

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

UNITED STATES OF AMERICA

v.

HUBEI SHANGLIN TRADING CO. and  
ZHIHAN WANG

CASE NO. 8:24cr8 MSS-TGW  
18 U.S.C. § 1956  
(Attempted Money Laundering)

INDICTMENT

SEALED

The Grand Jury charges:

INTRODUCTION

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FILED - USDC - FLMD - TPA

**A. The Fentanyl Epidemic in America**

1. Fentanyl is the deadliest drug threat facing the United States in its 247-year history. Not only is fentanyl 50 times more potent than heroin and 100 times more potent than morphine, a dose of as little as two milligrams can kill a grown adult. Fentanyl analogues are similar in chemical structure and effects as fentanyl.

2. Fentanyl is the leading cause of death for Americans ages 18 to 49. From February 2022 to January 2023, at least 105,263 Americans died of drug overdoses, the majority of which involved synthetic opioids such as fentanyl and fentanyl analogues. In Florida in 2021, fentanyl was present in approximately 6,417 deaths, an average of 17 fentanyl-related deaths per day.

SEALED

## **B. The Role of Fentanyl Precursors**

3. Fentanyl is a chemical that does not occur in nature. It and its analogues therefore need to be synthesized through raw chemicals known as precursors.

4. Chemicals used in interstate and foreign commerce are often identified through a Chemical Abstracts Service (CAS) Registry Number. The CAS is a division of the American Chemical Society and it maintains the CAS Registry, a list of all CAS numbered chemicals and their chemical associations. A CAS Registry Number is a unique and unambiguous identifier for a specific substance.

5. CAS: 19099-93-5 is the CAS Registry Number for 1-Z-4-Piperidone, a known fentanyl precursor used in the production of fentanyl. 4-Piperidone and any combination thereof is a List I Chemical. The amount of fentanyl that can be generated from a particular chemical is called a yield. Each yield is dependent upon a variety of factors, including the purities of the associated precursors, reagents, and solvents, as well as the expertise and experience of the laboratory operator. A theoretical yield is the maximum amount of fentanyl or fentanyl analogue a precursor could theoretically produce.

6. The theoretical yield of one kilogram of CAS: 19099-93-5 is up to 1.5 kilograms of fentanyl.

**C. Chinese Chemical Companies Supply Fentanyl Precursors to the United States and Mexican Drug Cartels**

7. The primary distributors of fentanyl and fentanyl analogues in North America are the Sinaloa Cartel and the Cartel Jalisco Nueva Generación. These two transnational criminal organizations have significant presences throughout Mexico, maintain distribution hubs in various cities across the United States, and control smuggling corridors into the United States.

8. Organizations such as the Sinaloa Cartel and Cartel Jalisco Nueva Generación receive fentanyl precursors from China that are then synthesized within clandestine laboratories into finished fentanyl at scale. China-based precursor chemical manufacturers ship precursors from mainland China by mislabeling the products being shipped and using containers and other packaging to mask their illicit contents.

**D. The Defendants**

9. HUBEI SHANGLIN TRADING COMPANY (“HUBEI SHANGLIN”) is a chemical manufacturing company based in Hubei Province, China. HUBEI SHANGLIN has never registered with the DEA to import regulated chemicals.

10. HUBEI SHANGLIN represents that it ships CAS: 19099-93-5 to Mexico and that it can deliver parcels that customs authorities will not seize.

11. ZHIHAN WANG is a national of China and listed as the account holder for the Bitcoin account HUBEI SHANGLIN utilized to complete the sale of fentanyl precursors.

**E. Contact with Undercover**

12. In or around September 2023, an individual acting on behalf of HUBEI SHANGLIN began negotiating the sale of CAS: 19099-93-5 – a known fentanyl precursor – to an individual posing as a trafficker in the United States. In reality, the trafficker in the United States was an undercover DEA Special Agent (UC-1). On or about September 10, 2023, UC-1 and HUBEI SHANGLIN initiated negotiations for chemicals:

UC-1:	Hello do you offer shipping to the USA?
HUBEI SHANGLIN:	yes What products do you need
UC-1:	My customers are looking for piperidone, 79099-07-3 and also nitazenes, please let me know if you supply and a price.
HUBEI SHANGLIN:	where is your customer come from
UC-1:	I have many customers, I am a broker in US and Mexico. I have a Mexico client asking me for 79099

13. Throughout in or around September and October 2023, HUBEI SHANGLIN represented that it can sell and ship CAS: 19099-93-5 as a substitute to

CAS: 79099-07-3 (N-Boc-4 Piperidone). HUBEI SHANGLIN engaged in the following conversation with UC-1:

UC-1: My friend, the customer informed me that 19099-93-5 is a substitute for 79099. Do you know if that is true? If so, do you offer and would price be better for 19099-93-5? I told customer I would request a price quote for [minimum order quantity] for each product so that they are pleased with the quality and it is adequate substitute for their process. Thank you friend

HUBEI SHANGLIN: A client in Mexico, too?

