

**Department of Justice**  
U.S. Attorney's Office  
Eastern District of Pennsylvania

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FOR IMMEDIATE RELEASE  
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## **Four Texans, One New Yorker Arrested For Conspiracy to Sell Sanctioned Iranian Oil to Refinery in China for Millions in Profit**

PHILADELPHIA – United States Attorney William M. McSwain and Assistant Attorney General for National Security John C. Demers announced that the following defendants were arrested and charged by Complaint on charges of conspiracy and violating the International Emergency Economic Powers Act (“IEEPA”) based on their attempt to transact in sanctioned Iranian oil:

- Nicholas Hovan, age 33, of New York, NY;
- Zhenyu Wang, a/k/a “Bill Wang,” age 39, of Dallas, TX;
- Robert Thwaites, age 30, of Dallas, TX;
- Nicholas James Fuchs, age 26, of Dallas, TX; and
- Daniel Ray Lane, age 38, of McKinney, TX.

**The defendants are each charged with one count of conspiracy and one count of violating IEEPA, based on allegations that from July 2019 to February 2020 they conspired in Philadelphia and elsewhere to arrange for the purchase of oil from the Islamic Republic of Iran, in violation of United States economic sanctions imposed on Iran, for sale to a refinery in China.**

The Complaint alleges that defendants Nicholas Hovan, James Fuchs, Robert Thwaites, and Daniel Ray Lane arranged to purchase the illegal oil and sell it to a refinery in China represented by defendant Zhenyu Wang, a/k/a “Bill Wang.”

According to the Complaint, defendant Lane offered to further the conspiracy by laundering money through his company, STACK Royalties. The charges further allege that the defendants agreed to use a Polish shell corporation as a straw seller of the illicit oil, and that they planned two shipments of oil per month going forward, all for an expected profit of roughly \$28 million-per-month. In addition, the charges allege that defendants Fuchs and Wang agreed to apply for foreign passports in order to set up offshore accounts that would not be reported to U.S. authorities.

“The defendants in this case allegedly committed serious federal crimes that are in direct contradiction to the United States’ national security interests,” said U.S. Attorney McSwain. “By devising a scheme to purchase oil from Iran, conceal its origins via a refinery in China and make tremendous profits, the defendants were attempting to enrich both themselves and the nation of Iran -- thus jeopardizing the safety and security of the United States and our allies. This type of subversion of U.S. policy and law will not be tolerated: these defendants will be prosecuted to the fullest extent of the law.”

“With the goal of illegally enriching themselves, the defendants conspired for over eight months to devise a scheme to violate U.S. sanctions imposed on Iran, particularly the ban on foreign oil sales,” said Assistant Attorney General for National Security John C. Demers. “The sale of oil is the

lifeblood of the Iranian economy. At the same time the United States was increasing its sanctions in order to pressure Iran to stop its malign activities, these defendants put greed ahead of country. I commend the efforts of the agents and prosecutors who investigated and uncovered this brazen evasion of U.S. law.”

“These defendants allegedly conspired to circumvent economic sanctions enacted to protect the United States’ national security,” said Tara A. McMahon, Acting Special Agent in Charge of the FBI’s Philadelphia Division. “In their minds, sanctions weren’t so much an impediment as an opportunity. They thought they could make their millions and escape the United States Government’s notice. Well, as these charges show, they were wrong. The FBI takes sanctions violations extremely seriously and will bring all our investigative resources to bear, to end such harmful and illegal activity.”

If convicted, the defendants each face a maximum possible sentence of 25 years’ incarceration, as well as a maximum possible fine of \$1.25 million. Four of the arrests occurred in Philadelphia and one occurred in Texas. The four defendants arrested in Philadelphia had initial appearances in federal court today.

The case was investigated by the Federal Bureau of Investigation and is being prosecuted by Assistant United States Attorney Michael Rinaldi and First Assistant United States Attorney Jennifer Arbittier Williams, in partnership with Trial Attorney David Recker of the Department of Justice’s National Security Division, Counterespionage Section.

An indictment, information, or criminal complaint is an accusation. A defendant is presumed innocent unless and until proven guilty.