

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO.
	:	
v.	:	VIOLATIONS:
	:	
RUDOLF L. CHEUNG	:	18 U.S.C. § 371
	:	(Conspiracy to Commit an Offense or
Defendant.	:	to Defraud the United States)
	:	
	:	22 U.S.C. § 2778
	:	(Arms Export Control Act)
	:	
	:	22 C.F.R. Parts 121.1, 123.1, and 127.1
	:	(International Traffic in Arms
	:	Regulations)
	:	

INFORMATION

The United States Attorney charges that:

COUNT ONE

At all times material to this Information:

1. Defendant **RUDOLF L. CHEUNG** was a resident of the Commonwealth of Massachusetts employed by Company B, a company with its principal place of business located in North Andover, Massachusetts.

2. Defendant **RUDOLF L. CHEUNG** began work with Company B in 1994 as a designer of antennas. Over the past seventeen years, Defendant **RUDOLF L. CHEUNG** has directly designed or supervised the development of a full library of antennas presently manufactured by Company B – many of which have military applications and were used by defense contractors. Some of defendant **RUDOLF L. CHEUNG**'s inventions were used in the United States space program. Defendant **RUDOLF L. CHEUNG** was the Vice President of

antennas at Company B and reported directly to the President of the company. During the years 2005 and 2006, defendant **RUDOLF L. CHEUNG** served as a member of Company B's Board of Directors.

3. Company B was a privately-held company. Defendant **RUDOLF L. CHEUNG** was a shareholder of Company B and owned two percent of Company B's stock.

4. In furtherance of the national security and foreign policy interests of the United States, the Arms Export Control Act ("AECA"), 22 U.S.C. § 2778, *et seq.*, regulated and restricted the sale of arms, munitions, implements of war, and other defense articles and services.

5. Pursuant to the authority granted in the AECA, the State Department, Directorate of Defense Trade Controls ("DDTC"), promulgated regulations, which were known as the International Traffic in Arms Regulations ("ITAR"), 22 C.F.R. §§ 120–130. The ITAR specifically governed the export of "defense articles" and also contained the United States Munitions List ("USML"), 22 C.F.R. § 121.1, which designated what items were "defense articles."

6. "Defense articles," as that term was used in 22 U.S.C. § 2778(b)(2) and the ITAR, means items, including technical data, designated for placement on the USML as weapons, weapons systems, munitions, aircraft, associated equipment, and other implements of war.

7. Once an item was designated as a "defense article" on the USML, a person or governmental entity who sought to export that item from the United States must have received a license or other approval to do so from the DDTC.

8. Defendant **RUDOLF L. CHEUNG** conspired with others whose identities are known to the United States to export antennas manufactured by Company B with the same

capabilities as Company B model 2010-1 and 3120 without obtaining the proper licenses from the United States government.

9. The antennas of Company B bearing part number 2010-1 with frequency 1.7 to 17.5 Ghz and bearing part number 3120 with frequency 18.5 to 39 Ghz were USML items, as defined within the ITAR. A license was required to export these items to end-users outside of the United States. Neither **RUDOLF L. CHEUNG** nor Company B sought a license from the DDTC in the District of Columbia to export the items described in this paragraph outside of the United States.

The Conspiracy

10. Beginning in or around October 2006 and continuing through in or around September 2007, within the District of Columbia and elsewhere, the defendant, **RUDOLF L. CHEUNG**, and others known and unknown to the United States Attorney, knowingly combined, conspired, confederated, and agreed with each other to violate AECA and the ITAR by exporting defense articles on the United States Munitions List to Singapore and Hong Kong without first obtaining licenses from the DDTC, located in the District of Columbia, in violation of Title 22, United States Code, Section 2778(b)(2) and 2778(c), and Title 22, United States Code of Federal Regulations, Section 121.1, 123.1, and 127.1.

Objects of the Conspiracy

11. The object of the conspiracy was for the co-conspirators to make money and to obtain property by procuring antennas 2010-1 and 3120 antennas from Company B in violation of United States export law.

