

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
 :
 : Criminal Number:
 v. :
 : 18 U.S.C. § 1343
 FNU LNU, : 18 U.S.C. § 2
 a/k/a “Dang Chanchai” :

INDICTMENT

The Grand Jury in and for the District of New Jersey, sitting at Newark,
charges:

COUNTS ONE THROUGH NINE

(Wire Fraud)

Individuals and Entities

1. At all times relevant to this Indictment:
 - a. Defendant FNU LNU, a/k/a “Dang Chanchai,” was located in and around Thailand.
 - b. UTE Group Company Limited (“UTE”) was associated with FNU LNU, a/k/a “Dang Chanchai,” and purported to be located in Yala and Samut Prakan, Thailand. FNU LNU, a/k/a “Dang Chanchai,” represented himself as the Executive Managing Director of UTE.
 - c. Victim Company-1 was a corporation located in Englewood Cliffs, New Jersey, and was seeking to purchase legitimate, potentially lifesaving personal protective equipment (“PPE”), specifically N95 masks, for ultimate supply to healthcare workers during the COVID-19 public health emergency.

d. Individual-1 was a Vice President of Victim Company-1.

Relevant Terms and Background

2. In and around December 2019, international media began reporting about a coronavirus (“COVID-19”) that had infected people within the Wuhan Province of the People’s Republic of China. COVID-19 has since become a worldwide health emergency and pandemic with reports showing that, in certain instances, complications from COVID-19 may cause death. The Centers for Disease Control and Prevention (“CDC”) has advised that the virus that causes COVID-19 spreads through respiratory droplets that are released when an infected person coughs or sneezes, and a person who is close in proximity inhales the droplets through their mouth or nose. Accordingly, the CDC has issued guidance recommending the use of facial masks to prevent the spread of the virus.

3. According to the CDC, N95 respirators and surgical masks (“N95 masks”), containing a filter, are effective in preventing the dispersement or inhalation of the virus if worn over the mouth and nose. A recommended brand of these N95 masks are manufactured by 3M Company (“3M”).

4. 3M N95 masks are highly sought-after by domestic and foreign healthcare providers, and 3M sells its N95 masks through authorized distributors that are controlled to ensure adherence to 3M’s strict quality-control standards. 3M does not authorize third parties to manufacture its products, and authorized distributors must acquire 3M products directly from 3M.

5. At all times relevant to the allegations contained herein, neither FNU LNU, a/k/a/ “Dang Chanchai,” nor UTE was authorized to sell or solicit orders for 3M N95 masks.

The Scheme to Defraud

6. Beginning at least as early as in or around March 2020 through in or around May 2020, in Bergen County, in the District of New Jersey and elsewhere, defendant

FNU LNU, a/k/a “Dang Chanchai”

knowingly and intentionally devised and intended to devise a scheme and artifice to defraud Victim Company-1, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice was in substance as set forth below.

Goal of the Scheme to Defraud

7. The goal of the scheme was for FNU LNU, a/k/a “Dang Chanchai,” to enrich himself using materially false representations about his ability to provide 3M N95 masks to Victim Company-1.

Manner and Means of the Scheme to Defraud

8. It was part of the scheme to defraud that:

a. In or around March 2020, Victim Company-1 posted a solicitation online that Victim Company-1 had an immediate need to purchase N95 masks for ultimate delivery to healthcare providers in Europe and

elsewhere.

b. On or about March 10, 2020, FNU LNU, a/k/a “Dang Chanchai,” contacted Individual-1 by email and offered to provide Victim Company-1 with N95 masks. In the email, FNU LNU, a/k/a “Dang Chanchai,” represented that he was associated with UTE and claimed that UTE could supply Victim Company-1 with N95 respirator and surgical masks.

c. FNU LNU, a/k/a “Dang Chanchai,” made false statements to Individual-1 intended to convince Individual-1 to pay UTE to provide N95 masks to Victim Company-1. Some examples include the following:

i. On or about March 13, 2020, FNU LNU, a/k/a “Dang Chanchai,” falsely represented to Individual-1 that UTE was an official distributor of 3M products.

ii. On or about March 17, 2020, FNU LNU, a/k/a “Dang Chanchai,” sent Individual-1 a UTE contract, entitled “Guarantee Agreement/Delivery Assurance,” which falsely represented that UTE could and would supply up to 10 million N95 masks to Victim Company-1.

