

FILED
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US DISTRICT COURT E.D.N.Y.
* JUNE 16, 2023 *
BROOKLYN OFFICE

FJN/EDP:CWE/AA
F. #2022R00238/OCDEF #NY-NYE-653

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
----- X

UNITED STATES OF AMERICA

- against -

ANHUI MOKER NEW MATERIAL
TECHNOLOGY CO.,
ANHUI RENCHENG
TECHNOLOGY CO., LTD.,
SHUTONG WANG,

also known as “王书通,”

SHIFANG RUAN,

also known as “Eva” and
“阮世芳,”

XINYU ZHAO,

also known as “Sarah”
and “赵新,” and

YUE GAO,

also known as “Ellie”
and “高悦,”

Defendants.

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THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

I. The Defendants

1. The defendant ANHUI RENCHENG TECHNOLOGY CO., LTD.

(“RENCHEG”) was a chemical and pharmaceutical company located in Baohe District, Hefei City, Anhui Province in the People’s Republic of China (“China”).

I N D I C T M E N T

Cr. No. 23-CR-263

(T. 18, U.S.C., §§ 371, 981(a)(1)(C),
982(a)(7), 982(b)(1), 2 and 3551 et seq.;
T. 21, U.S.C., §§ 331(a), 333(a)(2),
802(32), 813, 841(a)(1),
841(b)(1)(A)(vi), 841(b)(1)(C), 846,
853(a), 853(p) and 970; T. 28, U.S.C.,
§ 2461(c))

Judge Eric N. Vitaliano
Magistrate Judge Cheryl L. Pollak

2. RENCHENG reported gross revenue of approximately between \$50 and \$100 million per year.

3. The defendant ANHUI MOKER NEW MATERIAL TECHNOLOGY CO. (“MOKER”) was a pharmaceutical company located in Luyang District, Hefei City, Anhui Province, China.

4. MOKER reported gross revenue of approximately between \$50 and \$100 million per year.

5. MOKER was an affiliate of RENCHENG, sharing employees, software and financial accounts.

6. The defendant SHUTONG WANG, also known as “王书通,” was a citizen and resident of China. WANG was a principal of RENCHENG and MOKER.

7. The defendant SHIFANG RUAN, also known as “Eva” and “阮世芳,” was a citizen and resident of China. RUAN was a sales representative at RENCHENG.

8. The defendant XINYU ZHAO, also known as “Sarah” and “赵新,” was a citizen and resident of China. ZHAO was a sales representative at RENCHENG.

9. The defendant YUE GAO, also known as “Ellie” and “高悦,” was a citizen and resident of China. GAO was a sales representative at MOKER.

II. Chinese Chemical Companies Fuel the Fentanyl Crisis

A. The Fentanyl Crisis

10. Fentanyl is the deadliest drug threat currently facing the United States. It is a highly addictive synthetic opioid that is approximately 50 times more potent than heroin and 100 times more potent than morphine. Fentanyl and other synthetic opioids kill nearly 80,000

Americans each year, according to data from the Centers for Disease Control and Prevention. In 2021, more Americans died from fentanyl overdoses than gun- and auto-related deaths combined.

11. Fentanyl is increasingly available in various forms, including as a single substance, in mixtures with other illicit drugs (i.e., combined with heroin, cocaine and/or methamphetamine), and in forms that mimic pharmaceutical preparations, such as prescription opiates and benzodiazepines.

12. In 2022, the United States Drug Enforcement Administration (“DEA”) seized over 57 million fentanyl-laced counterfeit prescription pills and over 13,000 pounds of fentanyl powder—the equivalent of approximately 410 million potentially deadly doses of fentanyl.

B. Fentanyl Precursors

13. Fentanyl is not a naturally occurring substance. It is produced by a series of chemical reactions, through a process called synthetic organic chemistry.

14. There are several methods for producing fentanyl, each known as a “pathway.” Each pathway to fentanyl requires the combination of several component chemicals, which are known as “precursors” or “precursor chemicals.” These precursors, when mixed in the right combinations, are the building blocks of the fentanyl distributed in the United States and elsewhere.

15. Chemists working for and with the DEA can identify which substances contain fentanyl, and the pathway used to produce the fentanyl contained within a given tested substance. Based upon analyses of fentanyl recovered during numerous seizures, including from clandestine laboratories located in both the United States and Mexico, the DEA has identified the

most common pathways used to produce fentanyl, and the necessary precursors needed to produce fentanyl via those pathways.

