

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

**SEALED SUPERSADING INDICTMENT**

COUNT ONE

The Grand Jury charges:

1. At all times relevant to this Indictment, TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, and others known and unknown, was the head of a transnational criminal enterprise (the "Enterprise") based in Asia, with significant operations in Malaysia and the Kingdom of Thailand ("Thailand"), which engaged in the large-scale international trafficking and smuggling of rhinoceros horns.

approximately 73 kilograms of rhinoceros horns. Such weights of rhinoceros horn are estimated to have involved the illegal poaching of numerous rhinoceros, worth at least approximately \$727,472 USD.

### **Regulation of Trade Involving Endangered Species**

3. In the United States and around the world, trade involving endangered or threatened species is regulated under several statutes, as well as international treaties implemented by certain domestic laws.

4. The Endangered Species Act, 16 U.S.C. § 1531 *et seq.* ("ESA"), makes it a crime to deliver, receive, carry, transport, ship, sell and offer for sale in interstate or foreign commerce, any endangered wildlife species. 16 U.S.C. § 1538(a)(1)(E) & (F). The term "foreign commerce" includes, among other things, any transaction "between persons in two or more foreign countries" or "between a person within the United States and a person in a foreign country." 16 U.S.C. § 1532(9). The ESA also makes it a crime to attempt to commit, solicit another to commit, or cause to be committed, an ESA violation. 16 U.S.C. § 1538(g). Under the ESA, the term "endangered species" includes any species in danger of extinction throughout all or a significant portion of its range. 16 U.S.C. § 1532(6). All species of wildlife determined to be endangered within the

meaning of the ESA are listed in Title 50, Code of Federal Regulations, Section 17.11.

5. Under the ESA, two species of wildlife relevant to this Indictment are afforded endangered species status:

a. Black rhinoceros (*Diceros bicornis*), which is native to Eastern and Southern Africa, has been listed as an endangered species in the United States since at least in or about 1980. Despite the fact that international trade in rhinoceros horn has been highly regulated and largely banned since 1976, horns and items carved from those horns remain highly valued commodities. Rhinoceros horn is also used to make ornamental carvings that are highly valued in Asian countries as well as in the United States. Demand also stems from the use of such horns to make libation cups later marketed as antiques. And in certain Asian countries, rhinoceros horn is worth more than gold because of beliefs that it can cure various ailments and illnesses. The escalating value of these items has resulted in an increased demand for rhinoceros horn and helped to foster a thriving black market. As a result, most species of rhinoceros are extinct or on the brink of extinction. The black rhinoceros population is estimated to be no more than approximately 5,500 worldwide.

b. White rhinoceros (*Ceratotherium simum*), which is native to Central and Southern Africa, is the largest extant

species of rhinoceros. There are two sub-species of white rhinoceros. The northern white rhinoceros has been listed as an endangered species in the United States since at least in or about 1970. The southern white rhinoceros has been listed as a threatened species in the United States since at least in or about 2013. Like the black rhinoceros - the escalating value of white rhinoceros horns and items carved from those horns has resulted in an increased demand for rhinoceros horn and helped to foster a thriving black market. The white rhinoceros population (both northern and southern combined) is estimated to be no more than approximately 21,000 worldwide.

6. The ESA and regulations promulgated thereunder also implement certain international treaties that protect fish, wildlife, and plants that are or may become imperiled due to demand in international markets, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora ("CITES"). See 16 U.S.C. § 1538(c); 50 C.F.R. Parts 14 and 23. More than 180 countries, including the United States, Malaysia, and Thailand, are parties to CITES, which has regulated trade in rhinoceros horn and since at least in or about 1976. A species protected under CITES cannot be imported to or exported from member countries without prior notification to, and official approval from, that country's relevant wildlife authorities.

7. Species protected by CITES are listed in a series of appendices, which are labelled Appendices I, II, and III. A species listed in Appendix I may be exported from a foreign country to another signatory country if, prior to exportation, the exporter possesses a valid foreign export permit from the country of export and a valid import permit issued by the recipient country. Under Appendix II, a species may be exported from a foreign country to another signatory country only if, prior to exportation, the exporter possesses a CITES export permit issued by the country of export. All rhinoceros species are protected under either CITES Appendix I or II.

