

Chinese Money Launderer Sentenced for Laundering Drug Trafficking Proceeds

U.S. Department of Justice

CHARLOTTE, N.C. – Shu Jun Zhen, 31, of New York, was sentenced Oct. 21 in the Western District of North Carolina to nine years in prison and ordered to forfeit nearly $23 million for her role in a Chinese money laundering organization (CMLO) that laundered over $92 million in illicit funds, including proceeds from the importation and distribution of illegal drugs into the United States, primarily through Mexico. This is the second defendant from this CMLO to receive a significant sentence.

“Money launderers help drug traffickers evade the law by moving and concealing their profits, which is why it is critical that we investigate and prosecute them,” said Assistant Attorney General A. Tysen Duva of the Justice Department’s Criminal Division. “Chinese money laundering networks are not peripheral to the drug trade – they are essential to its survival. As part of the Homeland Security Task Force Initiative, the Criminal Division is targeting every link in the drug trafficking supply chain to stop these criminals from poisoning Americans.”

“We are attacking transnational criminal cartels on all fronts, including by

dismantling Chinese money laundering networks that support them," said U.S. Attorney Russ Ferguson for the Western District of North Carolina. "Today, we sentenced an individual who laundered drug proceeds and funneled money back to these transnational criminal organizations — amounting to over $90 million of illicit funds in less than two years. These cases are complex, but they prove one thing — these sophisticated cartels are no match for the United States Department of Justice."

"This case demonstrates the power of coordinated law enforcement efforts through the Homeland Security Task Force," said Acting Special Agent in Charge Michael J. Connolly of the Drug Enforcement Administration (DEA) Atlanta Field Division. "By combining our resources, expertise, and investigative capabilities, we are holding accountable those who facilitate drug trafficking and helping dismantle the financial networks that fuel these criminal organizations."

"Money laundering organizations serve as the lifeblood of criminal enterprises, allowing illegal profits to be moved, concealed, and reinvested," said Special Agent in Charge Donald "Trey" Eakins, of IRS Criminal Investigation's Charlotte Field Office. "Shu Jun Zhen played a significant role in laundering millions of dollars in illicit funds, helping criminal organizations move and conceal the proceeds of unlawful activity. We will continue working with our law enforcement partners to find, investigate, and prosecute individuals who enable the flow of criminal proceeds through the U.S. financial system."

According to court documents, Zhen was a prolific courier for the CMLO. She collected drug trafficking proceeds from U.S.-based drug traffickers and deposited the money, using both real and fake identities, into shell company bank accounts registered by other members of the CMLO. As a courier, Zhen personally picked up and deposited approximately $23 million of illicit bulk cash.