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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

February 2012 Grand Jury

CR 12 00462

UNITED STATES OF AMERICA,	)	No. CR _____
)	
Plaintiff,	)	<u>I N D I C T M E N T</u>
)	
v.	)	[18 U.S.C. § 371: Conspiracy;
	)	18 U.S.C. § 922(a)(1)(A): Engaging
GERARDO PEREZ,	)	in the Business of Dealing in
aka "Junior,"	)	Firearms Without a License;
DAVID C. MARTINEZ,	)	26 U.S.C. § 5861(d): Possession of
aka "Spunky," and	)	an Unregistered Firearm; 18 U.S.C.
FRANCISCO JAVIER JIMENEZ,	)	§ 922(g)(1): Felon in Possession
	)	of a Firearm]
Defendants.)	
)	
)	
)	

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 371]

A. OBJECT OF THE CONSPIRACY

Beginning on a date unknown, and continuing to on or about April 16, 2011, in Los Angeles County, within the Central District of California, and elsewhere, defendants GERARDO PEREZ, also known as ("aka") "Junior" ("PEREZ"), DAVID C. MARTINEZ, aka "Spunky" ("MARTINEZ"), and FRANCISCO JAVIER JIMENEZ ("JIMENEZ");

1 and others known and unknown to the Grand Jury, conspired and
2 agreed with each other to knowingly and intentionally engage in
3 the business of dealing in firearms without a license, in
4 violation of Title 18, United States Code, Section 922(a)(1)(A).

5 B. MEANS BY WHICH THE OBJECT OF THE CONSPIRACY WAS TO BE
6 ACCOMPLISHED

7 The object of the conspiracy was to be accomplished, in
8 substance, as follows:

9 1. Defendants PEREZ and JIMENEZ would offer to sell
10 firearms to a prospective buyer.

11 2. Defendants PEREZ and JIMENEZ would negotiate prices for
12 the firearms with the prospective buyer.

13 3. Defendants PEREZ and JIMENEZ would arrange for the
14 sales of the firearms to take place at certain locations.

15 4. Defendants PEREZ, MARTINEZ, and JIMENEZ would bring, or
16 would arrange for others to bring, the firearms to the agreed-
17 upon locations.

18 5. Defendants PEREZ, MARTINEZ, and JIMENEZ would deliver,
19 or would arrange for others to deliver, the firearms to the
20 buyer.

21 6. Defendants PEREZ, MARTINEZ, and JIMENEZ would accept
22 payment for the firearms from the buyer.

23 C. OVERT ACTS

24 In furtherance of the conspiracy and to accomplish the
25 object of the conspiracy, on or about the following dates,
26 defendants PEREZ, MARTINEZ, and JIMENEZ, and others known and
27 unknown to the Grand Jury, committed various overt acts within
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1 the Central District of California, and elsewhere, including, but
2 not limited to, the following:

3 MAY 20, 2010 SALE

4 1. On May 14, 2010, defendant JIMENEZ spoke to a law
5 enforcement confidential informant whom defendant JIMENEZ
6 believed to be a prospective buyer of firearms (the "CI") and
7 told the CI that he had a firearm for sale.

8 2. On May 14, 2010, defendant JIMENEZ sent a text message
9 to the CI that contained a picture of the firearm for sale,
10 specifically, a shotgun.

11 3. On May 14, 2010, during a recorded telephone call,
12 defendant JIMENEZ offered to sell the shotgun to the CI for \$350.

13 4. On May 19, 2010, during a recorded telephone call,
14 defendant JIMENEZ arranged to meet the CI at an El Pollo Loco
15 restaurant on Eastern Avenue in Bell Gardens, California ("the El
16 Pollo Loco restaurant"), for the purpose of selling the shotgun
17 to the CI.

18 5. On May 20, 2010, defendant JIMENEZ arrived at the
19 agreed-upon location with the shotgun to complete the sale.

20 6. On May 20, 2010, defendant JIMENEZ met the CI at the
21 agreed-upon location, and accepted a \$350 cash payment from the
22 CI for the shotgun.