8. In addition to the ESA, the Lacey Act, 16 U.S.C. § 3371 *et seq.* (the "Lacey Act"), makes it a crime to, *inter alia*, knowingly import, export, transport, sell, receive, acquire, and purchase or attempt to import, export, transport, sell, receive, acquire, and purchase, in interstate and foreign commerce, wildlife having a market value in excess of \$350, while knowing that said wildlife has been taken, possessed, transported, and sold in violation of any foreign law. See 16 U.S.C. §§ 3372(a)(2)(A) and 3373(d)(1).

9. In addition, the Rhinoceros and Tiger Conservation Act, 16 U.S.C. § 5301 *et seq.* (the "Rhino and Tiger Act"), makes it a crime for a person engaged in business as an importer, exporter, or distributor, to, *inter alia*, knowingly sell,

import, or export, or attempt to sell, import, or export, any product, item, or substance intended for human consumption or application containing, or labeled or advertised as containing, any substance derived from any species of rhinoceros. See 16 U.S.C. § 5305a(a) & (b).

10. Rhinoceros species are also protected under various laws of foreign countries, including the Malaysia Wildlife Conservation Act, the Malaysia International Trade in Endangered Species Act, and the Thailand Wildlife Conservation and Protection Act.

**Means and Methods of the Wildlife Trafficking Conspiracy**

11. The means and methods by which TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, and others known and unknown, sought to accomplish the illegal objects and purposes of the conspiracy included, among others, the following:

a. CHING purchased, received, acquired, and traded, and attempted to purchase, receive, acquire, and trade, black and white rhinoceros horns (collectively, "rhinoceros horns"), in interstate and foreign commerce.

b. CHING exported, transported, and sold, and attempted to export, transport, and sell, rhinoceros horns to foreign buyers.

c. CHING received and deposited payment from foreign customers in the form of deposits into foreign bank accounts, financial intermediaries, and cash, including U.S. dollars from foreign buyers, believing that some of the money had originated in the Southern District of New York.

### **Statutory Allegations**

12. From at least in or about July 2019 through at least in or about August 2019, TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, and others known and unknown, who will first be brought to and arrested in the Southern District of New York, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other, to commit offenses against the United States, to wit, violations of Title 16, United States Code, Sections 1538(a)(1)(F), 1540(b)(1), 3372(a)(2)(A), 3373(d)(1)(B).

13. It was a part and object of the conspiracy that TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, and others known and unknown, would and did knowingly import, export, transport, sell, receive, acquire, and purchase wildlife with a market value in excess of \$350, to wit, CITES-protected rhinoceros horns, in foreign commerce, knowing that such wildlife was taken, possessed, transported, and sold in violation of foreign law, namely the Malaysia Wildlife

Conservation Act, the Malaysia International Trade in Endangered Species Act, and the Thailand Wildlife Conservation and Protection Act, in violation of Title 16, United States Code, Sections 3372(a)(2)(A) and 3373(d)(1)(B).

14. It was further a part and object of the conspiracy that TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, and others known and unknown, would and did knowingly sell and offer for sale endangered species of wildlife, to wit, rhinoceros horns, in foreign commerce, in violation of Title 16, United States Code, Sections 1538(a)(1)(F) and 1540(b)(1).

#### **Overt Acts**

15. In furtherance of the conspiracy, and to effect the illegal objects thereof, TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

a. On a number of occasions, CHING met with a confidential source ("CS-1") concerning potential purchases of rhinoceros horns. During these meetings and at other times via voice calls and messages sent via an electronic messaging application, all of which were recorded, CS-1 discussed with CHING, in substance and in part, the terms of the sale, including the price, weight or size of the rhinoceros horns, as



well as payment, destination, and delivery options. CS-1 also discussed with CHING via phone calls and electronic messages, in substance and in part, that CS-1 was in the Southern District of New York during some of the communications, and that payment would be made, in part, with U.S. dollars originating from a United States bank account located in Manhattan.

