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PUBLIC FACT SHEET: **MAJOR U.S. EXPORT ENFORCEMENT ACTIONS SINCE OCTOBER 2006**

Below is a snapshot of some of the major export-related criminal cases and prosecutions handled by the Justice Department since October 2006. These cases resulted from investigations by the Department of Homeland Security's U.S. Immigration and Customs Enforcement (ICE), the Federal Bureau of Investigation (FBI), the Department of Commerce's Bureau of Industry and Security (BIS), the Department of Defense's Defense Criminal Investigative Service (DCIS), and other federal law enforcement agencies. This list of cases is not exhaustive.

- ***Military Night Vision Systems Overseas*** – On July 9, 2008, Riad Skaff, a naturalized U.S. citizen from Lebanon and former ground services coordinator at O'Hare International Airport, was sentenced in the Northern District of Illinois to two years in prison for using his position at the airport to help smuggle \$396,000 in cash and illegally export weapons scopes, military night vision goggles, and a cellular phone "jammer." On Aug. 17, 2007, Skaff pleaded guilty to all nine counts of an indictment charging him with bulk cash smuggling; entering an aircraft and airport area in violation of applicable security requirements with the intent to commit a felony; exporting and attempted export of defense articles without first obtaining a required export license; and attempted international export of merchandise, articles, and objects contrary to U.S. law. The investigation was conducted by ICE and DCIS.
- ***Military Aircraft Parts Overseas*** – On July 7, 2008, in the Central District of California, Air Shunt Instruments, Inc., pleaded guilty to making false statements on Shipper's Declaration Forms by claiming that shipments sent overseas did not require a license to be shipped, when in fact the items required such a license. Air Shunt Instruments, based in Chatsworth, California, buys and sells aircraft and aerospace components. Pursuant to an undercover operation, Air Shunt attempted to ship a United States Munitions List item, specifically a gyroscope used on military helicopters, out of the country without a license. A subsequent search warrant revealed other exports of United States Munitions List items by their Vice-President of International Sales, including J85 engine components used on the F-5 Fighter Aircraft. The Vice-President of International Sales, John Nakkashian, was previously indicted in May 2008 in the Central District of California on multiple Arms Export Control Act violations and is currently a fugitive.
- ***Stolen Software to Iran*** – On June 25, 2008, Mohammed Reza Alavi pleaded guilty to transporting stolen property in interstate commerce, in connection with his theft of software belonging to the Palo Verde Nuclear Generating station in Arizona that was valued at \$400,000. On May 28, 2008 a jury also convicted Alavi of unauthorized access to a protected computer, but deadlocked on charges that he illegally exported the software. Alavi is a former employee of the Palo Verde nuclear plant, the largest in the United States, and served as a software engineer in the Simulator Support Group which maintained a simulator system to train control room employees on the operation of nuclear reactors. The simulator system utilizes software called "3KeyMaster"

to replicate current reactor status at Palo Verde allowing an operator to artificially create various incidents to train employees on safety and protocol procedures. The software is unique to Palo Verde in that it contains detailed information of the reactor control room and plant design. The government presented evidence at trial that, after Alavi gave Palo Verde notice of his intent to terminate employment, he installed the “3KeyMaster” software on his personal laptop computer without the permission or knowledge of Palo Verde. Alavi then took the software to Iran. Alavi’s conduct was uncovered when he accessed the software vendor’s website from Iran and obtained a unique authorization code which allowed the software to be unlocked and activated. Alavi was arrested when he returned to the U.S. Following his arrest, Alavi admitted he took the software to help him obtain future employment in the nuclear field. The FBI conducted the investigation.

- ***Fighter Jet and Military Helicopter Components to Iran*** – On June 23, 2008, Hassan Saied Keshari and Traian Bujduveanu made their initial appearance in the Southern District of Florida pursuant to a complaint charging them with conspiring to violate the International Emergency Economic Powers Act, the U.S. Iran Embargo, and the Arms Export Control Act for their participation in a conspiracy to export U.S.-made military aircraft parts to Iran. On June 20, 2008, agents arrested Keshari at Miami International Airport as he walked off a flight from Atlanta. Bujduveanu was arrested at his Plantation, Florida, home on June 21, 2008. Keshari owns and operates Kesh Air International, a business located in Novato, California. Bujduveanu owns and operates Orion Aviation Corp., located in Plantation, Florida. The affidavit alleges that since August 2006, Keshari and Bujduveanu have procured U.S.-made military aircraft parts for buyers in Iran and have illegally shipped the parts to a company in Dubai, United Arab Emirates, for shipment to buyers in Iran. Keshari allegedly received the orders for specific parts by e-mail from buyers in Iran. Keshari then requested quotes, usually by e-mail, from Bujduveanu and made arrangements with Bujduveanu for the sale and shipment of the parts to a company in Dubai. From Dubai, the parts were then shipped on to Iran. Keshari and Bujduveanu are alleged to have obtained and illegally shipped to buyers in Iran parts for the CH-53 military helicopter, the F-14 Tomcat fighter jet, and the AH-1 attack helicopter. Keshari is also alleged to have requested quotes for other parts for other military aircraft, including F-4 Phantom aircraft.
- ***Illegal Export of F-5 and F-14 Fighter Jet Components*** – On June 19, 2008, in the Southern District of New York, Jilani Humayun, 60, a Pakistani citizen and resident of Long Island, New York, pleaded guilty to conspiracy to illegally export arms and to commit money laundering. He faces a maximum sentence of 30 years and a \$1 million fine. Humayun was arrested on July 19, 2007, and charged by information on December 19, 2007, with Conspiracy to Violate the Arms Export Control Act and Smuggle Goods from the United States, and Conspiracy to Violate the International Emergency Economic Powers Act. According to his plea, Humayun illegally exported parts for F-5 and F-14 military fighter jets to Malaysia which prosecutors said may have eventually ended up in Iran. In the process of exporting these parts, he created airway bills that misrepresented the contents and value of his shipments. Such exports are of particular concern because F-14 components are widely sought by Iran, which is currently the only nation in the world that still flies the F-14 fighter jet. Humayun formed his own company, Vash International, Inc., in 2004 then, on eleven separate occasions between January 2004 and May 2006, Humayun, via Vash International, exported to Malaysia F-5 and F-14 parts, as well as Chinook Helicopter parts. This investigation was conducted by ICE, BIS, FBI and DCIS.
- ***U.S. Military Source Code and Trade Secrets to China*** – On June 18, 2008, Xiaodong Sheldon Meng was sentenced in the Northern District of California to 24 months in prison, three-years of supervised release, and a \$10,000 fine for committing economic espionage and violating the Arms Export Control Act. Meng pleaded guilty in August 2007 to violating the Economic