UC-1: Yes

HUBEI SHANGLIN: Hi friend, 19099 is a replacement for 79099, they end up with the same stuff, 19099 costs \$230 a kilo, and like 79099 it's all in full 25kg drums!

UC-1: Ok perfect. Are you able to deliver a larger quantity to them? They are asking us for big quantities, 100kgs. They no longer have a consistent supply of 79099

HUBEI SHANGLIN: We have a lot of stock. Do they need 100 kilos for the first time?

UC-1: They are able to take that amount, if you guarantee quality and delivery

Can you provide a quote to include shipping?

Same Bitcoin to make payment?

HUBEI SHANGLIN: yes

HUBEI SHANGLIN: Hi, friend, my boss said that if your customer orders 100 kg directly for the first time, we can give him 180 USD per kg

The price of 180 kg is inclusive of freight

UC-1: Ok should they pay in Bitcoin

HUBEI SHANGLIN: [Sends Bitcoin wallet]

Yes, Sir. Here's our bitcoin address

14. In October 2023, HUBEI SHANGLIN agreed with UC-1 on the price and shipment of 100 kilograms of CAS: 19099-93-5. The price was \$180/kilogram for a total of \$18,000 dollars to be sent to HUBEI SHANGLIN via Bitcoin. HUBEI SHANGLIN confirmed CAS: 19099-93-5 would be shipped in a safe and discreet manner:

HUBEI SHANGLIN: We'll turn it into a regular name, 100% customs

This is how our clients used to move their goods

We can also write the name your client wants, as long as it gets through safely

UC-1 Yes they would like the label to say electronics or mechanical equipment or similar. If it says anything suspicious it will be seized by customs. They are a long time customer of mine and very cautious

15. HUBEI SHANGLIN directed the funds be sent to ZHIHAN WANG's Bitcoin wallet. The theoretical yield of 100 kilograms of CAS: 19099-93-5 is up to 150 kilograms of fentanyl.

16. In or around early October 2023, the United States announced the prosecution of several Chinese companies and individuals for the trafficking of precursor chemicals. On or about October 13, 2023, HUBEI SHANGLIN advised UC-1 that the factory ~~that the factory~~ that supplied the chemicals is now closed <sup>MF 1/4/24</sup> "because this product has also caught many people...."

**COUNT ONE**  
**(International Money Laundering)**

Paragraphs 1 to 16 are realleged and incorporated by reference as though fully set forth herein.

In or around September through October 2023, in the Middle District of Florida, China, and elsewhere, the defendants,

HUBEI SHANGLIN TRADING CO. and  
ZHIHAN WANG,

aiding and abetting each other and others, both known and unknown to the Grand Jury, did knowingly and intentionally attempt to transport, transmit, and transfer a monetary instrument and funds from a place in the United States to and through a place outside the United States, in an amount exceeding \$10,000, with the intent to promote the carrying on of specified unlawful activity, to wit, felonious narcotics offenses involving controlled substances and listed chemicals (as those terms are defined in the Controlled Substances Act).

All in violation of 18 U.S.C. §§ 1956(a)(2)(A), (f) and 2.

**FORFEITURE**

1. The allegations contained in Count One of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures, pursuant to the provisions of 18 U.S.C. § 982(a)(1).

2. Upon conviction of Count One of this Indictment, a violation of 18 U.S.C. § 1956, punishable by imprisonment for more than one year, the defendants,

HUBEI SHANGLIN TRADING CO. and  
ZHIHAN WANG,

shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(1), any property, real or personal, involved in such offense, and any property traceable to such property.

3. The assets to be forfeited include, but are not limited to, an order of forfeiture in the amount of proceeds obtained from the offense.


4. If any of the property described above as being subject to forfeiture as a result of any act or omission of the defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred, 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 subdivided without difficulty,



the United States shall be entitled to forfeiture of substitute property under the provisions of 21 U.S.C. § 853(p), directly and as incorporated by 18 U.S.C. § 982(b)(1).

A TRUE BILL,

  
\_\_\_\_\_  
Foreperson

ROGER B. HANDBERG  
United States Attorney

By:

  
\_\_\_\_\_  
David Pardo  
Assistant United States Attorney

By:

  
\_\_\_\_\_  
Daniel Baeza  
Assistant United States Attorney  
Chief, Transnational Organized Crime Section

January 24

No.

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UNITED STATES DISTRICT COURT  
Middle District of Florida  
Tampa Division

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THE UNITED STATES OF AMERICA

vs.

HUBEI SHANGLIN TRADING CO. and  
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INDICTMENT

Violations: 18 U.S.C. § 1956

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A true bill,



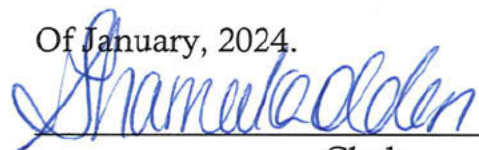
Foreperson

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Filed in open court this 4<sup>th</sup> day

Of January, 2024.



Clerk

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Bail \$ \_\_\_\_\_

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