

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

BEFORE THE HONORABLE ROBERT F. PECKHAM, CHIEF JUDGE

UNITED STATES OF AMERICA,

PLAINTIFF,

VS.

JULIO ZAVALA,

DEFENDANT.

SAN FRANCISCO, CALIFORNIA

TUESDAY, NOVEMBER 27, 1984

APPEARANCES:

FOR PLAINTIFFS:

JOSEPH P. RUSSONIELLO
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BY: MARK N. ZANIDES

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FOR DEFENDANT:

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REPORTED BY:

ROBERTA L. ROGERS, CSR, CP, CM
OFFICIAL REPORTER, USDC

PARTNERS?

A. NO.

Q. DID YOU EVER OBTAIN COCAINE FROM SOMEONE CALLED HORACIO

PEREIRA?

A. THAT'S CORRECT.

Q. WHEN DID THAT TAKE PLACE?

A. DURING THE YEAR 1982.

Q. AND WOULD YOU DESCRIBE FOR HIS HONOR WHAT THE NATURE OF YOUR ARRANGEMENT WAS WITH MR. ZAVALA WITH REGARD TO THAT COCAINE?

A. WELL, YOUR HONOR, IN DECEMBER, 1981, WHICH WAS THE FIRST TIME THAT MR. ZAVALA WENT DOWN TO COSTA RICA TO SEE DORIS SALOMON, HE WENT TO HORACIO PEREIRA. AND THEY AGREED THAT MR. ZAVALA WAS GOING TO SELL THE COCAINE FOR THEM HERE IN THE UNITED STATES.

AFTER THE SECOND TRIP THAT MR. ZAVALA WENT TO COSTA RICA, HE CALLED ME TO MY OFFICE AND HE WANTED ME TO COME DOWN WITH TWO PEOPLE BECAUSE SUPPOSEDLY HORACIO PEREIRA WAS GOING TO GIVE HIM TWO KILOS OF COCAINE.

SO I WENT DOWN WITH THOSE TWO PEOPLE TO COSTA RICA, BUT APPARENTLY MR. PEREIRA CHANGED HIS MIND BECAUSE HE SAID HE HAD SOME INFORMATION THAT MR. ZAVALA WAS DRINKING VERY HEAVILY AND HE WAS SCARED THAT MR. ZAVALA WAS GOING TO MISUSE THAT MONEY; THAT SUPPOSEDLY HE SAID THAT HE WAS HELPING THE CONTRA REVOLUTION IN NICARAGUA.

Q. WHEN WAS THIS TRIP, MR. CABEZAS?

A. I BELIEVE IT WAS IN JANUARY 1982. IF I AM NOT MISTAKEN.

Q. SO WHAT ARRANGEMENTS WERE ULTIMATELY MADE WITH MR. PEREIRA?

A. I EXPLAINED TO MR. PEREIRA THAT I DIDN'T HAVE NO CLIENTS AND THAT IF I HAVE TO SELL THE COCAINE, I HAVE TO TELL MR. ZAVALA BECAUSE I WASN'T GOING TO JUMP HIM.

Q WHEN YOU SAY "JUMP HIM," WHAT DO YOU MEAN BY THAT?

A. WELL, I WASN'T GOING TO DO ANYTHING BEHIND HIS BACK.

Q. AND SO WHAT WAS THE RESULT OF YOUR CONVERSATION WITH MR. PEREIRA?

A. WELL, MR. PEREIRA SAID IF I WAS GOING TO BE RESPONSIBLE FOR THE MONEY, BECAUSE THE MONEY BELONGED TO HELP TO THE CONTRA REVOLUTION, THAT HE WAS GOING TO SELL THE COCAINE.

SO I TALKED TO JULIO, AND JULIO AGREED WITH ME AND HE SAID LET HIM COME. AT THAT TIME I TALKED TO MR. ZAVALA AND SAID THIS TIME--THIS TIME YOU ARE NOT GOING TO GIVE ME ONLY \$500 PER KILO BECAUSE I AM TAKING THE RESPONSIBILITY OF THE MONEY. HE AGREE WITH ME THAT IN THAT PARTICULAR BUSINESS JULIO GOING TO SPLIT THE PROFIT IN HALF.

Q. HOW MANY KILOS FROM MR. PEREIRA WERE IMPORTED?

A. ABOUT 10, 11 KILOS.

Q. DID YOU KEEP TRACK OF THEM IN ANY RECORDS?

A. YES.

Q. IN YOUR OWN RECORDS?

A. THAT'S CORRECT.

Q. YOU SPLIT THE PROFIT WITH MR. ZAVALA?

A. THAT'S CORRECT.

Q. AND THAT WAS BECAUSE YOU SOLD THE COCAINE TO HIS CUSTOMERS?

A. THAT'S CORRECT.

Q. NOW, APPROXIMATELY--THAT WAS 10 OR 11 KILOS?

A. CORRECT.

Q. DURING WHAT PERIOD OF TIME?

A. FROM NOVEMBER, 1981 UNTIL SEPTEMBER OF 1982.

Q. HAD YOU IMPORTED ANY KILOS FOR MR. PEREIRA BEFORE YOUR TRIP DOWN THERE TO TALK TO HIM?

A. I DIDN'T EVEN KNOW MR. PEREIRA.

Q. WHEN WAS YOUR TRIP TO TALK TO HIM?

A. PARDON?

Q. WHEN DID YOU FIRST GO TO TALK TO MR. PEREIRA?

A. WHEN MR. ZAVALA WAS IN COSTA RICA.

Q. WHEN WAS THAT?

A. JANUARY OF 1982.

Q. SO WHEN DID THE IMPORTATION FROM MR. PEREIRA START?

A. THAT MONTH.

Q. NOW THIS 10 OR 11, WAS IT SEPARATE FROM THE COCAINE THAT WAS
BEING SUPPLIED BY MR. CARVAJAL?

A. THAT'S CORRECT.

DURING THE PERIOD OF TIME BETWEEN NOVEMBER OF 1981 AND MAY
OF 1982, WAS MR. ZAVALA OBTAINING COCAINE FROM ANYWHERE ELSE TO
YOUR KNOWLEDGE?

A. YES.