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 8 IN THE UNITED STATES DISTRICT COURT
 9 EASTERN DISTRICT OF CALIFORNIA

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 11 UNITED STATES OF AMERICA,
 12 Plaintiff,
 13 v.
 14 2011 TOYOTA SIENNA SE WAGON, VIN:
 5TDXK3DC7BS077981, LICENSE NUMBER:
 15 6PSZ063,
 16 Defendant.

2:14-MC-00111-TLN-CKD
 CONSENT JUDGMENT OF
 FORFEITURE

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 18 Pursuant to the Stipulation for Consent Judgment of Forfeiture, the Court finds:

19 1. Since late 2012, the Drug Enforcement Administration (“DEA”) and other law \
 20 enforcement agencies have been investigating a large-scale indoor-marijuana cultivation and
 21 distribution organization, in violation of 21 U.S.C. §§ 841 and 846, among other federal offenses.
 22 The DEA and its law enforcement partners, have been investigating this Drug Trafficking
 23 Organization (“DTO”) which is based primarily in the Eastern District of California. This
 24 investigation has revealed that DTO members are using residential houses and stolen power to
 25 cultivate large quantities of marijuana.

26 2. The DEA commenced administrative forfeiture proceedings, sending direct written
 27 notice to all known potential claimants and publishing notice to all others. On or about June 24,
 28

1 2014, the DEA received a claim from Jimmy Quanguang Xu (“Xu”) asserting an ownership
2 interest in the 2011 Toyota Sienna SE Wagon, VIN: 5TDXK3DC7BS077981, License Number:
3 6PSZ063 (“defendant vehicle”).

4 3. The United States represents that it could show at a forfeiture trial that in late 2012
5 DEA and other law enforcement agencies began investigating a large-scale indoor-marijuana
6 cultivation and distribution organization in the Sacramento area, in violation of Title 21, United
7 States Code, Sections 841 and 846, among other federal offenses. The DEA and its law
8 enforcement partners, have been investigating this DTO which is based primarily in the Eastern
9 District of California. This investigation has revealed that DTO members are using residential
10 houses and stolen power to cultivate large quantities of marijuana

11 4. The United States represents that it could show at a forfeiture trial that during the
12 investigation, 1956 Gordon Verner Circle, Stockton, California was identified as a residence likely
13 being used to cultivate marijuana. PG&E discovered the residence was stealing an enormous
14 amount of power, likely by using a bypass to steal power which is not recorded on the PG&E
15 meter or billed to the customer. The PG&E account holder at this residence was Xu of Stockton,
16 California.

17 5. The United States represents that it could show at a forfeiture trial that in March
18 2013, DEA agents obtained court authorization to install video surveillance near the residence in
19 order to observe individuals arriving and departing the front area of the residence. Over the course
20 of several weeks, agents observed a male consistently arriving every few days in the defendant
21 vehicle. The male appeared to stay inside for one to four hours and would always park inside the
22 garage, closing the garage door behind after arrival. On one occasion, DEA was able to observe
23 the license plate of the Toyota and learned it was registered to Jimmy Xu of Stockton, California.
24 On another occasion in March 2013, while the defendant vehicle was at the residence, a Toyota
25 Matrix, also registered to Jimmy Xu was observed inside the garage. A second male, similar in
26 appearance to Xu, was observed in the driveway and ultimately departed in the Matrix. I believe
27 this second male was Xu.

28 6. The United States represents that it could further show at a forfeiture trial that on or

1 about on May 1, 2013, law enforcement conducted physical surveillance at the above residence.
2 The defendant vehicle was followed as it departed from the residence. Based on probable cause
3 existing from the ongoing power theft and the suspicious observed activities of the individuals
4 seen arriving and departing over several weeks, the defendant vehicle was traffic-stopped by the
5 Stockton Police Department. During the stop, the officer smelled the odor of marijuana and
6 ultimately discovered the defendant vehicle contained approximately 105 live marijuana plants and
7 seven pounds of processed marijuana. Inside the defendant vehicle five garage door openers were
8 also found indicating that the vehicle was being used to visit other clandestine marijuana
9 operations. The driver, Huakun Liang, was arrested and determined to be the same individual
10 observed on surveillance coming and going from the residence over the course of several weeks.
11 The defendant vehicle was seized.

