

NONPRECEDENTIAL DISPOSITION

To be cited only in accordance with FED. R. APP. P. 32.1

United States Court of Appeals

**For the Seventh Circuit
Chicago, Illinois 60604**

Argued October 1, 2024
Decided October 21, 2024

Before

MICHAEL B. BRENNAN, *Circuit Judge*

MICHAEL Y. SCUDDER, *Circuit Judge*

NANCY L. MALDONADO, *Circuit Judge*

No. 24-1018

UNITED STATES OF AMERICA,
Plaintiff-Appellee,

v.

DANIEL XIE,
Defendant-Appellant.

Appeal from the United States District
Court for the Northern District of
Illinois, Eastern Division.

No. 1:22-CR-00585(1)

John J. Tharp, Jr.,
Judge.

ORDER

Daniel Xie, a businessman who transferred funds that he took from corporate bank accounts to which he had access, appeals his 18-month sentence for interstate transfer of stolen money of a value of \$5,000 or more. *See* 18 U.S.C. § 2314. He contends that the district court sentenced him based on inaccurate facts presented by the victimized company through written and oral impact statements. Because the district court did not err in imposing its sentence, we affirm.

In the spring of 2020, Daniel Xie entered into an agreement to create subsidiaries and bank accounts in the United States on behalf of Shenzhen TomTop Technology, a Chinese corporation. Xie was the sole signatory on those bank accounts. TomTop used the entities and accounts to sell its products on Walmart’s online marketplace, and in turn Walmart transferred money—ultimately more than \$2.7 million—into the subsidiaries’ accounts. Early in 2021, knowing the funds were not his, Xie transferred money from the subsidiaries’ accounts into a brokerage account and made a series of what would turn out to be poor investments. Altogether, he transferred \$2,559,303 out of the subsidiaries’ accounts. From this sum, he lost \$1,799,433 in the stock market.

An indictment followed. Xie pleaded guilty to a charge of interstate transfer of stolen money in violation of 18 U.S.C. § 2314. At the change-of-plea hearing, the district court confirmed with Xie that he understood the nature of the charge. As part of the plea agreement, the government recommended that Xie receive a sentence of three years’ probation. But after weighing the magnitude of Xie’s conduct and the victim’s wishes, the district court sentenced him to 18 months in prison. Upset with his sentence, Xie now appeals.

On appeal, Xie seems to backpedal from his guilty plea by insisting that at all times he “had legal and rightful ownership of the funds at issue.” In his brief, he suggests that the victim improperly characterized his actions as stealing rather than conversion, and that the district court misunderstood the nature of his conduct. It is unclear what point Xie is hoping to make—conversion and stealing are both illegal conduct under 18 U.S.C. § 2314. And when the government filed a response brief pointing out that the district court fully understood Xie’s behavior and intentions, Xie filed no reply. At oral argument, Xie went so far as to argue that it was improper for the district court to accept the victim’s impact statement at all.

We see nothing close to a sentencing error. The contentions made by Xie in his brief and at oral argument miss the mark and lack all merit. We remind Xie’s counsel of his obligations to our court to avoid wasting resources. We stop short of sanctions or an order to show cause and hope that this serves as ample caution to refrain from filing frivolous appeals in the future.

AFFIRMED