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3:04-CR-01765 USA V. KASPER

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FEDERAL U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

BY: *[Signature]* DEPUTY

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*Unsealed
7-22-04*

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

January 2003 Grand Jury

10 UNITED STATES OF AMERICA,

11 Plaintiff,

v.

12 JOSEPH S. KASPER (1),
13 THOMAS C. KASPER (2),
14 BETH E. BADRAK (3),
15 ELAINE A. VILLALOBOS (4),
16 INTERNATIONAL FINE CHEMICAL
AND SUPPLY, INC.
dba OMEGA FINE CHEMICALS (5),
17 SOURCE MANAGEMENT
INTERNATIONAL, INC. (6),

18 Defendants.

Criminal Case No. 04CR 1765 WQH

INDICTMENT

Title 21, U.S.C., Secs. 846 and 841(a)(1) -
Conspiracy to Distribute Controlled Substance
Analogues; Title 21, U.S.C., Secs. 841(a)(1) and
(b)(1)(C) - Distribution of Controlled Substance
Analogues; Title 21, U.S.C., Sec. 859 -
Distribution of Controlled Substance Analogues to
Person Under 21 Years of Age; Title 18, U.S.C.,
Sec. 2 - Aiding and Abetting; Title 18, U.S.C.,
Secs. 1956(h) and 1956(a)(1)(A)(i) - Conspiracy to
Launder Money; Title 21, U.S.C., Sec. 853(a),
Title 18, U.S.C., Sec. 982, and Title 21, U.S.C.,
Sec. 853(p) - Criminal Forfeiture

19 The grand jury charges:

20 Count 1

21 INTRODUCTORY ALLEGATIONS

22 1. At various times material to this Indictment, defendants JOSEPH S. KASPER,
23 THOMAS C. KASPER, BETH E. BADRAK and ELAINE A. VILLALOBOS maintained and operated
24 an internet business website named OMEGA FINE CHEMICALS.

25 2. At various times material to this Indictment, defendants JOSEPH S. KASPER and BETH
26 E. BADRAK utilized INTERNATIONAL FINE CHEMICAL AND SUPPLY, a Nevada corporation,
27 in conducting OMEGA'S business activities.

28 TDC:nlv:San Diego
7/15/04

1 3. At various times material to this Indictment, defendant INTERNATIONAL FINE
2 CHEMICAL AND SUPPLY, INC. was doing business as OMEGA FINE CHEMICALS, an internet
3 company engaged in the sale of various chemicals, including controlled substance analogues.

4 4. Also material to this Indictment is that defendant JOSEPH S. KASPER is the brother of
5 defendant THOMAS C. KASPER, and defendant BETH E. BADRAK is the wife of defendant
6 THOMAS C. KASPER.

7 5. At various times material to this Indictment, defendants JOSEPH S. KASPER,
8 THOMAS C. KASPER, BETH E. BADRAK and ELAINE A. VILLALOBOS managed and directed
9 OMEGA's internet chemical sales, including the sale of controlled substance analogues, from Suite 201,
10 located at 2400 Professional Parkway, Santa Maria, California.

11 6. At various times material to this Indictment, OMEGA's website provided customers with
12 payment options, including the use of Paypal, an online internet payment service, money orders, and
13 payment by credit card through Merchant Cardservices International.

14 7. At various times material to this Indictment, defendants JOSEPH S. KASPER and
15 THOMAS C. KASPER communicated via email with each other, with customers and with foreign
16 chemical companies, about the purchase of various chemicals, including controlled substance analogues.

17 8. At various times material to this Indictment, defendants JOSEPH S. KASPER and BETH
18 E. BADRAK utilized SOURCE MANAGEMENT INTERNATIONAL, INC., a California corporation,
19 in conducting OMEGA'S business activities.

20 9. At various times material to this Indictment, defendants JOSEPH S. KASPER, BETH E.
21 BADRAK and ELAINE A. VILLALOBOS directed the movement of funds by check, wire transfer and
22 deposit between OMEGA's INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC. corporate
23 account in Las Vegas, Nevada, and OMEGA's SOURCE MANAGEMENT INTERNATIONAL, INC.
24 corporate account in Santa Maria, California.

25 10. At various times material to this Indictment, defendants JOSEPH S. KASPER and
26 BETH E. BADRAK, on behalf of OMEGA, entered into a contract with LTK Research Products, an
27 internet chemical supply business, to supply LTK Research Products with various chemicals, including
28 controlled substance analogues in exchange for a percentage of LTK Research Products sale proceeds.

1 CONSPIRACY TO DISTRIBUTE CONTROLLED SUBSTANCE ANALOGUES

2 Beginning on or about September 2001, and continuing up to and including the date of this
3 indictment, within the Southern District of California, and elsewhere, defendants JOSEPH S. KASPER,
4 THOMAS C. KASPER, BETH E. BADRAK, ELAINE A. VILLALOBOS, INTERNATIONAL FINE
5 CHEMICAL AND SUPPLY, INC., dba OMEGA FINE CHEMICALS, and defendant SOURCE
6 MANAGEMENT INTERNATIONAL, INC. did knowingly and intentionally conspire together and with
7 each other and with other persons known and unknown to the grand jury to distribute more than
8 1,250 grams of controlled substance analogues, to wit: 20 grams of N,N-Diisopropyltryptamine HCL
9 (DIPT); 56 grams of N,N-Dipropyltryptamine hydrochloride (DPT); 965 grams of 5-Methoxy-alpha-
10 methyltryptamine HCL (5-MeO-AMT); 250 grams of N,N-Methylisopropyltryptamine (MIPT);
11 250 grams of 5-Methoxy, N,N-Methylisopropyltryptamine (5-MeO-MIPT), all controlled substance
12 analogues as defined in Title 21, United States Code, Section 802(32)(A), with the intent for human
13 consumption as stated in Title 21, United States Code, Section 813; all in violation of Title 21, United
14 States Code, Sections 846 and 841(a)(1) and (b)(1)(C).