23 7. On May 20, 2010, defendant JIMENEZ sold a Remington
24 Model 870 12-gauge pump action short-barreled shotgun, bearing
25 serial number A757059M, to the CI.

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AUGUST 9, 2010 SALE

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2 8. Between May 20, 2010, and August 9, 2010, during a
3 series of telephone calls and text messages, defendant JIMENEZ
4 told the CI that he had additional firearms for sale.

5 9. On August 3, 2010, during a recorded telephone call,
6 defendant JIMENEZ offered to sell the CI a firearm, which
7 defendant JIMENEZ described as a "handgun," for \$350.

8 10. On August 6, 2010, during a recorded telephone call,
9 defendant JIMENEZ arranged to meet the CI at the El Pollo Loco
10 restaurant for the purpose of selling the CI the handgun.

11 11. On August 7, 2010, defendant JIMENEZ called the CI and
12 offered to sell the CI a second handgun for an additional \$550.

13 12. On August 9, 2010, defendant JIMENEZ, who was
14 accompanied by an unindicted co-conspirator, arrived at the
15 agreed-upon location with the handguns to complete the sale.

16 13. On August 9, 2010, defendant JIMENEZ met the CI, who
17 was accompanied by an undercover law enforcement officer ("UC-
18 1"), at the agreed-upon location and sold the CI and UC-1 a
19 loaded Walther Model PPKS .380 caliber pistol, bearing serial
20 number 237649S, and a loaded Colt MK IV Series 80 .45 caliber
21 pistol, bearing serial number SS01244E.

22 14. On August 9, 2010, defendant JIMENEZ accepted a \$900
23 cash payment from UC-1 for both handguns.

24 15. On August 9, 2010, defendant JIMENEZ told UC-1 that he
25 had a "Mini-14" rifle for sale and could also acquire Glock
26 pistols.

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SEPTEMBER 2, 2010 SALE

16. Between August 9, 2010, and September 2, 2010, during a series of telephone calls, defendant JIMENEZ spoke to the CI and UC-1, and told them he had additional firearms for sale.

17. On August 23, 2010, during a recorded telephone call, defendant JIMENEZ offered to acquire additional firearms for the CI to purchase.

18. On August 31, 2010, during a telephone call, defendant JIMENEZ offered to sell UC-1 a firearm, which defendant JIMENEZ described as an "SKS" rifle, for \$600.

19. On August 31, 2010, defendant JIMENEZ arranged to meet UC-1 on September 2, 2010 at the El Pollo Loco restaurant for the purpose of selling UC-1 the SKS rifle for \$600.

20. On September 2, 2010, defendants PEREZ and JIMENEZ arrived at the agreed-upon location in separate vehicles to complete the sale of the SKS rifle.

21. On September 2, 2010, defendants PEREZ and JIMENEZ sold UC-1 a loaded Norinco Model SKS semi-automatic rifle, bearing serial number 7606922.

22. On September 2, 2010, defendant PEREZ accepted a \$400 cash payment from UC-1 for the SKS rifle.

23. On September 2, 2010, defendant JIMENEZ accepted a \$225 cash payment from UC-1 for the SKS rifle.

24. On September 2, 2010, defendant PEREZ offered to act as a firearms broker for UC-1's acquisition of additional firearms, and offered to sell UC-1 a .38 caliber handgun that was in defendant PEREZ's possession.

SEPTEMBER 13, 2010 SALE

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2 25. Between September 2, 2010, and September 13, 2010,
3 during a series of telephone calls, defendant PEREZ told UC-1
4 that he had firearms for sale, including various handguns and an
5 "AR-15."

6 26. Between September 2, 2010, and September 13, 2010,
7 defendant PEREZ sent a series of text messages to UC-1, offering
8 to sell various firearms to UC-1, including, but not limited to,
9 a machinegun, an AR-15 fully automatic rifle, and a "Colt AR-15".

10 27. On September 12, 2010, defendant PEREZ arranged to meet
11 UC-1 at a McDonald's restaurant on Lakewood Boulevard in
12 Bellflower, California, for the purpose of selling UC-1 a
13 firearm.

14 28. On September 13, 2010, defendant PEREZ arrived at the
15 agreed-upon location with the firearm to complete the sale.

