ATF** purchased sixteen AK-47 type rifles from
2 FFL **ATF** Glendale, Arizona, and during the course of such purchase
3 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

4 87. On or about August 5, 2010, **ATF** purchased twelve AK-47 type rifles
5 from FFL **ATF** Glendale, Arizona, and during the course of such
6 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.
7 Three days later on August 8, 2010, federal agents found all twelve of these rifles concealed in
8 a stove and a television in an attempt to smuggle them into Mexico from the United States
9 through the Lukeville, Arizona, Port of Entry.

10 88. On November 17, 2009, JOSE ANGEL POLANCO purchased one 5.7mm pistol, one
11 5.7 mm rifle, and one AK-47 type rifle from **ATF**, and during the course
12 of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
13 firearms.

14 89. Between November 16, 2009 and November 20, 2009, JOSE ANGEL POLANCO
15 attempted to purchase firearms at the American Gunshop, Inc., in Prescott, Arizona. POLANCO
16 placed a special order for ten AK-47 type rifles from the FFL.

17 90. On or about April 30, 2010, FRANCISCO JAVIER PONCE purchased one TNW .50
18 caliber rifle from FFL Gunnet, Peoria, Arizona, and during the course of such purchase falsely
19 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

20 91. On or about July 6, 2010, MANUEL FABIAN CELIS-ACOSTA arranged the purchase
21 of firearms by **ATF** for FRANCISCO JAVIER PONCE.

22 92. On or about July 6, 2010, **ATF** purchased ten AK-47 type pistols from FFL
23 **ATF**, Glendale, Arizona, and during the course of such purchase falsely
24 represented on ATF Form 4473 that he was the actual purchaser of the firearms. After the
25 purchase, MANUEL FABIAN CELIS-ACOSTA provided FRANCISCO JAVIER PONCE with
26 **ATF** number to facilitate the delivery of the firearms, after which FRANCISCO
27

1 JAVIER PONCE and **ATF** meet.

2 93. On or about July 8, 2010, MANUEL FABIAN CELIS-ACOSTA and FRANCISCO
3 JAVIER PONCE spoke on the telephone and MANUEL FABIAN CELIS-ACOSTA arranged
4 an additional straw purchase for FRANCISCO JAVIER PONCE by **ATF**

5 94. On July 8, 2010, after **ATF** purchase of sixteen AK-47 type firearms
6 from **ATF**, FRANCISCO JAVIER PONCE and another met with
7 **ATF** and transferred firearms from **ATF** vehicle to the vehicle in which
8 FRANCISCO JAVIER PONCE was riding.

9 95. On July 19, 2010, JOHN WILLIAM ROWLAND spoke with CELIS ACOSTA about
10 coming to CELIS ACOSTA's residence to pick something up.

11 96. On July 19, 2010, JOHN WILLIAM ROWLAND followed CELIS ACOSTA from a
12 carwash to CELIS ACOSTA's residence and picked up a load of approximately forty-eight
13 pounds of marijuana.

14 97. On July 19, 2010, after picking up the marijuana, as JOHN WILLIAM ROWLAND
15 was being pulled over by police officers he phoned CELIS ACOSTA to let him know that he was
16 being pulled over.

17 98. On December 7, 2009, **ATF** purchased ten Draco AK-
18 47 type pistols from J&G Sales in Prescott, Arizona, and during the course of such purchase
19 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

20 99. On December 8, 2009, **ATF** purchased forty AK-47
21 type rifle from FFL **ATF**, Glendale, Arizona, and during the course of
22 such purchases falsely represented on ATF Form 4473 that he was the actual purchaser of the
23 firearms. On December 9, 2009, nine of the AK-47 type rifles were found by Douglas, Arizona,
24 police officers in the course of a vehicle stop, concealed in the bumper of a car.