15 In furtherance of said conspiracy and to effect the object thereof, the following overt acts, among
16 others, were committed within the Southern District of California, and elsewhere:

17 OVERT ACTS

- 18 1. On or about July 15, 2002, in Santa Barbara County, California, defendant JOSEPH S.
19 KASPER established account #604 with Shanji.com, which included the following
20 domain names: omegafinechemicals.com; internationalfinechems.com;
21 internationalfinechemicals.com; omegafine.com; fineorganicchemicals.com;
22 joekasper.com; and tomkasper.com.
- 23 2. On or about July 24, 2002, in Las Vegas, Nevada, defendants JOSEPH S. KASPER and
24 BETH E. BADRAK incorporated INTERNATIONAL FINE CHEMICAL AND
25 SUPPLY, INC. with a corporate address of 1555 E. Flamingo Road, Suite 155,
26 Las Vegas, Nevada.
- 27 3. On or about September 18, 2002, in Santa Fe, New Mexico, defendant BETH E.
28 BADRAK rented mailbox B228, located at 1704 Llano Street, Santa Fe, New Mexico,

1 listing the applicant corporation as INTERNATIONAL FINE CHEMICAL AND
2 SUPPLY, INC., and directing that all mail received at the B228 mailbox be forwarded
3 to a Santa Barbara, California mailbox.

4 4. On or about September 26, 2002, in Las Vegas, Nevada, defendants JOSEPH S.
5 KASPER and BETH E. BADRAK opened a Nevada State Bank account in the name of
6 INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC., listing an address of
7 1555 E. Flamingo Road, Suite 155, Las Vegas, Nevada.

8 5. On or about September 19, 2002, in Simi Valley, California, defendant BETH E.
9 BADRAK opened an account with Merchant Cardservices International, Inc. for
10 INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC., dba OMEGA FINE
11 CHEMICALS, with a business address of Suite B228, 1704 Llano Street, Santa Fe,
12 New Mexico.

13 6. On or about September 19, 2002, in Simi Valley, California, defendant BETH E.
14 BADRAK directed that all proceeds generated from customers using Merchant
15 Cardservices International, Inc. be deposited into the corporate account of
16 INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC.

17 7. On or about October 3, 2002, in Clark County, Nevada, defendant JOSEPH S. KASPER
18 rented mailbox #738 in the names of INTERNATIONAL FINE CHEMICAL AND
19 SUPPLY, INC. and OMEGA FINE CHEMICALS, listing a business location of
20 3540 Sahara Ave, Las Vegas, Nevada.

21 8. On or about October 3, 2002, in Clark County, Nevada, defendant JOSEPH S. KASPER
22 directed that all mail received at mailbox #738 be forwarded to JOSEPH S. KASPER,
23 Suite 201, 2400 Professional Parkway, Santa Maria, California.

24 9. On or about November 1, 2002, in Santa Barbara County, California, defendant
25 JOSEPH S. KASPER opened an account with Paypal in the name of OMEGA FINE
26 CHEMICALS, listing the following three addresses for OMEGA: Suite B228,
27 1704 Llano Street, Santa Fe, New Mexico; Suite 155, 1555 E. Flamingo Road,
28 Las Vegas, Nevada; and Suite 201, 2400 Professional Parkway, Santa Maria, California.

- 1 10. On or about November 1, 2002, in Santa Barbara County, California, defendant
2 JOSEPH S. KASPER, as part of the Paypal application, directed that all proceeds
3 generated from OMEGA's use of Paypal services be deposited directly into the corporate
4 account of INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC.
- 5 11. On or about December 1, 2002, a customer in San Diego, California, placed an internet
6 order, on the OMEGA website, for the purchase of 1 gram of 5-MeO-DIPT, a controlled
7 substance analogue.
- 8 12. On or about December 17, 2002, in Santa Barbara County, California, defendant
9 JOSEPH S. KASPER opened a Federal Express account in the name of OMEGA FINE
10 CHEMICALS, Suite B228, 1704 Llano Street, Santa Fe, New Mexico.
- 11 13. On or about January 31, 2003, in Santa Barbara County, California, defendant
12 JOSEPH S. KASPER deposited a check in the amount of \$5,000 into the corporate
13 account of SOURCE MANAGEMENT INTERNATIONAL, Inc., in Santa Maria,
14 California, the check having been drawn on the corporate account of INTERNATIONAL
15 FINE CHEMICAL AND SUPPLY, INC.
- 16 14. On or about January 31, 2003 in Las Vegas, Nevada, defendant JOSEPH S. KASPER
17 wrote a check in the amount of \$4,743.21, drawn on the corporate account of
18 INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC., and made payable to
19 Daniels Fine Chemicals, Ltd., a chemical supply company, located in Edmonton Alberta,
20 Canada.
- 21 15. On or about February 4, 2003, a customer in San Diego, California, placed an internet
22 order, on the OMEGA website, for the purchase of 1 gram of 5-MeO-DIPT, a controlled
23 substance analogue.
- 24 16. On or about February 7, 2003, in Santa Barbara County, California, defendant
25 JOSEPH S. KASPER deposited a check in the amount of \$10,000, into the corporate
26 account of SOURCE MANAGEMENT INTERNATIONAL, INC., in Santa Maria,
27 California, the check having been drawn on the corporate account of INTERNATIONAL
28 FINE CHEMICAL AND SUPPLY, INC.

