

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

CASE NUMBER:

v.

LIANGFU HUANG,
also known as "Larry"

UNDER SEAL

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

From on or about June 12, 2014 to May 25, 2018, at Arlington Heights, in the Northern District of Illinois, Eastern Division, and elsewhere, the defendant violated:

*Code Section**Offense Description*

Title 21, United States Code, Section
846

did knowingly conspire with others known and unknown to possess with intent to distribute and distribute a controlled substance, namely, a quantity of a mixture and substance containing a detectable amount of 2-(4-chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine, a Schedule I Controlled Substance, in violation of Title 21, United States Code, Section 841(a)(1)

This criminal complaint is based upon these facts:

X Continued on the attached sheet.

JENNIFER VANN
Special Agent, Drug Enforcement Administration
(DEA)

Sworn to before me and signed in my presence.

Date: May 25, 2018

Judge's signature

City and state: Chicago, Illinois

YOUNG B. KIM, U.S. Magistrate Judge
Printed name and Title

AFFIDAVIT

I, Jennifer Vann, being duly sworn, declare and state as follows:

I. INTRODUCTION

1. I am a Special Agent of the Drug Enforcement Administration (“DEA”) and have been employed as such since approximately October 2011. As such, I am an “investigator” within the meaning of Title 18, United States Code, Section 2510(7); that is, an officer of the United States who is empowered by law to conduct investigations of offenses enumerated in Title 18, United States Code, Section 2516.

2. I am currently assigned to the Chicago Field Division Office. Throughout my career as a DEA Special Agent, I have received formal training, as well as extensive on-the-job training, relative to the investigation of the importation, transportation, sales, manufacturing, and distribution of controlled substances. I have participated in numerous investigations involving drug trafficking organizations, conspiracy, and distribution investigations. I have participated in all aspects of drug investigations, including the use of undercover officers, electronic surveillance, the execution of search and arrest warrants, investigative interviews, and the analysis of seized records, physical evidence, and taped conversations. I have also participated in federal investigations that have specifically involved the illegal trafficking of pharmaceutical controlled substances by medical doctors, physician assistants, nurse practitioners, pharmacies, distributors, manufacturers, and in

investigations that involved the illegal diversion of pharmaceutical controlled substances.

3. Through my investigations, my training and experience, and my conversations with other law enforcement personnel, I have become familiar with the tactics and methods used by traffickers to smuggle and safeguard pharmaceutical controlled substances, to distribute and divert pharmaceutical controlled substances (including over the Internet), and to collect and launder the proceeds from the sale of controlled substances. Further, I am aware of the tactics and methods employed by pharmaceutical trafficking organizations and individuals to thwart investigation of their illegal activities.

4. I have been working closely with DEA Chicago Field Division Group 38, DEA Tactical Diversion Squad (“TDS”), Internal Revenue Service – Criminal Investigation Unit (“IRS”), Food and Drug Administration (“FDA”) – Criminal Investigation Unit, and the Customs and Border Protection (“CBP”), on the investigation underlying this complaint affidavit.

5. This affidavit is submitted in support of a criminal complaint alleging that LIANGFU HUANG, aka “Larry,” has violated Title 21, United States Code, Section 846. Because this affidavit is being submitted for the limited purpose of establishing probable cause in support of a criminal complaint charging HUANG with knowingly conspiring with others known and unknown to possess with intent to distribute and distribute controlled substances, namely, 2-(4-chloro-2,5-

dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine, a Schedule I Controlled Substance, in violation of Title 21, United States Code, Section 841(a)(1), in violation of Title 21, United States Code, Section 846 (the “**Subject Offense**”), I have not included each and every fact known to me concerning this investigation. I have set forth only the facts that I believe are necessary to establish probable cause to believe that the defendant committed the **Subject Offense**.

6. The statements in this affidavit are based upon my personal observations, my training and experience, discussions with other law enforcement agents, officers, and investigators, documents and records that were collected and reviewed in the course of this investigation, information that was obtained from interviewed witnesses, reports prepared by individuals familiar with the subject of this Affidavit, email communications, and controlled purchases of controlled substances from the Subject Business.

II. BACKGROUND INFORMATION

A. Summary of the Investigation

7. In summary, law enforcement is currently investigating a business, Ark Pharm, Inc. (the “Subject Business”), for illegally distributing controlled substances over the internet despite having never registered with federal or state authorities to do so. This company came to the attention of law enforcement after law enforcement seized controlled substances at the United States border that were shipped from China and were destined for the Subject Business beginning in 2013, as discussed below in paragraph 21 and its subparagraphs.