b. In particular, on or about July 17, 2019, and July 18, 2019, CS-1 met with CHING in Malaysia. During those meetings, CHING explained to CS-1, who was wearing a recording device, that CHING considers himself a "middleman" – one who transports rhinoceros horns from the rhinoceros poaching operations primarily in Africa to the eventual customers primarily in Asia – in CHING's words, he "takes product and deliver[s]." For his services, CHING told CS-1 that he charges a fee of ¥22,000 RMB (the currency of China) per kilogram of horn, then equivalent to roughly \$3,000 USD per kilogram. CHING stated that he could ensure shipment of rhinoceros horns to countries in Asia, as well as to the United States. CS-1 offered to pay for rhinoceros horns with U.S. dollars. CHING responded that CS-1 had to pay in RMB because U.S. dollar bank accounts are "under very strict control now" and that the banks "will ask what business I do for you." To get around that regulation, CHING stated that they could transact in RMB through an "underground bank."

c. On or about July 28, 2019, CS-1 exchanged several electronic messages with CHING. Those messages included, in substance and in part, images of rhinoceros horns wrapped in aluminum foil and represented to weigh approximately 27.97 kilograms, which CHING represented was available for purchase by CS-1, to wit:



d. On or about July 29, 2019, CS-1 exchanged several electronic messages with CHING. Those messages included, in substance and in part, additional images of the rhinoceros horns represented to weigh approximately 27.97 kilograms as described in paragraph 15(c), *supra*, which CHING represented was available for purchase by CS-1, to wit:



e. On or about August 5, 2019, CS-1 exchanged several electronic messages with CHING. These messages included, in substance and in part, CS-1 telling CHING that he had to fly to New York to get some money for the purpose of purchasing rhinoceros horn from CHING.

f. On or about August 9, 2019, CS-1 exchanged several electronic messages and voice calls through an electronic messenger application with CHING. These messages included, in substance and in part, CS-1 sending to CHING via electronic message a photograph of Times Square in Manhattan, New York. CHING responded, "Still in the US"? CHING later asked on a voice call that same day "You are still in the US?" and CS-1 responded "Yeah, I'm in the US, I am in Manhattan in New York." In the same conversation in which CS-1 stated he was, and was in fact, in the Southern District of New York, CS-1 also asked, in substance and in part, if CHING could accept U.S. dollars as payment for rhinoceros horns, and CHING confirmed that if CS-1 could bring the U.S. dollars in "cash" to Thailand, then CHING would arrange for the dollars to be exchanged for

RMB. CS-1 also told CHING, in sum and substance, that the U.S. dollars that he was going to use to buy the rhinoceros horns from CHING were derived from the proceeds of wildlife trafficking and were located at banks in Manhattan, New York. Specifically, CS-1 stated, in sum and substance, that the money was derived from the trafficking of the Madagascar radiated star tortoise and the Hamilton tortoise, also known as the spotted pond turtle, which are both listed on Appendix I of CITES, and are endangered pursuant to the Endangered Species Act.

g. On or about August 14, 2019, CS-1 exchanged several electronic messages and voice calls through an electronic messenger application with CHING. These messages included, in substance and in part, images of rhinoceros horns represented to weigh approximately 20 kilograms, which CHING represented was available for purchase by CS-1, to wit:





h. On or about August 17, 2019, CS-1 and CHING exchanged several electronic messages and voice calls through an electronic messenger application. CHING sent to CS-1 the account numbers for five different bank accounts at Chinese banks to which CS-1 was instructed to deposit money to pay for rhinoceros horns. CHING stated, in substance and in part, that "As long as you have cash, I can give you the goods in 1-2 days."

i. On or about August 19, 2019, CS-1 and CHING had a voice call through an electronic messenger application. During the call, CHING and CS-1 discussed, in substance and in part, that CHING would transport rhinoceros horn from Malaysia to CS-1 in Thailand upon receiving payment from CS-1.

j. On or about August 20, 2019, CS-1 and CHING exchanged several electronic messages and voice calls through an electronic messenger application. These messages included, in substance and in part, images of rhinoceros horns represented to weigh approximately 26 kilograms, which CHING represented was available for purchase by CS-1 (the "Rhinoceros Horns"), to wit:





