

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

UNITED STATES OF AMERICA,

Plaintiff,

v.

ARISTIDES SANCHEZ,

Defendant.

BILL OF INFORMATION

Criminal No. 17-488 (DRD)

Violations:

Count 1. Lacey Act Wildlife Trafficking,
16 U.S.C. §§ 3372(a)(2)(A), 3373(d)(1)(B)
and 18 U.S.C. § 2

Count 2. Lacey Act False Labeling,
16 U.S.C. §§ 3372(d)(2), 3373(d)(3)(A)

THE UNITED STATES ATTORNEY CHARGES:

At all times material to this Bill of Information:

COUNT ONE
(Lacey Act Wildlife Trafficking)

From on or about January 7, 2013, through on or about March 16, 2016, in the District of Puerto Rico, the defendant, ARISTIDES SANCHEZ, did knowingly engage in conduct that involved the sale and purchase of, the offer of sale and purchase of, and the intent to sell and purchase fish and wildlife (to wit: live, reef-associated marine organisms including anemones, zoanthids, and species of the genus *Ricordea*) with a market value in excess of \$350, and did knowingly transport, sell, and export said fish and wildlife in interstate and foreign commerce (to wit: the defendant shipped and caused the fish and wildlife to be shipped off-island as part of the marine aquarium trade for financial gain), while knowing that the fish and wildlife had been taken in violation of, and in a manner unlawful under, the laws and regulations of Puerto Rico (to wit: Article 9 of Puerto Rico Law 147 (Law for the Protection, Conservation, and Management of the Coral Reefs of Puerto Rico) and Articles 8.30 and 8.32 of the Puerto Rico Fishing Regulation No. 7949 (2010)), in that the defendant personally participated in the illegal harvest of these

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marine organisms at times and at other times the defendant knew that his supplier had collected the organisms illegally.

All in violation of the Lacey Act, 16 U.S.C. §§ 3372(a)(2)(A), 3373(d)(1)(B) and 18 U.S.C. § 2.

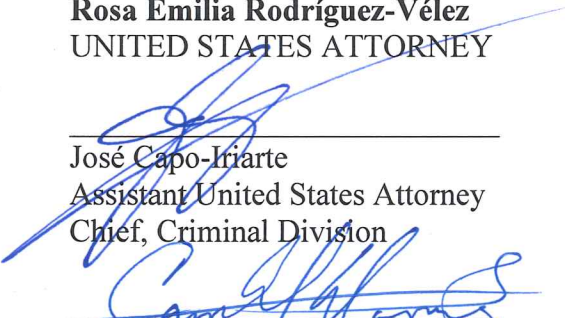
**COUNT TWO
(Lacey Act False Labeling)**

From on or about January 7, 2013, through on or about March 16, 2016, in the District of Puerto Rico, the defendant, ARISTIDES SANCHEZ, did knowingly make false labels for, and false identifications of, fish and wildlife (to wit: on shipping labels and invoices, the defendant falsely described living reef organisms such as anemones, zoanths, and species of the genus *Ricordea* as “pet supplies,” “LED lights,” or similar inanimate objects for at least 130 shipments sent to the mainland United States and foreign countries as part of the commercial marine aquarium trade), that were and were intended to be transported in interstate and foreign commerce, having a market value greater than \$350, and did engage in conduct that involved the sale and purchase of, offer of sale and purchase of, and commission of an act with an intent to sell and purchase fish and wildlife.

All in violation of the Lacey Act, 16 U.S.C. §§ 3372(d)(2), 3373(d)(3)(A).

Dated: August 8, 2017

Rosa Emilia Rodríguez-Vélez
UNITED STATES ATTORNEY

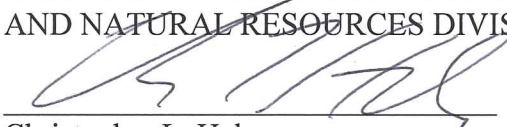


José Capo-Iriarte
Assistant United States Attorney
Chief, Criminal Division



Carmen M. Marquez-Marin
Assistant United States Attorney

Jeffrey H. Wood
ACTING ASSISTANT ATTORNEY
GENERAL OF THE ENVIRONMENT
AND NATURAL RESOURCES DIVISION



Christopher L. Hale
Department of Justice Trial Attorney
Environmental Crimes Section

UNITED STATES DISTRICT COURT
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ARISTIDES SANCHEZ,

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PLEA AGREEMENT


Pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B)

COMES NOW the United States of America, by and through the United States Attorney's Office for the District of Puerto Rico and the Environmental Crimes Section of the U.S. Department of Justice (collectively herein "the Government"), and the defendant, ARISTIDES SANCHEZ, together with his counsel of record, Ignacio Rivera, Esq., pursuant to Rule 11(c)(1)(B) of the Federal Rules of Criminal Procedure, and state to this Honorable Court, that they have concluded this Plea Agreement, the terms and conditions of which are as follows:

1. COUNTS TO WHICH DEFENDANT PLEADS GUILTY

The defendant agrees to plead guilty to a two-count Information (attached) in Criminal No. 17-488(DRD). The Information charges him with one count of Lacey Act Trafficking, 16 U.S.C. §§ 3372(a)(2)(A), 3373(d)(1)(B), and one count of Lacey Act False Labeling, 16 U.S.C. §§ 3372(d)(2), 3373(d)(3)(A).