8. Since those seizures, as discussed below in paragraphs 22-40, law enforcement has conducted five controlled purchases of controlled substances from the Subject Business from approximately November 2016 to May 2018. During those controlled purchases, law enforcement viewed controlled substances for sale on the Subject Business's website, and corresponded with certain email accounts belonging to the Subject Business. The controlled substances were then shipped via FedEx from the Subject Business, often with HUANG's name listed as the sender.

9. As discussed below in paragraphs 41-42 and their subparagraphs, in March 2018, law enforcement determined that HUANG, the president of the Subject Business, coordinates the activities of the Subject Business through an email account tied to the Subject Business. Additionally, as discussed below in paragraphs 43-48, law enforcement has determined that proceeds of law enforcement's controlled purchases are cleared into the Subject Business's bank account, which is solely owned by HUANG. HUANG then regularly transfers those and other proceeds to certain banks located in China.

10. Accordingly, because HUANG is the president of a company who distributes controlled substances, directs the operations of that company via email, and reaps the rewards of that company's illegal distribution of controlled substances, I believe there is probable cause that HUANG has committed the **Subject Offense** by conspiring with others in the Subject Business to distribute controlled substances.

B. Controlled Substance Registration Requirements

11. Through training, experience, and discussions with other experienced agents, I know that the distribution of controlled substances must meet certain federal rules and regulations. Specifically, I know the following:

a. 21 U.S.C. § 812 classifies controlled substances in Schedule I through Schedule V depending on the level of potential for abuse, the current medical use, and the level of possible physical dependence. Controlled substances that are listed in Schedule I are drugs or other substances that have a high potential for abuse; these drugs or other substances have no currently accepted medical use in treatment in the United States and there is a lack of accepted safety for use of these drugs or other substances under medical supervision. Controlled substance pharmaceuticals are listed in Schedules II through V because they are drugs for which there is a substantial potential for abuse and addiction. There are other drugs available only by prescription but not classified as controlled substances. Title 21 of the Code of Federal Regulations, Part 1308, provides further listings of scheduled drugs.

b. Title 21 of the Code of Federal Regulations, Part 1310, provides further listings of listed chemicals. Under that section, certain chemicals are designated as List I chemicals. Under 21 C.F.R. § 1300.02, a List I chemical is a chemical that, in addition to legitimate uses, is used in manufacturing a controlled substance in violation of the Controlled Substances Act and is important to the manufacture of a controlled substance.

c. Pursuant to 21 U.S.C. § 822, controlled substances or List I chemicals may only be prescribed, dispensed, or distributed by persons annually registered with the Attorney General of the United States to do so (with some exceptions, such as delivery persons). The Attorney General has delegated to the DEA authority to register such persons.

12. Distribution of controlled substances without having previously registered with the DEA is therefore a violation of the controlled substances laws, including 21 U.S.C. §§ 841 and 846. Additionally, under 21 U.S.C. § 957, no person may import into the customs territory of the United States from any place outside thereof (but within the United States), or import into the United States from any place outside thereof, any controlled substances or List I chemicals or export from the United States any controlled substances or List I chemicals unless there is in effect with respect to such person a registration issued by the Attorney General under 18 U.S.C. § 958, or unless such person is exempt from registration under § 957(b).

III. FACTS ESTABLISHING PROBABLE CAUSE

A. Background on the Subject Business

13. According to records maintained by Illinois Secretary of State, Ark Pharm Inc. (the Subject Business) was registered as an Illinois domestic corporation on or about September 9, 2007. LIANGFU HUANG, aka “Larry,” was listed as the president and registered agent of the business. According to those records, the last required annual report filed with the Illinois Secretary of State by the Subject

Business (which was dated August 21, 2017) listed HUANG as the president of the Subject Business.

