

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

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

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

UNITED STATES OF AMERICA

I N D I C T M E N T

- against -

Cr. No. 23-CR-264
(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), 841(c)(2), 846, 853(a),
853(p) and 970; T. 28, U.S.C., § 2461(c))

HEFEI GSK TRADE CO., LTD.,
also known as “Hebei Gesuke
Trading Co., Ltd.” and
“Hebei Sinaloa Trading Co.,
Ltd.,” and
RUIQING LI,
also known as “李瑞青,”

Judge Ann M. Donnelly
Magistrate Judge Peggy Kuo

Defendants.

----- X

THE GRAND JURY CHARGES:

INTRODUCTION

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

I. The Defendants

1. The defendant HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.” (“HEFEI”) was a chemical and pharmaceutical company located in Shushan Economic Development Zone, Hefei City, Anhui Province in the People’s Republic of China (“China”).

2. HEFEI reported gross revenue of between approximately \$5 million and \$10 million per year.

3. The defendant RUIQING LI, also known as “李瑞青,” was a citizen and resident of China. RUIQING LI was a principal of HEFEI.

II. Chinese Chemical Companies Fuel the Fentanyl Crisis

A. The Fentanyl Crisis

4. 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.

5. 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.

6. 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

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

8. 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.

9. 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

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

11. Chinese Precursor Chemical Companies including the defendant HEFEI, 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.

12. The Chinese Precursor Chemical Companies, including the defendant HEFEI, 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 HEFEI, 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 HEFEI, 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

13. 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.

14. 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.

15. Chinese Precursor Chemical Companies, including the defendant HEFEI, unlawfully sell scheduled controlled substances and listed chemicals. Chinese Precursor Chemical Companies, including HEFEI, 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.

16. Chinese Precursor Chemical Companies, including the defendant HEFEI, 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, including HEFEI, 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

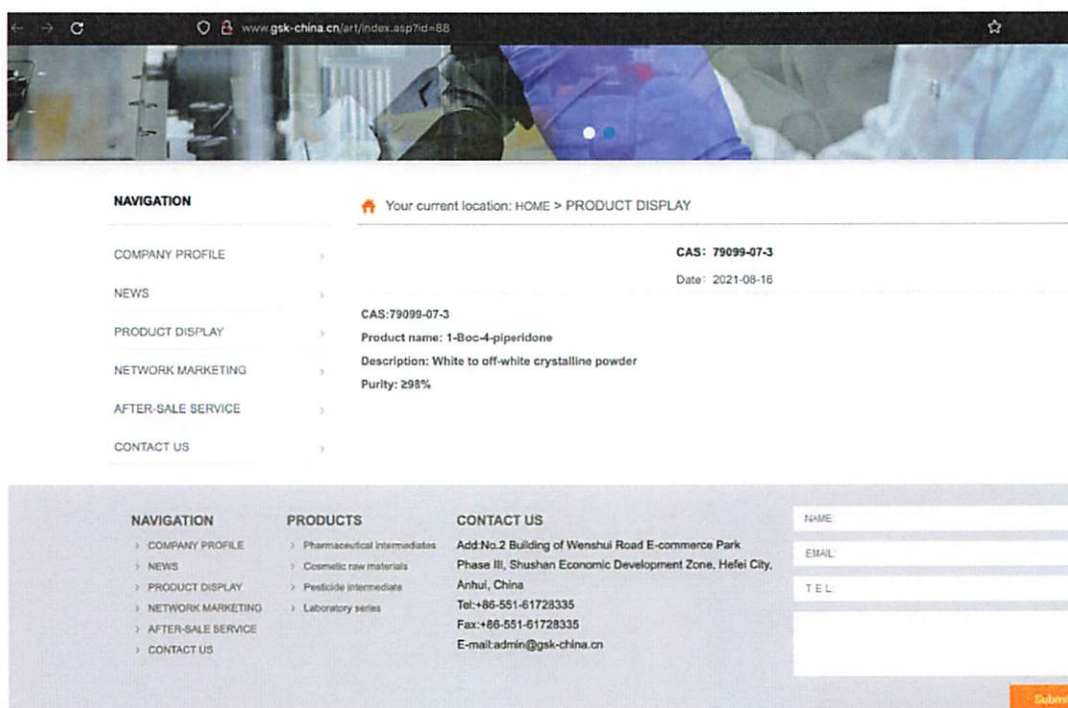
17. Mexican drug trafficking organizations, including but not limited to the Sinaloa and the New Generation Jalisco cartels, have increasingly availed themselves of the fentanyl, fentanyl precursors and masked fentanyl precursors developed and distributed by Chinese Precursor Chemical Companies. The 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 defendant HEFEI, have thus directly caused and contributed to the influx of deadly fentanyl into the United States.

III. The Defendants' Fentanyl Manufacture and Fraud Conspiracy

18. From November 2022 or earlier to the present, the defendants HEFEI and RUIQING LI, also known as “李瑞青,” 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.