August 8, 2017

COUNT ONE charges LACEY ACT TRAFFICKING:

From on or about January 7, 2013, through on or about March 16, 2016, in the District of Puerto Rico, the defendant, ARISTIDES SANCHEZ, did knowingly engage in conduct that involved the sale and purchase of, the offer of sale and purchase of, and the intent to sell and purchase fish and wildlife (to wit: live, reef-associated marine organisms including anemones, zoanthids, and species of the genus *Ricordea*) with a market value in excess of \$350, and did knowingly transport, sell, and export said fish and wildlife in interstate and foreign commerce (to wit: the defendant shipped and caused the fish and wildlife to be shipped off-island as part of the marine aquarium trade for financial gain), while knowing that the fish and wildlife had been taken in violation of, and in a manner unlawful under, the laws and regulations of Puerto Rico (to wit: Article 9 of Puerto Rico Law 147 (Law for the Protection, Conservation, and Management of the Coral Reefs of Puerto Rico), and Articles 8.30 and 8.32 of the Puerto Rico Fishing Regulation No. 7949 (2010)), in that the defendant personally participated in the illegal harvest of these marine organisms at times and at other times the defendant knew that his supplier had collected the organisms illegally.

All in violation of the Lacey Act, 16 U.S.C. §§ 3372(a)(2)(A), 3373(d)(1)(B) and 18 U.S.C. § 2.

COUNT TWO charges LACEY ACT FALSE LABELING:

From on or about January 7, 2013, through on or about March 16, 2016, in the District of Puerto Rico, the defendant, ARISTIDES SANCHEZ, did knowingly make false labels for, and false identifications of, fish and wildlife (to wit: on shipping labels and invoices, the defendant

falsely described living reef organisms such as anemones, zoanthids, and species of the genus *Ricordea* as “pet supplies,” “LED lights,” or similar inanimate objects for at least 130 shipments sent to the mainland United States and foreign countries as part of the commercial marine aquarium trade), that were and were intended to be transported in interstate and foreign commerce, having a market value greater than \$350, and did engage in conduct that involved the sale and purchase of, offer of sale and purchase of, and commission of an act with an intent to sell and purchase fish and wildlife.

All in violation of the Lacey Act, 16 U.S.C. §§ 3372(d)(2), 3373(d)(3)(A).

2. MAXIMUM PENALTIES

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The penalty for each charged offense is a maximum term of imprisonment of five years, pursuant to 16 U.S.C. § 3373(d)(1)(B), a fine not to exceed \$250,000.00 pursuant to 18 U.S.C. § 3571(b)(3) & (e), a term of supervised release of three years pursuant to 18 U.S.C. § 3583(b)(2), and a special assessment of \$100.00 pursuant to 18 U.S.C. § 3013(a)(2)(A).
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3. STIPULATION AS TO THE VALUE OF FISH AND WILDLIFE

The parties stipulate that, for purposes of United States Sentencing Guidelines (USSG) §2Q2.1(b)(3)(A)(ii) and Application Note No. 4 thereto and §2B1.1(b)(1)(H), the “market value” and the “fair-market retail price” for the defendant’s falsely labeled and illegally harvested fish and wildlife, which represents the relevant conduct value for Counts One and Two, is a dollar figure between \$800,000 and \$1,200,000.

4. APPLICABILITY OF UNITED STATES SENTENCING GUIDELINES

The defendant is aware that pursuant to *United States v. Booker*, 543 U.S. 220 (2005), the Sentencing Guidelines are no longer mandatory and must be considered effectively advisory. Although the Guidelines are now advisory, the sentencing court is required to consider the Guidelines' "sentencing range established for the applicable category of offense committed by the applicable category of defendant" in imposing the sentence. *Id.* at 224; *See also* 18 U.S.C. § 3553(a)(4). In addition, the Court may still, pursuant to Section 5E1.2(i) of the Sentencing Guidelines, Policy Statements, Application, and Background Notes, order the defendant to pay a fine sufficient to reimburse the government for the costs of any imprisonment and/or supervised release ordered. The Court may also impose a fine in accordance with the factors set forth in 18 U.S.C. § 3553(a).