25 100. On December 14, 2009, **ATF** purchased seven Draco
26 AK-47 type pistols and thirty-six AK-47 type rifles, and during the course of such purchase

27
28

1 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

2 101. On December 24, 2009, [ATF] purchased 40 AK-47 type
3 rifles from [ATF], and during the course of such purchase falsely
4 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

5 102. On January 7, 2010, [ATF] purchased nineteen AK-47
6 type rifles from [ATF] and during the course of such purchase falsely
7 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

8 103. On June 2, 2010, [ATF] purchased ten AK-47 type rifles
9 and twenty-one pistols of various calibers, including a Taurus .45 caliber pistol, from [ATF]
10 [ATF] and during the course of such purchase falsely represented on ATF Form 4473
11 that he was the actual purchaser of the firearms.

12 104. On June 23, 2010 [ATF] purchased ten AK-47 type rifles from [ATF]
13 [ATF] and during the course of such purchase falsely represented on ATF Form 4473
14 that he was the actual purchaser of the firearms.

15 105. On July 12, 2010, KENNETH JAMES THOMPSON helped transfer twenty AK-47
16 type rifles purchased by another into KENNETH JAMES THOMPSON's vehicle.

17 **COUNT 2**

18 **Dealing in Firearms without a License**

19 106. Beginning on or about September, 2009, and continuing through on or about
20 December, 2010, in the District of Arizona and elsewhere, defendants [ATF]
21 HECTOR ROLANDO CARLON, [ATF], ALFREDO CELIS, MANUEL FABIAN CELIS-
22 ACOSTA, JACOB WAYNE CHAMBERS, ERICK AVILA DAVILA, JONATHAN EARVIN
23 FERNANDEZ, DEJAN HERCEGOVAC, KRISTI GAIL IRELAND, JUAN JOSE MARTINEZ-
24 GONZALEZ, JACOB ANTHONY MONTELONGO, JOSHUA DAVID MOORE, DANNY CRUZ
25 MORONES, [ATF], JOSE ANGEL POLANCO, FRANCISCO JAVIER PONCE, [ATF]
26 [ATF] and KENNETH JAMES THOMPSON willfully engaged in the business
27 of dealing in firearms while such defendants were not a licensed firearms dealer under the
28

1 provisions of Title 18, United States Code, Section 923.

2 All in violation of Title 18, United States Code, Sections 922(a)(1)(A), 924(a)(1)(D) and 2.

3
4 **COUNT 3**

5 **Conspiracy to Distribute Marijuana**

6 (21 U.S.C. 846)

7 107. Beginning on or about September 22, 2009, and continuing through on or about
8 December, 2010, in the District of Arizona and elsewhere, defendants, MANUEL FABIAN
9 CELIS-ACOSTA, **ATF**, JOHN WILLIAM ROWLAND, and others both known and
10 unknown to the grand jury, did knowingly and intentionally combine, conspire, confederate, and
11 agree together and with other persons known and unknown to the grand jury, to knowingly and
12 intentionally possess with intent to distribute 100 kilograms or more of a mixture or substance
13 containing a detectable amount of marijuana, a Schedule I Controlled Substance, in violation of
14 Title 21, United States Code, Sections 841(a)(1) and 841(b)(1)(B)(vii).

15 All in violation of Title 21, United States Code, Section 846.

16 **COUNT 4**

17 **Possession with Intent to Distribute Marijuana**

18 (21 U.S.C. §§841(a)(1) & 841(b)(1)(D))

19 108. On or about July 19, 2010, in the District of Arizona and elsewhere, defendants,
20 MANUEL FABIAN CELIS-ACOSTA, **ATF** and JOHN WILLIAM ROWLAND,
21 and others known and unknown to the Grand Jury, did knowingly and intentionally possess with
22 intent to distribute less than 50 kilograms of a mixture or substance containing a detectable
23 amount of marijuana, a Schedule I Controlled Substance.

24 All in violation of Title 21, United States Code, Sections 841(a)(1), 841(b)(1)(D) and Title
25 18, United States Code, Section 2.

1 COUNT 5

2 Possession with Intent to Distribute Marijuana

3 (21 U.S.C. §§841(a)(1) & 841(b)(1)(B)(vii))

4 109. On or about August 1, 2010, in the District of Arizona and elsewhere, defendants,
5 MANUEL FABIAN CELIS-ACOSTA and **ATF**, and others known and unknown
6 to the Grand Jury, did knowingly and intentionally possess with intent to distribute 100 kilograms
7 or more of a mixture or substance containing a detectable amount of marijuana, a Schedule I
8 Controlled Substance.