19. To reach customers, the defendant HEFEI maintained the websites www.gsk-china.cn and www.gskhf-china.com. HEFEI advertised itself as a “comprehensive high-tech chemical technology enterprise specializing in the research, development, production, and sales of pharmaceutical intermediates, pesticide intermediates and organic raw materials.”

20. The defendant HEFEI also advertised and sold known precursors for fentanyl and other controlled substances, and accepted payment by Bitcoin. For example, HEFEI advertised on its website a masked variant of 4P, 1-boc-4-piperidinone, a key fentanyl precursor, by both name and CAS number, as depicted below.



The screenshot shows a web browser displaying the website www.gsk-china.cn/art/index.asp?id=88. The page features a navigation menu on the left and a main content area. The main content area displays the following information:

- NAVIGATION**: Your current location: HOME > PRODUCT DISPLAY
- COMPANY PROFILE**: CAS: 79099-07-3
- NEWS**: Date: 2021-08-16
- PRODUCT DISPLAY**: CAS:79099-07-3
- NETWORK MARKETING**: Product name: 1-Boc-4-piperidone
- AFTER-SALE SERVICE**: Description: White to off-white crystalline powder
- CONTACT US**: Purity: 298%

At the bottom of the page, there is a footer section with three columns:

- NAVIGATION**:
 - > COMPANY PROFILE
 - > NEWS
 - > PRODUCT DISPLAY
 - > NETWORK MARKETING
 - > AFTER-SALE SERVICE
 - > CONTACT US
- PRODUCTS**:
 - > Pharmaceutical intermediates
 - > Cosmetic raw materials
 - > Pesticide intermediate
 - > Laboratory series
- CONTACT US**:
 - Add.No.2 Building of Wenshui Road E-commerce Park
 - Phase III, Shushan Economic Development Zone, Hefei City,
 - Anhui, China
 - Tel: +86-551-61728335
 - Fax: +86-551-61728335
 - E-mail: admin@gsk-china.cn

On the right side of the footer, there is a contact form with fields for NAME, EMAIL, and TEL, and a Submit button.

21. Alongside other fentanyl precursors, the defendant HEFEI touted its masked variant of 4P as among its “best selling products in the Mexican market.”

22. To further the scheme, the defendants HEFEI and RUIQING LI, also known as “李瑞青,” together with others, conspired to ship and did ship: (a) all of the fentanyl precursors needed to produce fentanyl, including 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, (b) several List I chemicals, knowing they would be used to produce fentanyl, and (c) regulated controlled substances such as metonitazene, which is a potent synthetic opioid.

23. While distributing fentanyl precursors, the defendants HEFEI and RUIQING LI, also known as “李瑞青,” touted the yield of their precursors and advised customers about how to use their chemicals to produce fentanyl. For example:

(a) On or about February 20, 2023, after an undercover officer (“UC-1”) purchased a fentanyl precursor chemical from HEFEI, a HEFEI sales representative told UC-1 that HEFEI had a “new product” for sale, tert-butyl 4-anilinopiperidine-1-carboxylate (CAS number 1420850-05-0) (the “New Precursor”). HEFEI told UC-1 that the New Precursor’s “downstream product is 2 times that of” another fentanyl precursor, t-boc-para-fluoro-4-ap (CAS number 288573-56-8).

(b) Later, a HEFEI sales representative advised UC-1 about how to use the New Precursor. The HEFEI sales representative told UC-1 that the New Precursor “uses the same production method as [known fentanyl precursor t-boc-para-fluoro-4-ap]” and “[y]ou can test our new products according to the usage method of [known fentanyl precursor t-boc-para-fluoro-4-ap].”

(c) On or about May 16, 2023, following a video conference between UC-1 and LI, in which UC-1 explained that UC-1 could not obtain two-times the downstream product, HEFEI wrote a message to UC-1 with instructions about how to remove the masking molecule from the New Precursor.

24. To expand the reach of the scheme and avoid detection, the defendants HEFEI and RUIQING LI, also known as “李瑞青,” 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 November 8, 2022, HEFEI guaranteed UC-1 that packages shipped to the United States by HEFEI would “100% pass through US customs.” To assuage UC-1, a HEFEI sales representative provided a sample false label that HEFEI would use to ship precursor chemicals from China to the United States.

(b) On or about May 17, 2023, HEFEI shipped fentanyl precursors to an address within the Eastern District of New York. The package contained a document that falsely represented the chemical in the package as 2-phenoxyethanol—when in truth it was a fentanyl precursor.

25. In addition to selling fentanyl precursors, the defendants HEFEI and RUIQING LI, also known as “李瑞青,” together with others, also conspired to sell potent synthetic opioids in finished form. For example, in or about May 2023, HEFEI sold and sent to an address within the Eastern District of New York approximately 100 grams of metonitazene, a Schedule I controlled substance.