With regard to each Count, the parties have agreed on a Guidelines calculation, as

follows:

Base Offense Level - §2Q2.1(a)	6
Commercial Purpose - §2Q2.1(b)	<u>+ 2</u>
	8
Fair Market Value - §2Q2.1(3)(A)(ii) & §2B1.1(b)(1)(H)	<u>+14</u>
	22
Acceptance of Responsibility ¹ - §3E1.1(b)	<u>- 3</u>
	19
Adjusted Offense Level = 19 (Zone D; 30-37 months)	

¹ At the time this Plea Agreement was executed, Defendant Sanchez met the requirements of this adjustment. However, it is in the sole and exclusion discretion of the Government whether the defendant continues to qualify. If, according the Government, the defendant fails to meet the requirements of §3E1.1, the Government may modify the stipulated Adjusted Offense Level accordingly, and the defendant may not object to such a modification.

The defendant is prohibited from and shall not argue for any other enhancement, departure, variance, or alternative Guidelines calculation. Barring the possible application of a departure under USSG §5K1.1, which is addressed more specifically *infra*, the Government will be seeking a sentence within the range provided by the stipulated Adjusted Offense Level. The defendant will be free to advocate for a different sentencing by arguing the non-Guidelines provisions of the factors set forth in 18 U.S.C. § 3553(a). Thus, the defendant and the Government will each be advocating for separate sentences. As such, the sentence will be left entirely to the sound discretion of the Court. The defendant understands that he may not withdraw his plea solely as a result of the sentence imposed. The defendant acknowledges that he is aware that parole has been abolished.

ASK

5. NO STIPULATION AS TO CRIMINAL HISTORY CATEGORY

The parties do not stipulate as to any Criminal History Category for the defendant.

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6. SPECIAL CONDITIONS OF RELEASE

In addition to whatever sanction is imposed by the Court, the defendant agrees to a term of supervised release of three years. The defendant understands that the Court will impose certain standard conditions, but in addition to those, the defendant stipulates to the following three special conditions:

Special Condition No. 1. The defendant is banned from collecting or procuring any marine life from Puerto Rico.

Special Condition No. 2. The defendant is banned from scuba diving, snorkeling, and any activity utilizing goggles, fins, or a mask for a commercial purpose in the waters of Puerto Rico.

Special Condition No. 3. The defendant is banned from selling or shipping any fish, marine invertebrate, or marine product off-island.

7. SPECIAL MONETARY ASSESSMENT

The defendant shall pay a special monetary assessment of \$200 to be paid to the Clerk of the Court pursuant to 18 U.S.C. § 3013(a).

8. FINE

The parties have not agreed on a fine. Each side will set forth its position on fine after completion of the Pre-Sentence Investigation Report.

9. RESTITUTION

The parties have not agreed on a restitution figure or recipient. Each side will set forth its position in advance of sentencing. The defendant agrees to be bound by the Court's restitution order.

10. RULE 11(c)(1)(B) WARNINGS

The defendant is aware that the defendant's sentence is within the sound discretion of the sentencing judge. The defendant is aware that the Court has the jurisdiction and authority to impose any sentence within the statutory maximum set for the offenses to which the defendant pleads guilty. If the Court should impose a sentence up to the maximum established by statute, the defendant cannot, for that reason alone, withdraw a guilty plea, and will remain bound to fulfill all of the obligations under this Plea Agreement.

11. SATISFACTION WITH COUNSEL

The defendant represents to the Court to be satisfied with his counsel, Ignacio Rivera-Cordero, Esq., and indicates that he has rendered effective legal assistance.

12. RIGHTS SURRENDERED BY DEFENDANT THROUGH GUILTY PLEA

Defendant understands that by entering into this agreement, the defendant surrenders certain rights as provided in this agreement. Defendant understands that the rights of criminal defendants include the following:

a. If the defendant had persisted in a plea of not guilty to the charges, the defendant would have had the right to a speedy jury trial with the assistance of counsel. The trial may be conducted by a judge sitting without a jury if the defendant, the Government and the judge agree.

b. If a jury trial is conducted, the jury would be composed of twelve lay persons selected at random. The defendant and his attorney would assist in selecting the jurors by removing prospective jurors for cause where actual bias or other disqualification is shown, or by removing prospective jurors without cause by exercising peremptory challenges. The jury would have to agree, unanimously, before it could return a verdict of either guilty or not guilty. The jury would be instructed that the defendant is presumed innocent, which it could not convict the defendant unless, after hearing all the evidence, it was persuaded of the defendant's guilt beyond a reasonable doubt, and that it was to consider each charge separately.


c. If a trial is held by the judge without a jury, the judge would find the facts and, after hearing all the evidence and considering each count separately, determine whether or not the evidence established the defendant's guilt beyond a reasonable doubt.

d. At a trial, the Government would be required to present its witnesses and other evidence against the defendant. The defendant would be able to confront those witnesses and defendant's attorney would be able to cross-examine them. In turn, the defendant could present witnesses and other evidence on defendant's own behalf. If the witnesses for the defendant would not appear voluntarily, he could require their attendance through the subpoena power of the Court.

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e. At a trial, the defendant could rely on the privilege against self-incrimination to decline to testify, and no inference of guilty could be drawn from the defendant's refusal to testify. If the defendant desired to do so, the defendant could testify on his own behalf.