After negotiating the price, CS-1 agreed to pay CHING ¥1,760,000 RMB (equivalent to approximately \$259,100 USD), for the Rhinoceros Horns, and that CHING would arrange delivery of the Rhinoceros Horns to CS-1 in Bangkok, Thailand.

k. On or about August 21, 2019, pursuant to instructions provided by CHING to CS-1, law enforcement provided another confidential source ("CS-2") with approximately \$100,000 in cash composed of U.S. dollars and Thai baht (the currency in Thailand). CS-1 thereafter sent CHING a photograph of the cash with contemporaneous Thai newspapers, showing that the money was in Thailand, to wit:



1. On or about August 22, 2019, in accordance with the direction CHING provided to CS-1, CS-2 travelled to a specific money exchange business located in Chiang Mai, Thailand. CS-2 provided the U.S. dollars and Thai baht to the money exchange business, which exchanged the money into ¥842,319 RMB and deposited them into the bank accounts provided by CHING. Upon confirming receipt, CHING directed CS-1 via electronic communication to deposit the remaining money (¥917,681 RMB) into several additional Chinese bank accounts. CHING also told CS-1 to call "the Thai" to arrange for the pickup of the Rhinoceros Horns in Bangkok at a phone number provided by CHING. That same day, CS-1 called the number provided by CHING for "the Thai" and spoke with an individual named "Mr. An." On the call, CS-1 and "Mr. An" arranged for the pickup of the Rhinoceros Horns that CS-1 had purchased from CHING the following day.

m. On or about August 23, 2019, CS-2 deposited the remaining money into the bank accounts provided by CHING at the same money exchange business he went to the previous day. CS-1 then spoke with CHING via a voice call through an electronic communication application. During the call, in substance and in part, CHING confirmed receiving the money for the Rhinoceros Horns he agreed to sell to CS-1. That same day, two individuals who purported to work for CHING drove to a designated meeting place in Bangkok, Thailand, and delivered a brown suitcase to a



law enforcement officer purporting to work on behalf of CS-1. Inside the suitcase contained the Rhinoceros Horns (12 pieces in total) wrapped in aluminum foil, to wit:



A USFWS forensics laboratory examined the Rhinoceros Horns, and concluded that two horn pieces were black rhinoceros horns and the other ten pieces were white rhinoceros horns.

(Title 18, United States Code, Sections 371 and 3238.)

#### **COUNT TWO**

##### **(Promotion Money Laundering)**

The Grand Jury further charges:

16. The allegations contained in paragraphs 1 through 11, and 15, above are hereby repeated, realleged, and incorporated by reference herein as though fully set forth herein.

17. From at least in or about July 2019 through at least in or about August 2019, in the Southern District of New York

and elsewhere, TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, who will first be brought to and arrested in the Southern District of New York, did conduct and attempt to conduct financial transactions involving property represented, at the direction of, or with the approval of, a federal law enforcement officer to be proceeds of specified unlawful activity, to wit, the trafficking in endangered species of tortoises, in violation of Title 16, United States Code, Section 1538(a)(1)(F), with the intent to promote the carrying on of specified unlawful activity, to wit, (a) the sale and offer for sale in interstate and foreign commerce of any endangered species of wildlife, in violation of Title 16, United States Code, Section 1538(a)(1)(F), and (b) the sale and offer for sale in interstate and foreign commerce of any substance derived from any species of rhinoceros with a value greater than \$10,000, in violation of Title 16, United States Code, Section 5305a(a) & (b).

(Title 18, United States Code, Sections 1956(a)(3)(A) & (c)(7)(G).)

**COUNT THREE**

**(Concealment Money Laundering)**

The Grand Jury further charges:

18. The allegations contained in paragraphs 1 through 11 and 15 above are hereby repeated, realleged, and incorporated by reference herein as though fully set forth herein.