16 29. On September 13, 2010, defendant PEREZ told UC-1 and
17 another undercover law enforcement officer ("UC-2") who had
18 accompanied UC-1 that defendant PEREZ had an AR-15 with a grenade
19 launcher and a "crate" of Glock handguns available for sale.

20 30. On September 13, 2010, defendant PEREZ sold an AA Arms
21 Model AP-9 9mm semi-automatic pistol, bearing serial number
22 016603, to UC-1.

23 31. On September 13, 2010, defendant PEREZ accepted a \$400
24 cash payment and a \$100 "finder's fee" from UC-1 for the pistol.

25 32. On September 13, 2010, after accepting the payment,
26 defendant PEREZ stated that his source of supply for weapons, an
27 unidentified co-conspirator, wanted to meet UC-1 later that day
28 in order to facilitate other firearms transactions.

1 33. On September 13, 2010, after UC-1 declined defendant
2 PEREZ's offer to meet with defendant PEREZ's source of supply,
3 defendant PEREZ agreed to stay in contact with UC-1 about future
4 firearms transactions.

5 SEPTEMBER 15, 2010 SALE

6 34. Between September 2, 2010, and September 15, 2010,
7 during a series of telephone calls and text messages, defendant
8 PEREZ contacted UC-1, and described firearms to which he and his
9 source of supply had access, including the prices of those
10 firearms.

11 35. On September 10, 2010, during a recorded telephone
12 conversation, defendant PEREZ told UC-1 that one of his sources
13 of supply, specifically, defendant MARTINEZ, was willing to sell
14 fully-automatic rifles for \$3,000 in cash, and semi-automatic
15 rifles for \$2,000 in cash.

16 36. On September 10, 2010, defendant PEREZ sent a text
17 message to UC-1 that contained a picture of a rifle with a
18 selector switch to make the rifle fully automatic.

19 37. On September 15, 2010, defendant PEREZ arranged to meet
20 UC-1 at a Fresh & Easy grocery store on Rosecrans Avenue in
21 Norwalk, California ("the Fresh & Easy grocery store"), for the
22 purpose of selling UC-1 a firearm.

23 38. On September 15, 2010, defendant PEREZ arrived at the
24 agreed-upon location with the firearm to complete the sale.

25 39. On September 15, 2010, defendant MARTINEZ also arrived
26 at the agreed-upon location in a different vehicle to complete
27 the firearm sale.

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1 40. On September 15, 2010, once UC-1 parked his vehicle,
2 defendant PEREZ opened the rear passenger door of his vehicle and
3 pulled out a Heckler & Koch ("HK") Model HK 91 .308 caliber
4 machinegun, bearing serial number A022883, which was wrapped in
5 heavy plastic.

6 41. On September 15, 2010, defendant PEREZ got into the
7 front passenger seat of UC-1's vehicle and handed the machinegun
8 to UC-2, who had accompanied UC-1 to the location and was sitting
9 in the rear passenger seat of UC-1's vehicle.

10 42. On September 15, 2010, defendant PEREZ accepted a
11 \$3,000 cash payment and a \$250 "finder's fee" from UC-1 for the
12 machinegun.

13 43. On September 15, 2010, after the machinegun
14 malfunctioned during a test inspection by UC-2, defendant PEREZ
15 returned the \$3,250 cash payment to UC-1 and asked defendant
16 MARTINEZ to come to UC-1's vehicle.

17 44. On September 15, 2010, defendant MARTINEZ got out of
18 his vehicle and entered UC-1's vehicle on the rear passenger side
19 to inspect the machinegun.

20 45. On September 15, 2010, defendants PEREZ and MARTINEZ
21 got out of UC-1's vehicle and entered their respective vehicles,
22 while defendant PEREZ maintained physical custody of the
23 machinegun.

24 46. On September 15, 2010, defendants PEREZ and MARTINEZ
25 returned to the area of the Fresh & Easy grocery store with the
26 machinegun, which was now in working order.

27 47. On September 15, 2010, after defendants PEREZ and
28 MARTINEZ returned to the area of the Fresh & Easy grocery store,

1 defendant MARTINEZ sold the machinegun to UC-1 in exchange for a
2 \$3,000 cash payment from UC-1.