13. STATEMENT OF FACTS

12 The accompanying Statement of Facts (pages 14-20 herein) signed by the defendant is hereby incorporated into this Plea Agreement. Defendant adopts the Statement of Facts and agrees that the facts therein are accurate in every respect and, had the matter proceeded to trial, that the Government would have proven those facts beyond a reasonable doubt. Further, the defendant agrees that the Statement of Facts will be used by the sentencing judge in determining the application of any sentencing guidelines in the instant case.

14. LIMITATIONS OF PLEA AGREEMENT

Defendant is fully aware that this Plea Agreement binds only the United States Attorney's Office for the District of Puerto Rico, the Environmental Crimes Section of the Department of Justice, and the defendant. It does not bind any other federal, state, or local prosecuting authority, nor does the Plea Agreement preclude civil, tax collection, or administrative actions undertaken by any entity. In exchange for complying with the terms of the Plea Agreement, the Government agrees that it will not bring any other criminal charges against the defendant for the take, export, labeling, transport, sale, or possession of reef-associated marine invertebrates including anemones, zoanths, and species of the genus *Ricordea* (such violations known to the Government and NOAA's Office of Law Enforcement as of the date the last person signs the Plea Agreement), which occurred in Puerto Rico during the time period January 1, 2013, through the date of signing.

**15. ENTIRETY OF PLEA AGREEMENT**

This written agreement constitutes the complete Plea Agreement between the Government, the defendant, and the defendant's counsel. The Government has made no promises or representations except as set forth in writing in this Plea Agreement. There are no other terms or conditions which are not stated herein.

16. AMENDMENTS TO PLEA AGREEMENT

No other promises, terms, or conditions will be entered unless in writing and signed by all parties.

17. WAIVER OF APPEAL

Defendant is aware that 18 U.S.C. § 3742 affords a defendant the right to appeal the sentence imposed. Knowing that, the defendant hereby agrees that if this Honorable Court accepts this Plea Agreement and sentences him according to its terms, conditions, and recommendations, the defendant waives and surrenders his right to appeal the judgment and sentence in this case. Nevertheless, the defendant reserves the right to appeal if ineffective assistance of counsel resulted in his decision to plead guilty and enter into this Plea Agreement. The defendant also waives any additional discovery, disclosure, or collateral attack. The defendant waives any right to any documents, evidence, or electronically stored information in the possession of the Government, NOAA, or USFWS that were obtained in connection with this case and associated investigation.

Defendant knowingly and voluntarily agrees that, if the imprisonment sentence imposed by the Court is 37 months or less, the defendant waives the right to appeal any aspect of this case's judgment and sentence, including but not limited to the term of imprisonment or probation, restitution, fines, forfeiture, and the term and conditions of supervised release.


18. FORFEITURE

The defendant agrees not to challenge his previous abandonment of property pursuant to applicable USFWS regulations. Other than the waivers set forth in paragraph 18 *supra*, the Government is not seeking forfeiture.

19. VOLUNTARINESS OF GUILTY PLEA

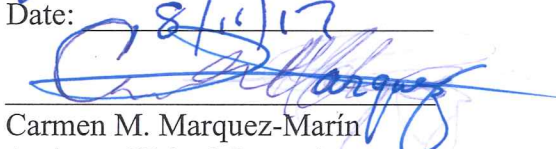
The defendant acknowledges that no threats have been made against the defendant and that the defendant is pleading guilty freely and voluntarily because the defendant is guilty.

Rosa Emilia Rodríguez Vélez
UNITED STATES ATTORNEY



José Capo-Iriarte
Assistant United States Attorney
Chief, Criminal Division

Date: 8/16/17



Carmen M. Marquez-Marín
Assistant United States Attorney

Date: 8/11/17

Jeffrey H. Wood
ACTING ASSISTANT ATTORNEY
GENERAL, ENVIRONMENT AND
NATURAL RESOURCES DIVISION



Christopher L. Hale
Department of Justice Trial Attorney

Date: 23 AUG 2017



Ignacio Rivera-Cordero, Esq.
Counsel for Defendant

Date: 23 AUG 17



Aristides Sanchez
Defendant

Date: 23 AUG 17

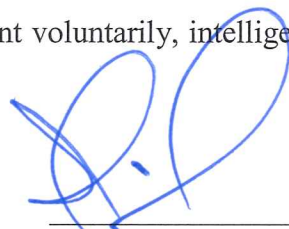
I have consulted with my counsel and fully understand all of my rights with respect to the Information pending against me. Further, I have consulted with my attorney and fully understand my rights with respect to the provisions of the Sentencing Guidelines, Policy Statements, Application, and Background Notes which may apply in my case. I have read this Plea Agreement and carefully reviewed every part of it with my attorney. I fully understand this agreement and I voluntarily agree to it.