12 7. The United States represents that it could further show at a forfeiture trial that the
13 following day, law enforcement conducted a state search warrant at 1956 Gordon Verner Circle,
14 Stockton, California. Inside the residence, officers discovered a bypass enabling power theft, and
15 an indoor-marijuana operation. Officers seized approximately 788 live marijuana plants.

16 8. The United States could further show at a forfeiture trial that the defendant vehicle
17 is forfeitable to the United States pursuant to 21 U.S.C. § 881(a)(4).

18 9. Without admitting the truth of the factual assertions contained in this stipulation,
19 Jimmy Quanguang Xu specifically denies the same, and for the purpose of reaching an amicable
20 resolution and compromise of this matter, Jimmy Quanguang Xu agrees that an adequate factual
21 basis exists to support forfeiture of the defendant vehicle. Jimmy Quanguang Xu hereby
22 acknowledges that he is the sole owner of the defendant vehicle, and that no other person or entity
23 has any legitimate claim of interest therein. Should any person or entity institute any kind of claim
24 or action against the government with regard to its forfeiture of the defendant vehicle, Jimmy
25 Quanguang Xu shall hold harmless and indemnify the United States, as set forth below.

26 10. This Court has jurisdiction in this matter pursuant to 28 U.S.C. §§ 1345 and 1355,
27 as this is the judicial district in which acts or omissions giving rise to the forfeiture occurred.

28 11. This Court has venue pursuant to 28 U.S.C. § 1395, as this is the judicial district in

1 which the defendant vehicle was seized.

2 12. The parties herein desire to settle this matter pursuant to the terms of a duly
3 executed Stipulation for Consent Judgment of Forfeiture.

4 Based upon the above findings, and the files and records of the Court, it is hereby
5 ORDERED AND ADJUDGED:

6 13. The Court adopts the Stipulation for Consent Judgment of Forfeiture entered into by
7 and between the parties.

8 14. Upon entry of a Consent Judgment of Forfeiture forfeiting the defendant vehicle to
9 the United States herein, the U.S. Marshal Service shall sell the defendant vehicle in the most
10 commercially feasible manner, as soon as reasonably possible, for the maximum price. Potential
11 Claimant Jimmy Quanguang Xu agrees to execute promptly any documents that may be required
12 to complete the sale of the defendant vehicle.

13 15. Upon the sale of the defendant vehicle, the net sale proceeds, less any storage
14 fees, maintenance fees, disposal costs and auctioneer fees, will be divided as follows:

15 i. To claimant Jimmy Quanguang Xu: 50% of the net proceeds from the sale
16 of the defendant vehicle.

17 ii. To the United States of America: The remainder of the net sale proceeds.

18 All right, title, and interest in said funds shall be substituted for the
19 defendant vehicle and forfeited to the United States pursuant to 21 U.S.C. §
20 881(a)(4), to be disposed of according to law.

21 16. The United States of America and its servants, agents, and employees and all other
22 public entities, their servants, agents and employees, are released from any and all liability arising
23 out of or in any way connected with the seizure or forfeiture of the defendant vehicle. This is a full
24 and final release applying to all unknown and unanticipated injuries, and/or damages arising out of
25 said seizure or forfeiture, as well as to those now known or disclosed. Jimmy Quanguang Xu
26 waives the provisions of California Civil Code § 1542.

27 17. No portion of the stipulated settlement, including statements or admissions made
28 therein, shall be admissible in any criminal action pursuant to Rules 408 and 410(a)(4) of the

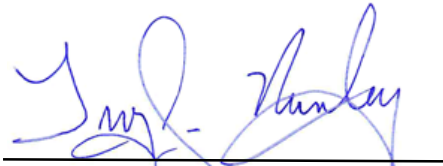
1 Federal Rules of Evidence.

2 18. All parties will bear their own costs and attorney's fees.

3 19. Pursuant to the Stipulation for Consent Judgment of Forfeiture filed herein, the Court
4 enters this Certificate of Reasonable Cause pursuant to 28 U.S.C. § 2465, that there was reasonable
5 cause for the seizure of the above-described defendant vehicle.

6 IT IS SO ORDERED.

7 Dated: March 7, 2016

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10 Troy L. Nunley
11 United States District Judge
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