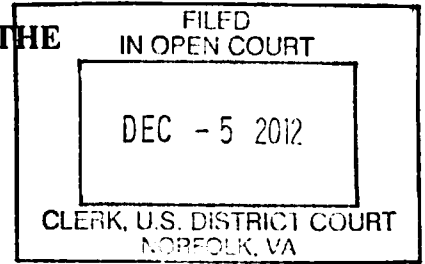


**IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA**

Norfolk Division



UNITED STATES OF AMERICA

v.

MICHAEL LEE HADDOCK

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Criminal No. 2:12cr151

STATEMENT OF FACTS

The parties stipulate that the allegations in Count One of the Criminal Information and the following facts are true and correct, and that had the matter gone to trial the United States would have proven them beyond a reasonable doubt.

1. In February 2012, special agents of the Department of Homeland Security, assigned to the HR-BEST (Hampton Roads Border Enforcement Security Task Force) began investigating a drug trafficking organization suspected of importing, possessing and distributing Methylone, a Schedule I controlled substance, into the Hampton Roads area of Virginia from Nanjing, China. On February 10, 2012, the United States Postal Inspection Service (USPIS) notified HR-BEST of multiple packages originating in Nanjing, China destined for an address on Sampson Place, Portsmouth, Virginia, addressed to MICHEAL or MIKE HADDOCK. These packages were identical to packages which had been identified in online purchases of Methylone and other controlled substances from another investigation.

2. On February 15, 2012, USPIS notified HR-BEST that it had intercepted a package from Nanjing, China, to the Sampson Place address. An extended border search of the parcel was completed by USPIS. Inspection of the parcel revealed a sealed Mylar bag containing approximately one kilogram of white crystalline powder. HR-BEST agents went to the Sampson Place address to conduct an interview with the occupants. Law enforcement officers learned that

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HADDOCK did not live at the residence, but was residing at an address on Green Street in Portsmouth.

3. The investigative team went to the Green Street location and came in contact with HADDOCK's wife, Michelle Haddock, who drove up in a black 2011 Dodge Avenger. After Agent Lewis initiated contact, Michelle Haddock allowed the agent and investigative team into their apartment. Michelle Haddock then stated that she knew that "the packages" were what brought the agents there. She clarified that she meant the package delivered to the Sampson Place address. She stated that the package contained Butylone, an analogue of MDMA (3,4-methylenedioxy-N-methylamphetamine), commonly known as Ecstasy, a Schedule I controlled substance.

4. In a consent search of HADDOCK's apartment, the Portsmouth Police working with HR-BEST, recovered a large clear plastic container containing large quantities of white powder in multiple bags, several hundred United States Postal Service shipping envelopes and boxes. In addition, two firearms, one a Taurus .38 and the other a Smith & Wesson .40, were recovered from the top of the same closet where the powders were located. Further, a parcel, identified as containing a money order payment from a drug customer in California, was recovered from Michelle Haddock.

5. The drug evidence was submitted to the Virginia Department of Forensic Science - Eastern Laboratory for analysis. The narcotics were assigned FS Lab #T12-1553 and examined by a forensic scientist. The lab determined that the recovered narcotics included 996.7 grams of Butylone, an analogue of 3,4-Methylenedioxy-N-methylcathinone (Methylone); 653 tablets of Dizaepam (which were not the FDA approved, prescribed medication); a total of 13.525 grams of 3,4-Methylenedioxy-N-methylcathinone (Methylone), a Schedule I controlled substance, and

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.840 gram of 4-Methylethcathinone, commonly known as 4-MEC, an analogue of Methcathinone, a Schedule I controlled substance.¹

6. MICHAEL LEE HADDOCK began selling analogues of scheduled controlled substances in March 2011. He began the business with his wife, Michelle Haddock, by purchasing fifty (50) grams of Methylone from a lab in China for the purpose of distributing it. He used web-sites such as www.alteredstates.com and www.euphoricknowledge.com to market the synthetic drugs, including Methylone, under the business name "Happy Scrappy Catnip." The drugs were labeled "not for human consumption" to prevent legal issues; however, HADDOCK knew the drugs were for human use to get high.

7. HADDOCK and his wife received approximately thirty (30) bulk packages from Chinese laboratories of controlled substances and analogues which were then repackaged by them and mailed throughout the United States through the U.S. Postal Service. HADDOCK and M.H. sold Butylone, Pentylone, 5-MEO-MIPT, 4-ACO-NBOME, 25I-NBOME, MXE, 4-FA, 4-FMA, 4-MEO-PCP, and AM-1248. HADDOCK and his wife took orders over the internet via email and private messages to two main emails, hscblends@gmail.com and tropicalfishlabs@gmail.com. Payments were received via the mail in cash, or using Green Dot, Moneybags, PaybyWeb, PayPal, and money orders. HADDOCK handled the day-to-day operations of the dealings generally, but allowed Michelle Haddock to take over briefly in early February 2012 when he was deployed as a civil service mariner with the U.S. Navy's Military Sealift Command. Agents recovered a "TIPS, TRICKS, AND TIDBITS FROM... MR.MIKE" cheat-sheet HADDOCK made for Michelle so she could continue the business while he was away. The document

¹ In February 2012, the DEA determined that Butylone was an analogue of Methylone, having a substantially similar chemical structure with the same core phenethylamine structure and only differing by the alkyl group substitution at the alpha position. The physiological effect of Butylone is the same as Methylone, as the two substances both are central nervous system stimulants and laboratory testing on animals reveal that Butylone and Methylone cause similar physical reactions. The DEA has determined that Methylone typically has about half the potency of MDMA, commonly known as Ecstasy. Butylone would have about the same potency.