9 All in violation of Title 21, United States Code, Sections 841(a)(1), 841(b)(1)(B)(vii) and
10 Title 18, United States Code, Section 2.

11
12 COUNT 6

13 Conspiracy to Possess a Firearm in Furtherance of a Drug Trafficking Offense

14 (18 U.S.C. §924(o))

15 110. The factual allegations in paragraphs 24 to 105 of the Indictment are incorporated by
16 reference and re-alleged as though fully set forth herein.

17 111. On or about August 1, 2010, in the District of Arizona, defendants, MANUEL
18 FABIAN CELIS-ACOSTA and **ATF**, and others known and unknown to the Grand
19 Jury, did knowingly, and unlawfully combine, conspire, confederate, and agree together and with
20 each other and with others known and unknown to the grand jury, during and in relation to a drug
21 trafficking offense as defined in Title 18, United States Code, Section 924(c)(2), that is,
22 possession with intent to distribute marijuana, a Schedule I Controlled Substance, in violation of
23 Title 21, United States Code, Sections 841(a)(1), to knowingly use, carry, and possess in
24 furtherance of the drug trafficking offense, a firearm, that is, two Draco, 7.62x39mm pistols, in
25 violation of Title 18, United States Code, Section 924(c).

26 All in violation of Title 18, United States Code, Section 924(o).

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COUNT 7

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

112. On or about January 16, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF**, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 8

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

113. On or about April 24, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF**, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Gunnet, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 9

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

1
2
3
4 114. On or about June 15, 2010, in the District of Arizona, defendants MANUEL FABIAN
5 CELIS-ACOSTA and **ATF** did knowingly make a false statement and
6 representation with respect to information required by the provisions of Chapter 44 of Title 18,
7 United States Code, to be kept in the records of **ATF**, a business licensed under
8 the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed
9 a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record,
10 representing that he was the actual purchaser of the firearms listed on the form, when in fact he
11 was purchasing the firearms on behalf of another.

12 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 10

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

13
14
15
16
17 115. On or about March 23, 2010, in the District of Arizona, defendants MANUEL
18 FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and
19 representation with respect to information required by the provisions of Chapter 44 of Title 18,
20 United States Code, to be kept in the records of **ATF**, a business licensed
21 under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF**
22 executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record,
23 representing that he was the actual purchaser of the firearms listed on the form, when in fact he
24 was purchasing the firearms on behalf of another.

25 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1 **COUNT 11**

2 **Making a False Statement in Connection with the Acquisition of Firearms**

3 (18 U.S.C. §924(a)(1)(A))

4 116. On or about January 20, 2010, in the District of Arizona, defendants MANUEL
5 FABIAN CELIS-ACOSTA and ALFREDO CELIS, did knowingly make a false statement and
6 representation with respect to information required by the provisions of Chapter 44 of Title 18,
7 United States Code, to be kept in the records of **ATF** a business licensed
8 under the provisions of Chapter 44 of Title 18, United States Code, in that ALFREDO CELIS
9 executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record,
10 representing that he was the actual purchaser of the firearms listed on the form, when in fact he
11 was purchasing the firearms on behalf of another.

12 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

13
14 **COUNT 12**

15 **Making a False Statement in Connection with the Acquisition of Firearms**

16 (18 U.S.C. §924(a)(1)(A))

17 117. On or about June 30, 2010, in the District of Arizona, defendants MANUEL FABIAN
18 CELIS-ACOSTA and ALFREDO CELIS, did knowingly make a false statement and
19 representation with respect to information required by the provisions of Chapter 44 of Title 18,
20 United States Code, to be kept in the records of **ATF** a business licensed
21 under the provisions of Chapter 44 of Title 18, United States Code, in that ALFREDO CELIS
22 executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record,
23 representing that he was the actual purchaser of the firearms listed on the form, when in fact he
24 was purchasing the firearms on behalf of another.