- 1 17. On or about February 11, 2003, a customer in San Diego, California, placed an internet
2 order, on the OMEGA website, for the purchase of 6 grams of 5-MeO-DIPT, a controlled
3 substance analogue.
- 4 18. On or about February 20, 2003, in San Diego, California, an employee at OMEGA FINE
5 CHEMICALS processed a website internet order placed by Enoch Simpson, charged
6 elsewhere for the purchase of controlled substance analogues.
- 7 19. On or about February 27, 2003, a customer in San Diego, California, placed an internet
8 order, on the OMEGA website, for the purchase of 1 gram of 5-MeO-DIPT, 1 gram of
9 DIPT, and 1 gram of AMT, a controlled substance analogue.
- 10 20. In early March 2003, in Santa Fe, New Mexico, defendants JOSEPH S. KASPER and
11 BETH E. BADRAK hired an individual, to distribute OMEGA's chemicals, including
12 controlled substance analogues, to its U.S. and international customers.
- 13 21. On or about March 4, 2003, a customer in San Diego, California, placed an internet
14 order, on the OMEGA website, for the purchase of 1 gram of AMT, 1 gram 5-MeO-DIPT
15 and 1 gram of DPT, controlled substance analogues.
- 16 22. On or about March 12, 2003, a customer in San Diego, California, placed an internet
17 order, on the OMEGA website, for the purchase of 2 grams of 5-MeO-DIPT, a controlled
18 substance analogue.
- 19 23. On or about March 16, 2003, in Santa Fe, New Mexico, defendant BETH E. BADRAK
20 met with the individual hired in Santa Fe, New Mexico, in order to assist him in setting
21 up a satellite distribution location from which OMEGA shipped to its customers.
- 22 24. Between March 16, 2003, and May 20, 2003, in Santa Fe, New Mexico, the individual
23 hired in Santa Fe, New Mexico, received faxes and chemicals from OMEGA and
24 thereafter packaged and shipped the chemicals, including controlled substance analogues,
25 using OMEGA's FEDEX account to OMEGA's U.S. and international customers.
- 26 25. On or about March 7, 2003, in Santa Barbara County, California, defendant JOSEPH S.
27 KASPER deposited a check in the amount of \$50,000 into the corporate account of
28 SOURCE MANAGEMENT INTERNATIONAL, INC., in Santa Maria, California, the

- 1 check having been drawn on the corporate account of INTERNATIONAL FINE
2 CHEMICAL AND SUPPLY, INC.
- 3 26. On or about March 13, 2003, in San Diego, California, defendant OMEGA FINE
4 CHEMICALS distributed a controlled substance analogue, that is, 1 gram of 5-Methoxy-
5 alpha-Methyltryptamine HCL (5-MeO-AMT), to DEA Special Agent Sondra Hester, who
6 was acting in an undercover capacity.
- 7 27. On or about April 10, 2003, in San Diego, California, defendant OMEGA FINE
8 CHEMICALS distributed controlled substance analogues, that is, three grams of 5-
9 Methoxy-alpha-methyltryptamine HCL (5-MeO-AMT); two grams of N,N-
10 Diisopropyltryptamine HCL (DIPT); and two grams of N,N-Dipropyltryptamine
11 hydrochloride (DPT), to DEA Special Agent Sondra Hester, who was acting in an
12 undercover capacity.
- 13 28. On or about May 20, 2003, defendants JOSEPH S. KASPER and BETH E. BADRAK
14 agreed with LTK Research Products, located in Minot, North Dakota, that LTK Research
15 Products would also distribute OMEGA's products, including controlled substance
16 analogues, to OMEGA's customers.
- 17 29. On or about April 27, 2003, in Santa Barbara County, California, defendant THOMAS C.
18 KASPER directed his brother, defendant JOSEPH S. KASPER, to contact a chemical
19 supplier in China about synthesizing various chemicals for OMEGA.
- 20 30. On or about April 29, 2003, in Santa Barbara County, California, defendant THOMAS C.
21 KASPER directed his brother, defendant JOSEPH S. KASPER, to set up an account with
22 a chemical supply company to purchase various chemicals for distribution by OMEGA.
- 23 31. On or about June 2, 2003, in Santa Barbara County, California, defendant JOSEPH S.
24 KASPER contacted OMEGA's source of supply in China regarding the future purchase
25 of a large quantity of tryptamines.
- 26 32. On or about July 1, 2003, in Santa Barbara County, California, defendant JOSEPH S.
27 KASPER directed OMEGA's website manager to make changes to OMEGA's website
28 by adding several analogue tryptamines to OMEGA's product list.

- 1 33. On or about July 2, 2003, in Santa Barbara County, California, defendant JOSEPH S.
2 KASPER negotiated with the owner of RAC Research Products, a New York-based
3 internet chemical supply company, about selling RAC large quantities of tryptamine
4 chemicals.
- 5 34. On or about July 2, 2003, in Santa Barbara County, California, defendant JOSEPH S.
6 KASPER communicated with OMEGA's source of supply in China concerning the
7 purchase and delivery of 60 grams of N,N-Methylisopropyltryptamine (MIPT), and
8 29 grams of 5-Methoxy-N,N-Methylisopropyltryptamine (5-MeO-MIPT), both controlled
9 substance analogues.
- 10 35. On or about July 7, 2003, in Santa Barbara County, California, defendant JOSEPH S.
11 KASPER communicated with OMEGA's source of supply in China concerning various
12 methods that could be used to avoid U.S. Customs scrutiny, such as false labeling or
13 labeling chemicals as free samples.
- 14 36. On or about July 7, 2003, in Santa Barbara County, California, defendant BETH E.
15 BADRAK directed defendants JOSEPH S. KASPER and ELAINE E. VILLALOBOS to
16 ship 20 grams of 5-Nethoxy-Alpha-Methyltryptamine (5-MeO-AMT), a controlled
17 substance analogue to LTK Research Products, in Minot, North Dakota.
- 18 37. On or about July 22, 2003, in Santa Barbara County, California, defendant JOSEPH S.
19 KASPER directed defendant ELAINE VILLALOBOS to contact Federal Express about
20 the cost of shipping a package to Hungary.
- 21 38. On or about July 27, 2003, in Santa Barbara County, California, defendant THOMAS
22 KASPER contacted his brother, defendant JOSEPH S. KASPER, and directed him to
23 order and add certain chemicals to OMEGA's inventory.
- 24 39. On or about August 5, 2003, in Santa Barbara County, defendant JOSEPH S. KASPER
25 communicated with the owner of RAC Research Products and discussed RAC's sales of
26 various controlled substance analogues.
- 27 40. Between December 17, 2002, and October 29, 2003, in Las Vegas, Nevada, defendant
28 JOSEPH S. KASPER directed or arranged for twenty one (21) wire transfers totaling