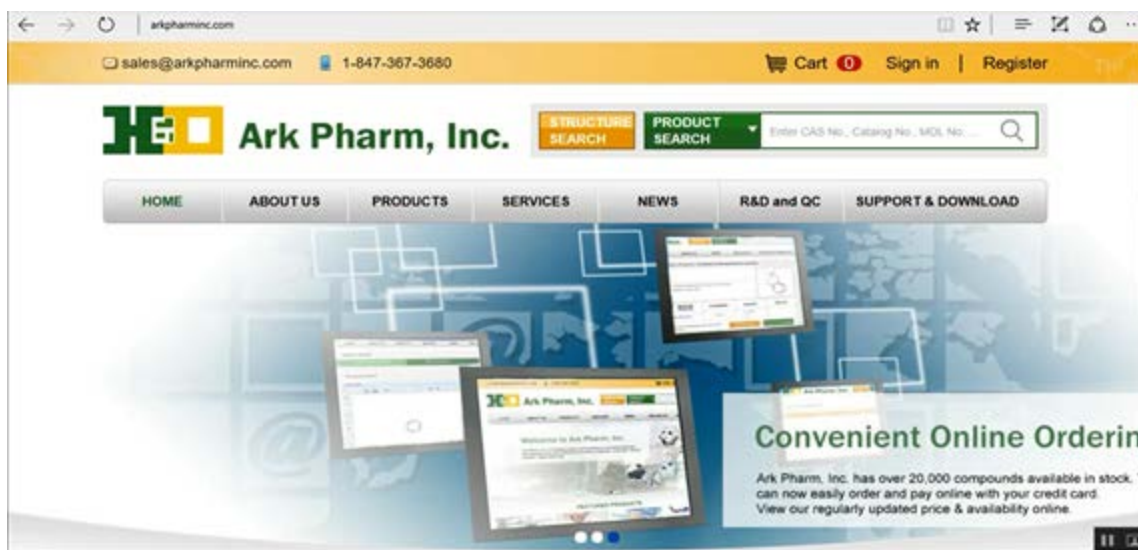
14. Law enforcement previously conducted surveillance on the Subject Business's former address, 1840 Industrial Drive, #120, Libertyville, Illinois 60048, and observed that the Subject Business was operating out of that location. In approximately December 2016, records maintained by the Village of Arlington Heights indicated that the Subject Business applied to move to Arlington Heights, Illinois. Subsequent law enforcement surveillance indicated that the 1840 Industrial Drive location was empty, and that the Subject Business had moved its location to 3860 N. Ventura Drive, Arlington Heights, Illinois 60004. Additionally, according to an annual report filed with the Illinois Secretary of State dated August 21, 2017, the principal address of the Subject Business changed to 3860 N. Ventura Drive, Arlington Heights, Illinois 60004.

15. During instances of surveillance performed at the Subject Business's current location (including most recently on May 22, 2018), law enforcement observed approximately 15-20 vehicles parked in the Subject Business's parking lot. Additionally, on May 22, 2018, law enforcement observed approximately 12-15 employees exit the Subject Business during lunchtime hours. Surveillance therefore indicates that the Subject Business currently employs approximately 15-20 employees.

16. The Illinois Department of Financial & Professional Regulation (“IDFPR”) licenses and regulates various professions and their members in Illinois, including distributors and manufacturers of controlled substances. According to records maintained by the IDFPR, neither the Subject Business nor HUANG is licensed in the State of Illinois as a distributor or a manufacturer of controlled substances or List I chemicals.

17. The DEA licenses and regulates the manufacture, sale, and distribution of controlled substances in the U.S. According to records maintained by the DEA, neither the Subject Business nor HUANG is registered as a distributor, manufacturer, importer, or exporter of controlled substances or List I chemicals.

18. Despite not having registered to distribute controlled substances, the Subject Business has advertised Schedule I-V controlled substances for sale on their publicly accessible website, www.arkpharminc.com, including controlled substances that are commonly recreationally abused. As the website screenshot below shows, the Subject Business takes orders for controlled substances via their main telephone number, 847-367-3680, or via email at sales@arkpharminc.com. The website also states that they have “over 20,000 compounds available in stock” and that customers “can now easily order and pay online.”



19. For example, according to the following screenshots of www.arkpharminc.com taken on or about May 24, 2018, the website currently advertises 2-(pyrrolidin-1-yl)-1-(p-tolyl)propan-1-one hydrochloride, commonly known as 4-MEPP (Schedule I), and 1-Benzo[d][1,3]dioxol-5-yl)-2-(dimethylamino)butan-1-one hydrochloride, commonly known as dibutylone (Schedule I). They are both part of a family of synthetic designer drugs known as “bath salts” and have a highly stimulant effect that can lead to agitation, paranoia, and hallucinations.¹ For each of these controlled substances, the website invites the customer to “[p]lease ask for a quotation”:

¹ See, e.g., WebMD.com, “Bath Salts Drug Trend: Expert Q&A,” <https://www.webmd.com/mental-health/addiction/features/bath-salts-drug-dangers#1>.

A Fresh New Look for Ark Pharm, Inc.

Ark Pharm, Inc.

Keyword Search List Search Structure Search

CAS No., Name, Catalog No., Target, MDL, No

customer service
+1-847-367-3680

Hello, Login
My Account

USA
Contact Us

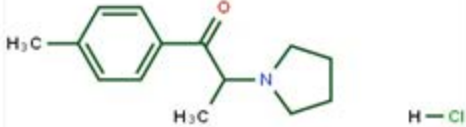
Home Chemistry Pharmaceutical Intermediates Inhibitors/Agents Materials Science Life Science Services Support

Home > Chemistry > Heterocyclic Building Blocks > Aliphatic Heterocycles > 2-(Pyrrolidin-1-yl)-1-(p-tolyl)propan-1-one hydrochloride

2-(Pyrrolidin-1-yl)-1-(p-tolyl)propan-1-one hydrochloride, 97%
CAS No.: 1313393-58-6
Cat. No. AK516963

Please ask for a quotation.

