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MEXICAN PRODUCE COMPANY OWNER SENTENCED
FOR MAKING A FALSE STATEMENT TO A FINANCIAL INSTITUTION INSURED BY
THE U.S. EXPORT-IMPORT BANK

WASHINGTON, D.C., March 15, 2013 – The Office of Inspector General (OIG) for the Export-Import Bank of the United States (Ex-Im Bank) announced today that the owner of a produce company in Hermosillo, Sonora, Mexico, was sentenced today for making a false statement to Frost National Bank, concerning loans insured by Ex-Im Bank.

Gilberto Salazar-Escoboza, 49, was sentenced by Chief Judge Fred Biery in U.S. District Court in San Antonio, Texas, to \$500,000.00 in fines and twelve months of supervised release. Salazar pleaded guilty on August 13, 2012, to one count of making a false statement to a financial institution. Salazar was arrested on July 14, 2012, in California as he entered the United States from Mexico. According to an indictment filed on June 20, 2012, in the Western District of Texas, San Antonio, Texas, Salazar was originally charged with three counts of bank fraud in connection with Ex-Im Bank insured loans. Since his plea in August 2012, Salazar has paid back approximately \$2.64 million in restitution to Ex-Im Bank, Frost National Bank, and a private insurance agency.

According to court documents, Salazar, a Mexican citizen, was the owner of three businesses identified as Empacadora Fruitcola Santa Ines, S.A. de C.V., La Costa Distribuciones Comerciales S.A. de C.V., and Videxport S.A. de C.V. located in Hermosillo, Sonora, Mexico. All of these businesses are large produce and fruit companies which obtained loans from Frost National Bank for the purpose of purchasing U.S. manufactured equipment from U.S. suppliers. Frost Bank insured some of those loans with Ex-Im Bank. Salazar admitted that in February 2009, he knowingly made a false statement and report to a financial institution, when he submitted five checks to Frost National Bank purporting to show the payment of invoices to a supplier of goods, when in truth and fact and as Salazar well knew, such checks were never delivered to the supplier.

The case was prosecuted by the U.S. Attorney's Office for the Western District of Texas, San Antonio Division. The case was investigated by the Ex-Im Bank Office of Inspector General and Homeland Security Investigations in El Paso. Ex-Im Bank, the official credit agency of the United States, is an independent executive agency that helps create and maintain U.S. jobs by filling gaps in private export financing at no cost to American taxpayers. Ex-Im Bank provides a variety of

financing mechanisms, including working capital guarantees, export credit insurance and financing to help foreign buyers purchase U.S. goods and services.

Ex-Im Bank OIG is an independent office within Ex-Im Bank. The OIG receives and investigates complaints and information concerning violations of law, rules or regulations, fraud against Ex-Im Bank, mismanagement, waste of funds, and abuse of authority connected with Ex-Im Bank's programs and operations.

Additional information about the OIG can be found at <http://www.exim.gov/oig/>. Complaints and reports of waste, fraud, and abuse related to Ex-Im Bank programs and operations can be reported to the OIG hotline at 888-OIG-EXIM (888-644-3946) or via email at <mailto:IGHotline@exim.gov>.

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