1 approximately \$188,980 from INTERNATIONAL FINE CHEMICAL AND SUPPLY,
2 INC.'s corporate account to the China bank account of Nanchang Kinghao International,
3 a chemical supply company, located in Nanchung, China.

4 41. Between March 18, 2003, and October 7, 2003, in Las Vegas, Nevada, defendant
5 JOSEPH S. KASPER directed or arranged for ten (10) wire transfers totaling
6 approximately \$39,461 from INTERNATIONAL FINE CHEMICAL AND SUPPLY,
7 INC.'s corporate account to the Syndicate bank account of Enzal Chemicals Ltd., a
8 chemical supply company, located in Mumbai, India.

9 42. Between January 11, 2002, and August 21, 2003, in Santa Barbara County, California,
10 checks and wire transfers totaling \$39,024 from LTK Research Products were deposited
11 into SOURCE MANAGEMENT INTERNATIONAL, INC.'s corporate account,
12 representing OMEGA's percentage of chemicals, including controlled substance
13 analogues, sold by LTK Research Products.

14 43. Between January 31, 2002, and February 25, 2004, in Santa Barbara County, California,
15 checks totaling approximately \$209,998.65 written by defendant JOSEPH S. KASPER,
16 drawn on INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC.'s corporate
17 account, made payable to SOURCE MANAGEMENT INTERNATIONAL, INC.(SMI),
18 and were thereafter deposited into SOURCE MANAGEMENT INTERNATIONAL,
19 INC.'s corporate account in Santa Maria, California.

20 44. Between July 22, 2002, and December 13, 2002, in Santa Barbara, California, defendant
21 JOSEPH S. KASPER directed three (3) wire transfers totaling approximately \$17,145.06
22 from SOURCE MANAGEMENT INTERNATIONAL, INC.'s corporate account to the
23 Syndicate bank account of Enzal Chemicals Ltd., a chemical supply company, located
24 in Mumbai, India.

25 45. Between October 3, 2002, and November 12, 2002, in Santa Barbara, California,
26 defendant JOSEPH S. KASPER directed three (3) wire transfers totaling approximately
27 \$18,750 from SOURCE MANAGEMENT INTERNATIONAL, INC.'s corporate
28

1 account to the China bank account of Nanchang Kinghao International, a chemical supply
2 company, located in Nanchung, China.

3 46. Between January 2002 and February 2004, in Santa Barbara County, California,
4 INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC., dba OMEGA FINE
5 CHEMICALS, paid Federal Express approximately \$94,000 for services rendered.

6 47. On or about June 9, 2004, in San Diego, California, defendant OMEGA FINE
7 CHEMICALS distributed two grams quantities of N,N-Diisopropyltryptamine HCL
8 (DIPT), two grams quantities of N,N-Dipropyltryptamine hydrochloride (DPT), and one
9 gram of 5-Methoxy,-N,N-Methylisopropyltryptamine (5-MeO-MIPT), controlled
10 substance analogues, to DEA Special Agent Sondra Hester, who was acting in an
11 undercover capacity.

12 All in violation of Title 21, United States Code, Sections 846 and 841(a)(1) and (b)(1)(C).

13 Count 2

14 DISTRIBUTION OF CONTROLLED SUBSTANCE ANALOGUES

15 On or about February 20, 2003, within the Southern District of California and elsewhere,
16 defendants JOSEPH S. KASPER, THOMAS C. KASPER, BETH E. BADRAK, ELAINE A.
17 VILLALOBOS and OMEGA FINE CHEMICALS, did knowingly and intentionally distribute one gram
18 of N,N-Diisopropyltryptamine HCL (DIPT), and one gram of N,N-Dipropyltryptamine hydrochloride
19 (DPT), which are controlled substance analogues as defined in Title 21, United States Code,
20 Section 802(32)(A), intending it for human consumption as stated in Title 21, United States Code,
21 Section 813; in violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States
22 Code, Section 2.

23 Count 3

24 DISTRIBUTION OF CONTROLLED SUBSTANCE ANALOGUES

25 On or about March 13, 2003, within the Southern District of California and elsewhere,
26 defendants JOSEPH S. KASPER, THOMAS C. KASPER, BETH E. BADRAK, ELAINE A.
27 VILLALOBOS and OMEGA FINE CHEMICALS, did knowingly and intentionally distribute two grams
28 of DL-alpha-Methyltryptamine (AMT), two grams of N,N-Diisopropyl-5-methoxytryptamine HCL (5-

1 MeO-DIPT), and one gram of 5-Methoxy-alpha-Methyltryptamine HCL (5-MeO-AMT), which are
2 controlled substance analogues as defined in Title 21, United States Code, Section 802(32)(A), intending
3 it for human consumption as stated in Title 21, United States Code, Section 813; in violation of Title 21,
4 United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

5 Count 4

6 DISTRIBUTION OF CONTROLLED SUBSTANCE ANALOGUES

7 On or about March 20, 2003, within the Southern District of California and elsewhere,
8 defendants JOSEPH S. KASPER, THOMAS C. KASPER, BETH E. BADRAK, ELAINE A.
9 VILLALOBOS and OMEGA FINE CHEMICALS, did knowingly and intentionally distribute one gram
10 of DL-alpha-Methyltryptamine (AMT) and one gram of N,N-Diisopropyl-5-methoxytryptamine HCL
11 (5-MeO-DIPT), which are controlled substance analogues as defined in Title 21, United States Code,
12 Section 802(32)(A), intending it for human consumption as stated in Title 21, United States Code,
13 Section 813; in violation of Title 21, United States Code, Sections 841(a)(1) and (b)(1)(C), and Title 18,
14 United States Code, Section 2.