25 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COUNT 13

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

118. On or about October 26, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JACOB WAYNE CHAMBERS, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of ATF a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JACOB WAYNE CHAMBERS executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 14

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

119. On or about December 11, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JACOB WAYNE CHAMBERS, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of ATF a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JACOB WAYNE CHAMBERS executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COUNT 15

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

120. On or about June 12, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and ERICK AVILA DAVILA, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of ATF a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that ERICK AVILA DAVILA executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 16

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

121. On or about July 7, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and ERICK AVILA DAVILA, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Olsen Firearms, LLC, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that ERICK AVILA DAVILA executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1 COUNT 17

2 Making a False Statement in Connection with the Acquisition of Firearms

3 (18 U.S.C. §924(a)(1)(A))

4 122. On or about August 10, 2010, in the District of Arizona, defendants MANUEL
5 FABIAN CELIS-ACOSTA and JONATHAN EARVIN FERNANDEZ, did knowingly make a
6 false statement and representation with respect to information required by the provisions of
7 Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**
8 **ATF** a business licensed under the provisions of Chapter 44 of Title 18, United States Code,
9 in that JONATHAN EARVIN FERNANDEZ executed a Bureau of Alcohol, Tobacco, and
10 Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser
11 of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of
12 another.

13 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

14
15 COUNT 18

16 Making a False Statement in Connection with the Acquisition of Firearms

17 (18 U.S.C. §924(a)(1)(A))

18 123. On or about August 19, 2010, in the District of Arizona, defendants MANUEL
19 FABIAN CELIS-ACOSTA and JONATHAN EARVIN FERNANDEZ, did knowingly make a
20 false statement and representation with respect to information required by the provisions of
21 Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**
22 Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code,
23 in that JONATHAN EARVIN FERNANDEZ executed a Bureau of Alcohol, Tobacco, and
24 Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser
25 of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of
26 another.

27 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 19

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

124. On or about November 25, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and DEJAN HERCEGOVAC, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that DEJAN HERCEGOVAC executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 20

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

125. On or about March 23, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JACOB ANTHONY MONTELONGO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JACOB ANTHONY MONTELONGO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COUNT 21

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

126. On or about June 11, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JACOB ANTHONY MONTELONGO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of ATF, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JACOB ANTHONY MONTELONGO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 22

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

127. On or about November 3, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JOSHUA DAVID MOORE, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of ATF, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JOSHUA DAVID MOORE executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1 **COUNT 23**

2 **Making a False Statement in Connection with the Acquisition of Firearms**

3 (18 U.S.C. §924(a)(1)(A))

4 128. On or about March 23, 2010, in the District of Arizona, defendants MANUEL
5 FABIAN CELIS-ACOSTA and JOSHUA DAVID MOORE, did knowingly make a false
6 statement and representation with respect to information required by the provisions of Chapter
7 44 of Title 18, United States Code, to be kept in the records of ATF,
8 a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that
9 JOSHUA DAVID MOORE executed a Bureau of Alcohol, Tobacco, and Firearms Form
10 4473, Firearms Transaction Record, representing that he was the actual purchaser of the
11 firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

12 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

13
14 **COUNT 24**

15 **Making a False Statement in Connection with the Acquisition of Firearms**

16 (18 U.S.C. §924(a)(1)(A))

17 129. On or about July 30, 2010, in the District of Arizona, defendants MANUEL FABIAN
18 CELIS-ACOSTA and DANNY CRUZ MORONES, did knowingly make a false statement and
19 representation with respect to information required by the provisions of Chapter 44 of Title 18,
20 United States Code, to be kept in the records of ATF a business licensed
21 under the provisions of Chapter 44 of Title 18, United States Code, in that DANNY CRUZ
22 MORONES executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms
23 Transaction Record, representing that he was the actual purchaser of the firearms listed on the
24 form, when in fact he was purchasing the firearms on behalf of another.

25 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 25

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

130. On or about July 29, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and DANNY CRUZ MORONES, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that DANNY MOROMES executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 26

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

131. On or about November 24, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF**, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 27

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

1
2
3
4 132. On or about January 15, 2010, in the District of Arizona, defendants MANUEL
5 FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and
6 representation with respect to information required by the provisions of Chapter 44 of Title 18,
7 United States Code, to be kept in the records of **ATF**, a business licensed
8 under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF**
9 executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record,
10 representing that he was the actual purchaser of the firearms listed on the form, when in fact he
11 was purchasing the firearms on behalf of another.

