



Practical Activity No. 3 **Precautionary Measures**

Case facts:

We are returning to same case:

The Prosecutor's Office has charged **Micaela Cruz, Javier López, Nicolás Gómez, Gustavo Ruiz** and **Valeria Castro** with membership of a criminal organisation involved in car theft and selling stolen car parts. The alleged offences include money laundering. The illicit activities under investigation cover the period from 2018 to 2021, during which the laundering of approximately USD 40 million from this criminal activity is being investigated. The Prosecutor's Office has reached the legal standard required to obtain search warrants in Country A. The warrants have been executed and the investigation is ongoing.

In this part of the exercise, we will focus on situations in the local authority.

Over the course of the investigation, the following information and evidence has been gathered:

1. One of the accused, **Micaela Cruz**, purchased a motor vehicle 567-XWO-999 in the city of Caracova in 2010. The current value of the vehicle, according to the national supervisory authority, is USD 200 000.
2. One of the accused, **Javier López**, lives in a flat in the city of Grandes Avenidas, which he acquired in July 2019, allegedly with assets from the illicit activities he was conducting.
3. A raid was carried out on a commercial site, containing a retail outlet selling spare parts and a warehouse. The premises are located in the centre of the coastal town of Comandante Morozán. A large quantity of dismantled cars and spare parts were found there. The retail outlet and warehouse are frequented by employees, customers and suppliers.
4. In 2020 **Javier López** purchased a total of 1000 registered shares in a company called Florísima S.A., and 150 shares in the company Fitna SRL. The shares of Florísima S.A. are worth USD 10 000 each, while the shares of Fitna SRL are worth USD 5 000 each. All of them were allegedly purchased with proceeds from the sale of stolen car parts.



5. One of the accused, **Valeria Castro**, is the owner of a boat named Mirasol, registered under license number REY4456. During the interception of telephone communications, the prosecutor's office detected a call from this person to Javier López, in which she said, "*Mirasol is on its way to make the agreed delivery of "wheels"*".
6. One of the accused, **Gustavo Ruiz**, has a bank account with Banco Francés with a balance of USD 500 000, alleged to be the proceeds from the sale of stolen car parts.
7. Based on the inquiries carried out by the investigation teams, it is suspected that one of the accused, **Valeria Castro**, is in possession of jewellery valued at USD 300 000, acquired with the proceeds from the sale of stolen car parts.
8. In 2011, **Micaela Cruz** created a company with her brother called Pinto autos S.A. which is dedicated to painting and wrapping automobiles. The company is active with 15 employees, several suppliers and is the only business offering this service in 5 small towns inside the province of Garabombo.
9. Furthermore, from information sent by Banco Santander Río, it is known that the accused **Micaela Cruz** is the owner of a safe deposit box.
10. In the raid carried out at **Micaela Cruz's** home, a sales agreement was found for an "off plan" flat (yet to be built), which is being built by a trust. The building will be completed in 2022. The accused has paid 90 of the 120 instalments with the proceeds from the sale of stolen car parts.
11. The partner of **Gustavo Ruiz**, Miriam Flores, has been the owner since April 2020 of a flat in a very exclusive area of Puerto Matadero, in the city of Grandes Avenidas. Inquiries have been made in order to determine Ms. Flores' financial capacity to acquire the property. From research carried out on the Internet by the investigators on the case, it has been ascertained that the property is for sale on the website www.vendeprop.com.
12. Since August 2014, **Gustavo Ruiz** and **Micaela Cruz** have been partners in Ponis S.A., a company that is not known to have carried out any activity or to have any employees. The company is involved in money laundering. The declared address of the company is 77 San Martin Street, 10th floor C, however, the investigators went to 77 San Martin Street and found that the building does not have a tenth floor.
13. **Gustavo Ruiz** and **Micaela Cruz** also have a dollar account at the same bank. The current balance of this account is not known.

Each of the groups shall perform the following task:



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Asset Recovery: Freezing and Seizing Assets



Discuss and decide what precautionary measures could be enforced in relation to the assets mentioned in the case items.