

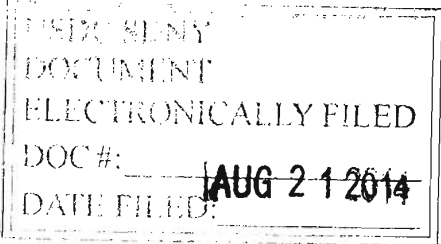
ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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:
UNITED STATES OF AMERICA :
:
- v. - :
:
ROSS WILLIAM ULBRICHT, :
a/k/a "Dread Pirate Roberts," :
a/k/a "DPR," :
a/k/a "Silk Road," :
:
Defendant. :
----- x

SUPERSEDING INDICTMENT

S1 14 Cr. 68 (KBF)



COUNT ONE
(Narcotics Trafficking)

The Grand Jury charges:

BACKGROUND

1. In or about January 2011, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, created an underground website known as "Silk Road," designed to enable users across the world to buy and sell illegal drugs and other illicit goods and services anonymously and outside the reach of law enforcement.

2. From in or about January 2011 through in or about October 2013, when the Silk Road website was shut down by law enforcement authorities, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, owned and operated Silk Road. During that time, Silk Road emerged as the most sophisticated and extensive criminal

marketplace on the Internet. The website was used by several thousand drug dealers and other unlawful vendors to distribute hundreds of kilograms of illegal drugs and other illicit goods and services to well over a hundred thousand buyers worldwide, and to launder hundreds of millions of dollars derived from these unlawful transactions.

3. ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, controlled all aspects of Silk Road, with the assistance of various paid employees whom he managed and supervised. Through his ownership and operation of Silk Road, ULBRICHT reaped commissions worth tens of millions of dollars, generated from the illicit sales conducted through the site.

4. In seeking to protect his criminal enterprise and the illegal proceeds it generated, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, pursued violent means, including soliciting the murder-for-hire of several individuals he believed posed a threat to that enterprise.

STATUTORY ALLEGATIONS

5. From in or about January 2011, up to and including in or about October 2013, in the Southern District of New York and elsewhere, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, distributed and

possessed with the intent to distribute controlled substances, and aided and abetted such distribution and possession with the intent to distribute, in violation of Title 21, United States Code, Section 841(a)(1).

6. The controlled substances involved in the offense included, among others, 1 kilogram and more of mixtures and substances containing a detectable amount of heroin, 5 kilograms and more of mixtures and substances containing a detectable amount of cocaine, 10 grams and more of mixtures and substances containing a detectable amount of lysergic acid diethylamide (LSD), and 500 grams and more of mixtures and substances containing a detectable amount of methamphetamine, its salts, isomers, and salts of its isomers, all in violation of Title 21, United States Code, Section 841(b)(1)(A).

(Title 21, United States Code, Sections 812, 841(a)(1) and 841(b)(1)(A); and Title 18, United States Code, Section 2.)

COUNT TWO

(Distribution of Narcotics by Means of the Internet)

The Grand Jury further charges:

7. The allegations contained in paragraphs 1 through 4 of this Indictment are repeated and realleged as if fully set forth herein.

8. From in or about January 2011, up to and including in or about October 2013, in the Southern District of New York and elsewhere, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts,"

a/k/a "DPR," a/k/a "Silk Road," the defendant, delivered, distributed, and dispensed controlled substances by means of the Internet, in a manner not authorized by law, and aided and abetted such activity, in violation of Title 21, United States Code, Section 841(h).

9. The controlled substances involved in the offense included, among others, 1 kilogram and more of mixtures and substances containing a detectable amount of heroin, 5 kilograms and more of mixtures and substances containing a detectable amount of cocaine, 10 grams and more of mixtures and substances containing a detectable amount of lysergic acid diethylamide (LSD), and 500 grams and more of mixtures and substances containing a detectable amount of methamphetamine, its salts, isomers, and salts of its isomers, all in violation of Title 21, United States Code, Section 841(b)(1)(A).

(Title 21, United States Code, Sections 812, 841(h)
and 841(b)(1)(A).)

COUNT THREE

(Narcotics Trafficking Conspiracy)

The Grand Jury further charges:

10. The allegations contained in paragraphs 1 through 4 of this Indictment are repeated and realleged as if fully set forth herein.

11. From in or about January 2011, up to and including in or about October 2013, in the Southern District of New York and

elsewhere, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, intentionally and knowingly did combine, conspire, confederate, and agree together and with each other to violate the narcotics laws of the United States.