15 Count 5

16 DISTRIBUTION OF CONTROLLED SUBSTANCE ANALOGUES

17 On or about April 10, 2003, within the Southern District of California and elsewhere, defendants
18 JOSEPH S. KASPER, THOMAS C. KASPER, BETH E. BADRAK, ELAINE A. VILLALOBOS and
19 OMEGA FINE CHEMICALS, did knowingly and intentionally distribute three grams of 5-Methoxy-
20 alpha-methyltryptamine HCL (5-MeO-AMT), two grams of N,N-Diisopropyltryptamine HCL (DIPT),
21 and two grams of N,N-Dipropyltryptamine hydrochloride (DPT), which are controlled substance
22 analogues as defined in Title 21, United States Code, Section 802(32)(A), intending it for human
23 consumption as stated in Title 21, United States Code, Section 813; in violation of Title 21, United
24 States Code, Sections 841(a)(1) and (b)(1)(C), and Title 18, United States Code, Section 2.

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1 Count 6

2 DISTRIBUTION OF CONTROLLED SUBSTANCE ANALOGUES

3 On or about September 12, 2003, within the Southern District of California and elsewhere,
4 defendants JOSEPH S. KASPER, THOMAS C. KASPER, BETH E. BADRAK, ELAINE A.
5 VILLALOBOS and OMEGA FINE CHEMICALS, did knowingly and intentionally distribute one gram
6 of 5-Methoxy-alpha-methyltryptamine HCL (5-MeO-AMT), two grams of N,N-
7 Methylisopropyltryptamine(MIPT), and two grams of 5-Methoxy, N,N-Methylisopropyltryptamine(5-
8 MeO-MIPT), which are controlled substance analogues as defined in Title 21, United States Code,
9 Section 802(32)(A), intending it for human consumption as stated in Title 21, United States Code,
10 Section 813; in violation of Title 21, United States Code, Sections 841(a)(1) and (b)(1)(C), and Title 18,
11 United States Code, Section 2.

12 Count 7

13 DISTRIBUTION OF CONTROLLED SUBSTANCE ANALOGUES

14 On or about June 9, 2004, within the Southern District of California and elsewhere, defendants
15 JOSEPH S. KASPER, THOMAS C. KASPER, BETH E. BADRAK, ELAINE A. VILLALOBOS and
16 OMEGA FINE CHEMICALS, did knowingly and intentionally distribute two gram quantities of N,N-
17 Diisopropytryptamine HCL (DIPT), two gram quantities of N,N-Dipropyltryptamine hydrochloride
18 (DPT), and one gram of 5-Methoxy-N,N-Methylisopropyltryptamine (5-MeO-MIPT), which are
19 controlled substance analogues as defined in Title 21, United States Code, Section 802(32)(A), intending
20 it for human consumption as stated in Title 21, United States Code, Section 813; in violation of Title 21,
21 United States Code, Sections 841(a)(1) and (b)(1)(C), and Title 18, United States Code, Section 2.

22 Count 8

23 DISTRIBUTION OF A CONTROLLED SUBSTANCE ANALOGUE
24 TO A PERSON UNDER TWENTY ONE YEARS OF AGE

25 In early March, 2003, within the Southern District of California and elsewhere, defendants
26 JOSEPH S. KASPER, THOMAS C. KASPER, BETH E. BADRAK, ELAINE A. VILLALOBOS and
27 OMEGA FINE CHEMICALS, did knowingly and intentionally distribute one gram of DL-alpha-
28 methyltryptamine (AMT), one gram of N,N-Diisopropyl-5-Methoxytryptamine HCL (5-MeO-DIPT),

1 and one gram of N,N-Diisopropyltryptamine HCL (DIPT), which are controlled substance analogues as
2 defined in Title 21, United States Code, Section 802(32)(A), intending it for human consumption as
3 stated in Title 21, United States Code, Section 813; to a person with a birth date of November 20, 1982,
4 and the initials of AMO, a person under 21 years of age, in violation of Title 21, United States Code,
5 Sections 859 and 841(a)(1) and (b)(1)(C), and Title 18, United States Code, Section 2.

6 Count 9

7 DISTRIBUTION OF A CONTROLLED SUBSTANCE ANALOGUE
8 TO A PERSON UNDER TWENTY ONE YEARS OF AGE

9 On or about March 4, 2003, within the Southern District of California and elsewhere, defendants
10 JOSEPH S. KASPER, THOMAS C. KASPER, BETH E. BADRAK, ELAINE A. VILLALOBOS and
11 OMEGA FINE CHEMICALS, did knowingly and intentionally distribute one gram of DL-alpha-
12 methyltryptamine (AMT), and one gram of N,N-Diisopropyl-5-Methoxytryptamine HCL (5-MeO-DIPT),
13 controlled substance analogues as defined in Title 21, United States Code, Section 802(32)(A), intending
14 it for human consumption as stated in 21 United States Code, Section 813; to a person with a birth date
15 of December 17, 1984, and the initials of TAX, a person under 21 years of age, in violation of Title 21,
16 United States Code, Sections 859 and 841(a)(1) and (b)(1)(C), and Title 18, United States Code,
17 Section 2.

18 Count 10

19 INTRODUCTORY ALLEGATIONS

20 Paragraphs 1 through 10 of the introductory allegations as set forth in Count 1 of this indictment
21 are realleged and hereby incorporated by reference in Count 9 as though fully set forth herein.