Manner and Means of the Conspiracy

12. The conspirators would and did use the following manner and means, among others, to accomplish the objects of the conspiracy:

a. Defendant **RUDOLF L. CHEUNG** contacted Coconspirator C about the possibility of exporting overseas for sale export-controlled omnidirectional antennas.

b. Coconspirator C negotiated with an employee of Corezing International (“Corezing”) in Singapore to sell Company B’s omnidirectional and export-controlled antennas, model 2010-1 and model 3120, to Corezing.

c. Defendant **RUDOLF L. CHEUNG** assisted Coconspirator C with modifying the frequency range of the 2010-1 and 3120 in the request for quotation submitted by Coconspirator C to Company B so that the suspicions of Company B’s export compliance department would not be aroused and the antennas’ functionality would not be impacted.

d. In arranging for the purchase of these antennas, Coconspirator C coordinated with and took directions from various employees of Corezing.

e. Coconspirator C obtained omnidirectional and export controlled antennas, which were defense articles on the USML from Company B for export to Corezing at addresses located in Singapore and Hong Kong.

f. No party to the transactions obtained export licenses from the DDTC in

the District of Columbia for export from the United States of defense articles on the USML to Corezing in Singapore and Hong Kong.

Overt Acts

13. In furtherance of this conspiracy, defendant **RUDOLF L. CHEUNG** and other co-conspirators committed overt acts, including but not limited to the following:

(1) In or about June 2006, Company D in Singapore sent an inquiry to Company B requesting a quotation for Company B model 2010-1 and 3080 antennas.

(2) In or about September 2006, the export compliance officer at Company B advised Company D that Company B could not sell either the 2010-1 or the 3080 antenna for export without Company D first completing a Form DSP-83 (Nontransfer and Use Certificate) which the DDTC required be completed as part of an export license application.

(3) In or about September 2006, Company D in Singapore advised Company B that it would not complete the DSP-83 because it was contrary to Company D's company policy to complete such forms, and the order was stopped.

(4) In or about September or October 2006, defendant **RUDOLF L. CHEUNG** learned that the export compliance officer at Company B had refused to sell 2010-1 and 3080 antennas to Company D because of licensing considerations.

(5) In or about October or November 2006, defendant **RUDOLF L. CHEUNG** met with Coconspirator C and discussed making the same sale of 2010-1 and 3080 antennas to Company D with Coconspirator C's company serving as a domestic intermediary for the export. Defendant **CHEUNG** and Coconspirator C also discussed placing the order as one for custom parts – with nearly identical functionality to the 2010-1 and 3080 – so as not to

arouse the suspicions of the export compliance officer at Company B.

(6) On or about November 5, 2006, defendant **RUDOLF L. CHEUNG** wrote to Coconspirator C as follows: "Please contact Eric Lim at [Company D] in Singapore. He has a need for [Company B's] P/N 3080 and 2010-1. Mail to: eric.lim@[Company D].com.sg."

(7) In or about November 2006, Coconspirator C submitted an inquiry to Company B with the full knowledge of defendant **RUDOLF L. CHEUNG** for antennas which would provide the same function as the antennas previously ordered by Company D, but with slightly altered specifications so as not to arouse suspicions at Company B.

(8) From in or about November 2006 until in or about June 2007, Coconspirator C negotiated with representatives of Company D and later Corezing International regarding the sale of Company B's antennas for export from the United States.

(9) In or about March 2007, Corezing requested that Coconspirator C modify the order placed with Company B to be for 2010-1 antennas and 3120 antennas, both of which required a license for export from the United States. Corezing advised Coconspirator C that Corezing had previously been unsuccessful in ordering 3120 antennas directly from Company B because the antennas were export controlled.

(10) In or about June 2007, Coconspirator C submitted an order to Company B with the full knowledge of defendant **RUDOLF L. CHEUNG** for antennas which would provide the same function as the 2010-1 and 3120 antennas but with slightly altered specifications so as not to arouse the suspicions of Company B's export compliance officer.

(11) Between in or about June 2007 and in or about September 2007, defendant **RUDOLF L. CHEUNG** took no steps to stop the sale of export controlled antennas to