COUNT ONE

(International Fentanyl Manufacture and Distribution Conspiracy)

26. The allegations contained in paragraphs one through 25 are realleged and incorporated as if full set forth in this paragraph.

27. In or about and between November 2022 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 HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.,” and RUIQING LI, also known as “李瑞青,” 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 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)

28. The allegations contained in paragraphs one through 25 are realleged and incorporated as if full set forth in this paragraph.

29. In or about and between November 2022 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.,” and RUIQING LI, also known as “李瑞青,” 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 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 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)

30. The allegations contained in paragraphs one through 25 are realleged and incorporated as if full set forth in this paragraph.

31. In or about and between November 2022 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants

HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.,” and RUIQING LI, also known as “李瑞青,” 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 analogues 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
(List I Chemical Distribution Conspiracy)

32. The allegations contained in paragraphs one through 25 are realleged and incorporated as if full set forth in this paragraph.

33. In or about and between November 2022 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.,” and RUIQING LI, also known as “李瑞青,” together with others, did knowingly and intentionally conspire to possess and distribute one or more List I chemicals, which offense involved (a) 1-boc-4-phenylamino-piperidone (CAS number 125541-22-2) and propionic anhydride (CAS number 123-62-6), intending, knowing and having reasonable cause to believe that such chemicals would be used to manufacture one or more controlled substances, to wit: fentanyl, a Schedule II controlled substance, and an analogue of fentanyl, a Schedule I controlled substance, contrary to Title 21, United States Code, Section 841(c)(2).

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

COUNT FIVE
(Distribution of List I Chemicals)

34. The allegations contained in paragraphs one through 25 are realleged and incorporated as if full set forth in this paragraph.

35. In or about and between November 2022 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.,” and RUIQING LI, also known as “李瑞青,” together with others, did knowingly and intentionally possess and distribute one or more List I chemicals, to wit: 1-boc-4-phenylamino-piperidone (CAS number 125541-22-2) and propionic anhydride (CAS number 123-62-6), intending, knowing and having reasonable cause to believe that such chemicals would be used to manufacture one or more controlled substances, to wit: fentanyl, a Schedule II controlled substance, and an analogue of fentanyl, a Schedule I controlled substance.

(Title 21, United States Code, Section 841(c)(2); Title 18, United States Code, Sections 3551 et seq.)

COUNT SIX
(Customs Fraud Conspiracy)

36. The allegations contained in paragraphs one through 25 are realleged and incorporated as if full set forth in this paragraph.

37. In or about and between November 2022 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.,” and RUIQING LI, also known as “李瑞青,” 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.

38. 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 November 8, 2022, HEFEI guaranteed UC-1 that its packages would “100% pass through US customs.” To assure UC-1, a HEFEI sales representative provided a sample false label that HEFEI would use to ship precursors.

(b) On or about May 16, 2023, LI spoke to UC-1 video about shipments of precursors.

(c) On or about May 17, 2023, a shipment from HEFEI with precursors arrived via UPS at an address within the Eastern District of New York. The package included a document that falsely stated that the chemical in the package was 2-phoeoxyethanol.

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

COUNT SEVEN

(Introduction of Misbranded Drugs into Interstate Commerce)

39. The allegations contained in paragraphs one through 25 are realleged and incorporated as if full set forth in this paragraph.

40. In or about and between November 2022 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.,” and RUIQING LI, also known as “李瑞青,” 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 EIGHT
(Distribution of Metonitazene)

41. The allegations contained in paragraphs one through 25 are realleged and incorporated as if full set forth in this paragraph.

42. In or about and between November 2022 and the present, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants HEFEI GSK TRADE CO., LTD, also known as “Hebei Gesuke Trading Co. Ltd.” and “Hebei Sinaloa Trading Co., Ltd.,” and RUIQING LI, also known as “李瑞青,” together with others, did knowingly and intentionally distribute and possess with intent to distribute N-diethyl-2-[2-(4-methoxybenzyl)-5-nitro-1 H -benzimidazol-1-yl]ethan-1-amine (“metonitazene”), a Schedule I controlled substance.

(Title 21, United States Code, Sections 841(a)(1) and 841(b)(1)(C); Title 18, United States Code, Sections 2 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION
AS TO COUNTS ONE THROUGH FIVE AND EIGHT

43. The United States hereby gives notice to the defendants that, upon their conviction of any of the offenses charged in Counts One through Five and Eight, 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.

44. 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 SIX

45. The United States hereby gives notice to the defendants that, upon their conviction of the offense charged in Count Six, 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.

46. 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 SEVEN

47. The United States hereby gives notice to the defendants that, upon their conviction of the offense charged in Count Seven, 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.

48. 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.

HEFEI GSK TRADE CO., LTD.,
also known as "Hebei Gesuke
Trading Co., Ltd.," and
"Hebei Sinaloa
Trading Co., Ltd." and
RUIQING LI,
also known as "李瑞青,"

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*