22 MANNER AND MEANS OF THE CONSPIRACY

23 1. It was a part of the conspiracy that on July 15, 2002, defendant JOSEPH S. KASPER did
24 purchase the domain name for OMEGA FINE CHEMICALS, in order to create an internet website for
25 OMEGA, an internet business engaged in the selling of chemicals, including controlled substance
26 analogues.

27 2. It was a part of the conspiracy that by late 2002, defendants JOSEPH S. KASPER,
28 THOMAS C. KASPER, BETH E. BADRAK and ELAINE A. VILLALOBOS established various links

1 to the OMEGA website thereby providing customers with contact information, product lists, price lists,
2 research links, payment options, shipping options, and operating hours.

3 3. It was a part of the conspiracy that defendants JOSEPH S. KASPER, THOMAS C.
4 KASPER, BETH E. BADRAK and ELAINE A. VILLALOBOS posted information on the OMEGA
5 website about when certain chemical compounds would become scheduled controlled substances and
6 encouraged customers to purchase these analogues from OMEGA's diminishing inventory.

7 4. It was a part of the conspiracy that defendants JOSEPH S. KASPER, THOMAS C.
8 KASPER, BETH E. BADRAK and ELAINE A. VILLALOBOS maintained corporate bank accounts
9 at SOURCE MANAGEMENT INTERNATIONAL, INC. and INTERNATIONAL FINE CHEMICAL
10 AND SUPPLY, INC. to pay foreign chemical supply companies, to disguise the movement of
11 OMEGA's drug proceeds, and to support and promote OMEGA FINE CHEMICALS' drug trafficking
12 activities.

13 5. It was a part of the conspiracy that defendants JOSEPH S. KASPER, THOMAS C.
14 KASPER, BETH E. BADRAK, and ELAINE A. VILLALOBOS participated in the transfer of proceeds
15 from the sale of controlled substance analogues, by utilizing Paypal services and Merchant Cardservices
16 which at the direction of defendants, transferred these proceeds into corporate accounts outside the
17 Southern District of California.

18 6. It was a part of the conspiracy that defendants JOSEPH S. KASPER, THOMAS C.
19 KASPER, BETH E. BADRAK and ELAINE A. VILLALOBOS arranged for and directed all proceeds
20 from the sale of OMEGA's chemicals, including controlled substance analogues, be deposited into
21 INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC.'s corporate account at the Nevada State
22 Bank account, including payments received from Paypal, Merchant Cardservices International, money
23 orders and Western Union.

24 7. It was a part of the conspiracy that defendants JOSEPH S. KASPER, BETH E. BADRAK
25 and ELAINE VILLALOBOS transferred the proceeds of OMEGA's internet chemical sales by issuing
26 checks drawn on the INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC.'s corporate account
27 and thereafter depositing these drug proceeds into the SOURCE MANAGEMENT INTERNATIONAL,
28 INC. corporate account at First Bank and Trust in Santa Maria, California.

1 CONSPIRACY TO LAUNDER MONEY

2 Beginning on or about September 2001, and continuing up to and including the date of this
3 indictment, within the Southern District of California, and elsewhere, defendants JOSEPH S. KASPER,
4 THOMAS C. KASPER, BETH E. BADRAK, ELAINE A. VILLALOBOS, INTERNATIONAL FINE
5 CHEMICAL AND SUPPLY, INC., dba as OMEGA FINE CHEMICALS, and defendant SOURCE
6 MANAGEMENT INTERNATIONAL, INC., did knowingly conspire together and with other persons
7 known and unknown to the grand jury, to conduct financial transactions, that is, the movement of funds
8 by check, wire transfer and bank deposit, in amounts totaling more than \$1,000,000, affecting interstate
9 commerce, and knowing the transactions involved the proceeds of some form of unlawful activity and
10 with the intent to promote the carrying on of a specified unlawful activity; to wit, the distribution of
11 controlled substance analogues as defined in Title 21, United States Code, Section 802(32)(A), with the
12 intent for human consumption as stated in Title 21, United States Code, Section 813; in violation of
13 Title 18, United States Code, Sections 1956(h) and 1956(a)(1)(A)(i).

14 In furtherance of said conspiracy and to effect the object thereof, the following overt acts, among
15 others, were committed within the Southern District of California, and elsewhere:

16 OVERT ACTS

- 17 1. On or about July 22, 2002, in Santa Maria, California, defendant JOSEPH S. KASPER
18 arranged for or directed others to arrange for a wire transfer of \$8,380.00 from the Source
19 Management International Inc., account #9413900976, located at First Bank and Trust,
20 2027A South Broadway, Suite A, Santa Maria, California, to the bank account of Enzal
21 Chemicals Ltd, Syndicate Bank, located in Mumbai, India.
- 22 2. On or about November 12, 2002, in Santa Maria, California, defendant JOSEPH S.
23 KASPER arranged for or directed others to arrange for a wire transfer of \$10,550.00
24 from the Source Management International Inc., account #9413900976, located at First
25 Bank and Trust, 2027A South Broadway, Suite A, Santa Maria, California, to the bank
26 account of Nanchang Kinghao International, Bank of China, located in Nanchung, China.