Date: 28 AUG 17


Aristides Sanchez

I am the attorney for the defendant. I have fully explained to the defendant his rights with respect to the pending Information. Further, I have reviewed the provisions of the Sentencing Guidelines, Policy Statements, Application, and Background Notes, and I have fully explained to the defendant the provisions of those guidelines which may apply in this case. I have carefully reviewed every part of this Plea Agreement with the defendant. To my knowledge, the defendant is entering into this agreement voluntarily, intelligently, and with full knowledge of all consequences of his plea of guilty.

Date: 23 AUG 17


Ignacio Rivera, Esq.
Counsel for Defendant

STATEMENT OF FACTS

In conjunction with the submission of the accompanying Plea Agreement in this case, and pursuant to Local Rule 418.2(A), the United States of America and the defendant, Aristides Sanchez, agree that the following provides a true and accurate summary of the facts leading to the defendant's acceptance of criminal responsibility for his knowing and intentional violations of the Lacey Act. Defendant acknowledges that this Statement of Facts is a recitation of the facts necessary to support COUNTS ONE and TWO of the Information and does not set forth the United States' entire knowledge and investigation into this matter.

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The defendant lives in Arecibo, Puerto Rico. During the period of charged conduct, the defendant ran an aquarium business in Arecibo, Puerto Rico, called "Wonders of the Reef Aquarium." A large part of the business was devoted to the collection of native Puerto Rican marine species that are popular in the saltwater aquarium trade. Sanchez then sent those specimens off-island to customers in the mainland United States and foreign countries by commercial courier services such as FedEx or UPS. Sanchez shipped them in plastic bags filled with water to keep the animals alive during shipment. Sanchez usually was paid through the online service PayPal.

One of the most popular items that Sanchez sent off-island was a coral-like organism from the genus *Ricordea*. These animals are known as "rics," "polyps," or "mushrooms" in the aquarium industry. Members of the genus form part of the reef structure and spend their adult lives fastened in place to the reef. These animals are colorful in natural light, but what makes them particularly interesting to aquarium owners is that they "glow" under the UV lights that are

typically used in high end saltwater aquariums. Both zoanths and *Ricordea* exhibit this glowing property. See photos below.



Photo 1. Bags of *Ricordea* polyps shipped by Sanchez. Seized from FedEx in San Juan.



Photo 2. *Ricordea* polyps in plastic bag. Part of a seized shipment in San Juan on June 18, 2015.



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Photo 3. Reef-associated marine species (e.g., *Ricordea* and zoanthids) at Sanchez's business.



Photo 4. *Ricordea* polyps.