C. Chinese Chemical Companies Supply Key Fentanyl Precursors

16. Certain chemical companies in China (“Chinese Precursor Chemical Companies”) are the primary global producers and distributors of fentanyl precursors. These companies, including the defendants RENCHENG and MOKER, supply precursors to the United States and Mexico, among other places, knowing they will be used to produce fentanyl or other controlled substances.

17. Chinese Precursor Chemical Companies, including the defendants RENCHENG and MOKER, openly advertise their products all over the world, including to the United States and Mexico, on platforms such as Twitter, China.cn, Facebook and LinkedIn.

18. Chinese Precursor Chemical Companies, including the defendants RENCHENG and MOKER, send their chemical products to the United States and Mexico by boat and by air, using international mail and express consignment carriers such as United Parcel Service, United States Postal Service, FedEx and DHL. Chinese Precursor Chemical Companies, including RENCHENG and MOKER, frequently guarantee that all shipments of chemical products will arrive at their destination without any customs issues. To prevent detection and interception of chemical products at the borders, Chinese Precursor Chemical Companies, including the defendants RENCHENG and MOKER, frequently employ deceptive and fraudulent practices, such as mislabeling packages, falsifying customs forms and making false declarations at border crossings.

D. Evasion of Fentanyl Precursor Restrictions

19. The DEA regulates controlled substances and the component chemicals of those controlled substances in different ways. The DEA maintains “schedules” regarding the classification of unlawful controlled substances and illicit drugs like fentanyl, and maintains “lists” regarding the classification of component chemicals that are used to produce controlled substances and illicit drugs. These lists include “List I” and “List II,” which include chemicals that can be used as precursors in the production of controlled substances, including fentanyl. Fentanyl is designated a Schedule II controlled substance, while various precursors that can be used to produce fentanyl are included, variously, on the controlled substance schedules, List I and List II.

20. As new pathways and precursors for creating fentanyl have been developed, the DEA has updated and supplemented the list of controlled substances and listed chemicals. For example, on July 25, 2008 and June 29, 2010, respectively, the DEA regulated two key fentanyl precursors: the DEA placed 4-anilino-N-phenethyl-4-piperidine (CAS number 21409-26-7) (“ANPP”) on Schedule II, and N-phenethyl-4-piperidone (CAS number 39742-60-4) (“NPP”) on List I.¹ The DEA regulated these chemicals after determining that NPP and ANPP were being used in clandestine laboratories to produce fentanyl.

21. Chinese Precursor Chemical Companies, including the defendants RENCHENG and MOKER, unlawfully sell scheduled controlled substances and listed chemicals. Chinese Precursor Chemical Companies have also developed and/or distributed additional precursor chemicals to circumvent regulations. For example, following the restriction of ANPP and NPP, Chinese Precursor Chemical Companies began to sell 4-piperidone (“4P”), which can be

¹ The Chemical Abstracts Service chemical registry identifies chemicals according to their unique numeric identifier (“CAS number”). A CAS number is unique and specific to only one substance regardless of how many other ways the substance can be described.

used to produce fentanyl precursors ANPP and NPP. In response to evidence that 4P was being used as a fentanyl precursor at clandestine laboratories, the DEA designated 4P as a List I chemical on May 12, 2023.

22. Chinese Precursor Chemical Companies, including the defendants RENCHENG and MOKER, have also attempted to distribute fentanyl precursors by adding “masking” molecules, which change the chemical signature of the underlying precursors. By changing the chemical signature, an altered substance may evade testing protocols and relevant regulations by appearing to be a new substance. Such masking molecules are easily removed, however, thus enabling the purchaser to return the substance to its original form as a fentanyl precursor. Chinese Precursor Chemical Companies not only produce and distribute masked precursors, but also provide instructions about how to remove the masking molecules upon receipt, thus enabling their customers to use banned precursors to produce fentanyl.

E. Mexican Cartels Buy Fentanyl Precursors from China

23. Mexican drug trafficking organizations, including but not limited to the Sinaloa and the New Generation Jalisco cartels, have increasingly availed themselves of the fentanyl, fentanyl precursors and masked fentanyl precursors developed and distributed by Chinese Precursor Chemical Companies. The materials provided by these companies have enabled such cartels and other drug trafficking organizations to produce fentanyl in clandestine laboratories on a massive scale, for subsequent distribution in the United States and elsewhere. The materials and instructions provided by Chinese Precursor Chemical Companies, including the defendants RENCHENG and MOKER, have thus directly caused and contributed to the influx of deadly fentanyl into the United States.

