

CASE NUMBER: _____

**United States District Court
District of New Jersey**

UNITED STATES OF AMERICA

v.

ZHIFIE LI

INDICTMENT FOR

18 U.S.C. § 371

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UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
v. : Criminal No. 13-
ZHIFEI LI : 18 U.S.C. § 371

INDICTMENT

The Grand Jury in and for the District of New Jersey,
sitting at Newark, charges:

Conspiracy
(18 U.S.C. § 371)

Background

A. The Defendant

1. At all times relevant to this Indictment unless
otherwise indicated:

a. Defendant ZHIFEI LI (hereinafter, "defendant LI")
was a Chinese national residing in the People's Republic of China
(hereinafter, "China").

B. The Co-Conspirators

2. Certain of defendant LI's co-conspirators, who are not
named as defendants herein, are identified herein as CC1, CC2,
and CC3. At all times relevant to this Indictment unless
otherwise indicated:

a. CC1 was a Chinese national residing in or near
Tampa, Florida, and in or near New York, New York.

b. CC2 was a foreign national residing in the State of Florida and in a foreign country.

c. CC3 was a U.S. citizen with a place of business in or near Little Ferry, New Jersey.

C. The Endangered Species Act and CITES

3. At all times relevant to this Indictment,

a. The Endangered Species Act ("ESA") (16 U.S.C. §§ 1531 et seq.) was enacted to provide a program for the conservation of endangered and threatened species.

b. The United States was a signatory to the Convention on International Trade in Endangered Species of Wild Fauna and Flora ("CITES"). CITES protected certain species of fish, wildlife, and plants against overexploitation by regulating trade in the species. Protected species were listed in Appendices I, II, and III to CITES.

c. All rhinoceros species had a minimum level of protection under CITES under Appendix II, and some such as the black rhinoceros, were listed under Appendix I as well.

d. CITES was implemented through the ESA and regulations promulgated thereunder.

e. Title 50, Code of Federal Regulations, Sections 23.13 and 23.20(e) provided that Appendix I and Appendix II species could be exported lawfully from the United States only if, prior to exportation, the exporter possessed a valid CITES

export permit issued by the United States for that export activity.

f. Title 50, Code of Federal Regulations, Section 14.63 also required that a completed Declaration for Importation or Exportation of Fish or Wildlife signed by the exporter, or the exporter's agent, be filed with United States Fish and Wildlife Service ("USFWS") prior to the export of any wildlife at the port of exportation.

Objects of the Conspiracy

4. Beginning on a date unknown to the Grand Jury, and including from at least in or about February 2011 through in or about February 2012, in Bergen County, in the District of New Jersey, and elsewhere, defendant

ZHIFEI LI

did knowingly and intentionally conspire and agree with others to commit the following offenses against the United States:

a. to knowingly conceal and export rhinoceros horns knowing that the export of such rhinoceros horns was without prior declaration to, and approval from, USFWS and without a valid CITES export permit issued by the United States, contrary to Title 16, United States Code, Section 1538(c) and Title 50, Code of Federal Regulations, Sections 14.63 and 23.13;

b. to knowingly make a false record, account, and identification, that is shipping documents, for wildlife, that is rhinoceros horns, that were and were intended to be exported from

the United States to Hong Kong and China, contrary to Title 16, United States Code, Sections 3372(d) and 3373(d)(3)(A); and

c. to knowingly export or send from the United States merchandise, namely CITES-protected rhinoceros horns, contrary to any law and regulation of the United States, and receive, conceal, buy, sell, and facilitate the transportation, concealment, and sale of such merchandise, prior to exportation, knowing the same to be intended for exportation contrary to any law or regulation of the United States, contrary to Title 18, United States Code, Section 554.

Manner and Means of the Conspiracy

5. It was a part of the conspiracy that defendant LI paid CC1 to obtain rhinoceros horns in the United States from CC2.

6. It was a part of the conspiracy that CC2 obtained raw rhinoceros horns in the United States from various sources, including from a wildlife auction business in Missouri.

7. It was further a part of the conspiracy that defendant LI, through CC1, negotiated a price for the horns with CC2 and other sellers of rhinoceros horns.

8. It was further a part of the conspiracy that defendant LI wired hundreds of thousands of dollars from various foreign bank accounts, including those belonging to companies, to U.S. bank accounts controlled by CC1 to fund the rhinoceros horn purchases.

9. It was further a part of the conspiracy that CC1 traveled from New York to New Jersey to provide advance payment to CC3, who served as a middleman for CC2, so that CC1 could purchase rhinoceros horns to ship from the United States to Hong Kong or China for defendant LI.

10. It was further a part of the conspiracy that CC1 traveled from New York to New Jersey to pick up the rhinoceros horns for defendant LI.

11. It was further a part of the conspiracy that CC1, at the direction of defendant LI, concealed the rhinoceros horns by wrapping them in duct tape, hiding them in porcelain vases, and describing them on shipping documents as porcelain vases, for export by U.S. mail from the United States to various addresses in Hong Kong and China.

12. It was further a part of the conspiracy that CC1, at the direction of defendant LI, addressed the shipments to names other than that of defendant LI in Hong Kong and China.

13. It was further a part of the conspiracy that defendant LI and CC1 did not declare to officials of USFWS, as required by law, that rhinoceros horns were being exported from the United States to Hong Kong and China and obtain required CITES export permits for those horns.

Overt Acts

14. In furtherance of this conspiracy and to effect the

objectives thereof, defendant LI and others committed and caused to be committed, the following overt acts, among others, within the District of New Jersey, and elsewhere:

a. Overt Acts 1-11: CCI purchased, received and transported, and caused the purchase, receipt and transportation, of rhinoceros horns for export from the United States to Hong Kong and China without CITES export permits and without declaration to USFWS on or about the dates listed below, and at or near the locations listed below:

Overt Act	Date	Location of Purchase	Number of Rhinoceros Horns
1	February 2011	Miami Florida	1
2	February 2011	Ormond Beach, Florida	2
3	April 2011	Ormond Beach, Florida	2
4	May 2011	Ormond Beach, Florida	2
5	June 2011	Ormond Beach, Florida	2
6	October 2011	Wanaque, New Jersey	2
7	October 2011	Little Ferry, New Jersey	4
8	November 2011	Ridgefield, New Jersey	2
9	January 2012	Little Ferry, New Jersey	1
10	February 2012	Little Ferry, New Jersey	1

11	February 2012	Little Ferry, New Jersey	2
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b. Overt Acts 12-21: On or about the dates set forth above in overt acts 1-10, defendant LI and CC1 knowingly exported and caused the export of rhinoceros horns from the United States to Hong Kong and China without CITES export permits and without declaration to USFWS.

In violation of Title 18, United States Code, Section 371.

A TRUE BILL



FOREPERSON

Paul J. Fishman/rah

PAUL J. FISHMAN
UNITED STATES ATTORNEY

IGNACIA S. MORENO
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