Espionage Act by misappropriating a trade secret used to simulate motion for military training and other purposes, with the intent to benefit China's Navy Research Center in Beijing. He also pleaded guilty to violating the Arms Export Control Act for illegally exporting military source code involving a program used for training military fighter pilots. Meng was the first defendant in the country to be convicted of exporting military source code pursuant to the Arms Export Control Act. He was also the first defendant to be sentenced under the Economic Espionage Act. The investigation was conducted by FBI and ICE.

- ***Missile Technology to Indian Government Entities*** – On June 16, 2008, Parthasarathy Sudarshan, the owner of an international electronics company called Cirrus Electronics, was sentenced in the District of Columbia to 35 months in prison, after pleading guilty March 2008 to conspiring to illegally export 500 controlled microprocessors and other electronic components to government entities in India that participate in the development of ballistic missiles, space launch vehicles, and combat fighter jets. Among the recipients of the U.S. technology were the Vikram Sarabhai Space Centre and Bharat Dynamics, Ltd., two Indian entities involved in ballistic missile production, as well as the Aeronautical Development Establishment, which is developing India's Tejas fighter jet. Sudarshan was one of four defendants indicted in the case. Sudarshan and another defendant, Mythili Gopal, were arrested in South Carolina on March 23, 2007. The other two defendants remain at large. Court documents in the case indicate that Sudarshan was working with an Indian government official located in Washington, D.C. as part of the conspiracy. The investigation was conducted by the FBI, BIS, and ICE.
- ***Military Accelerometers to China*** – On June 9, 2008, Qing Li pleaded guilty in the Southern District of California to conspiracy to smuggle weapons-grade accelerometers from the U.S. to China. Li was indicted for the offense on Oct. 18, 2007. According to court papers, Li conspired with an individual in China to locate and procure Endevco 7270A-200K accelerometers for what her co-conspirator described as a "special" scientific agency in China. This accelerometer has military applications in "smart" bombs and missile development and in calibrating the g-forces of nuclear and chemical explosions. The investigation was conducted by ICE and the DCIS.
- ***Controlled Amplifiers to China*** – On June 6, 2008, WaveLab, Inc. of Reston, Virginia, was sentenced in the Eastern District of Virginia to one year of supervised probation and a \$15,000 fine, together with \$85,000 in forfeiture previously ordered, for the unlawful export of hundreds of controlled power amplifiers to China. The exported items, which have potential military applications, are controlled and listed on the Commerce Control List for national security reasons. Wave Lab purchased these items from a U.S. company and assured the company that the products would not be exported from the United States, but would be sold domestically. WaveLab pleaded guilty on March 7, 2008. The investigation was conducted by BIS and ICE.
- ***Firearms Components to Sudan*** – On June 6, 2008, Khalid Ahmed was sentenced in the Eastern District of Virginia to five months in prison after pleading guilty in March 2008 to unlawfully attempting to export assault rifle components to the Sudan. The investigation was conducted by ICE and BIS.
- ***Controlled Software to Iran*** -- On May 22, 2008, in the Eastern District of Louisiana, Nelson S. Galgoul, a resident of Brazil and the director of Suporte, a Brazilian engineering company, was sentenced to 13 months in prison for violating the International Emergency Economic Powers Act. On Aug. 2, 2007, Galgoul pleaded guilty to exporting and attempting to export controlled engineering software to Iran without the required U.S. authorization. Galgoul acted as an agent for Engineering Dynamics, Inc. in the marketing and support of this software and trained users of

the software in Iran. As part of the same case, on April 24, 2008, James Angehr and John Fowler pleaded guilty to conspiring to violate the International Emergency Economic Powers Act in connection with a plot to export controlled engineering software to Iran. Angehr and Fowler were corporate officers of Engineering Dynamics, Inc, a Louisiana company that produced software to design offshore oil and gas structures. The investigation was conducted by ICE, BIS and FBI.

