

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA

v.

LI PEI TAN,
a/k/a "Peter Tan,"
a/k/a "Lipei Tan,"
a/k/a "Pei Tan,"
a/k/a "Benny Tan,"
a/k/a "Benny,"
a/k/a "Ben Li,"
a/k/a "Ben,"
a/k/a "B,"
a/k/a "Peter,"
a/k/a "P,"

Defendant.

No. 1:24-cr-145

STATEMENT OF FACTS

The United States and the defendant, Li Pei Tan, (hereinafter, "the defendant"), agree that the following facts are true and correct and that had this matter proceeded to trial, the United States would have proven them beyond a reasonable doubt with admissible and credible evidence:

1. From at least in or around April 2019 to May 22, 2024, in the Eastern District of Virginia and elsewhere, the defendant knowingly and intentionally combined, conspired, confederated, and agreed with others, both known and unknown, to commit offenses against the United States in violation of 18 U.S.C. § 1956, to wit, to conduct financial transactions affecting interstate and foreign commerce, which involved the proceeds of a specified unlawful activity, that is, the distribution of controlled substances and conspiracy to do the same in violation of 21 U.S.C. §§ 841(a)(1) and 846, knowing that the transactions were designed in whole or in part to conceal

and disguise the nature, location, source, ownership, or control of the proceeds and knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, in violation of 18 U.S.C. §§ 1956(a)(1)(B)(i) and 1956(h).

2. The defendant was a crucial member of an international money laundering conspiracy that served foreign drug trafficking organizations (“DTOs”) by gathering, laundering, and repatriating proceeds derived from the unlawful sale of controlled substances in the United States, including the sale of cocaine and fentanyl.

3. The defendant and his co-conspirators used various secretive and clandestine methods to conceal the nature, location, source, ownership, or control of the proceeds from detection. For example:

- a. The defendant and his co-conspirators regularly received bulk cash from representatives of drug trafficking organizations based in Mexico;
- b. The defendant and his co-conspirators collected and transported drug proceeds across state lines, including to and through the Eastern District of Virginia, so that additional money laundering transactions could be conducted several states removed from where the proceeds were generated;
- c. The defendant and his co-conspirators used encrypted communications platforms to discuss their illegal activities, including “WeChat” and “WhatsApp”;
- d. The defendant and his co-conspirators confirmed their authorization to collect drug cash from DTO representatives by presenting verification codes, which were often serial numbers taken from U.S. or foreign currency notes;
- e. The defendant and his co-conspirators used bank accounts in the United States, the People’s Republic of China, Mexico, and elsewhere to deposit and conduct

financial transactions with drug proceeds, including those derived from the sale of cocaine and fentanyl.

f. The defendant and his co-conspirators purchased bulk electronics in the United States using drug proceeds which were then shipped overseas, including to co-conspirators in China, where they were resold as part of a trade-based money laundering scheme. The trade-based money laundering scheme allowed the defendant and his conspirators to disguise the nature, source, ownership, and control of the proceeds by disguising the proceeds as goods shipped in international commerce, and avoided the need for international wire transfers of funds which could raise red flags at financial institutions.

4. The defendant and his co-conspirators profited through commissions based on the amount of money involved in each financial transaction.

5. The object of the conspiracy was to receive proceeds from the distribution of narcotics, conceal those proceeds from detection, and then launder the proceeds.

6. The defendant received and transported illicit drug proceeds in furtherance of the money laundering conspiracy including, but not limited to:

a. On or about June 22, 2022, the defendant and co-conspirators coordinated the transfer of illicit proceeds into multiple Chinese bank accounts belonging to a China-based co-conspirator.

b. On March 3, 2024, near Charlotte, North Carolina, the defendant picked up and transported \$197,770.00 in illicit drug proceeds from a co-conspirator, which were seized by law enforcement during a traffic stop. The defendant knew that the cash he picked up was derived from the sale of illegal drugs.

7. On or about May 22, 2024, the defendant was arrested. In a post-*Miranda* interview, the defendant admitted that he regularly picked up bulk cash from various individuals across the United States. The defendant further admitted that he knew the funds he was transacting with were generated by the sale of illegal drugs, stating that the funds often smelled like narcotics, specifically cocaine and marijuana.

8. The defendant's knowledge of the nature and source of the bulk cash he received and transported was evident in the nature of his transactions with co-conspirators in which he and co-conspirators would clandestinely meet at various locations, exchange verification tokens, and then transfer large quantities of bulk cash as well as in the steps he and others took to avoid detection by law enforcement, including the frequent use of aliases and the avoidance of using traditional banking systems.

9. On May 22, 2024, law enforcement executed a federal search warrant at the defendant's residence and located assorted jewelry and numerous other items indicative of money laundering including a money counter, rubber bands, and vacuum seal bags. The defendant admits that the assorted jewelry seized from his residence on May 22, 2024, was purchased with proceeds from the charged money laundering offense.

10. This Statement of Facts includes those facts necessary to support the plea agreement between the defendant and the United States. It does not include each and every fact known to the defendant or to the United States, and it is not intended to be a full enumeration of all of the facts surrounding the defendant's case.

11. The actions of the defendant, as recounted above, were in all respects knowing and deliberate, and were not committed by mistake, accident, or other innocent reason.

12. This Statement of Facts shall be admissible as a knowing and voluntary confession in any proceeding against the defendant regardless of whether it is presented to or accepted by a court.

13. The defendant waives any rights that he may have under Federal Rule of Criminal Procedure 11(f), Federal Rule of Evidence 410, the United States Constitution, and any federal statute or rule in objecting to the admissibility of this Statement of Facts in any such proceeding.

JESSICA D. ABER
United States Attorney
Eastern District of Virginia

 /s/
Edgardo J. Rodriguez
Assistant United States Attorney

MARGARET A. MOESER
Chief
Money Laundering and Asset Recovery Section

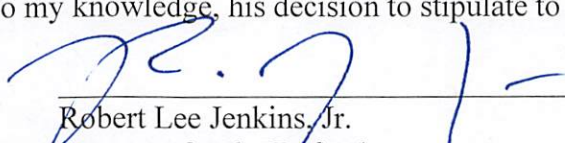
 /s/
Mary K. Daly
Trial Attorney

After consulting with my attorney and pursuant to the plea agreement entered into this day between the defendant, LI PEI TAN, and the United States, I hereby stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.

x  10/30 2024

Li Pei Tan
Defendant

I am Robert Lee Jenkins, Jr., the defendant's attorney. I have carefully reviewed the above Statement of Facts with the defendant. To my knowledge, his decision to stipulate to these facts is an informed and voluntary one.



Robert Lee Jenkins, Jr.
Attorney for the Defendant