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- 1 3. On or about December 1, 2002, a customer in San Diego, California, transferred money
2 to OMEGA FINE CHEMICALS for the purchase of 1 gram of 5-MeO-DIPT, a
3 controlled substance analogue
- 4 4. On or about December 13, 2002, in Santa Maria, California, defendant JOSEPH S.
5 KASPER arranged for or directed others to arrange for a wire transfer of \$5,952.50, from
6 the Source Management International Inc., account #9413900976, located at First Bank
7 and Trust, 2027A South Broadway, Suite A, Santa Maria, California, to the bank account
8 of Enzal Chemicals Ltd, Syndicate Bank, located in Mumbai, India.
- 9 5. On or about February 4, 2003, a customer in San Diego, California, transferred money
10 to OMEGA FINE CHEMICALS by utilizing Paypal services, for the purchase of 1 gram
11 of 5-MeO-DIPT, controlled substance analogues.
- 12 6. On or about February 11, 2003, a customer in San Diego, California, transferred money
13 to OMEGA FINE CHEMICALS by utilizing Paypal services for the purchase of 6 grams
14 of 5-MeO-DIPT, a controlled substance analogue.
- 15 7. On or about February 27, 2003, a customer in San Diego, California, transferred money
16 to OMEGA FINE CHEMICALS by utilizing Paypal services, for the purchase of 1 gram
17 of 5-MeO-DIPT, 1 gram of DPT, and 1 gram of AMT, controlled substance analogues.
- 18 8. On or about March 4, 2003, a customer in San Diego, California, transferred money to
19 OMEGA FINE CHEMICALS by utilizing Paypal services, for the purchase of 1 gram
20 of 5-MeO-DIPT, 1 gram of DPT, and 1 gram of AMT, controlled substance analogues.
- 21 9. On or about March 12, 2003, a customer in San Diego, California, transferred money to
22 OMEGA FINE CHEMICALS by utilizing Paypal services, for the purchase of 2 grams
23 of 5-MeO-DIPT, a controlled substance analogue.
- 24 10. On or about March 12, 2003, in Las Vegas, Nevada, defendant JOSEPH S. KASPER
25 arranged for or directed others to arrange for a wire transfer of \$18,300.00 from the
26 International Fine Chemical and Supply Inc., account #012095477, located at Nevada
27 State Bank, 5373 South Arville Street, Las Vegas, Nevada, to the bank account of
28 Nanchang Kinghao International, Bank of China, located in Nanchung, China.

- 1 11. On or about June 20, 2003, in Las Vegas, Nevada, defendant JOSEPH S. KASPER
2 arranged for or directed others to arrange for a wire transfer of \$3,250.00 from the
3 International Fine Chemical and Supply Inc., account #012095477, located at Nevada
4 State Bank, 5373 South Arville Street, Las Vegas, Nevada, to the bank account of Enzal
5 Chemicals Ltd, Syndicate Bank, located in Mumbai, India.
- 6 12. On or about June 22, 2003, in Las Vegas, Nevada, defendant JOSEPH S. KASPER
7 arranged for or directed others to arrange for a wire transfer of \$14,630.00 from the
8 International Fine Chemical and Supply Inc., account #012095477, located at Nevada
9 State Bank, 5373 South Arville Street, Las Vegas, Nevada, to the bank account of
10 Nanchang Kinghao International, Bank of China, located in Nanchung, China.
- 11 13. On or about July 28, 2003, in Las Vegas, Nevada, defendant JOSEPH S. KASPER
12 arranged for or directed others to arrange for a wire transfer of \$14,300.00 from the
13 International Fine Chemical and Supply Inc., account #012095477, located at Nevada
14 State Bank, 5373 South Arville Street, Las Vegas, Nevada, to the bank account of Enzal
15 Chemicals Ltd, Syndicate Bank, located in Mumbai, India.
- 16 14. On or about October 7, 2003, in Las Vegas, Nevada, defendant JOSEPH S. KASPER
17 arranged for or directed others to arrange for a wire transfer of \$6,000.00 from the
18 International Fine Chemical and Supply Inc., account #012095477, located at Nevada
19 State Bank, 5373 South Arville Street, Las Vegas, Nevada, to the bank account of Enzal
20 Chemicals Ltd, Syndicate Bank, located in Mumbai, India.
- 21 15. On or about August 13, 2003, in Las Vegas, Nevada, defendant JOSEPH S. KASPER
22 arranged for or directed others to arrange for a wire transfer of \$10,750.00 from the
23 International Fine Chemical and Supply Inc., account #012095477, located at Nevada
24 State Bank, 5373 South Arville Street, Las Vegas, Nevada, to the bank account of
25 Nanchang Kinghao International, Bank of China, located in Nanchung, China.
- 26 16. On or about September 18, 2003, in Las Vegas, Nevada, defendant JOSEPH S. KASPER
27 arranged for or directed others to arrange for a wire transfer of \$13,000.00 from the
28 International Fine Chemical and Supply Inc., account #012095477, located at Nevada

1 State Bank, 5373 South Arville Street, Las Vegas, Nevada, to the bank account of
2 Nanchang Kinghao International, Bank of China, located in Nanchung, China.

3 17. On or about October 29, 2003, in Las Vegas, Nevada, defendant JOSEPH S. KASPER
4 arranged for or directed others to arrange for a wire transfer of \$10,000.00 from the
5 International Fine Chemical and Supply Inc., account #012095477, located at Nevada
6 State Bank, 5373 South Arville Street, Las Vegas, Nevada, to the bank account of
7 Nanchang Kinghao International, Bank of China, located in Nanchung, China.

8 All in violation of Title 18, United States Code, Sections 1956(h) and 1956(a)(1)(A)(i).

9 CRIMINAL FORFEITURE ALLEGATION

10 The allegations contained in Counts 1 through 10 are realleged and by their reference fully
11 incorporated herein for the purpose of alleging forfeiture to the United States of America pursuant to the
12 provisions of Title 21, United States Code, Sections 853(a)(1) and (a)(2), and Title 18, United States
13 Code, Section 982.