- ***Military Technical Data on Unmanned Aerial Vehicles to China*** – On May 20, 2008, a federal grand jury in the Eastern District of Tennessee returned an 18-count indictment charging J. Reece Roth, a Professor Emeritus at The University of Tennessee, and Atmospheric Glow Technologies Inc. (AGT), a Knoxville-based technology company, with conspiring to defraud the U.S. Air Force and conspiring to disclose restricted U.S. military data about Unmanned Aerial Vehicles (UAVs), or “drones,” to foreign nationals without first obtaining the required U.S. government license or approval. According to the indictment, Roth and AGT engaged in a conspiracy to disclose controlled data related to UAVs to one or more foreign nationals, including a citizen from China. The Chinese national was a graduate research assistant at the University of Tennessee. Further, Roth allegedly carried multiple documents containing controlled military data with him on a trip to China and caused other controlled military data to be e-mailed to an individual in China. On April 15, 2008, Daniel Max Sherman, a physicist who formerly worked at AGT pleaded guilty to conspiracy to violate the Arms Export Control Act in connection with this investigation. The investigation was conducted by the FBI, ICE, U.S. Air Force Office of Special Investigations, and the Department of Commerce Office of Export Enforcement.
- ***Theft of Military Trade Secrets to Sell to Foreign Governments*** -- On May 16, 2008, Allen W. Cotton of El Dorado Hills, California, was sentenced in the Eastern District of California to two years in prison for theft of trade secrets. Cotton pleaded guilty on Feb. 29, 2008, admitting that while employed at Genesis Microwave Inc., he stole items including plans, designs and parts for the manufacture and testing of detector logarithmic video amplifiers (DLVA) and successive detection logarithmic video amplifiers (SDLVA), which are components used in microwave technologies. These technologies have military applications that include enhancing navigational and guidance capabilities; radar jamming; electronic countermeasures; and location of enemy signals. Cotton sold and offered for sale these items to foreign governments and foreign military contractors. The total amount of actual or intended sales to these companies was \$250,000. The investigation was conducted by the FBI and BIS.
- ***Ammunition to Jamaica, Defense Training to UAE*** -- On May 12, 2008, Lance Brooks was charged in the Southern District of Florida with being an unlicensed broker of defense articles in connection with his efforts to broker the sale of 270,000 rounds of soft point ammunition to the Jamaica Constabulary Force without the required license from the State Department. The case marked the second time Brooks had been charged with arms export violations. In December 2007, Brooks pleaded guilty to exporting defense training services on grenade launchers to the United Arab Emirates without a license. He was on bond pending sentencing in that case when the new charges against him were filed. The investigation was conducted by the FBI.
- ***Infrared Assault Rifle Scopes to Indonesia*** – On May 7, 2008, Doli Sharief Pulungan, a citizen of Indonesia, was convicted in the Western District of Wisconsin of conspiracy to violate the Arms Export Control Act in connection with a plot to illegally export 100 Leupold Mark 4 CQ/T Riflescopes to Indonesia. The tactical riflescopes have infrared capability and are designed to attach to M-16 and AR-15 assault rifles. The investigation was conducted by the FBI.

- ***Military Night Vision Goggles to Iran*** – On May 6, 2008, Shahrazad Mir Gholikhan was sentenced in the Southern District of Florida 29 months in prison and two years supervised released after she pleaded guilty to one count of conspiracy to illegally export military items in connection with a 2004 plot by her and two others to purchase up to 3,000 U.S. military night vision goggles from the United States for the Iranian military. Gholikhan and her ex-husband Mahmoud Seif were arrested in 2004 by authorities in Vienna, Austria in a joint U.S.-Austrian investigation after they purchased a sample Generation III night vision system from an undercover agent. Gholikhan was sentenced to 50 days in jail in Austria and later released. Gholikhan was arrested by U.S. authorities in December 2007 after she traveled to South Florida to face the U.S. charges against her. The investigation was conducted by ICE and DCIS.
- ***Test Tube and Microplate Coating Systems to Iran*** – On May 1, 2008, Patrick Gaillard, the owner of Oyster Bay Pump Works, Inc., was sentenced in the Eastern District of New York after pleading guilty to conspiracy to violate the International Emergency Economic Powers Act in connection with the planned export of restricted test tube and microplate coating systems to Iran through a trading company in the United Arab Emirates. The coating systems for microplates and test tubes produced by Oyster Bay are controlled for export and can be used in a wide variety of research and laboratory applications. The investigation was conducted by BIS.
- ***Cryogenic Pumps to Iran*** – On April 10, 2008, Cryostar SAS, formerly known as Cryostar France, a corporation headquartered in Hesingue, France, pleaded guilty in the District of Columbia to conspiracy, illegal export, and attempted illegal export of cryogenic submersible pumps to Iran. Cryostar specialized in the design and manufacturing of cryogenic equipment, such as pumps, that were used to transport and process natural gases at extremely cold temperatures. Pursuant to a written plea agreement, Cryostar must be sentenced to a criminal fine of \$500,000 and corporate probation of two years when the company is sentenced on July 17, 2008. The investigation was conducted by the Department of Commerce.
- ***Russian Attack Helicopters to Zimbabwe*** – On April 8, 2008, Peter Spitz, a resident of Hallandale, Fla., and the owner of Russian Aircraft Services LLC, was arrested in Miami pursuant to a criminal complaint alleging that he conspired to sell seven MI-24 Russian attack helicopters and three MI-8T Russian military transport helicopters to undercover law enforcement officials who represented that the helicopters would be going to a Cabinet member of the government of Zimbabwe. Spitz was charged in the Southern District of Florida with illegal arms brokering activities. The investigation was conducted by ICE and DCIS.
- ***Thermal Imaging Cameras to China*** – On April 7, 2008, Tah Wei Chao and Zhi Yong Guo were charged with violating the International Emergency Economic Powers Act and the Export Administration Regulations for attempting to export 10 thermal-imaging cameras from the United States to the People's Republic of China without the required licenses. The defendants, both of whom live in Beijing, were arrested as they were preparing to board a flight to China. Inside their luggage, authorities found 10-recently purchased thermal-imaging cameras, which are controlled for export by the Commerce Department. The investigation was conducted by the Department of Commerce, ICE, the FBI, and other federal agencies.
- ***Trade Secrets to China*** – On April 1, 2008, Hanjuan Jin, a naturalized U.S. citizen born in China, was indicted in the Northern District of Illinois for allegedly stealing business trade secrets from her employer, a telecommunications company in Chicago, and attempting to take these technical documents with her to China for a new employer there. Jin allegedly possessed more than 1,000 electronic and paper proprietary documents when she attempted to travel one-way to China in

