

## **Xu Chaofan (also known as Hui Yat Fai), Xu Guojun (also known as Hui Kit Shun), Yu Zhendong**

**Case ID:**

ARW-199

**Jurisdiction of Origin of Public Official or Entity Allegedly Involved:**

China

**Position of Public Official(s) (yrs in office):**

Bank of China, Guangdong Province Sub-Branch, Kaiping County, Executive Managers (successive): Xu Chaofan (1992-1998); Yu Zhendong (1998-2000); Xu Guojun (2000-2001)

**Jurisdiction of Asset Recovery:**

United States

**Jurisdiction of Asset Recovery ? Description:**

Undertaking Recovery Effort, Location of Recovery Effort, Asset Location / Alleged Asset Location

**Asset Recovery Start:**

2002

**Asset Recovery End:**

2009

**UNCAC Offenses Implicated:**

Art.17

Art.23

**Money laundering Implicated:**

Yes

**Legal Basis for Asset Recovery:**

Criminal Prosecution and Forfeiture; Criminal Restitution

**Intl.Cooperation: MLAT/Letter of Request?:**

Unknown

**Basis for Intl Cooperation:**

Cooperation in investigation but mechanism unknown

**Contributing Factors in Asset Recovery:**

US Department of Justice press release following the Bank of China Managers' sentencing cited the "substantial assistance" by the government of the People's Republic of China, in particular the Ministries of Justice and Public Security along with the Hong Kong Department of Justice and Hong Kong Police Force, in producing evidence and making witnesses available, both for testimony at trial and videotaped depositions. (Source: U.S. Department of Justice Press Release, "Former Bank of China Managers and Their Wives Sentenced for Stealing More Than \$485 Million, Laundering Money Through Las Vegas Casinos," May 6, 2009.) Bank of China had filed a Petition Pursuant to 18 U.S.C Section 1963 Regarding Property Subject to Forfeiture requesting that the property named in the Forfeiture Allegations be applied to restitution. (Source: U.S. v. Chao Fan Xu, et al, Case No. 2:02-cr-0674-PMP (LRL) (D. Nev.), Final Order of Forfeiture filed on December 15, 2009).

**Status of Asset Recovery :**

Completed

**Stage in Asset Recovery Chain:**

Assets Returned to Victim or Requesting Jurisdiction

**Assets Adjudicated, Not Yet Returned - Description:**

\$482,000,000 (Restitution ordered to be paid to Bank of China)

**Assets Returned (USD) - Description:**

\$166,000 (not including foreign currency and watches and jewelry where value not specified in forfeiture order)

**Agreement for Returned Assets:**

No

**Agreement for Returned Assets - Description:**

N/A

**Case Summary:**

As part of their sentence, the U.S. District Court for the District of Nevada ordered that the Mr. Xu and Mr. Xu pay \$482 million in restitution to the Bank of China; the defendants were ordered jointly and severally liable for payment of the restitution. (Source: U.S. v. Xu Guojun, Case No. 2:02-cr-00674-PMP-LRL (D. Nev.), Judgment in a Criminal Case, filed on May 11, 2009; U.S. Department of Justice Press Release, "Former Bank of China Managers and Their Wives Sentenced for Stealing More Than \$485 Million, Laundering Money Through Las Vegas Casinos," May 6, 2009.) In addition, the court ordered the criminal forfeiture of cash, watches and jewelry seized at the time of their arrest. (U.S. currency and foreign currency totalling \$166,000 [note: foreign currency, where amounts were noted was converted using exchange rate as of December 15, 2009, the date of final forfeiture order. No value was given for the numerous seized watches and jewelry.] In June 2009, Bank of China had filed a Petition Pursuant to 18 U.S.C Section 1963 Regarding Property Subject to Forfeiture requesting that the property named in the Forfeiture Allegations be applied to restitution. The court granted a Joint Motion for Various Relief Relating to Assets Subject to Forfeiture, and Bank of China agreed to dismiss, without prejudice, its Petition. The Bank was granted the forfeited cash and property as described in Attachment A of the final forfeiture order. (Source: U.S. v. Chao Fan Xu, et al, Case No. 2:02-cr-0674-PMP (LRL) (D. Nev.), Final Order of Forfeiture filed on December 15, 2009).

**Disposition of Criminal Case(s):**

According to a U.S. Department of Justice press release, Mr. Xu Chaofan and Mr. Xu Guojun were convicted on August 29, 2008, by a federal jury in Las Vegas on charges of racketeering, money laundering, international transportation of stolen property as well as passport and visa fraud. Mr. Yu Zhendong, pleaded guilty to engaging in a racketeering enterprise on Feb. 18, 2004, and voluntarily returned to China, where he was convicted for embezzlement for his role in the bank theft. (Source: U.S. Department of Justice Press Release, "Former Bank of China Managers and Their Wives Convicted for Stealing More Than \$485 Million, Laundering Money Through Las Vegas Casinos," September 2, 2008, accessed at <http://www.justice.gov/opa/pr/2008/September/08-crm-764.html>.)

