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Department of Justice

U.S. Attorney's Office

Southern District of New York

FOR IMMEDIATE RELEASE

Wednesday, February 22, 2017

Beverly Hills Auctioneer Charged In Rhinoceros Horn Smuggling Conspiracy

Indictment Alleges Conspiracy to Smuggle 15 Rhinoceros Horns Valued at \$2.4 Million

Preet Bharara, the United States Attorney for the Southern District of New York, Jeffery Wood, Acting Assistant Attorney General for the Department of Justice's Environment and Natural Resources Division, and Jim Kurth, Acting Director for the U.S. Fish and Wildlife Service, announced that JACOB CHAIT, the head of acquisitions and the auctioneer of a Beverly Hills, California gallery and auction house ("Auction House #1"), was presented yesterday in U.S. Magistrate's Court in Manhattan on a one-count Indictment charging a conspiracy to smuggle rhinoceros horns and violate the Lacey Act. The Indictment was returned on February 15, 2017.

Manhattan U.S. Attorney Preet Bharara said, "As alleged, Jacob Chait trafficked in and smuggled rhinoceros horns, further threatening an already endangered species. Rhinoceros have no known predators other than humans, and yet, driven by the illegal trade in their horns, literally worth more than their weight in gold in the black market, rhinoceros are on their way to extinction. This Office, along with our partners at the Department of Justice's Environmental and Natural Resources Division, as well as the U.S. Fish and Wildlife Service, will continue to combat the illegal trade of rhinoceros horns fueling the senseless poaching of this critically endangered animal."

Acting Assistant Attorney General Wood said, "The defendant and his co-conspirators are alleged to have engaged in a scheme to illegally traffic in the horns of highly protected rhinoceros. Illegal wildlife trafficking is a serious crime under federal law and should be vigorously prosecuted."

Acting U.S. Fish & Wildlife Service Director Jim Kurth said, "Illegal trafficking like that allegedly conducted by the defendant is fueling the unprecedented slaughter of wild rhinos. In Africa, a rhino is currently poached every eight hours - a rate that threatens to make the rhino extinct in the wild in less than 15 years. Our Special Agents will continue to work with the Justice Department to aggressively investigate and secure the prosecutions of individuals and criminal organizations engaged in rhino horn trafficking to protect wild populations of this imperiled species."

According to allegations contained in the indictment^[1]:

From approximately 2009 to 2012, Chait and his co-conspirators purchased rhinoceros horns and taxidermy mounts in the U.S. and sought to sell them to foreign buyers in private deals, including in at least eight separate deals or attempted deals involving 15 rhinoceros horns worth an estimated \$2.4 million. This included one alleged incident in which Chait personally smuggled two endangered black rhino horns to China in his luggage. Rhinoceros horn is worth more per pound than gold due to the high demand in Asia and increasing scarcity of supply.

Rhinoceros are an herbivore species of prehistoric origin and one of the largest remaining mega-fauna on earth. They have no known predators other than humans. The trade in rhinoceros horn and elephant ivory has been restricted since 1976 under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), a treaty signed by over 180 countries around the world.

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Chait, 34, is charged in one count of conspiring to smuggle rhinoceros horns and to violate the Lacey Act. The charge carries a maximum penalty of five years in prison. The maximum sentence is prescribed by Congress and is provided here for informational purposes only, as any sentencing of the defendant will be determined by the judge. The case is assigned to U.S. District Judge Jesse M. Furman, before whom Chait will appear on February 27, 2017.

On June 22, 2016, Joey Chait, the Senior Auction Administrator of Auction House #1, was sentenced by the Honorable J. Paul Oetken to one year and one day for conspiring to smuggle wildlife products made from rhinoceros horn, elephant ivory, and coral with a market value of at least \$1 million, and to violate the Lacey Act.

This matter is part of Operation Crash, a continuing nation-wide crackdown by the Department of the Interior's Fish and Wildlife Service and the Department of Justice on illegal trafficking in rhinoceros horns and other wildlife crimes. A "crash" is the term for a herd of rhinoceros. This indictment represents the sixth Operation Crash case to be brought in the Southern District of New York.

An indictment contains allegations that crimes have been committed. The defendant is presumed innocent until proven guilty beyond a reasonable doubt.

U.S. Attorney Bharara and Acting Assistant Attorney General Wood thanked the U.S. Fish and Wildlife Service for its work in this investigation. This case is being prosecuted by the U.S. Attorney Office's Complex Frauds and Cybercrime Unit and the Environmental Crimes Section of the Department of Justice. Assistant U.S. Attorney Elizabeth Hanft and Senior Litigation Counsel Richard A. Udell with Department of Justice's Environmental Crimes Section in Washington, D.C. are in charge of the prosecution.

[1] As the introductory phrase signifies, the entirety of the text of the Indictment and the description of the Indictment set forth below constitute only allegations, and every fact described should be treated as an allegation.

17-058

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[Download u.s. v. jacob chait indictment.pdf](#)

Updated February 22, 2017