Feb. 2007. The U.S. company had spent hundreds of millions of dollars on research and development for the proprietary data that Jin allegedly possessed without authorization. Jin was charged with three counts of theft of trade secrets. The investigation was conducted by the FBI, with assistance from U.S Customs and Border Protection.

- ***U.S. Naval Warship Data to China*** – On March 24, 2008, Chi Mak, a former engineer with a U.S. Navy contractor, was sentenced in the Central District of California to 293 months (more than 24 years) in prison for orchestrating a conspiracy to obtain U.S. naval warship technology and to illegally export this material to China. Mak was found guilty at trial in May 2007 of conspiracy, two counts of attempting to violate export control laws, acting as an unregistered agent of the Chinese government, and making false statements. The investigation found that Mak had been given lists from co-conspirators in China that requested U.S. Naval research related to nuclear submarines and other information. Mak gathered technical data about the Navy's current and future warship technology and conspired to illegally export this data to China. Mak's four co-defendants (and family members) also pleaded guilty in connection with the case. On April 21, 2008, Chi Mak's brother, Tai Mak, was sentenced to 10 years imprisonment pursuant to a June 4, 2007, plea agreement in which he pleaded guilty to one count of conspiracy to export defense articles. The investigation was conducted by FBI, NCIS, and ICE.
- ***Telecommunications Systems to Iran*** – On March 18, 2008, Allied Telesis Labs, Inc., pleaded guilty in the Eastern District of North Carolina to conspiracy to violate the International Emergency Economic Powers Act in connection with a scheme to land and execute a \$95 million contract with the Iranian Information Technology Company to rebuild the telecommunications systems of approximately 20 Iranian cities, including Tehran. The investigation was conducted by BIS.
- ***Specialty Alloy Pipes to Iran*** – On March 14, 2008, Proclad International Pipelines, Ltd, a British corporation headquartered in Scotland, was sentenced in the District of Columbia to a criminal fine of \$100,000 and corporate probation of five years for attempting to export from the United States to Iran specialty alloy pipes without an export license from the U.S. government. The investigation was conducted by ICE and BIS.
- ***Nuclear Testing Equipment to India*** – On March 12, 2008, MTS Systems Corp, of Eden Prairie, Minnesota, pleaded guilty in the District of Minnesota to two misdemeanor counts and was sentenced to two years probation and a \$400,000 fine for submitting false export license applications to the Department of Commerce in connection with the proposed shipment of seismic testing equipment with nuclear applications to an entity in India. MTS knew the end-user in India would likely use the seismic testing equipment for nuclear purposes, but, in its export applications to the Department of Commerce, MTS falsely certified that the equipment would be used only for non-nuclear purposes. Commerce denied the export license. The investigation was conducted by BIS and ICE.
- ***100,000 Uzi Submachine Guns to Iran*** – On March 10, 2008, Seyed Maghloubi was sentenced to three years and five months in prison in the Central District of California to attempting to illegally export goods to Iran. As part of his August 2007 plea agreement, Maghloubi admitted that he had plotted to illegally export as many as 100,000 Uzi submachine guns as well as night vision goggles to officials in Iran's government. According to the facts of the plea agreement, the defendant sought to have the weapons shipped from the U.S. to Dubai and later transported over the border to Iran. The investigation was conducted by the FBI and the Los Angeles Police Department.