[Inquiry](#)



A Fresh New Look for Ark Pharm, Inc.

Ark Pharm, Inc.

Keyword Search List Search Structure Search

CAS No., Name, Catalog No., Target, MDL, No

customer service
+1-847-367-3680

Hello, Login
My Account

USA
Contact Us

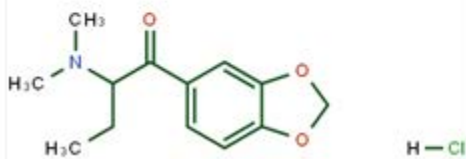
Home Chemistry Pharmaceutical Intermediates Inhibitors/Agents Materials Science Life Science Services Support

Home > Chemistry > Heterocyclic Building Blocks > Aromatic Heterocycles > 1-(Benzo[d][1,3]dioxol-5-yl)-2-(dimethylamino)butan-1-one hydrochloride

1-(Benzo[d][1,3]dioxol-5-yl)-2-(dimethylamino)butan-1-one hydrochloride, 97%
CAS No.: 17763-12-1
Cat. No. AK517505

Please ask for a quotation.

[Inquiry](#)



20. According to records maintained by Network Solutions LLC, the web-hosting company for the Subject Business's website, the arkpharminc.com domain is currently subscribed to HUANG at the prior address for the Subject Business.

B. Seizures of Controlled Substances Originating from China at the U.S. Border Destined for the Subject Business

21. From approximately 2013 to 2014, law enforcement seized at the U.S. border approximately 12 packages originating from China and addressed to the name of the Subject Business that illegally contained controlled substances. All twelve shipments were mis-manifested and tested positive for the presence of Schedule I controlled substances. For example:

a. On or about June 12, 2014, U.S. CBP seized a package originating from Shanghai, China and addressed to the name of the Subject Business. The shipment's manifest documents stated that the package contained plastic party goods. When CBP examined the package, they discovered that the package consisted of one bag that contained a crystalline substance. According to a field test, the substance tested presumptively positive for the presence of methamphetamine, a Schedule I controlled substance.

b. On or about August 14, 2014, U.S. CBP seized a package originating from Shanghai, China and addressed to the name of the Subject Business. The shipment's manifest documents stated that the package contained a plastic part. When CBP examined the package, they discovered that the package instead consisted of one bag containing a white crystalline substance. According to laboratory tests, the substance consisted of alpha-pyrrolidinopentiophenone (Alpha-PVP), a Schedule I controlled substance.

c. On or about September 18, 2014, U.S. CBP seized a package originating from Shanghai, China and addressed to the name of the Subject Business. The shipment's manifest documents stated that the package contained two toy lamps. When CBP examined the package, they discovered that the two toy lamps concealed black plastic foil bags that contained a white crystalline substance. A sample of the substance was submitted for laboratory testing and analysis, which determined that the substance contained alpha-pyrrolidinopentiophenone, also known as Alpha-PVP, a Schedule I controlled substance.

C. Controlled Purchases of Controlled Substances from the Subject Business

22. Law enforcement has subsequently conducted controlled purchases of controlled substances from the Subject Business, as follows. According to records maintained by FedEx (the carrier for the controlled substances sold by the Subject Business), the FedEx account used by the Subject Business to ship nearly all of the controlled substances described below is maintained in HUANG's name at the Subject Business. Indeed, according to those records, from January of 2016 to February of 2017, the Subject Business has made a total of approximately 28,988 shipments, approximately 23,054 of which have HUANG's name as the shipper.

December 7, 2016

23. On or about November 17, 2016, law enforcement observed that the following controlled substances were listed on the Subject Business's website as available: BZP hydrochloride (Schedule I); BZP dihydrochloride (Schedule I); PCP

phencyclidine (Schedule II); N-benzylpiperazine (Schedule I); methyldone (Schedule I); ethylone (Schedule I); butylone (Schedule I); and cocaine (Schedule II). At that time, the website advertised a year-end sale for a 60% discount on over 4,000 products.

24. On or about November 17, 2016, law enforcement conducted an online undercover purchase through the Subject Business's website. To place the order, law enforcement created a purported customer profile on the website, which requested the following information: email address, password, name, organization, position, department, address, city, state, zip code, country, telephone/mobile, and fax number. After completing the profile, law enforcement purchased 250mg of 1-phenethyl-N-phenylpiperidin-4-amin (Schedule II), and 50mg of carisoprodol (Schedule IV) through the website for a total cost of \$112.61. Law enforcement paid with a prepaid Visa gift card. The next day, the Visa gift card was charged by the Subject Business in the amount of \$112.61.