12 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

13
14 **COUNT 28**

15 **Making a False Statement in Connection with the Acquisition of Firearms**

16 (18 U.S.C. §924(a)(1)(A))

17 133. On or about February 13, 2010, in the District of Arizona, defendants MANUEL
18 FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and
19 representation with respect to information required by the provisions of Chapter 44 of Title 18,
20 United States Code, to be kept in the records of **ATF**, a business licensed
21 under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF**
22 executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record,
23 representing that he was the actual purchaser of the firearms listed on the form, when in fact he
24 was purchasing the firearms on behalf of another.

25 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.
26
27
28

COUNT 29

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

1
2
3
4 134. On or about April 16, 2010, in the District of Arizona, defendants MANUEL FABIAN
5 CELIS-ACOSTA and **ATF** did knowingly make a false statement and representation
6 with respect to information required by the provisions of Chapter 44 of Title 18, United States
7 Code, to be kept in the records of **ATF**, a business licensed under the
8 provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a
9 Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record,
10 representing that he was the actual purchaser of the firearms listed on the form, when in fact he
11 was purchasing the firearms on behalf of another.

12 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 30

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

13
14
15
16 135. On or about April 27, 2010, in the District of Arizona, defendants MANUEL FABIAN
17 CELIS-ACOSTA and **ATF** did knowingly make a false statement and representation
18 with respect to information required by the provisions of Chapter 44 of Title 18, United States
19 Code, to be kept in the records of **ATF**, a business licensed under the
20 provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a
21 Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record,
22 representing that he was the actual purchaser of the firearms listed on the form, when in fact he
23 was purchasing the firearms on behalf of another.

24 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 31

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

136. On or about June 2, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF** a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 32

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

137. On or about June 18, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF** a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 33

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

1
2
3
4 138. On or about July 6, 2010, in the District of Arizona, defendants MANUEL FABIAN
5 CELIS-ACOSTA, FRANCISCO JAVIER PONCE, and **ATF**, did knowingly make
6 a false statement and representation with respect to information required by the provisions of
7 Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**
8 **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code,
9 in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473,
10 Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed
11 on the form, when in fact he was purchasing the firearms on behalf of another.

12 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 34

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

13
14
15
16
17 139. On or about July 8, 2010, in the District of Arizona, defendants MANUEL FABIAN
18 CELIS-ACOSTA, FRANCISCO JAVIER PONCE, and **ATF** did knowingly make
19 a false statement and representation with respect to information required by the provisions of
20 Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**
21 **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code,
22 in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473,
23 Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed
24 on the form, when in fact he was purchasing the firearms on behalf of another.

25 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COUNT 35

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

140. On or about August 5, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF** a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 36

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

141. On or about December 8, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF** a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 37

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

1
2
3
4 142. On or about December 14, 2009, in the District of Arizona, defendants MANUEL
5 FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false
6 statement and representation with respect to information required by the provisions of Chapter
7 44 of Title 18, United States Code, to be kept in the records of **ATF** a
8 business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that
9 **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form
10 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms
11 listed on the form, when in fact he was purchasing the firearms on behalf of another.

12 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

13
14 **COUNT 38**

15 **Making a False Statement in Connection with the Acquisition of Firearms**

16 (18 U.S.C. §924(a)(1)(A))

17 143. On or about December 24, 2009, in the District of Arizona, defendants MANUEL
18 FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false
19 statement and representation with respect to information required by the provisions of Chapter
20 44 of Title 18, United States Code, to be kept in the records of **ATF**, a
21 business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that
22 **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form
23 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms
24 listed on the form, when in fact he was purchasing the firearms on behalf of another.