12. It was a part and an object of the conspiracy that ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, would and did distribute and possess with the intent to distribute controlled substances, in violation of Title 21, United States Code, Section 841(a)(1).

13. It was further a part and an object of the conspiracy that ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, would and did deliver, distribute, and dispense controlled substances by means of the Internet, in a manner not authorized by law, and aid and abet such activity, in violation of Title 21, United States Code, Section 841(h).

14. It was further a part and an object of the conspiracy that ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, would and did knowingly and intentionally use a communication facility in committing and in causing and facilitating the commission of acts constituting a felony under Title 21, United States Code, Sections 841, 846,

952, 960, and 963, in violation of Title 21, United States Code, Section 843(b).

15. The controlled substances that ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, conspired to distribute and possess with the intent to distribute, and to deliver, distribute, and dispense by means of the Internet, in a manner not authorized by law, and to aid and abet such activity, included, among others, 1 kilogram and more of mixtures and substances containing a detectable amount of heroin, 5 kilograms and more of mixtures and substances containing a detectable amount of cocaine, 10 grams and more of mixtures and substances containing a detectable amount of lysergic acid diethylamide (LSD), and 500 grams and more of mixtures and substances containing a detectable amount of methamphetamine, its salts, isomers, and salts of its isomers, all in violation of Title 21, United States Code, Sections 841(b)(1)(A) and 841(h).

Overt Acts

16. In furtherance of the conspiracy and to effect the illegal objects thereof, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

a. In or about January 2011, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road,"

the defendant, created the Silk Road website, providing a platform for drug dealers around the world to sell a wide variety of controlled substances via the Internet.

b. On or about March 31, 2013, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, in connection with operating the Silk Road website, paid a Silk Road user ("User-1") approximately \$150,000 to murder another Silk Road user ("User-2") who was threatening to release the identities of thousands of users of the site.

c. On or about April 8, 2013, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, in connection with operating the Silk Road website, paid User-1 approximately \$500,000 to murder four additional persons, whom ULBRICHT believed were associated with User-2.

d. On or about October 1, 2013, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, logged on as a site administrator to the web server hosting the Silk Road website.

(Title 21, United States Code, Section 846.)

COUNT FOUR

(Continuing Criminal Enterprise)

The Grand Jury further charges:

17. The allegations contained in paragraphs 1 through 4 of this Indictment are repeated and realleged as if fully set forth herein.

18. From in or about January 2011, up to and including in or about October 2013, in the Southern District of New York and elsewhere, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, engaged in a continuing criminal enterprise, in that he knowingly and intentionally violated Title 21, United States Code, Sections 841, 843 and 846, which violations were part of a continuing series of violations of the Controlled Substances Act, Title 21, United States Code, Section 801, et seq., undertaken by ULBRICHT, in concert with at least five other persons with respect to whom ULBRICHT occupied a position of organizer, a supervisory position, and a position of management, and from which such continuing series of violations ULBRICHT obtained substantial income and resources.

(Title 21, United States Code, Section 848(a).)

COUNT FIVE

(Conspiracy to Commit and Aid and Abet Computer Hacking)

The Grand Jury further charges:

19. The allegations contained in paragraphs 1 through 4 of this Indictment are repeated and realleged as if fully set forth herein.

20. In addition to providing a platform for the purchase and sale of illegal narcotics, the Silk Road website also provided a platform for the purchase and sale of computer-hacking services and malicious software designed for computer hacking, such as password stealers, keyloggers, and remote access tools. While in operation, the Silk Road website regularly offered hundreds of listings for such services and software.

STATUTORY ALLEGATIONS

21. From in or about January 2011, up to and including in or about October 2013, in the Southern District of New York and elsewhere, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, intentionally and knowingly did combine, conspire, confederate, and agree together and with each other to commit computer hacking, and to aid and abet the same, in violation of Title 18, United States Code, Sections 1030(a)(2) and 2.

22. It was a part and an object of the conspiracy that ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a

"DPR," a/k/a "Silk Road," the defendant, and others known and unknown, would and did intentionally access computers without authorization, and thereby would and did obtain information from protected computers, for purposes of commercial advantage and private financial gain, and in furtherance of criminal and tortious acts in violation of the Constitution and the laws of the United States, and would and did aid and abet such unauthorized access, in violation of Title 18, United States Code, Sections 1030(a)(2) and 2.

(Title 18, United States Code, Section 1030(b).)

COUNT SIX

(Conspiracy to Traffic in Fraudulent Identification Documents)

The Grand Jury further charges:

23. The allegations contained in paragraphs 1 through 4 and paragraph 20 of this Indictment are repeated and realleged as if fully set forth herein.