25. On or about November 28, 2016, law enforcement received an email from sales@arkpharminc.com ("Subject Email Account 1"). The email stated, "Hello, in order to process your order, please provide your company detail information by revert the attached new account setup form. Best regards, Michelle Chin." A questionnaire was attached to the email. The questionnaire asked for the following: business name, business address, city/state, zip code; country; federal tax ID; website; major business and services; years in business; number of employees; owner/officer; title; type of business; purchase contact; email; phone number; accounts payable contact; bank

account information; and trade references. The terms and conditions provided in the questionnaire state, "All the compounds are intended for laboratory research purposes, and NOT for drug, household or other use." Based on my training and experience, I believe this is a common disclaimer that is used by internet drug traffickers on the mistaken belief that the disclaimer absolves them of criminal liability for distributing controlled substances.

26. On or about December 1, 2016, law enforcement completed the questionnaire with the name of a purported business and address. Law enforcement then submitted the questionnaire to Subject Email Account 1. Later that day, a person purporting to be Michelle Chin, who was using Subject Email Account 1, responded, "Thank you for the information, your order is being processed."

27. On or about December 2, 2016, Subject Email Account 1 sent an email to law enforcement confirming receipt of the order. The email stated, "Thanks very much for trusting Ark Pharm Inc. We are dedicated to offering item(s) with good quality and better service. This is to confirm the reception of your order. Please kindly find the details." The email further provided that 0.25 grams of 1-phenethyl-N-phenylpiperidin-4-amin and 0.05 grams of carisoprodol were on its way and had an estimated delivery time of 3-4 days.

28. On or about December 7, 2016, the purchased controlled substances arrived at the purported business address provided by law enforcement via FedEx delivery. The package was addressed to the undercover name and address; the

shipper information provided, “Larry Huang [LIANGFU HUANG], Ark Pharm, Inc., 1840 Industrial Drive, #120, Libertyville, Illinois 60048 [the prior address of the Subject Business].” Inside the package wrapped in bubble wrap and packing peanuts were two vials, one labeled 1-phenethyl-N-phenylpiperidin-4-amine, AK-46318 {21409-26-7}0.25g and the other vial labeled carisoprodol, AK167644 {78-44-4}0.05g. Both substances were submitted to the DEA North Central Laboratory for testing. Testing indicated that the first substance was 4-anilino-N-phenethyl-4-piperidine, also known as ANPP (a Schedule II controlled substance), and the second substance was carisoprodol (a Schedule IV controlled substance). Based on my training and experience, I know that ANPP is a precursor chemical for fentanyl and that carisoprodol, also known as “Soma,” is commonly abused in conjunction with opiates and anti-anxiety medications.

December 20, 2016

29. On or about December 15, 2016, law enforcement conducted another controlled purchase through the Subject Business’s website. Law enforcement logged into the same customer profile it created and was able to purchase 25 grams of 1-phenethylpiperidin-N-4-one (List I) directly from the website, which according to the website was available for sale. The total amount for the transaction was \$94.13, which was paid for with a prepaid Visa gift card.

30. On or about December 16, 2016, Subject Email Account 1 sent an email to law enforcement providing an order confirmation. The email stated that 25 grams of 1-phenethylpiperidin-N-4-one were on the way with an ETA of 3-4 days.

31. On or about December 20, 2016, the controlled substance arrived at the undercover address via FedEx. The package was addressed to the undercover name and address; the shipper information again provided, "Larry Huang [LIANGFU HUANG], Ark Pharm, Inc., 1840 Industrial Drive, #120, Libertyville, Illinois 60048." The package contained one bottle of a chemical wrapped in bubble wrap. According to DEA North Central Laboratory, the bottle contained N-phenethyl-4-piperidone, also known as NPP, which is a List I chemical and a fentanyl precursor.

January 17, 2017

32. On or about January 11, 2017, law enforcement conducted another controlled purchase from the Subject Business via its website. Law enforcement logged into the same customer account and was able to purchase four grams of 2-(4-chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine hydrochloride (Schedule I) directly from the website, which according to the website was available for sale. The total amount for the transaction was \$1,818.00, which was paid for with a Visa credit card.

33. On or about January 12, 2017, law enforcement received an email from Subject Email Account 1 providing order confirmation. Additionally, on or about January 17, 2017, law enforcement received an email from a different email account attaching an invoice for the order. The attached invoice reflected that the purchased controlled substance cost \$1,818.00 after shipping, and there was a balance due of \$0.00.