25 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COUNT 39

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

144. On or about June 2, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 40

Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

145. On or about June 23, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and **ATF** did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of **ATF**, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that **ATF** executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

1 **COUNT 41**

2 Making a False Statement in Connection with the Acquisition of Firearms

3 (18 U.S.C. §924(a)(1)(A))

4 146. On or about November 17, 2009, in the District of Arizona, defendants MANUEL
5 FABIAN CELIS-ACOSTA and JOSE ANGEL POLANCO, did knowingly make a false
6 statement and representation with respect to information required by the provisions of Chapter
7 44 of Title 18, United States Code, to be kept in the records of **ATF** a
8 business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that
9 JOSE ANGEL POLANCO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473,
10 Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed
11 on the form, when in fact he was purchasing the firearms on behalf of another.

12 In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

13
14 **COUNT 42**

15 Conspiracy to Commit Money Laundering

16 (18 U.S.C. §1956(h))

17 147. The factual allegations in paragraphs 24 to 105, and 107 to 109 of the Indictment
18 are incorporated by reference and re-alleged as though fully set forth herein.

19 148. Beginning on or about September 22, 2009, and continuing through on or about
20 December, 2010, in the District of Arizona and elsewhere, defendants **ATF**,

21 ALFREDO CELIS, MANUEL FABIAN CELIS-ACOSTA, KRISTI GAIL IRELAND,
22 JACOB ANTHONY MONTELONGO, JOSHUA DAVID MOORE **ATF**, and

23 **ATF** did knowingly combine, conspire, confederate and
24 agree together, to knowingly conduct and attempt to conduct financial transactions affecting
25 interstate and foreign commerce, which in fact involved the proceeds of specified unlawful
26 activity, that is, the conspiracy to possess and possession with intent to distribute marijuana in
27 violation of Title 21, United States Code, Sections 846 and 841(a)(1), with the intent to

1 promote the carrying on of said specified unlawful activity, and knowing that the transactions
 2 were designed in whole and in part to conceal and disguise the nature, location, source,
 3 ownership and control of the proceeds of said specified unlawful activity, and while knowing
 4 that the property involved in the financial transactions represented the proceeds of some form
 5 of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

6 All in violation of Title 18, United States Code, Section 1956(h).

7
 8 **COUNTS 43 through 53**

9 **Money Laundering**

10 (18 U.S.C. §§1956(a)(1)(B)(i) and 2

11 149. The factual allegations in paragraphs 24 to 105, and 107 to 109 of the Indictment are
 12 incorporated by reference and re-alleged as though fully set forth herein.

13 150. On or about the dates listed below, in the District of Arizona, and elsewhere,
 14 defendants, as set forth below, did knowingly conduct and attempt to conduct financial
 15 transactions affecting interstate and foreign commerce, as set forth below, which involved the
 16 proceeds of specified unlawful activity, that is, the possession with intent to distribute marijuana
 17 and conspiracy to possess with the intent to distribute marijuana, in violation of Title 21, United
 18 States Code, Sections 841(a)(1) and 846, knowing that the transactions were designed in whole
 19 and in part to conceal and disguise the nature, location, source, ownership and control of the
 20 proceeds of said specified unlawful activity, and while knowing that the property involved in the
 21 financial transactions represented the proceeds of some form of unlawful activity, each such
 22 instance being a separate Count of this Indictment.

23 All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

Count	Date	Defendant(s)	Transaction
43	March 23, 2010	ATF	Paid \$6000 in United States currency to ATF ATF for ten (10) AK-47 type rifles

1	44	March 23, 2010	JACOB ANTHONY MONTELONGO	Paid \$6000 in United States currency to ATF Company for ten (10) AK-47 type rifles
2				
3	45	March 23, 2010	JOSHUA DAVID MOORE	Paid \$6000 in United States currency to ATF for ten (10) AK-47 type rifles
4				
5				
6	46	April 14, 2010	KRISTI GAIL IRELAND and	Paid \$18,000 in United States currency to ATF as partial payment for three (3) Barrett .50 caliber rifles
7				
8	47	April 27, 2010		Paid \$11,381 in United States currency to ATF for ten (10) FN Herstal 5.7mm pistols
9				
10				
11	48	June 2, 2010		Paid \$6,640 in United States currency to ATF for ten (10) AK-47 type rifles and one (1) .223 caliber rifle
12				
13	49	June 2, 2010		Paid \$14,831 in United States currency to ATF for ten (10) AK-47 type rifles and twenty-one (21) pistols
14				
15				
16	50	June 18, 2010		Paid \$10,099 in United States currency to ATF for nine (9) FN Herstal 5.7 mm pistols
17				
18	51	June 23, 2010		Paid \$5,500 in United States currency to ATF for ten (10) AK-47 type rifles
19				
20	52	June 30, 2010	ALFREDO CELIS	Paid \$11,000 in United States currency to ATF for twenty (20) AK-47 type rifles
21				
22				
23	53	July 8, 2010		Paid \$8,800 in United States currency to ATF for 16 AK-47 type rifles
24				
25				
26				
27				
28				