3 48. On September 15, 2010, defendant PEREZ accepted a \$250
4 cash payment from UC-1 as a "finder's fee" for the machinegun.

5 OCTOBER 14, 2010 SALE

6 49. On September 15, 2010, after defendants PEREZ and
7 MARTINEZ sold UC-1 and UC-2 a Heckler & Koch ("HK") Model HK 91
8 .308 caliber machinegun, bearing serial number A022883, defendant
9 MARTINEZ told UC-1 and UC-2 that he possessed a .50 caliber
10 handgun for sale.

11 50. On October 11, 2010, in response to a text message from
12 UC-2 asking if he had any "things" (firearms) for sale, defendant
13 PEREZ sent a text message to UC-2 stating, "Ya for sure, I am
14 going to shoot you some 'pics,' there not my personals but I can
15 get them for sure."

16 51. On October 11, 2010, defendant PEREZ sent a series of
17 text messages to UC-2 with images of five firearms, including two
18 rifles, two revolvers, and one semi-automatic pistol.

19 52. On October 11, 2010, defendant PEREZ sent a text
20 message to UC-2 with an image of what defendant PEREZ described
21 as a "brand new" .50 caliber Desert Eagle pistol that was for
22 sale for \$1,800 in cash.

23 53. On October 12, 2010, defendant PEREZ arranged to meet
24 UC-2 on October 14, 2010 at the Fresh & Easy grocery store for
25 the purpose of selling UC-2 a firearm.

26 54. On October 14, 2010, defendant PEREZ arrived at the
27 agreed-upon location and told UC-2 that the .50 caliber Desert
28

1 Eagle pistol was not in his possession, and that he needed to
2 retrieve it from its owner, referring to defendant MARTINEZ.

3 55. On October 14, 2010, defendant PEREZ returned to the
4 agreed-upon location with the firearm to complete the sale.

5 56. On October 14, 2010, defendant PEREZ entered UC-2's
6 vehicle and delivered a plastic bag, containing an Israel
7 Military Industries, LTD. Model Desert Eagle .50 AE caliber semi-
8 automatic pistol, bearing serial number 95258445, and a magazine,
9 to UC-2.

10 57. On October 14, 2010, defendant PEREZ accepted a \$1,800
11 cash payment and a \$200 "finder's fee" from UC-2 for the firearm
12 and magazine.

COUNT TWO

[18 U.S.C. § 922(a) (1) (A)]

Beginning no later than on or about September 2, 2010, and continuing until on or about October 14, 2010, in Los Angeles County, within the Central District of California, defendant GERARDO PEREZ, also known as "Junior," not being a licensed importer, licensed manufacturer, or licensed dealer, knowingly and willfully engaged in the business of importing, manufacturing, and dealing in firearms on or about the following dates:

<u>DATE</u>	<u>FIREARM</u>
September 2, 2010	(1) Norinco Model SKS semi-automatic rifle, bearing serial number 7606922.
September 13, 2010	(1) AA Arms Model AP-9 9mm semi-automatic pistol, bearing serial number 016603.
September 15, 2010	(1) Heckler & Koch ("HK") Model HK 91 .308 caliber machinegun, bearing serial number A022883.
October 14, 2010	(1) Israel Military Industries, LTD. Model Desert Eagle .50 AE caliber semi-automatic pistol, bearing serial number 95258445.

COUNT THREE

[18 U.S.C. § 922(a)(1)(A)]

Beginning no later than on or about September 15, 2010, and continuing until on or about October 14, 2010, in Los Angeles County, within the Central District of California, defendant DAVID C. MARTINEZ, also known as "Spunky," not being a licensed importer, licensed manufacturer, or licensed dealer, knowingly and willfully engaged in the business of importing, manufacturing, and dealing in firearms on or about the following dates:

<u>DATE</u>	<u>FIREARM</u>
September 15, 2010	(1) Heckler & Koch ("HK") Model HK 91 .308 caliber machinegun, bearing serial number A022883.
October 14, 2010	(1) Israel Military Industries, LTD. Model Desert Eagle .50 AE caliber semi-automatic pistol, bearing serial number 95258445.