34. On or about January 17, 2017, law enforcement received the purchased controlled substance via FedEx at the undercover address. The package was addressed to the undercover name and address; the shipper information stated, "Larry Huang [LIANGFU HUANG], Ark Pharm Inc., 3860 N. Ventura Drive, Arlington Heights, Illinois 60004 [the current address for The Subject Business]." The package contained 4 bottles labeled as 2-(4-Chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl)ethanamine (1 gram per bottle). According to DEA North Central Laboratory, the substance was N-(2-methoxybenzyl)-4-chloro-2,5-dimethoxyphenethylamine(25C-NBOMe) hydrochloride (which is chemically the same substance ordered), which is a Schedule I controlled substance. Based on my training and experience, I know that this substance, also known as "N-Bomb," is a psychedelic drug that has similar effects to LSD.

March 21, 2017

35. On or about March 15, 2017, law enforcement conducted another controlled purchase from the Subject Business via its website. Law enforcement logged into the same customer profile and purchased five grams of 2-(4-chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine (Schedule I) directly from the website, which according to the website was available for sale. The total amount for the transaction was \$2,212.10, which was paid for with an undercover Visa credit card.

36. On or about March 16, 2017, law enforcement received an email confirmation for the order from Subject Email Account 1.

37. On or about March 21, 2017, law enforcement received the purchased controlled substance via FedEx at the undercover address. The package was addressed to the undercover name and address; the shipper information stated, "Larry Huang [LIANGFU HUANG], Ark Pharm Inc., 3860 N. Ventura Drive, Arlington Heights, Illinois 60004 [the current address for the Subject Business]." Inside the package were five bottles packaged in bubble wrap. Each of the bottles were labeled as one gram of 2-(4-chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine, which is the Schedule I controlled substance that law enforcement ordered. Laboratory testing for the substance is currently pending at the DEA North Central Laboratory, but based on my training and experience, including my experience successfully receiving controlled substances that were accurately labeled by **Subject Business 1** as discussed above, I believe that the substance received was the Schedule I controlled substance that law enforcement ordered.

May 8, 2018

38. On or about May 2, 2018, law enforcement conducted another controlled purchase from the Subject Business via its website. Law enforcement logged into the same customer profile and purchased five milligrams of cannabidiol (Schedule I) directly from the website, which according to the website was available for sale. The total amount for the transaction was \$667.00, which was paid for with an undercover Visa credit card.

39. On or about May 3, 2018, law enforcement received an email confirmation for the order from Subject Email Account 1.

40. On or about May 8, 2018, law enforcement received the purchased controlled substance via FedEx at the undercover address. The package was addressed to the undercover name and address; the shipper information stated, “Michelle Chin, Ark Pharm Inc., 3860 N. Ventura Drive, Arlington Heights, Illinois 60004 [the current address for the Subject Business].” Inside the package was one bottle packaged in bubble wrap. The bottle was labeled as five milligrams of cannabidiol, which is the Schedule I controlled substance that law enforcement ordered. Laboratory testing for the substance is currently pending at the DEA North Central Laboratory, but based on my training and experience, including my experience successfully receiving controlled substances that were accurately labeled by **Subject Business 1** as discussed above, I believe that the substance received was the Schedule I controlled substance that law enforcement ordered, which is an active compound in cannabis.

D. HUANG’s Use of Email to Operate the Subject Business

41. On or about March 8, 2018, law enforcement conducted a border search of the belongings of HUANG as he entered the country from China at O’Hare International Airport. HUANG gave U.S. CBP officers verbal consent to search his personal items. During the search, law enforcement took photographs and video footage of the contents of HUANG’s cell phone and also photocopied pages from a notebook in HUANG’s suitcase.

42. Because of the limited nature of the search of HUANG’s cell phone, law enforcement was not able to read HUANG’s emails in their entirety. Nevertheless, the

portions that law enforcement were able to see indicate that HUANG currently uses the email address lhuang@arkpharminc.com (“Huang Email Account 1”) to direct the operations of the Subject Business. These emails were in English and/or Mandarin Chinese.² For example:

a. On or about February 24, 2018, HUANG, who was using Huang Email Account 1, emailed “michelle,” (which other emails indicate is Michelle Chin, who is believed to be using the email address mchin@arkpharminc.com) and “ZoXu.” The subject line read, “PO Number 585064: 2-Bromo-4-chloropyridine.” The visible text of the email body read, “FYI.” The text also indicated that HUANG was forwarding an email originally sent from [Individual A]@colostate.edu. Based on the subject line and visible text of this email, I believe that HUANG was forwarding a purchase confirmation for a chemical purchased by Individual A.

b. On or about February 24, 2018, HUANG, who was using Huang Email Account 1, emailed “michelle,” who is believed to have been using mchin@arkpharminc.com. The subject line read, “Check order status.” According to a draft English translation of the original Chinese, the visible text of the body read, “Did we miss these two orders? Review all folders related to ordering, and also review the past orders in the folder “Purchase order From Overseas.” Based on the subject line and the visible text of the body, I believe that in this email, HUANG directed

² The emails described below are based on draft—not final—transcriptions completed by DEA employees fluent in Mandarin Chinese.