24. In addition to providing a platform for the purchase and sale of illegal narcotics and computer-hacking services and software, the Silk Road website also provided a platform for the purchase and sale of fraudulent identification documents, such as fake driver's licenses and passports. While in operation, the Silk Road website regularly offered hundreds of listings for such products.

STATUTORY ALLEGATIONS

25. From in or about January 2011, up to and including in or about October 2013, in the Southern District of New York and elsewhere, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, intentionally and knowingly did combine, conspire, confederate, and agree together and with each other to traffic in fraudulent identification documents, and to aid and abet the same, in violation of Title 18, United States Code, Sections 1028(a)(2).

26. It was a part and an object of the conspiracy that ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, would and did knowingly transfer, in and affecting interstate and foreign commerce, false identification documents and authentication features, knowing that such documents and features were produced without lawful authority, including driver's licenses, personal identification cards, and documents that appeared to be issued by and under the authority of the United States, and would and did aid and abet such transfers, in violation of Title 18, United States Code, Sections 1028(a)(2) and 2.

(Title 18, United States Code, Section 1028(f).)

COUNT SEVEN

(Money Laundering Conspiracy)

The Grand Jury further charges:

27. The allegations contained in paragraphs 1 through 4 and paragraphs 20 and 24 of this Indictment are repeated and realleged as if fully set forth herein.

28. ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, designed Silk Road to include a Bitcoin-based payment system that served to facilitate the illegal commerce conducted on the site, including by concealing the identities and locations of the users transmitting and receiving funds through the site.

STATUTORY ALLEGATIONS

29. From in or about January 2011, up to and including in or about October 2013, in the Southern District of New York and elsewhere, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, intentionally and knowingly did combine, conspire, confederate, and agree together and with each other to commit money laundering, in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 1956(a)(1)(B)(i).

30. It was a part and an object of the conspiracy that ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, in offenses involving and affecting interstate and

foreign commerce, knowing that the property involved in certain financial transactions represented proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such financial transactions, which in fact involved the proceeds of specified unlawful activity, to wit, narcotics trafficking, computer hacking, and identification document fraud, in violation of Title 21, United States Code, Section 846, and Title 18, United States Code, Sections 1030 and 1028, respectively, with the intent to promote the carrying on of such specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i).

31. It was further a part and an object of the conspiracy that ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, and others known and unknown, in offenses involving and affecting interstate and foreign commerce, knowing that the property involved in certain financial transactions represented proceeds of some form of unlawful activity, would and did conduct and attempt to conduct such financial transactions, which in fact involved the proceeds of specified unlawful activity, to wit, narcotics trafficking, computer hacking, and identification document fraud, in violation of Title 21, United States Code, Section 846, and Title 18, United States Code, Sections 1030 and 1028, respectively, knowing that the transactions were designed in

whole and in part to conceal and disguise the nature, the location, the source, the ownership, and the control of the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

(Title 18, United States Code, Section 1956(h).)

FORFEITURE ALLEGATIONS

32. As a result of committing the controlled substance offenses alleged in Counts One through Four of this Indictment, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, shall forfeit to the United States, pursuant to Title 21, United States Code, Section 853, any property constituting, or derived from, any proceeds the defendant obtained, directly or indirectly, as a result of the offenses and any property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, the offenses.

33. As a result of committing the computer hacking and identification fraud offenses alleged in Counts Five and Six of this Indictment, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(2)(B), any property constituting, or derived from, proceeds obtained directly or indirectly as a result of the offenses.

34. As a result of committing the money laundering offense alleged in Count Seven of this Indictment, ROSS WILLIAM ULBRICHT, a/k/a "Dread Pirate Roberts," a/k/a "DPR," a/k/a "Silk Road," the defendant, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(1), any property, real or personal, involved in the offense, or any property traceable to such property.

Substitute Asset Provision

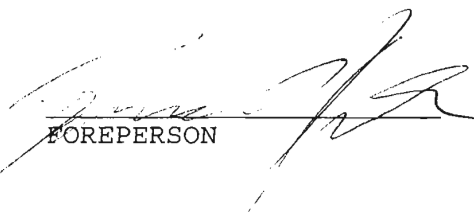
35. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b) and Title 21, United States Code, Section 853(p), to seek forfeiture of any other property

of the defendant up to the value of the above-described
forfeitable property.

(Title 18, United States Code, Sections 981 and 982,
Title 21, United States Code, Section 853;
Title 28, United States Code, Section 2461.)



FOREPERSON



PREET BHARARA
United States Attorney