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included information on the bank accounts, email accounts, websites, payments, customer bulk order procedures, a how-to-guide on ordering drugs from the labs, and their stamps.com account. Further, the document warned of customers who requested an address or phone number from them when the order was placed as they “smell[ed] like bacon,” referring to law enforcement. Also, HADDOCK warned his wife to avoid paper trails (other than printing off an order to fill it) and to use only certain addresses so any personal addresses were not exposed.

8. HADDOCK and his wife grossed approximately \$250,000 in sales between March 2011 and February 2012. They had traveled and gone on vacation using drug proceeds, as well as, had paid cash for the 2011 Dodge Avenger that Michelle Haddock drove on February 15, 2012.

9. HR-BEST’s investigation recovered email correspondence from the Chinese laboratory used by HADDOCK. A review of the emails has HADDOCK making multiple orders from China between March 2011 and February 2012 which corresponded to the records of USPIS for shipments sent to the Sampson Place address.

10. HADDOCK imported various substances from China over the year-long conspiracy, including Methylone, 4-FA, MXE, 2C-E, 2C-I, 4-MEC, Ethylone, 2C-C, 2C-P, Butylone, AM-2233, AM-1248, 251-NBOME, Pentylone, 4-FMA, and other synthetic drugs. HADDOCK imported approximately the following amounts of those substances:

Substance	Low-End Estimate/grams	High-End Estimate/grams
Methylone	7,100	7,200
4-FMA	1,650	1,650
MXE	2,000	2,800
2C-C	50	150
2C-E	150	500
2C-I	250	600
2C-P	50	50

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Substance	Low-End Estimate/grams	High-End Estimate/grams
4-MEC	5,000	5,000
Ethylone	2,250	2,250
Butylone	4,000	4,000
AM-2233	250	250
AM-1248	350	350
25I-NBOME	50	50
Pentylone	250	250
4-FA	4,200	4,400
UR-144	100	100
4-MEO-PCP	20	20
5-MEO-MIPT	50	50
4-ACO-DET	50	50
4-ACO-DMT	2	2

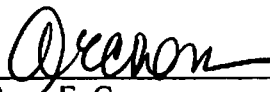
11. In total, as reflected from the chart above, HADDOCK imported approximately 7 kilograms of Methylone, a Schedule I controlled substance and previously an analogue of MDMA, Schedule I controlled substance, from China into the United States for the purpose of distribution. Further, he imported over 4 kilograms of 4-Fluoroamphetamine, commonly known as "4-FA," a Schedule I controlled substance analogue; between 2 and 3 kilograms of 3-MeO-2-Oxo-PCE, commonly known as "MXE," a Schedule I controlled substance analogue; 4 kilograms of β -keto-N-methylbenzodioxolpropylamine, commonly called "Butylone," a Schedule I controlled substance analogue; and 5 kilograms of 4-Methylethcathinone, commonly known as "4-MEC," a Schedule I controlled substance analogue.² Each of these substances was ordered, received and distributed for human consumption.

² The DEA has determined that 4-Fluoroamphetamine is a Schedule I controlled substance analogue of Amphetamine; 2-MeO-2-Oxo-PCE is an analogue of N-Ethyl-1-phenylcyclohexylamine, commonly known as

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12. The acts of the defendant in furtherance of the offense charged in this case, including the acts described above, were done willfully and knowingly with the specific intent to violate the law. The defendant acknowledges that the foregoing statement of facts does not describe all of the defendant's conduct relating to the offenses charged in this case nor does it identify all of the persons with whom the defendant may have engaged in illegal activities. The defendant further acknowledges that he is obligated under his plea agreement to provide additional information about this case beyond that which is described in this statement of facts.

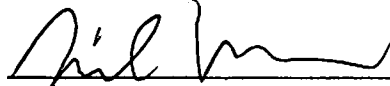
NEIL H. MACBRIDE
UNITED STATES ATTORNEY

By: 
Amy E. Cross
Special Assistant United States Attorney

"PCE"; and 4-Methylethcathinone is an analogue of Methcathinone, a Schedule I controlled substance. Each of these analogues is similar in chemical structure to its controlled substance parent. Further, its physiological effect on the human body is similar, if not greater than, the scheduled parent drug.

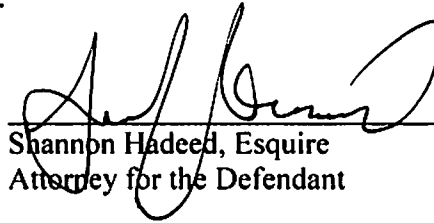
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Defendant's Signature: After consulting with my attorney and pursuant to the plea agreement entered into this day between myself, the United States and my attorney, I hereby stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.



MICHAEL LEE HADDOCK
Defendant

Defense Counsel's Signature: I am MICHAEL LEE HADDOCK's attorney. I have carefully reviewed the above Statement of Facts with her. To my knowledge, her decision to stipulate to these facts is an informed and voluntary one.



Shannon Hadeed, Esquire
Attorney for the Defendant

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