ATF

ATF

1 **FORFEITURE ALLEGATIONS**

2 **Firearms Violations**

3 Upon conviction of the offenses in violation of Title 18, United States Code, Sections 922
4 and 924, set forth in Counts 1, 2, and 6 through 41, the defendants shall forfeit to the United
5 States pursuant to Title 18, United States Code, Section 924(d) and Title 28, United States Code,
6 Section 2461(c), any firearms and/or ammunition involved in or used in the knowing violation of
7 the statutes set forth above.

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

- 10 (1) cannot be located upon the exercise of due diligence;
11 (2) has been transferred or sold to, or deposited with, a third person;
12 (3) has been placed beyond the jurisdiction of the Court;
13 (4) has been substantially diminished in value; or
14 (5) has been commingled with other property which cannot be subdivided without
15 difficulty,

16 the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21,
17 United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

18 All pursuant to 18 U.S.C. § 924(d) and 28 U.S.C. § 2461(c).
19

20 **Controlled Substances Act Violations**

21 Upon conviction of the offenses in violation of Title 21, United States Code, set forth in
22 Counts 3, 4, and 5, the defendants shall forfeit to the United States pursuant to Title 21, United
23 States Code, Section 853:

- 24 (1) any property constituting, or derived from, any proceeds obtained, directly or indirectly,
25 as the result of such violations; and
26 (2) any property used, or intended to be used, in any manner or part, to commit, or to facilitate
27 the commission of, such violations.

1 If any of the above-described forfeitable property, as a result of any act or omission of the
2 defendants,

- 3 (1) cannot be located upon the exercise of due diligence;
- 4 (2) has been transferred or sold to, or deposited with, a third person;
- 5 (3) has been placed beyond the jurisdiction of the Court;
- 6 (4) has been substantially diminished in value; or
- 7 (5) has been commingled with other property which cannot be subdivided without
8 difficulty,

9 it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to
10 seek forfeiture of any other property of said defendants up to the value of the above forfeitable
11 property.

12 All pursuant to Title 21, United States Code, Section 853, and Title 28, United States Code,
13 Section 2461(c).

14 **Money Laundering Violations**

15 Upon conviction of the offenses in violation of Title 18, United States Code, Section 1956, set
16 forth in Counts 42 through 53, the defendants shall forfeit to the United States, pursuant to Title
17 18, United States Code, Section 982(a)(1), any property involved in such offenses, and any
18 property traceable to such property. If any of the above-described forfeitable property, as a result
19 of any act or omission of the defendants,

- 20 (1) cannot be located upon the exercise of due diligence;
- 21 (2) has been transferred or sold to, or deposited with, a third person;
- 22 (3) has been placed beyond the jurisdiction of the Court;
- 23 (4) has been substantially diminished in value; or
- 24 (5) has been commingled with other property which cannot be subdivided without
25 difficulty,

26 it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as
27 incorporated by Title 18, United States Code, Section 982(b)(1) and Title 28, United States Code,

1 Section 2461(c), to seek forfeiture of any other property of said defendants up to the value of the
2 above forfeitable property.

3 All pursuant to Title 18, United States Code, Section 982(a)(1), and Title 28, United States
4 Code, Section 2461(c).

5 A TRUE BILL

6
7
8 /s/
FOREPERSON OF THE GRAND JURY
Date: January 19, 2011

9 DENNIS K. BURKE
10 United States Attorney
District of Arizona

11
12 /s/
13 EMORY T. HURLEY
Assistant U.S. Attorney

14
15
16
17
18
19
20
21
22
23
24
25
26
27
28