Michelle Chin to determine whether the Subject Business failed to process several orders recently placed by a customer.

c. On or about February 24, 2018, HUANG, who was using Huang Email Account 1, emailed “michelle,” who is believed to have been using mchin@arkpharminc.com. The subject line read, “FW: Invoice 2692 from Lake Cook Pest Control.” The visible text read, “Hi Michelle: Have you paid this invoice found in “Spam” folder? If not, pls help me to pay it, or you may ask Yvonne to pay first.” Based on the subject line, visible text, and open-source information that Lake Cook Pest Control is a pest control company operating in the northwest suburbs of Chicago, I believe that in this email, HUANG directed Michelle Chin to pay an invoice for recent pest control services performed at the Subject Business.

d. On or about March 1, 2018, HUANG, who was using Huang Email Account 1, emailed “ZoXu” with the subject line “FW: #97242; lot V030 N-Benzyl-N, N-dimethyltetradecan-1-a.” The visible text in the email body read, “Hi Zo: Pls help to take care of it. Thanks! Larry.” The visible text also provided that the forwarded email was originally sent from Al Montgomery at amontgomery@matrixscientific.com. Based on the subject line, the visible text of the email, and the original sender’s email address, I believe that in this email, HUANG directed “ZoXu” to handle an issue that a customer of the Subject Business was having with an order of chemicals that were not controlled substances.

e. On or about March 1, 2018, HUANG, who was using Huang Email Account 1, emailed “ZoXu” and mhuan@arkpharminc.com with the subject line “FW: Website.” The visible text in the email body read, “Hi Zo/Mandy: Pls provide me some information about Apollo in term of discount, sales... Thanks! Larry.” Based on the visible text of the email, I believe that in this email, HUANG requested information about a specific customer’s order history.

f. On or about March 2, 2018, HUANG, who was using Huang Email Account 1,³ emailed “michelle,” who is believed to have been using mchin@arkpharminc.com, with the subject line “3860 North Ventura Drive- Result Letter.” The visible text in the email body read, “Thanks Michelle. Do we need to do anything at Ark?” Based on the subject line and the reference to “Ark,” I believe that in this email, HUANG was inquiring of Michelle Chin whether a “result letter” had any effect on the Subject Business’s operations at its current address at 3860 North Ventura Drive in Arlington Heights.

g. On or about March 2, 2018, HUANG, who was using Huang Email Account 1, emailed “Mandy,” who is believed to have been using mhuan@arkpharminc.com as discussed above, with the subject line “Website.” The

³ Law enforcement viewed these and other emails in the phone’s “Sent Emails” screen. Visible portions of emails indicate that these sent emails were responding to emails originally sent to “LarryHuang” at Huang Email Account 1. I therefore believe that these sent emails were also sent from Huang Email Account 1.

visible text in the email body read, “Thanks Mandy! Can you pls provide the sales monthly from Jan. 2017 to Feb. 2018?”

h. I believe that these emails show that HUANG is a hands-on manager of the Subject Business. In the emails, HUANG repeatedly communicated with Michelle Chin, the individual who handled the order of controlled substances that were ultimately delivered to law enforcement on or about December 7, 2016, as discussed above in paragraphs 25-26. In those emails, he forwarded a purchase order by a company customer, directed Chin to determine whether the Subject Business had failed to fill another customer’s order, and asked Chin to pay a bill for pest control at the Subject Business. Additionally, HUANG requested monthly sales data for the Subject Business from January to February 2018. Because, as discussed above, controlled purchases by law enforcement show that part of the monthly sales of the Subject Business is comprised of sales of controlled substances, I believe that the sales data that HUANG requested to see would have included sales of controlled substances at the Subject Business.

E. Financial Investigation into Accounts Controlled by HUANG

43. During the course of this investigation, law enforcement has also obtained records for Chase bank accounts owned by the Subject Business.

44. According to the Chase signature card, bank account XXXXX3057 is held in the name of the Subject Business, with HUANG as the sole authorized user. The address given for the account is 1840 Industrial Drive, Suite 280, Libertyville, IL

60048, which as discussed above in paragraph 14 is the Subject Business's prior address.

45. Chase records for bank account XXXXX3057 from January 1, 2014 to March 31, 2018 show that the account regularly receives deposits in the form of electronically processed payments (among others) and then regularly transfers funds to banks located in China. Specifically, those records show that from January 1, 2014 to March 31, 2018, bank account XXXXX3057 received a total of approximately \$3,752,997.85 in Chase Paymentech and Merchant Bankcard deposits and transferred a total of approximately \$31,097,253.00 to several banks in China. The ending balance in bank account XXXXX3057 as of March 31, 2018 was approximately \$273,521.17.