**Jurisdiction of Origin: Investigative Agency:**

China Ministry of Justice and Public Security Bureau, Guangdong Province; Hong Kong Department of Justice and Hong Kong Police Force

**Jurisdiction of Origin: Courts Involved:**

Intermediate People's Court of Jiangmen City, Guangdong Province (secondary source)

**Jurisdiction of Asset Recovery: Investigative Agency:**

Federal Bureau of Investigation, Las Vegas Field Office; U.S. Immigration and Customs Enforcement; Support provided by Federal Bureau of Investigation, Beijing and Hong Kong offices

**Jurisdiction of Asset Recovery: Prosecuting Authority/Civil Attorney(s):**

U.S. Attorney for the District of Nevada; Department of Justice, Criminal Division, Organized

Crime & Racketeering Section and Public Integrity Section

**Jurisdiction of Asset Recovery: Courts Involved:**

U.S. District Court for the District of Nevada; Supreme Court of British Columbia

**Documents:**

Xu\_Guojun\_US\_Judgment\_May\_11\_2009.pdf

Xu\_US\_DOJ\_Press\_Release\_Conviction\_Sep\_2\_2008.pdf

Xu\_US\_DOJ\_Press\_Release\_Sentencing\_May\_6\_2009.pdf

Xu\_US\_Final\_Order\_Forfeiture\_Dec\_15\_2009.pdf

Xu\_US\_Second\_Superseding\_Indictment\_Jan\_31\_2006.pdf

Xu\_US\_Yu\_Zhendong\_Indictment\_Dec\_17\_2002.pdf


Xu\_US\_Yu\_Zhendong\_Return\_Embassy\_Press\_Release\_Apr\_20\_2004.pdf

Xu\_US\_Yu\_Zhendong\_Sentence\_News\_Guangdong\_Apr\_3\_2006.pdf

Xu\_US\_Yu\_Zhendong\_Stipulation\_Jan\_22\_2004.pdf

Xu\_US\_Yu\_Zhengdong\_Extradition\_Lewis.pdf

**Documents:**

<b>Attachment</b>	<b>Size</b>
 Yu_Banker in Guangdong sentenced 12 years in prison_Guangdong_Times_Apr_3_2006.pdf	168.99 KB

**Documents Links:**

- [http://www1.worldbank.org/finance/star\\_site/documents/arw/Xu\\_Guojun\\_US\\_J...](http://www1.worldbank.org/finance/star_site/documents/arw/Xu_Guojun_US_J...)
- [http://www1.worldbank.org/finance/star\\_site/documents/arw/Xu\\_US\\_DOJ\\_Pres...](http://www1.worldbank.org/finance/star_site/documents/arw/Xu_US_DOJ_Pres...)
- [http://www1.worldbank.org/finance/star\\_site/documents/arw/Xu\\_US\\_Final\\_Or...](http://www1.worldbank.org/finance/star_site/documents/arw/Xu_US_Final_Or...)
- [http://www1.worldbank.org/finance/star\\_site/documents/arw/Xu\\_US\\_Second\\_S...](http://www1.worldbank.org/finance/star_site/documents/arw/Xu_US_Second_S...)
- [http://www1.worldbank.org/finance/star\\_site/documents/arw/Xu\\_US\\_Yu\\_Zhend...](http://www1.worldbank.org/finance/star_site/documents/arw/Xu_US_Yu_Zhend...)
- [http://www1.worldbank.org/finance/star\\_site/documents/arw/Xu\\_US\\_Yu\\_Zhend... .pdf](http://www1.worldbank.org/finance/star_site/documents/arw/Xu_US_Yu_Zhend... .pdf)
- [http://www1.worldbank.org/finance/star\\_site/documents/arw/Xu\\_US\\_Yu\\_Zhend...](http://www1.worldbank.org/finance/star_site/documents/arw/Xu_US_Yu_Zhend...)
- [http://www1.worldbank.org/finance/star\\_site/documents/arw/Xu\\_US\\_Yu\\_Zheng...](http://www1.worldbank.org/finance/star_site/documents/arw/Xu_US_Yu_Zheng...)

**Other Sources:**

U.S. v. Xu Chaofan, Xu Guojun, et al Case No. 2:02-cr-00674-PMP-LRL (D. Nev.), Second Superseding Indictment filed January 31, 2006 and Judgment in a Criminal Case (Xu Guojun) filed on May 11, 2009, and Final Order of Forfeiture filed on December 15, 2009; U.S. Department of Justice Press Release, "Former Bank of China Managers and Their Wives Sentenced for Stealing More Than \$485 Million, Laundering Money Through Las Vegas Casinos," May 6, 2009, accessed at <http://www.justice.gov/opa/pr/2009/May/09-crm-446.html> and "Former Bank of China Managers and Their Wives Convicted for Stealing More Than \$485 Million, Laundering Money Through Las Vegas Casinos," September 2, 2008, accessed at <http://www.justice.gov/opa/pr/2008/September/08-crm-764.html>.