III. The Defendants' Fentanyl Manufacture and Fraud Conspiracy

24. From October 2021 or earlier to the present, the defendants RENCHENG, MOKER, SHUTONG WANG, also known as “王书通,” and SHIFANG RUAN, also known as “Eva” and “阮世芳,” together with others, engaged in a scheme to distribute fentanyl precursors and other chemicals, knowing that that their products would be used to produce fentanyl and other illicit drugs for distribution in the United States.

25. To reach customers, the defendant RENCHENG maintained the websites www.ahrencheng.com and www.chemicalsrc.com, and social media accounts. RENCHENG's websites listed “featured products,” which included known precursors for fentanyl and other controlled substances. RENCHENG also advertised that it accepted payment by Bitcoin and that it guaranteed “100% export clearance.”

26. Likewise, the defendant MOKER maintained the websites www.moker-china.com and www.mokerchemical.com, and social media accounts. MOKER also advertised known precursors for fentanyl and other controlled substances, and accepted payment by Bitcoin.

27. As depicted below, the defendants RENCHENG and MOKER advertised a masked variant of 4P, 1-boc-4-piperidinone, a key fentanyl precursor, by both name and CAS number. RENCHENG and MOKER also advertised their ability to communicate with customers via encrypted messaging applications.



28. To further the scheme, the defendants RENCHENG, MOKER, SHUTONG WANG, also known as “王书通,” and SHIFANG RUAN, also known as “Eva” and “阮世芳,” together with others, conspired to ship and did ship to the United States: (a) fentanyl precursors and other chemicals, such as fentanyl precursor (2-bromoethyl)benzene and a masked variant of fentanyl precursor 4P, 1-boc-4-piperidone, knowing that the chemicals would be used to produce fentanyl and other controlled substances, and (b) regulated controlled substances, such as butonitazene, which is a potent synthetic opioid.

29. In order to serve the Mexican market for fentanyl precursors, the defendant RENCHENG also maintained a warehouse in Mexico that stored and shipped fentanyl precursors.

30. While distributing fentanyl precursors, the defendants RENCHENG, MOKER, SHUTONG WANG, also known as “王书通,” and SHIFANG RUAN, also known as “Eva” and “阮世芳,” also advised customers about how to use their products to produce fentanyl. For example:

(a) On or about May 7, 2023, after previously purchasing several fentanyl precursors from RENCHENG, a confidential source (“CS-1”) provided to RUAN a known recipe to produce fentanyl and asked RUAN to have a RENCHENG chemist review the recipe. RUAN agreed to do so. RUAN also asked CS-1 to provide the amount of each fentanyl precursor listed in the fentanyl recipe that CS-1 needed, so that RENCHENG could prepare a pricing offer.

(b) On or about May 15, 2023, RUAN wrote to CS-1 in response to the fentanyl recipe that CS-1 had provided that the “first step product” in the “reaction step”—referring to fentanyl precursor 4P listed in the recipe provided by CS-1—was banned. To circumvent this ban, RUAN recommended that CS-1 instead “use other regular raw materials, regular raw materials to get a reaction to obtain this product,” and stated that RENCHENG would supply all the necessary ingredients to achieve that result.²

(c) On or about May 17, 2023, CS-1 wrote to RUAN and asked if RENCHENG’s chemist could verify that two other fentanyl precursors could replace the product 4P. RUAN said she would ask WANG, who would in turn ask RENCHENG’s chemist.

² These and other statements by the defendants were made in Mandarin Chinese, a preliminary translation of which is summarized and quoted herein.

Approximately one hour later, RUAN sent voice messages to CS-1, stating that RENCHENG's chemist said those products were "okay" as a replacement for 4P and noting that the "matter is controlled very strictly in China."