- ***Theft of Trade Secrets on U.S. Space Shuttle for China*** – On Feb. 11, 2008, Dongfan “Greg” Chung, a former Boeing engineer, is arrested in Southern California after being indicted on charges of economic espionage and acting as an unregistered foreign agent of the People’s Republic of China (PRC), for whom he allegedly stole Boeing trade secrets related to several aerospace and military programs, including the Space Shuttle, the Delta IV rocket program and the Air Force’s C-17 aircraft. Chung, who was employed by Rockwell International from 1973 until its defense and space unit was acquired by Boeing in 1996, was named in an indictment in the Central District of California accusing him of eight counts of economic espionage, one count of conspiracy to commit economic espionage, one count of acting as an unregistered foreign agent without prior notification to the Attorney General, one count of obstruction of justice, and three counts of making false statements to the FBI. According to the indictment, individuals in the Chinese aviation industry began sending Chung “tasking” letters as early as 1979. Over the years, the letters directed Chung to collect specific technological information, including data related to the Space Shuttle. Chung responded in one letter indicating a desire to contribute to the “motherland.” In various letters to his handlers in the PRC, Chung referenced engineering manuals he had collected and sent to the PRC, including 24 manuals relating to the B-1 Bomber that Rockwell had prohibited from disclosure outside of the company. Between 1985 and 2003, Chung made multiple trips to the PRC to deliver lectures on technology involving the Space Shuttle and other programs, and during those trips he met with agents of the PRC. The investigation was conducted by the FBI and NASA.
- ***Two Sentenced in Iranian Embargo Case*** -- On February 8, 2008, in the District of Columbia, Mojtada Maleki-Gomi was sentenced to 18-months and a \$200,000 fine for violating the U.S. embargo against Iran for conspiring to sell textile machinery to Iran. Maleki-Gomi's son, Babak Maleki, was sentenced to probation for making false statements. On Sept. 29, 2006, Maleki-Gomi and his son were indicted for conspiracy to violate the International Emergency Economic Powers Act and the Iranian Transactions Regulations, and for violation of the United States Iranian Embargo. On November 19, 2007, Maleki-Gomi pled guilty to the conspiracy charge and his son Babar Maleki pled guilty to a superseding information charging him with making false statements.
- ***Military & Commercial Aircraft Components to Iran*** – On Feb. 1, 2008: Laura Wang-Woodford, the director of a Singapore-based aviation company, was arraigned in the Eastern District of New York in connection with charges that she illegally exported controlled U.S. commercial and military aircraft components to Iran. She pleaded not guilty and was ordered detained. Wang-Woodford is a U.S. citizen who served as the director of Monarch Aviation Pte, Ltd., a company in Singapore that has imported and exported aircraft components for more than 16 years. She and her husband, Brian D. Woodford, were charged in a 20-count indictment with Arms Export Control Act and International Emergency Economic Powers Act violations in the Eastern District of New York. According to the indictment, Wang-Woodford exported controlled U.S. aircraft parts from the United States to her company in Singapore and then re-exported these commodities to a company in Tehran, Iran without obtaining the required U.S. Government licenses. A superseding indictment against the couple was returned on May 27, 2008. At the time of her Dec. 23, 2007 arrest in San Francisco, Wang-Woodford was carrying catalogues from the China National Precision Machinery Import and Export Company (CPMIEC), which contained advertisements for surface-to-air missiles and rocket launchers. CPMIEC has been sanctioned by the Treasury Department as a specially designated Weapons of Mass Destruction proliferator. The investigation was conducted by BIS and ICE.

- ***Military Amplifiers to China*** – On Jan. 25, 2008, federal agents arrested Ding Zhengxing and Su Yang in Saipan pursuant to an indictment in the Western District of Texas that charges them with Arms Export Control Act violations. A third defendant, Peter Zhu, of Shanghai Meuro Electronics Company Ltd., in China, remains at large. The indictment alleges that the defendants attempted to purchase and illegally export to China amplifiers that are controlled for military purposes. The amplifiers are used in digital radios and wireless area networks. Zhengxing and Yang were arrested after they traveled to Saipan to take possession of the amplifiers. The case was investigated by ICE.
- ***Arms Exports to Russia*** – On Jan. 10, 2008, the United States Attorney for the Middle District of Pennsylvania announced that Russian nationals, Sergey Korznikov of Moscow, and Mark Komoroski of Nanticoke, Pa, were charged in a criminal complaint with conspiring to smuggle military equipment, including rifle scopes, magazines for firearms, face shields, and other military equipment from the United States to Russia to be resold to unknown persons. The case was investigated by ICE, IRS, ATF, U.S. Postal Service, Department of Commerce and DCIS.
- ***Surface-to-Air Missiles, Arms to Terrorists in Sri Lanka and to Indonesian Military*** – On Jan. 3, 2008, Thirunavukarasu Varatharasa is sentenced in the U.S. District Court for the District of Maryland to 57 months in prison for conspiracy to provide material support to a Foreign Terrorist Organization and attempted export of arms and munitions. Varatharasa conspired with Haji Subandi, Haniffa Osman, and Erik Wotulo to provide surface-to-air missiles, machine guns, night vision devices, and other weapons to the Liberation Tigers of Tamil Eelam (LTTE or Tamil Tigers), a designated Foreign Terrorist Organization, in Sri Lanka. All four pleaded guilty in connection with the scheme. Subandi was sentenced to 37 months in prison, while Haniffa Osman and Erik Wotulo have yet to be sentenced. Two additional defendants have also pleaded guilty to export violations as part of a plot to provide arms to the Indonesian military.
- ***Military Night Vision Goggles Illegally Exported Overseas*** – On Dec. 11, 2007, Jerri Stringer was sentenced to 48 months of imprisonment and three years of supervised release in the Northern District of Florida after pleading guilty to several violations in connection with a conspiracy with her son, former U.S. Air Force Staff Sgt. Leonard Allen Schenk, to steal restricted military night vision goggles, aviation helmets, and other equipment from the Air Force and sell them to overseas buyers. Schenk was sentenced to 235 months of imprisonment and three years of supervised release after pleading guilty to a 21-count indictment alleging the sale of stolen military equipment overseas and attempting to hire an undercover agent to kill a potential government witness.
- ***Military Night Vision Systems to Taiwan*** – On Dec. 11, 2007, Yen Ching Peng and Peter Liu were arrested pursuant to charges in the Southern District of New York relating to the illegal export of military night vision technology to Taiwan. Peng allegedly sought infrared laser aiming devices, thermal weapons sights, and a fighter pilot's helmet, all of which are classified as U.S. Munitions List items that may not be exported without State Department approval. Peng was arrested in Hong Kong, while Liu was arrested in New York, after he received a fighter pilot's helmet from an undercover agent. The investigation was conducted by ICE and DCIS.
- ***Military Night Vision Technology to China*** – On Dec. 3, 2007, Philip Cheng was sentenced in the Northern District of California to two years in prison and ordered to pay a \$50,000 fine for his role in brokering the illegal export of a night vision camera and its accompanying technology to China in violation of federal laws and regulations. Mr. Cheng pleaded guilty on Oct. 31, 2006, to brokering the illegal export of Panther-series infrared camera, a device which makes use of "night