46. According to a Chase employee and from open-source information, Chase Paymentech provides electronic payment processing products for businesses that accept credit, debit, or gift cards from their customers. Once businesses accept those electronic payments, Chase will settle the funds through the payment method and will deposit the funds to the business's account. Similarly, according to open-source information, Merchant Bankcard processes credit card payments for businesses. Based on this information, and on my training and experience with this investigation (including law enforcement's understanding of how the Subject Business sells controlled substances online via its website in exchange for electronic payments), I believe that these Paymentech and Merchant Bankcard deposits are from the Subject Business's online orders.

47. As discussed above, law enforcement made electronic payments for the purchased controlled substances using prepaid Visa gift cards and credit cards. Chase records show that around the same dates that law enforcement made its controlled purchases, bank account XXXXX3057 received Paymentech and Merchant Bankcard deposits that were subsequently wired to China Merchants Bank, which according to its website is headquartered in Shenzhen, China. Based on information provided by a Chase employee, and because the amounts of these deposits exceeded the amounts paid to the Subject Business by law enforcement, I believe that these deposits aggregated multiple orders placed by multiple customers, including the controlled purchases of controlled substances placed by law enforcement. The deposits and subsequent wire transfers that correspond to each law enforcement controlled purchase are summarized below:

November 16, 2016 Purchase of \$112.61

Date	Paymentech/Merchant Bankcard Deposit Amount	Wire Transfer Amount	Wire Transfer Recipient
11/17/2016	\$8,031.45	--	--
11/18/2016	\$1,299.61	--	--
12/8/2016	--	-\$500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD
12/9/2016	--	-\$500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD
12/13/2016	--	-\$500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD

December 15, 2016 Purchase of \$94.13

Date	Paymentech/Merchant Bankcard Deposit Amount	Wire Transfer Amount	Wire Transfer Recipient
12/15/2016	\$3,916.00	--	--
12/16/2016	\$1,865.73	-\$500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD
12/19/2016	--	-\$500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD
12/21/2016	--	-\$500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD
12/28/2016	--	-\$500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD

January 11, 2017 Purchase of \$1,975.50

Date	Paymentech/Merchant Bankcard Deposit Amount	Wire Transfer Amount	Wire Transfer Recipient
1/12/17	\$6,293.10	--	--
3/15/2017	--	\$-500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD

March 15, 2017 Purchase of \$2212.00

Date	Paymentech/Merchant Bankcard Deposit Amount	Wire Transfer Amount	Wire Transfer Recipient
3/16/2017	\$3,597.76	--	--
4/14/2017	--	\$-500,000	Account #1070 CHINA MERCHANTS BANK CO. LTD

48. Based on my training and experience, including (a) my knowledge of law enforcement's controlled purchases of controlled substances from the Subject Business discussed above, and (b) the Chase bank records discussed above, I believe that the Subject Business's Chase bank account XXXXX3057, which is solely controlled by HUANG, received proceeds of the illegal distribution of controlled substances from his company. I further believe that HUANG subsequently wired those proceeds in increments of \$500,000 to banks located in China. In total, from approximately March 2017 to March 2018, in bank account XXXXX3057, HUANG received approximately \$18.58 million in total deposits and transferred approximately \$16.25 million to banks located in China.

49. Based on my training and experience, including my knowledge of the general operations of internet drug traffickers who have ties to China and of the border seizures discussed above in paragraph 21 and its subparagraphs, I believe that the purpose of these transfers to China is two-fold. First, I believe that HUANG is wiring funds back to China for his personal use there and to avoid seizure from U.S. law enforcement authorities. Second, I believe that the funds are also used in China to pay laboratories who are supplying the Subject Business with chemicals and controlled substances for later resale in the United States.

IV. CONCLUSION

50. Based on the above information, there is probable cause to believe that, from on or about June 12, 2014 to May 25, 2018, at Arlington Heights, in the Northern District of Illinois, Eastern Division, and elsewhere, LIANGFU HUANG did

knowingly conspire with others known and unknown to possess with intent to distribute and distribute a controlled substance, namely, a quantity of a mixture and substance containing a detectable amount of 2-(4-chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl) ethanamine, a Schedule I Controlled Substance, in violation of Title 21, United States Code, Section 841(a)(1), in violation of Title 21, United States Code, Section 846.

FURTHER AFFIANT SAYETH NOT.

JENNIFER VANN
Special Agent, Drug Enforcement
Administration

SUBSCRIBED AND SWORN to before me on May 25, 2018.

YOUNG B. KIM
United States Magistrate Judge