31. To expand the reach of the scheme and avoid detection, the defendants RENCHENG, MOKER, SHUTONG WANG, also known as "王书通," SHIFANG RUAN, also known as "Eva" and "阮世芳," XINYU ZHAO, also known as "Sarah" and "赵新," and YUE GAO, also known as "Ellie" and "高悦," together with others, conspired to mislabel fentanyl precursors and submit false records to customs officials. In doing so, the defendants intended to mislead the officials and violate the rules that govern the shipment and importation of fentanyl precursors and other controlled substances. For example:

(a) On or about October 28, 2022, RUAN wrote a message that stated, in sum and substance, that RENCHENG would have to change the name of a fentanyl precursor in order to clear customs. Specifically, RUAN wrote, "[W]hen it comes to [RENCHEG] clearing customs, it required the change of that good's name." RUAN added, "[F]or these raw materials, if you were to export the original ones, sometimes the originals could not be exported."

(b) On or about February 23, 2023, RENCHENG shipped fentanyl precursors to an address within the Eastern District of New York that were falsely labeled as food additives.

(c) On or about November 18, 2022, GAO wrote a message guaranteeing shipments and importation of MOKER fentanyl precursors into the United States because MOKER worked with a freight forwarder to misrepresent the shipment "as cosmetic raw materials or pigments."

(d) On or about May 5, 2023, ZHAO wrote that RENCHENG had a masked variant of fentanyl precursor 4P as well as precursors for other controlled substances for sale. ZHAO further said that RENCHENG would label the fentanyl precursors with “safe product names, such as cosmetic product names.”

32. In addition to selling fentanyl precursors, the defendants RENCHENG, SHUTONG WANG, also known as “王书通,” and SHIFANG RUAN, also known as “Eva” and “阮世芳,” together with others, also conspired to sell potent synthetic opioids in finished form. For example, in or about June 2023, RENCHENG employees WANG and RUAN stated, in sum and substance, that they had butonitazine, a Schedule I controlled substance, for sale. CS-1 agreed to purchase it, and employees of RENCHENG arranged to distribute the butonitazine to CS-1 in the United States.

COUNT ONE

(International Fentanyl Manufacture and Distribution Conspiracy)

33. The allegations contained in paragraphs one through 32 are realleged and incorporated as if full set forth in this paragraph.

34. In or about and between October 2021 and the present, both dates being approximate and inclusive, within the extraterritorial jurisdiction of the United States and the Eastern District of New York, the defendants RENCHENG TECHNOLOGY CO., LTD., ANHUI MOKER NEW MATERIAL TECHNOLOGY CO., SHUTONG WANG, also known as “王书通,” and SHIFANG RUAN, also known as “Eva” and “阮世芳,” together with others, did knowingly and intentionally conspire to manufacture and distribute one or more controlled substances, intending, knowing and having reasonable cause to believe that such substances would be unlawfully imported into the United States from a place outside thereof, which offense involved (a) a substance containing N-phenyl-N-[1-(2-phenylethyl)-4-piperidinyl] propanamide (“fentanyl”), a

Schedule II controlled substance, and (b) a substance containing one or more analogues of fentanyl, a Schedule I controlled substance, contrary to Title 21, United States Code, Sections 802(32), 813, 960(b)(3), 959(a) and 960(a)(3). The amount of fentanyl and an analogue of fentanyl involved in the conspiracy attributable to the defendants as a result of their own conduct, and the conduct of other conspirators reasonably foreseeable to them, was (a) 400 grams or more of a substance containing fentanyl, and (b) 100 grams or more of a substance containing an analogue of fentanyl.

(Title 21, United States Code, Sections 963, 960(b)(1)(F) and 959(d); Title 18, United States Code, Sections 3551 et seq.)

COUNT TWO

(Fentanyl Manufacture and Distribution Conspiracy)

35. The allegations contained in paragraphs one through 32 are realleged and incorporated as if full set forth in this paragraph.

36. In or about and between October 2021 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants RENCHENG TECHNOLOGY CO., LTD., ANHUI MOKER NEW MATERIAL TECHNOLOGY CO., SHUTONG WANG, also known as “王书通,” and SHIFANG RUAN, also known as “Eva” and “阮世芳,” together with others, did knowingly and intentionally conspire to manufacture and distribute one or more controlled substances, which offense involved (a) a substance containing fentanyl, a Schedule II controlled substance, and (b) a substance containing one or more analogues of fentanyl, a Schedule I controlled substance, contrary to Title 21, United States Code, Sections 802(32), 813, 841(a) and 841(b)(1)(A)(vi). The amount of fentanyl and an analogue of fentanyl involved in the conspiracy attributable to the defendants as a result of their own conduct, and the conduct of other conspirators reasonably foreseeable to them, was (a) 400 grams or more of a

substance containing fentanyl, and (b) 100 grams or more of a substance containing an analogue of fentanyl.