vision” technology. The technology used in the device was controlled for national security reasons by the United States Department of State. The case was the result of a joint investigation by ICE, the FBI, the Department of Commerce, and the IRS.

- ***Military Night Vision Equipment to Hizballah*** – On Nov. 29, 2007, Fawzi Assi, a former resident of Dearborn, Michigan, pleaded guilty to providing material support to Hizballah, a designated foreign terrorist organization. Mr. Assi admitted that, on July 13, 1998, he attempted to board an airplane at Detroit Metro Airport on an international flight for Lebanon with two Boeing global positioning satellite modules, night vision goggles and a thermal imaging camera. He was attempting to deliver these items to a person in Lebanon, who was purchasing the equipment for Hizballah. Assi faces up to ten years imprisonment and a fine of up to \$250,000. The case was investigated by the FBI and ICE and was prosecuted in the Eastern District of Michigan.
- ***F-14 Fighter Jet Components and Other Military Items to Iran*** – On Nov. 20, 2007, a grand jury in the Southern District of New York returned an indictment charging Yousef Boushvas with violating the Arms Export Control Act, smuggling, conspiracy to commit money laundering and other violations in connection with his alleged acquisition of F-14 military fighter jet components and other military parts from the United States for export to Iran. The grand jury later returned two superseding indictments against Boushvas adding new offenses. According to the charges, Boushvas operated a company in Dubai, UAE, called Glasgow International LLC which served as a hub for his illegal arms deals. Boushvas and his co-conspirators allegedly contacted numerous suppliers in the U.S. via e-mail and had them illegally export military components to the UAE, Thailand, and other locations, for ultimate transshipment to Iran. Boushvas had been arrested by Hong Kong authorities on Oct. 29, 2007 in Hong Kong pursuant to a provisional warrant issued by the Southern District of New York. The Justice Department commenced extradition proceedings to bring Boushvas to New York. On April 11, 2008, days before the extradition hearing was scheduled to begin in Hong Kong, authorities in Hong Kong terminated the proceeding and released Boushvas from custody over the objections of the U.S. Justice Department. Boushvas currently is a fugitive from justice and has been placed on Interpol’s list of wanted suspects. Three of Boushvas’s co-conspirators have been charged in connection with the case. Lawrence Davis and Gwendolyn Douglas pleaded guilty in the Southern District of New York. A third co-conspirator, George Frank Myles, Jr. is awaiting trial in the Southern District of Florida. This investigation was conducted by ICE and DCIS.
- ***Military Night Vision Technology to China*** – On Oct. 31, 2007, Bing Xu, of Nanjing, China, was charged by criminal complaint in the District of New Jersey with attempting to illegally export military-grade night vision technology from the U.S. to China. According to court documents, Xu arrived in New York on October 26 from China a day after his Chinese employer wire transferred \$14,080 to federal agents as payment for the purchase of the restricted equipment. The investigation was conducted by ICE and the DCIS.
- ***U.S. Stealth Missile Data & Military Secrets to China*** – On Oct. 26, 2007, Noshir Gowadia was charged in a second superseding indictment in the District of Hawaii with an additional count of transmitting classified national defense information to China and two additional counts of filing false tax returns. Gowadia was charged in a superseding indictment in November 2006 with performing substantial defense related services for China by agreeing to design, and later designing, a cruise missile exhaust system nozzle that renders the missile less susceptible to detection and interception. Among other violations, Gowadia was charged in the first superseding indictment with willfully communicating classified national defense information to China with

the intent that it be used to the advantage of China or to the injury of the U.S, as well as unlawfully possessing classified information, and laundering funds paid to him by the Chinese government for his illegal defense work. The investigation was conducted by the FBI, Air Force Office of Special Investigations, IRS, CBP, and ICE.