COUNT FOUR

[18 U.S.C. § 922(a) (1) (A)]

Beginning no later than on or about May 20, 2010, and continuing until on or about September 2, 2010, in Los Angeles County, within the Central District of California, defendant FRANCISCO JAVIER JIMENEZ, not being a licensed importer, licensed manufacturer, or licensed dealer, knowingly and willfully engaged in the business of importing, manufacturing, and dealing in firearms on or about the following dates:

<u>DATE</u>	<u>FIREARM</u>
May 20, 2010	(1) Remington Model 870 12-gauge pump action short-barreled shotgun, bearing serial number A757059M.
August 9, 2010	(1) Walther Model PPKS .380 caliber pistol, bearing serial number 237649S; (2) Colt MK IV Series 80 .45 caliber pistol, bearing serial number SS01244E.
September 2, 2010	(1) Norinco Model SKS semi-automatic rifle, bearing serial number 7606922.

COUNT FIVE

[26 U.S.C. § 5861(d)]

On or about May 20, 2010, in Los Angeles County, within the Central District of California, defendant FRANCISCO JAVIER JIMENEZ ("JIMENEZ") knowingly possessed a firearm, namely, a Remington Model 870 12-gauge pump action short-barreled shotgun and weapon made from a shotgun, bearing serial number A757059M, with a barrel measuring approximately 15 inches, and an overall length of less than 26 inches, which defendant JIMENEZ knew to be a short-barreled shotgun and weapon made from a shotgun as defined in Title 26, United States Code, Sections 5845(a) and 5845(d), and which had not been registered to defendant JIMENEZ in the National Firearms Registration and Transfer Record as required by Chapter 53, Title 26, United States Code.

COUNT SIX

[26 U.S.C. § 5861(d)]

On or about September 15, 2010, in Los Angeles County, within the Central District of California, defendants GERARDO PEREZ, also known as ("aka") "Junior" ("PEREZ"), and DAVID C. MARTINEZ, aka "Spunky" ("MARTINEZ"), knowingly possessed a firearm, namely, a Heckler & Koch ("HK") Model HK 91 .308 caliber machinegun, bearing serial number A022883, which defendants PEREZ and MARTINEZ knew to be a machinegun as defined in Title 26, United States Code, Section 5845(b), and which had not been registered to defendants PEREZ or MARTINEZ in the National Firearms Registration and Transfer Record as required by Chapter 53, Title 26, United States Code.

COUNT EIGHT

[18 U.S.C. § 922(g)(1)]

Beginning on or about September 15, 2010, and continuing to on or about October 14, 2010, in Los Angeles County, within the Central District of California, defendant DAVID C. MARTINEZ, also known as "Spunky" ("MARTINEZ"), knowingly possessed a firearm, namely, an Israel Military Industries, LTD. Model Desert Eagle .50 AE caliber semi-automatic pistol, bearing serial number 95258445, in and affecting interstate and foreign commerce.

Such possession occurred after defendant MARTINEZ had been convicted of at least one of the following felony crimes, each punishable by a term of imprisonment exceeding one year:

(1) Burglary, in violation of California Penal Code Section 459, in the Superior Court of the State of California, County of Los Angeles, case number VA077625, on or about July 28, 2003;

(2) Carrying a Concealed Weapon, in violation of California Penal Code Section 12025(A)(2), in the Superior Court of the State of California, County of Los Angeles, case number VA10786701, on or about November 6, 2008;

(3) Evading a Peace Officer, in violation of California Vehicle Code Section 2800.2(A), in the Superior Court of the

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1 State of California, County of Los Angeles, case number
2 VA10769701, on or about August 14, 2009.

4 A TRUE BILL

6 Foreperson 151

7 ANDRÉ BIROTTE JR.
United States Attorney

8 
9 ROBERT E. DUGDALE
Assistant United States Attorney
10 Chief, Criminal Division

11 ELIZABETH R. YANG
12 Assistant United States Attorney
13 Chief, Violent and Organized Crime Section

14 NICHOLAS A. TRUTANICH
15 Assistant United States Attorney
National Security Section