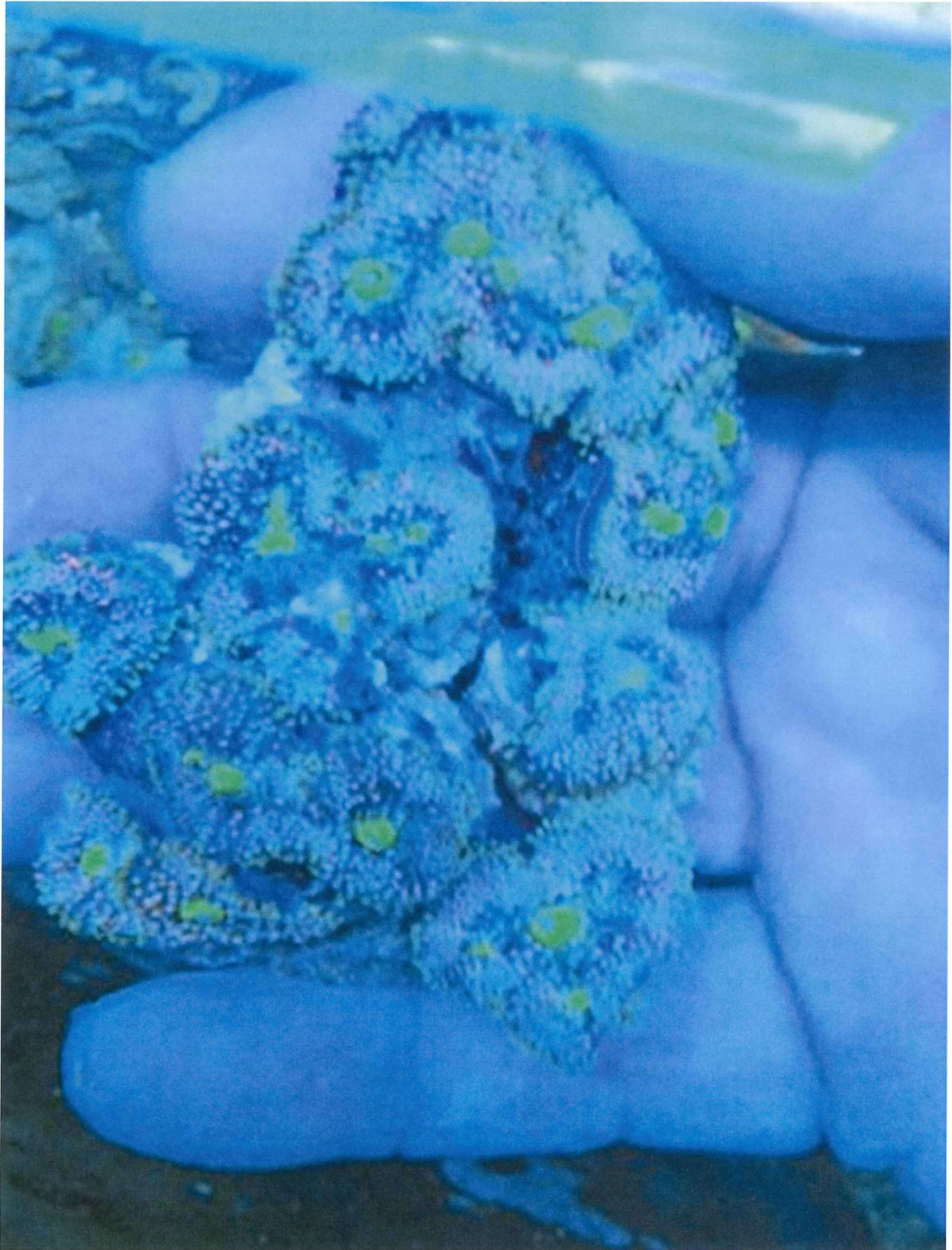


Photo 5. *Ricordea* polyps under UV light.

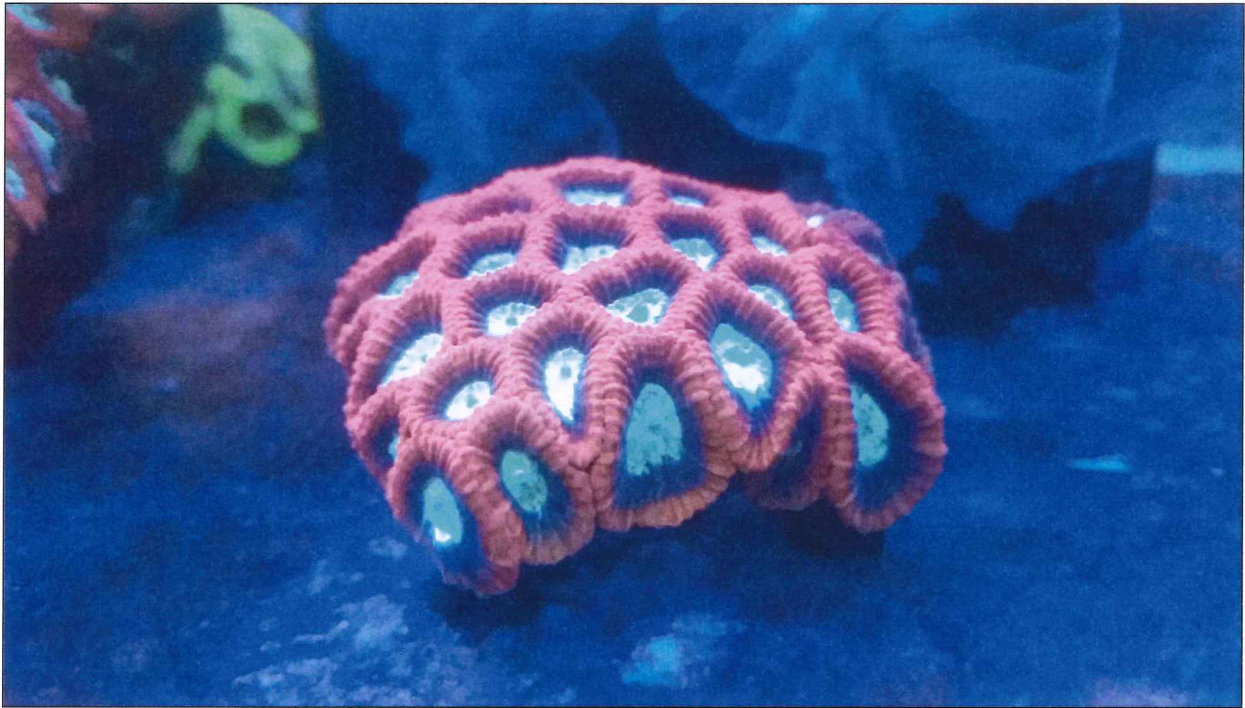


Photo 6. Cluster of *Zoanthid* polyps glowing under UV aquarium light.