- ***Illegal Exports of F-4 and F-14 Fighter Jet Components*** – On Oct. 5, 2007, Abraham Trujillo and David Wayne of Ogden, Utah, were charged in the District of Utah with attempting to illegally export components for F-4 and F-14 fighter jets using the Internet. According to the charges, the defendants attempted to illegally export military cable assemblies, wiring harnesses and other restricted components to Canada in 2006 and 2007. Such exports are of particular concern because F-14 components are widely sought by Iran, which is currently the only nation in the world that still flies the F-14 fighter jet. The investigation was conducted by ICE and DCIS.
- ***Products with Nuclear & Missile Applications to Pakistan*** – On Oct. 4, 2007, SparesGlobal, Inc., a Pittsburgh company, was sentenced in the Western District of Pennsylvania for conspiring to falsify documents and make false statements about a 2003 illegal export to the United Arab Emirates (UAE) that ultimately ended up in Pakistan. According to court documents, SparesGlobal exported to a trading company in the UAE restricted graphite products that can be used in nuclear reactors and in the nose cones of ballistic missiles. The graphite products were routed to Pakistan. After the shipment, the company attempted to mislead federal investigators when questioned about the shipment and related documents. The investigation was conducted by BIS.
- ***Economic Espionage and Theft of Trade Secrets*** – On Sept. 26, 2007, Lan Lee and Yuefei Ge were charged in a superseding indictment the Northern District of California on charges of economic espionage and theft of trade secrets. The indictment alleges that the pair conspired to steal trade secrets from two companies and created a new firm to create and sell products derived from the stolen trade secrets. The charges also allege that Lee and Ge attempted to obtain funds for their new company from the government of China, in particular China's General Armaments Division and China's 863 Program, otherwise known as the National High Technology Research and Development Program of China. The case was investigated by the FBI.
- ***Sensitive Aircraft Components to Iran*** – On Sept. 18, 2007, Aviation Services International, a Netherlands-based aviation services company, its owner, Robert Kraaijpoel, and two other Dutch companies were charged in the District of Columbia with illegally exporting aerospace grade aluminum, aircraft components, and other equipment to Iran and the government of Iran. The complaint alleges that, in 2006 alone, Aviation Services obtained some 290 aircraft-related components from the U.S. and caused them to be shipped to Iran. Many of these U.S.-origin goods were sent to Iranian government agencies, Iranian procurement agencies or companies doing business in Iran, according to the complaint. The investigation was conducted by BIS, ICE, DCIS and FBI.
- ***Restricted Technology to China*** – On Aug. 1, 2007, Yang Fung, the president of Excellence Engineering Electronics, Inc., pleaded guilty in the Northern District of California to a charge of illegally exporting controlled microwave integrated circuits to China without the required authorization from the Department of Commerce. The investigation was conducted by the FBI.
- ***Sensitive Technology to Prohibited Facility in India*** – July 30, 2007, Samuel Shangteh Peng was charged in the Central District of California with illegally exporting sensitive technology to an entity in India prohibited from receiving such technology due to proliferation concerns. Peng, an international sales manager at a California company, was charged with illegally exporting vibration

amplifiers, cable assemblies and vibration processor units in 1999 and 2000 from the U.S. to Hindustan Aeronautics Limited, Engine Division, in India. In 1998, the U.S. government designated this facility in India as an end-user of concern for proliferation reasons. The investigation was conducted by BIS, ICE, and the Naval Criminal Investigative Service (NCIS).

- ***Telecommunications Equipment to Iraq*** – On July 19, 2007, Dawn and Darrin Hanna were indicted in the Eastern District of Michigan on charges of conspiracy, violating the International Emergency Economic Powers Act, money laundering conspiracy, and false statements. From 2002 to 2003, the defendants allegedly received \$9.5 million in proceeds to supply telecommunications and other equipment to Iraq in violation of the U.S. embargo that existed prior to the invasion by coalition forces in March 2003. This investigation was conducted by ICE, the Internal Revenue Service (IRS) and the FBI.
- ***Missiles, Arms to Terrorists in Colombia and Armed Factions Around the Globe*** – On June 7, 2007, reputed international arms dealer, Monzer Al Kassar, was arrested in Spain and two of his alleged associates were arrested in Romania pursuant to a terrorism-related indictment returned in the Southern District of New York. According to the indictment, Kassar agreed to sell millions of dollars worth of surface-to-air missiles, rocket-propelled grenade launchers, ammunition, and machine guns to the U.S.-designated terrorist organization, Fuerzas Armadas Revolucionarias de Colombia (FARC), between February 2006 and May 2007. Since the early 1970s, court documents allege, Kassar has been a ready source of weapons and military equipment for armed factions engaged in violent conflicts around the world, including Nicaragua, Brazil, Cyprus, Bosnia, Croatia, Somalia, Iran, and Iraq, among other countries. The investigation was conducted by the Drug Enforcement Administration (DEA) and the FBI.
- ***F-14 Fighter Jet Components to Iran*** – On May 8, 2007, Reza Tabib was sentenced in the Central District of California to violating the International Emergency Economic Powers Act in connection with his efforts to illegally export military aircraft parts to Iran via associates in Germany and the United Arab Emirates. In 2006, federal agents intercepted maintenance kits for the F-14 fighter jet that Tabib and his wife had sent to Iran. A search of their California home led to the seizure of more than 13,000 aircraft parts as well as various aircraft part “shopping lists” that provided to the couple by an Iranian military officer. The investigation was conducted by ICE and DCIS.
- ***Telecommunications Equipment from China to Iraq*** – On April 10, 2007, Andrew Huang, the owner of McAndrew’s, Inc, an international export company, pleaded guilty in the District of Connecticut to one count of making false statements to the FBI. Huang was charged in 2006 with operating as a representative for the Chinese Electronic System Engineering Corporation, the technology procurement arm of the government of China. According to court documents, Huang allegedly helped broker the illegal sale and transfer of millions of dollars worth of telecommunications equipment from China to Iraq between 1999 and 2001. The investigation was conducted by the FBI, ICE, NCIS, IRS and BIS.
- ***Ballistic Helmets to Suriname*** – On March 28, 2007, Alpine Armoring, Inc., a Virginia company, pleaded guilty in the Eastern District of Virginia to the unlicensed export of controlled ballistic helmets to Suriname. Fred Khoroushi, the president and director of Alpine Armoring, also pleaded guilty to making false statements on an export declaration. The investigation was conducted by BIS, ICE, and DCIS.
- ***\$100 Million Penalty for Illegal Exports of Military Night Vision Technology to China, Singapore, U.K.*** -- On March 27, 2007, ITT Corporation, the leading manufacturer of military