(Title 21, United States Code, Sections 846 and 841(b)(1)(A)(vi); Title 18, United States Code, Sections 3551 et seq.)

COUNT THREE
(Manufacture of Fentanyl)

37. The allegations contained in paragraphs one through 32 are realleged and incorporated as if full set forth in this paragraph.

38. In or about and between October 2021 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants RENCHENG TECHNOLOGY CO., LTD., ANHUI MOKER NEW MATERIAL TECHNOLOGY CO., SHUTONG WANG, also known as “王书通,” and SHIFANG RUAN, also known as “Eva” and “阮世芳,” together with others, did knowingly and intentionally manufacture and possess with intent to manufacture one or more controlled substances, which offense involved (a) 400 grams or more of a substance containing fentanyl, a Schedule II controlled substance, and (b) 100 grams or more of a substance containing an analogue of fentanyl, a Schedule I controlled substance.

(Title 21, United States Code, Sections 802(32), 813, 841(a)(1) and 841(b)(1)(A)(vi); Title 18, United States Code, Sections 2 and 3551 et seq.)

COUNT FOUR
(Customs Fraud Conspiracy)

39. The allegations contained in paragraphs one through 32 are realleged and incorporated as if full set forth in this paragraph.

40. In or about and between October 2021 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants

ANHUI RENCHENG TECHNOLOGY CO., LTD., ANHUI MOKER NEW MATERIAL TECHNOLOGY CO., SHUTONG WANG, also known as “王书通,” SHIFANG RUAN, also known as “Eva” and “阮世芳,” XINYU ZHAO, also known as “Sarah” and “赵新,” and YUE GAO, also known as “Ellie” and “高悦,” together with others, did knowingly and willfully conspire to introduce into the commerce of the United States imported merchandise by means of one or more fraudulent and false invoices, declarations, affidavits, letters and papers, and by means of one or more false statements, written and verbal, contrary to Title 18, United States Code, Section 542.

41. In furtherance of the conspiracy and to effect its objects, within the Eastern District of New York and elsewhere, the defendants did commit and cause the commission of, among others, the following:

OVERT ACTS

(a) On or about October 26, 2021, RUAN discussed the purchase of a masked variant of 4P with a customer based in Mexico, who was concerned about “customs problems.” In response, RUAN explained that RENCHENG’s products clear customs because of its “spcial [sic] line to Mexico and USA.”

(b) On or about October 28, 2022, RUAN wrote in a message that “when it comes to [RENCHEG] clearing customs, it required the change of that good’s name” and that “for these raw materials, if you were to export the original ones, sometimes the originals could not be exported.”

(c) On or about February 23, 2023, RENCHENG shipped fentanyl precursors to an address within the Eastern District of New York that were falsely labeled as food additives.

(d) On or about April 24, 2023, WANG discussed in a video chat the sale of fentanyl precursors and stated that his products were never seized by customs.

(e) On or about May 5, 2023, ZHAO wrote that RENCHENG had a masked variant of fentanyl precursor 4P as well as precursors for other controlled substances for sale. ZHAO further wrote that RENCHENG would fraudulently label the product with “safe product names, such as cosmetic product names.”

(f) On November 18, 2022, GAO wrote a message guaranteeing shipments and importation of MOKER chemicals into the United States because MOKER worked with a freight forwarder to misrepresent the shipment “as cosmetic raw materials or pigments.”

(Title 18, United States Code, Sections 371 and 3551 et seq.)

COUNT FIVE

(Introduction of Misbranded Drugs into Interstate Commerce)

42. The allegations contained in paragraphs one through 32 are realleged and incorporated as if full set forth in this paragraph.

43. In or about and between October 2021 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants ANHUI RENCHENG TECHNOLOGY CO., LTD., ANHUI MOKER NEW MATERIAL TECHNOLOGY CO., SHUTONG WANG, also known as “王书通,” SHIFANG RUAN, also known as “Eva” and “阮世芳,” XINYU ZHAO, also known as “Sarah” and “赵新,” and YUE GAO, also known as “Ellie” and “高悦,” together with others, did knowingly and with intent to defraud and mislead introduce into interstate commerce, deliver for introduction into interstate commerce and cause the introduction and delivery for introduction into interstate commerce of one or more drugs,

to wit: precursors for fentanyl and other controlled substances and listed chemicals, that were misbranded.