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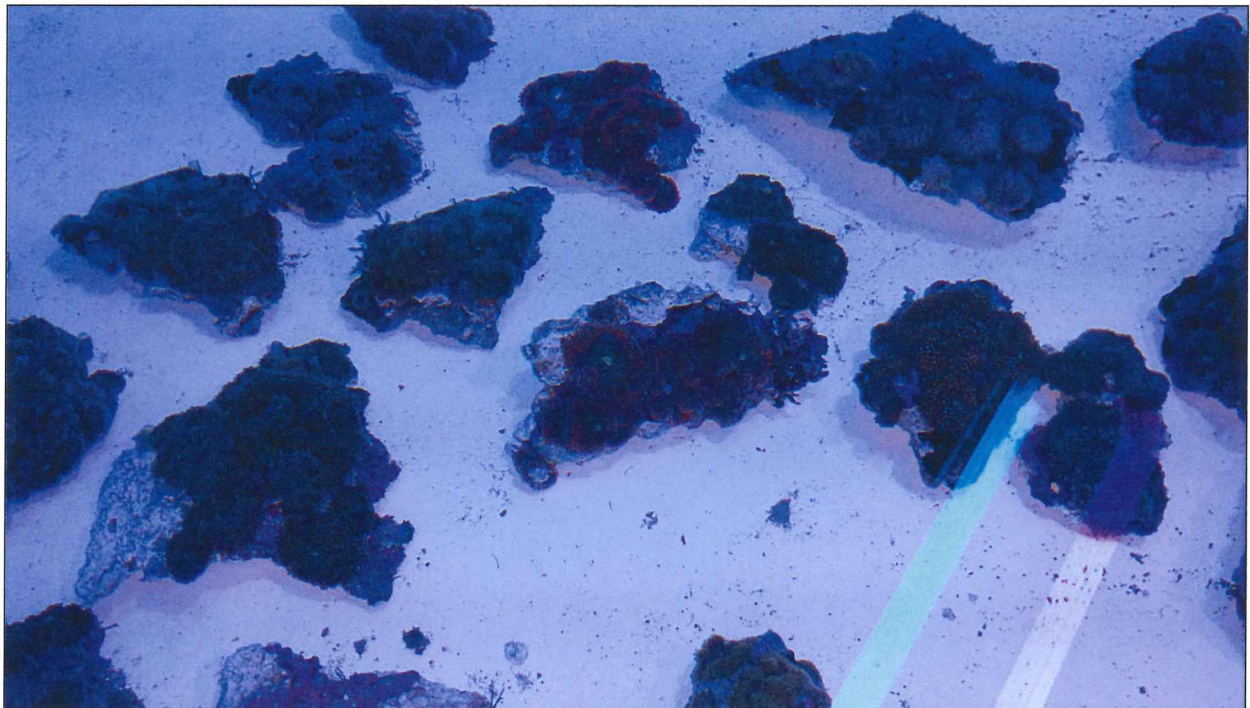


Photo 7. Chunks of reef substrate with *Ricordea* still attached in one of the defendant's tanks.