night vision equipment for the U.S. Armed Forces, agreed to pay a \$100 million penalty and admitted to illegally exporting restricted night vision data to China, Singapore, and the United Kingdom in the Western District of Virginia. The company also pleaded guilty to charges that it omitted statements of material fact in required arms exports reports. The \$100 million penalty is believed to be one the largest ever in a criminal export control case. As part of the plea agreement, ITT Corporation must invest \$50 million of the penalty toward the development of the most advanced night vision systems in the world for the U.S. Armed Forces. The investigation was conducted by DCIS and ICE.

- ***Machine Guns, Arms to Indonesia*** – On Jan. 18, 2007, Hadianto Djuliarso pleaded guilty in the Eastern District of Michigan to conspiracy to violate the Arms Export Control Act and money laundering in a scheme to purchase and illegally export more than \$1 million worth of machine guns, sniper rifles and other weapons to Indonesia. According to court documents, Djuliarso also made inquiries about purchasing Sidewinder missiles and strafing ammunition for illegal export to Indonesia. Three other defendants have pleaded guilty in this case. The investigation was conducted by ICE and DCIS.
- ***Stolen Trade Secrets to Chinese nationals*** – On Dec. 14, 2006, Fei Ye and Ming Zhong pleaded guilty in the Northern District of California to charges of economic espionage for possessing trade secrets stolen from two Silicon Valley technology companies. The pair admitted that their company was to have provided a share of any profits made on sales of the stolen chips to Chinese entities. The case marked the first convictions in the nation for economic espionage. The investigation was conducted by ICE, FBI and CBP.
- ***Sensitive Technology to Iranian National*** – On Dec. 5, 2006, Seyed Eftekhari pleaded guilty in the Western District of Texas to attempting to purchase a “guided wave” scanning device with the intent of providing the unit to a third party from Iran without the required U.S. government license. The investigation was conducted by ICE and the FBI.
- ***Technology with Nuclear Applications to Iran*** – On Nov. 30, 2006, Juan Sevilla, sales director of United Calibration Corporation in California, was sentenced in the Northern District of Illinois for attempting to illegally export to Iran machinery and software to measure the tensile strength of steel in violation of the U.S. embargo. The technology is on the Nuclear Supplier’s Group “Watch List” as a commodity that can make a contribution to nuclear activities of concern. The investigation was conducted by BIS and ICE.
- ***Rifle Scopes, Weapons to Iran*** – On Nov. 22, 2006, Fereidoon Kariman was arrested in the Eastern District of Michigan after authorities found rifle scopes, laser range finding binoculars, stun guns and other prohibited items in luggage for his trip to Iran. The investigation was conducted by ICE.
- ***Military Weapons Scopes to China*** – On Oct. 26, 2006, Wai Lim William Lam was charged in the District of Connecticut with attempting to smuggle weapons scopes, including submersible night-vision monocular devices, to Hong Kong. The investigation was conducted by DCIS, BIS, and ICE.
- ***U.S. Military Vehicles to the Middle East*** – On Oct. 24, 2006, Ronald Wiseman, a former Defense Reutilization and Marketing Service (DRMS) official, was sentenced in the District of Columbia for illegally selling militarized vehicles to individuals in Middle East nations. A second former

DRMS official has also pleaded guilty in connection with the scheme. The case was investigated by ICE, DCIS and the Defense Logistics Agency.

- ***Terrorist Transactions, Computer Exports to Libya and Syria*** – On Oct. 13, 2006, sentences were handed down in the Northern District of Texas against Infocom Corporation and Bayan Elashi, Ghassan Elashi and Basman Elashi in connection with prior convictions at trial for dealing in the funds of a Specially Designated Terrorist, a high-ranking official of the terrorist organization, Hamas, and conspiracy to export computers and computer equipment to Libya and Syria. The investigation was conducted by FBI, BIS, ICE, IRS and members of the North Texas Joint Terrorism Task Force.
- ***Aircraft Parts to Iran*** – On Oct. 13, 2006, Ernest Koh, doing business as Chong Tek, was sentenced in the Eastern District of New York to jail after his conviction at trial for obtaining components that can be used in C-130 military transport planes and P-3 Naval aircraft, and diverting those parts to Malaysia for ultimate transshipment to Iran. In total, the government found that Koh illegally exported roughly \$2.6 million in aircraft parts to Iran. The investigation was conducted by BIS and ICE.
- ***Industrial Furnace to Missile Institute in China*** – On Oct. 4, 2006, William Kovacs, the owner and president of Elatec Technology Corporation in Massachusetts, was sentenced in the District of Columbia to prison for illegally exporting a hot press industrial furnace to a research institute in China affiliated with that nation's aerospace and missile programs. The investigation was conducted by BIS and ICE.

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