d. Following initial payments to UTE by Victim Company-1, FNU LNU, a/k/a “Dang Chanchai,” falsely represented that 3M required additional payments to continue production of the masks. In addition, FNU LNU, a/k/a “Dang Chanchai,” falsely gave Victim Company-1 a guarantee that the masks would be ready for pick up within 3 days from receipt of the final amount owed by Victim Company-1.

e. FNU LNU, a/k/a “Dang Chanchai,” sent Individual-1 false documents purporting to be from 3M. Some examples include the following:

i. On or about April 23, 2020, FNU LNU, a/k/a “Dang Chanchai,” sent Individual-1 a false Purchase Order from 3M to UTE confirming UTE’s order of the 1,000,320 N95 masks.

ii. On or about May 5, 2020, FNU LNU, a/k/a “Dang Chanchai,” sent Individual-1 a false document purporting to be from 3M to UTE confirming an order of 300,000 3M N95 masks.

iii. On or about May 7, 2020, FNU LNU, a/k/a “Dang Chanchai,” sent Individual-1 a false document purporting to be from 3M to UTE regarding UTE’s purported order. The false document indicated that the 300,000 3M N95 masks were being processed, that the masks would be ready for pick-up on May 13, 2020, and requested payment of the remaining balance.

f. Based on FNU LNU, a/k/a “Dang Chanchai,” misrepresentations, Victim Company-1 wired payments totaling \$1,494,306.12 to UTE as depicted in Counts 1-9 below.

g. FNU LNU, a/k/a “Dang Chanchai,” and UTE did not provide a single 3M N95 mask to Victim Company-1 and ceased communicating with Victim Company-1 and Individual-1 after receiving the final payment under the agreement.

9. On or about the dates set forth below, for the purpose of executing and attempting to execute the scheme and artifice to defraud, in Bergen

County, in the District of New Jersey and elsewhere, defendant

FNU LNU, a/k/a "Dang Chanchai"

knowingly and intentionally transmitted and caused to be transmitted by means of wire communications in interstate and foreign commerce certain writings, signs, signals, pictures, and sounds, as set forth more fully below, each such wire transmission constituting a separate count of this Indictment:

Count	Approximate Date	Description
1	March 27, 2020	Wire transfer of approximately \$130,000 from Victim Company-1's account in the United States to an account held by UTE in Bangkok, Thailand.
2	April 1, 2020	Wire transfer of approximately \$120,000 from Victim Company-1's account in the United States to an account held by UTE in Bangkok, Thailand.
3	April 13, 2020	Wire transfer of approximately \$130,153.06 from Victim Company-1's account in the United States to an account held by UTE in Bangkok, Thailand.
4	April 15, 2020	Wire transfer of approximately \$100,000 from Victim Company-1's account in United States to an account held by UTE in Bangkok, Thailand.
5	April 24, 2020	Wire transfer of approximately \$230,153.06 from Victim Company-1's account in the United States to an account held by UTE in Bangkok, Thailand.
6	April 28, 2020	Wire transfer of approximately \$150,000 from Victim Company-1's account in the United States to an account held by UTE in Bangkok, Thailand.

7	May 4, 2020	Wire transfer of approximately \$267,000 from Victim Company-1's account in the United States to an account held by UTE in Bangkok, Thailand.
8	May 7, 2020	Wire transfer of approximately \$267,000 from Victim Company-1's account in the United States to an account held by UTE in Bangkok, Thailand.
9	May 11, 2020	Wire Transfer of approximately \$100,000 from Victim Company-1's account in the United States to an account held by UTE in Bangkok, Thailand.

In violation of Title 18, United States Code, Section 1343 and 2.

FORFEITURE ALLEGATION

1. The allegations contained in Counts One through Nine of this Indictment are hereby realleged and incorporated by reference for the purpose of noticing forfeiture, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c).

2. Pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), upon conviction of wire fraud, in violation of 18 U.S.C. § 1343, as alleged in Counts One through Nine of this Indictment, which is an offense constituting specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), defendant FNU LNU, a/k/a “Dang Chanchai,” shall forfeit to the United States all property, real and personal, the defendant obtained that constitutes or is derived from proceeds traceable to the commission of said offenses, and all property traceable thereto.

Substitute Assets Provision

3. If any of the above-described forfeitable property, 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 or sold to, or deposited with, a third person;
- (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;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

A True Bill,

Foreperson


CRAIG CARPENITO
United States Attorney