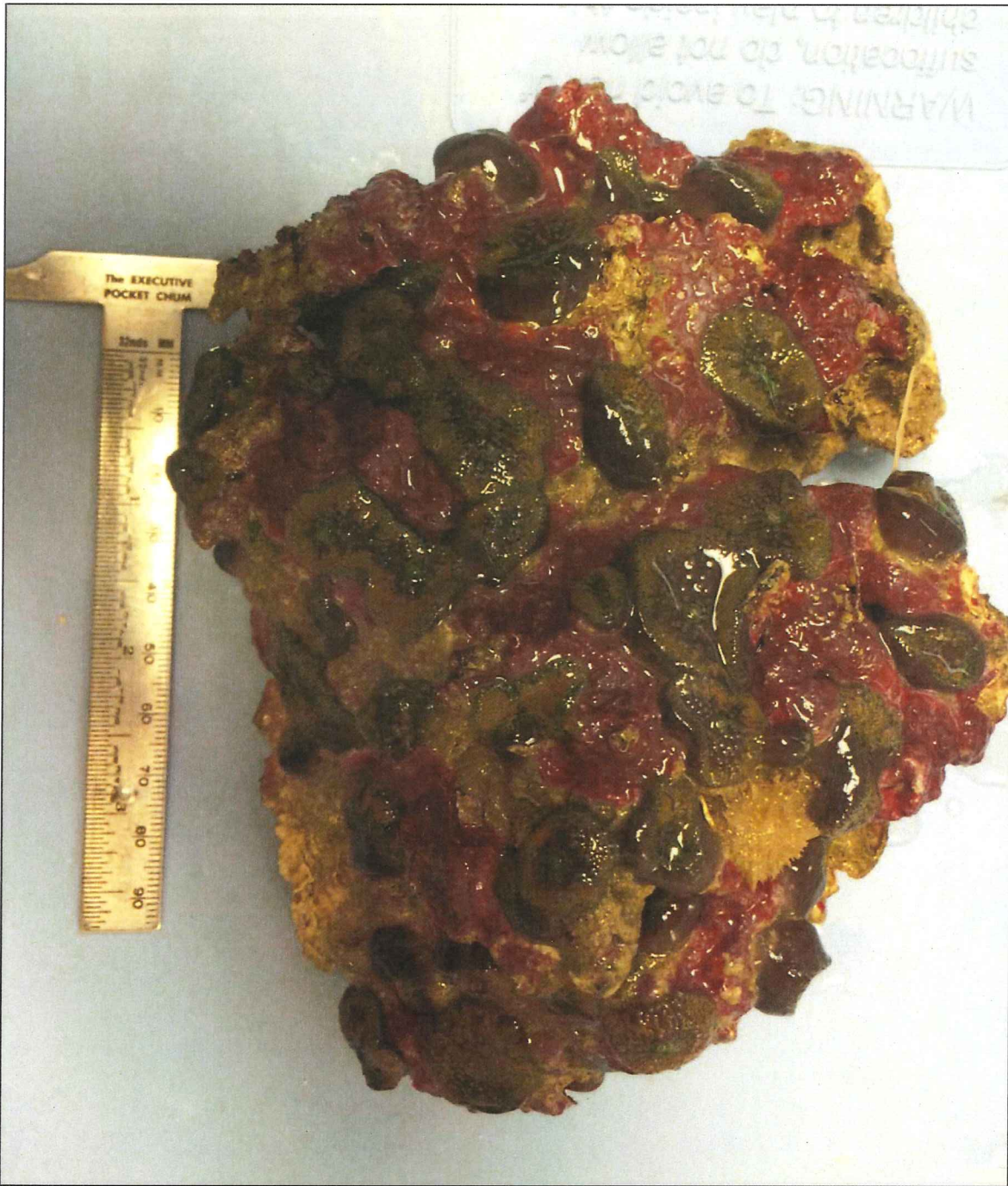


Photo 8. *Ricordea* polyps on reef substrate. Seized from Sanchez's shipment in March 2015.

It is illegal to harvest *Ricordea*, zoanthids, and anemones in Puerto Rico if those specimens are going to be sent off-island or otherwise sold commercially. During the period of charged conduct, Sanchez was aware of these prohibitions. Sanchez personally collected some of the *Ricordea* and other reef creatures that he sold off-island. On multiple occasions, he would accompany another person and they would snorkel from the shoreline in search of *Ricordea*. These marine species are not easily detectable. *Ricordea* are not prevalent in most areas accessible from the shoreline. A collector has to know where to look and what to look for. Because *Ricordea* are attached to the reef substrate, Sanchez would utilize a chisel to break off the animals, and in doing so, take chunks of the reef with him. At other times Sanchez would purchase the *Ricordea* from other sources, knowing or suspecting that the specimens had been harvested illegally. The defendant had to take much care to make sure that the animals did not perish during collection, transportation within Puerto Rico, storage prior to transport, and shipment off-island. The defendant learned to maintain the viability of the marine aquarium species through self-study, trade shows, and years of experience in commercial aquarium trade.

During the period of charged conduct, to cover up the nature of his shipments and to avoid detection from governmental inspection authorities, Sanchez would falsely label each shipment. The false labeling was one of identification whereby Sanchez would refer to living marine organisms as “pet supplies,” “aquarium supplies,” “LED lights,” or similar inanimate objects on shipping labels and invoices. Sanchez never actually shipped any inanimate objects in those boxes. It was always marine organisms from the reefs of Puerto Rico, *i.e.*, *Ricordea*, zoanthids, and anemones.

In March 2015, law enforcement from the Department of Natural and Environmental Resources seized one of Sanchez’s shipments containing *Ricordea*. Sanchez continued his illegal

activities despite a disruption in supply. One of his suppliers stopped doing business with him after the seizure. Not knowing if that supplier, who was in fact a competitor with connections to local law enforcement, was behind the seizure, Sanchez began utilizing a false name on the outgoing shipments in addition to the false descriptions. Sanchez reportedly ceased his illegal activity when federal agents executed a search warrant at his aquarium business in March 2016.

During the period of charged conduct, Sanchez sent or caused to be sent at least 130 shipments of falsely labeled marine species that were illegally harvested in the waters of Puerto Rico. Sanchez admits that the value the products shipped off-island was well in excess of the \$350 statutory threshold for felony conduct. While there is some variation in the price of *Ricordea* depending on coloration, size, and other factors, the retail value of *Ricordea* shipped by Sanchez can typically have ranged from \$25 to \$50 per item. From on or about January 7, 2013, through on or about March 16, 2016, the retail value of the falsely labeled and/or unlawfully harvested marine invertebrates shipped personally by Sanchez, or on his behalf with his knowledge, was between \$800,000 and \$1,200,000. Moreover, the defendant's illegal conduct goes back to 2011 and 2012, with an additional ten illegally labeled marine invertebrate shipments sent off-island during that period.

12

Christopher L. Hale
Trial Attorney
Date: 23 Aug 2017

Ignacio Rivera-Cordero
Counsel for Defendant
Date: 23 AUG 17

Aristides Sanchez
Defendant
Date: 23 Aug 17