

U.S. DISTRICT COURT  
DISTRICT OF VERMONT  
FILED

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UNITED STATES DISTRICT COURT  
FOR THE  
DISTRICT OF VERMONT

UNITED STATES OF AMERICA, )  
)  
*Plaintiff,* )  
v. )  
)  
Tether (USDT) held in four Target Wallets, )  
with the listed balances as of November 1, 2021 )  
(for a total of 6,610,573.440928 USDT/ETH), )  
)  
*Defendant.* )

Case No. 2:25-cv-00429

**DEFAULT JUDGMENT AND ORDER OF FORFEITURE**

WHEREAS, on April 22, 2025, the United States commenced this action by filing a Verified Complaint for Forfeiture In Rem against the above-named defendant property, to wit, Tether (USDT) held in four Target Wallets, with the listed balances as of November 1, 2021 (for a total of 6,610,573.440928 USDT/ETH) (“Defendant Property”) (ECF Doc. No. 1);

WHEREAS the Verified Complaint for Forfeiture In Rem seeks forfeiture of the Defendant Property pursuant to: (a) 18 U.S.C. § 981(a)(1)(A) because the Defendant Property constitutes property involved in a transaction or attempted transaction in violation of 18 U.S.C. § 1956 or any property traceable to such property; and (b) 18 U.S.C. § 981(a)(1)(C) because the Defendant Property constitutes proceeds derived from “specified unlawful activity” within the meaning of 18 U.S.C. §§ 1956(c)(7)(A) and 1961(1)(D), namely, the laundering of monetary instruments;

WHEREAS, on April 23, 2025, the Clerk of Court issued a Warrant for Arrest In Rem directing the arrest of the Defendant Property (ECF Doc. No. 5);

WHEREAS, on June 26, 2025, the United States Marshals Service executed the Warrant for Arrest In Rem upon the Defendant Property (ECF Doc. Nos. 7-10);

WHEREAS, on April 22, 2025, the United States sent written notice of this action and a copy of the Verified Complaint for Forfeiture In Rem to Tianqiong Xu and Feng Chen through their counsel, Clint Broden, Esq., in accordance with Rule G(4)(b) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions, and that notice advised Ms. Xu and Mr. Chen, the only known potential claimants to the Defendant Property, that a failure to file a verified claim to the Defendant Property within 35 days of the date of the notice (*i.e.*, on or before May 27, 2025) could result in a default judgment for the relief sought in the Verified Complaint for Forfeiture In Rem (ECF Doc. No. 3);

WHEREAS, in accordance with Rule G(4)(a) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions, the United States published notice of this action on an official internet government forfeiture site ([www.forfeiture.gov](http://www.forfeiture.gov)) for 30 consecutive days, from April 23, 2025, to and through May 22, 2025, and that notice advised the general public that any person claiming a legal interest in the Defendant Property must, among other things, file a verified claim with the Court within 60 days of the first date of publication (*i.e.*, on or before June 22, 2025) to avoid an order of default and forfeiture (ECF Doc. No. 6-1);

WHEREAS, on July 2, 2025, after the time for filing a claim to the Defendant Property had expired, and with no such claim having been filed and no person having otherwise appeared to defend against the Verified Complaint for Forfeiture In Rem, the United States applied to the Clerk of Court for entry of the default of the Defendant Property in accordance with Rule 55(a) of the Federal Rules of Civil Procedure and Local Rule 55(a) (ECF Doc. No. 12);

WHEREAS, on July 7, 2025, the Clerk of Court entered the default of the Defendant Property in accordance with Rule 55(a) of the Federal Rules of Civil Procedure and Local Rule 55(a) (ECF Doc. No. 13); and

WHEREAS, on July 7, 2025, the United States filed with the Court a Motion for Entry of Default Judgment for the relief that is demanded in the Verified Complaint for Forfeiture In Rem (ECF Doc. No. 14).

NOW THEREFORE the Court finds that the United States timely provided notice of this action to all known potential claimants to the Defendant Property and to the general public, that no claim to the Defendant Property has been filed and no person has otherwise appeared in this action to defend against the Verified Complaint for Forfeiture In Rem, that the Clerk of Court has entered the default of the Defendant Property, and that forfeiture of the Defendant Property pursuant to 18 U.S.C. § 981(a)(1)(A) and 18 U.S.C. § 981(a)(1)(C) is warranted as a matter of law. Accordingly, it is hereby:

**ORDERED, ADJUDGED, AND DECREED** that:

1. The United States' Motion for Entry of Default Judgment is granted;
2. All right, title and interest in the Defendant Property is forfeited and condemned to the use and benefit of the United States; and
3. The Attorney General, or his lawful designee, is authorized to dispose of the Defendant Property in accordance with law.

Dated: 7/7/25

  
\_\_\_\_\_  
HONORABLE CHRISTINA REISS  
Chief United States District Judge

**JUDGMENT ENTERED ON DOCKET**  
**DATE: 7/8/2025**