19. From at least in or about July 2019 through at least in or about August 2019, in the Southern District of New York and elsewhere, TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, who will first be brought to and arrested in the Southern District of New York, did conduct and attempt to conduct financial transactions involving property represented, at the direction of, or with the approval of, a federal law enforcement officer to be proceeds of specified unlawful activity, to wit, the trafficking in endangered species of tortoises, in violation of Title 16, United States Code, Section 1538(a)(1)(F), with the intent to conceal and disguise the nature, location, source, ownership, and control of property believed to be the proceeds of specified unlawful activity, to wit, (a) the sale and offer for sale in interstate and foreign commerce of any endangered species of wildlife, in violation of Title 16, United States Code, Section 1538(a)(1)(F), and (b) the sale and offer for sale in interstate and foreign commerce of any substance derived from any species of rhinoceros with a

value greater than \$10,000, in violation of Title 16, United States Code, Section 5305a(a) & (b).

(Title 18, United States Code, Sections 1956(a)(3)(B) & (c)(7)(G).)

#### **FORFEITURE ALLEGATIONS**

20. As the result of committing the wildlife trafficking offense alleged in Count One of this Indictment, TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant, shall forfeit to the United States (1) pursuant to Title 16, United States Code, Section 3374(a) and Title 28, United States Code, Section 2461, all wildlife imported, exported, transported, sold, received, acquired, and purchased in violation of Title 16, United States Code, Section 3372, and all vessels, vehicles, aircraft, and other equipment used to aid in the importing, exporting, transporting, selling, receiving, acquiring, and purchasing of such wildlife; (2) pursuant to Title 16, United States Code, Section 1540(e)(4) and Title 28, United States Code, Section 2461, all wildlife taken, possessed, sold, purchased, offered for sale and purchase, transported, delivered, received, carried, shipped, exported, and imported in violation of Title 16, United States Code, Chapter 35 and any regulation made pursuant thereto and any permit or certificate issued thereunder, and all guns, traps, nets, and other equipment, vessels, vehicles, aircraft, and other means of

transportation used to aid the taking, possessing, selling, purchasing, offering for sale or purchase, transporting, delivering, receiving, carrying, shipping, exporting, and importing of such wildlife; and, pursuant to Title 18 United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461 any and all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the conspiracy to violate Title 16, United States Code, Section 1538(a)(1)(F), including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense.

21. As a result of committing the money laundering offenses alleged in Counts Two and Three of this Indictment, TEO BOON CHING, a/k/a "Zhang," a/k/a "Dato Sri," a/k/a "Godfather," the defendant shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any and all property, real and personal, involved in said offense, or any property traceable to such property, including but not limited to a sum of United States currency representing the amount of property involved in said offense.

**Substitute Asset Provision**

22. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

(1) cannot be located upon the exercise of due diligence;

(2) has been transferred or sold to, or deposited with, a third person;

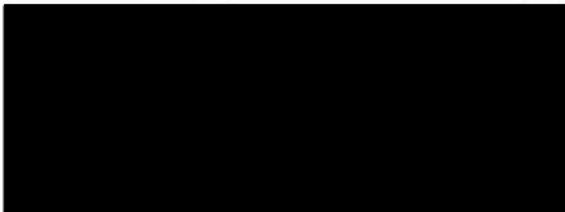
(3) has been placed beyond the jurisdiction of the Court;

(4) has been substantially diminished in value; or

(5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 18 U.S.C. § 981, 21 U.S.C. § 853(p), and 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendants up to the value of the above-described forfeitable property.

(Title 16, United States Code, Sections 1540(e)(4) and 3374(a);  
Title 18, United States Code, Sections 981 and 982;  
Title 21, United States Code, Section 853;  
and Title 28, United States Code, Section 2461.)



Audrey Strauss  
AUDREY STRAUSS  
Acting United States Attorney

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

v.

TEO BOON CHING,  
a/k/a "Zhang,"  
a/k/a "Dato Sri,"  
a/k/a "Godfather,"

Defendant.

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SEALED SUPERSEDING INDICTMENT

S1 20 Cr. 181

(18 U.S.C. §§ 371, 1956(a)(3)(A),  
(a)(3)(B) & (c)(7)(G) and 2.)

AUDREY STRAUSS

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Acting United States Attorney

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