14 1. As a result of the commission of the felony offenses alleged in Counts 1 through 9, said
15 violations being punishable by imprisonment for more than one year, and pursuant to Title 21, United
16 States Code, Section 853(a)(1), defendants JOSEPH S. KASPER, THOMAS C. KASPER, BETH E.
17 BADRAK, ELAINE A. VILLALOBOS, INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC.,
18 dba as OMEGA FINE CHEMICALS, and defendant SOURCE MANAGEMENT INTERNATIONAL,
19 INC., shall, upon conviction, forfeit to the United States all rights, title and interest in any and all
20 property constituting, or derived from, proceeds the defendants obtained, obtained directly or indirectly
21 as a result of said violations, including, but not limited to:

22 a. \$750,000 which represents the proceeds generated from the defendants drug
23 trafficking activities

24 b. The First Bank and Trust account for Source Management International Inc.,
25 account numbers #9413900976 and #9413901195, located at First Bank and
26 Trust, 2027A South Broadway, Suite A, Santa Maria, California, 93454, which
27 represents the drug proceeds received by defendants JOSEPH S. KASPER,
28 THOMAS C. KASPER, BETH E. BADRAK, ELAINE A. VILLALOBOS,
INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC., dba as OMEGA
FINE CHEMICALS, and defendant SOURCE MANAGEMENT
INTERNATIONAL, INC., between September 2001 and the date of this
indictment;

1 c. Nevada State Bank account for International Fine Chemicals and Supply Inc.,
2 account number 012095477, located at Nevada State Bank, 5373 South Arville
3 Street, Las Vegas, Nevada, 89118, which represents the drug proceeds received
4 by defendants JOSEPH S. KASPER, THOMAS C. KASPER, BETH E.
5 BADRAK, ELAINE A. VILLALOBOS, INTERNATIONAL FINE CHEMICAL
AND SUPPLY, INC., dba as OMEGA FINE CHEMICALS, and defendant
SOURCE MANAGEMENT INTERNATIONAL, INC., between September 2001
and the date of this indictment;

6 All in violation of Title 21, United States Code, Section 853.

7 2. As a result of the commission of the felony offenses alleged in Counts 1 through 9, said
8 violations being punishable by imprisonment for more than one year, and pursuant to Title 21, United
9 States Code, Section 853(a)(2), defendants JOSEPH S. KASPER, THOMAS C. KASPER, BETH E.
10 BADRAK, ELAINE A. VILLALOBOS, INTERNATIONAL FINE CHEMICAL AND SUPPLY, INC.,
11 dba as OMEGA FINE CHEMICALS, and defendant SOURCE MANAGEMENT INTERNATIONAL,
12 INC., shall, upon conviction, forfeit to the United States all rights, title and interest in any and all
13 property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission
14 of said violations, including, but not limited to:

- 15 a. \$750,000 which represents the proceeds used to facilitate the defendants' drug
16 trafficking activities.
- 17 b. First Bank and Trust account for Source Management International Inc., account
18 numbers #9413900976 and #9413901195, located at First Bank and Trust, 2027A
South Broadway, Suite A, Santa Maria, California, 93454, between September
2001 and the date of this indictment;
- 19 c. Nevada State Bank account for International Fine Chemicals and Supply Inc.,
20 account number 012095477, located at Nevada State Bank, 5373 South Arville
21 Street, Las Vegas, Nevada, 89118, between September 2001 and the date of this
indictment;

22 All in violation of Title 21, United States Code, Section 853.

23 3. As a result of the commission of the felony offense alleged in Count 10, that is, a
24 conspiracy to launder money, said violation being punishable by imprisonment for more than one year,
25 and pursuant to Title 18, United States Code, Section 982(a)(1), defendants JOSEPH S. KASPER,
26 THOMAS C. KASPER, BETH E. BADRAK, ELAINE A. VILLALOBOS, INTERNATIONAL FINE
27 CHEMICAL AND SUPPLY, INC., dba as OMEGA FINE CHEMICALS, and defendant SOURCE
28 MANAGEMENT INTERNATIONAL, INC., shall, upon conviction, forfeit to the United States all

1 rights, title and interest in any and all property involved in such offense, and any property traceable to
2 such property, including, but not limited to:

- 3 a. \$750,000 which represents the proceeds generated from the defendants drug
4 trafficking activities and thereafter laundered through Omega's corporate bank
5 accounts, that is, INTERNATIONAL FINE CHEMICALS AND SUPPLY, at
6 Nevada State Bank and SOURCE MANAGEMENT INTERNATIONAL, at First
7 Bank And Trust;
- 8 b. The First Bank and Trust account for SOURCE MANAGEMENT
9 INTERNATIONAL, INC. account numbers 9413900976 and 9413901195,
10 located at First Bank and Trust, 2027A South Broadway, Suite A, Santa Maria,
11 California, 93454;
- 12 c. Nevada State Bank account for INTERNATIONAL FINE CHEMICALS AND
13 SUPPLY, INC. account number 012095477, located at Nevada State Bank, 5373
14 South Arville Street, Las Vegas, Nevada, 89118;

15 All in violation of Title 18, United States Code, Section 982.

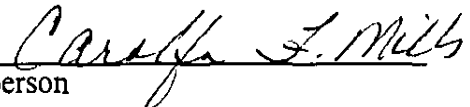
16 4. If any of the above-described forfeitable property, as a result of any act or omission of
17 the defendants -

- 18 (1) cannot be located upon the exercise of due diligence;
- 19 (2) has been transferred or sold to, or deposited with, a third person;
- 20 (3) has been placed beyond the jurisdiction of the Court;
- 21 (4) has been substantially diminished in value; or
- 22 (5) has been commingled with other property which cannot be subdivided without
23 difficulty;

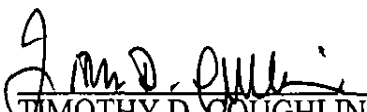
24 it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), and
25 Title 18, United States Code, Section 982(b), to seek forfeiture of any other property of the defendants
26 up to the value of said property listed above as being subject to forfeiture.

27 DATED: July 16, 2004.

28 A TRUE BILL:


Foreperson

CAROL C. LAM
United States Attorney

By: 
TIMOTHY D. COUGHLIN
Assistant U.S. Attorney