(Title 21, United States Code, Sections 331(a) and 333(a)(2); Title 18, United States Code, Sections 2 and 3551 et seq.)

COUNT SIX
(Butonitazene Distribution Conspiracy)

44. The allegations contained in paragraphs one through 32 are realleged and incorporated as if full set forth in this paragraph.

45. In or about and between May 2023 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants RENCHENG TECHNOLOGY CO., LTD., SHUTONG WANG, also known as “王书通,” and SHIFANG RUAN, also known as “Eva” and “阮世芳,” together with others, did knowingly and intentionally conspire to distribute 2-[2-(4-butoxybenzyl)-5-nitro-1 H -benzimidazol-1-yl]-N, N -diethylethan-1-amine (“butonitazene”), a Schedule I controlled substance, contrary to Title 21, United States Code, Sections 841(a) and 841(b)(1)(C).

(Title 21, United States Code, Section 846; Title 18, United States Code, Sections 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION
AS TO COUNTS ONE THROUGH THREE AND SIX

46. The United States hereby gives notice to the defendants that, upon their conviction of any of the offenses charged in Counts One through Three and Six, the government will seek forfeiture in accordance with Title 21, United States Code, Sections 853(a) and 970, which require any person convicted of such offenses to forfeit: (a) any property constituting, or derived from, any proceeds obtained directly or indirectly as the result of such offenses; and (b)

any property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such offenses.

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

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendants up to the value of the forfeitable property described in this forfeiture allegation.

(Title 21, United States Code, Sections 853(a), 853(p) and 970)

CRIMINAL FORFEITURE ALLEGATION
AS TO COUNT FOUR

48. The United States hereby gives notice to the defendants that, upon their conviction of the offense charged in Count Four, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offense to forfeit any property, real or personal, constituting, or derived from, proceeds obtained directly or indirectly as a result of such offense.

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

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be

divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendants up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 981(a)(1)(C); Title 21, United States Code, Section 853(p); Title 28, United States Code, Section 2461(c))

CRIMINAL FORFEITURE ALLEGATION
AS TO COUNT FIVE

50. The United States hereby gives notice to the defendants that, upon their conviction of the offense charged in Count Five, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(7), which requires any person convicted of a federal health care offense to forfeit property, real or personal, that constitutes, or is derived directly or indirectly from, gross proceeds traceable to the commission of such offense.

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

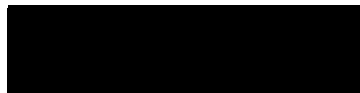
- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Sections 982(b)(1), to seek forfeiture of any other property of the defendants up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(7) and 982(b)(1); Title 21, United States Code, Section 853(p))

A TRUE BILL



FOREPERSON



BREON PEACE
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

No.

UNITED STATES DISTRICT COURT

EASTERN *District of* NEW YORK

CRIMINAL DIVISION

THE UNITED STATES OF AMERICA

vs.

ANHUI MOKER NEW MATERIAL TECHNOLOGY CO.,
ANHUI RENCHENG TECHNOLOGY CO., LTD.,
SHUTONG WANG, also known as “王书通,”
SHIFANG RUAN, also known as “Eva” and “阮世芳,”
XINYU ZHAO, also known as “Sarah” and “赵新,”
YUE GAO, also known as “Ellie” and “高悦,”

Defendants.

INDICTMENT

(T. 18, U.S.C., §§ 371, 981(a)(1)(C), 982(a)(7), 982(b)(1), 2 and 3551 et seq.; T. 21, U.S.C., §§ 331(a), 333(a)(2), 802(32), 813, 841(a)(1), 841(b)(1)(A)(vi), 841(b)(1)(C), 846, 853(a), 853(p) and 970; T. 28, U.S.C., § 2461(c))

A true bill.



Foreperson

Filed in open court this _____ day,

of _____ A.D. 20 _____

Clerk

Bail, \$ _____

Francisco Navarro, Erik Paulsen, Chand Edwards-Balfour and Adam Amir
Assistant U.S. Attorneys, (718) 254-7000