



Department of Justice

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Western District of Texas

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TAIWANESE NATIONAL SENTENCED TO PRISON FOR ILLEGALLY EXPORTING MILITARY-SENSITIVE ITEMS FROM THE UNITED STATES TO IRAN

This afternoon in San Antonio, 35-year-old Susan Yip (aka Susan Yeh), a citizen of Taiwan, was sentenced to two years in federal prison for helping to obtain military sensitive parts for Iran in violation of the Iranian Trade Embargo announced **United States Attorney Robert Pitman; Homeland Security Investigations (HSI) San Antonio Office Special Agent in Charge Jerry Robinette; Defense Criminal Investigative Service (DCIS) Southwest Field Office Special Agent in Charge Janice M. Flores; Special Agent in Charge Tracy Martin, U.S. Commerce Department's Bureau of Industry and Security's Office of Export Enforcement, Dallas Field Office; and, Federal Bureau of Investigation San Antonio Division Special Agent in Charge Armando Fernandez.**

A seven-count indictment, returned on June 15, 2011 and unsealed today, charged Yip, Mehrdad Foomanie (aka Frank Foomanie) of Iran, and a third defendant, Merdad Ansari of the United Arab Emirates, with conspiracy to violate the Iranian Transaction Regulations, conspiracy to launder money and conspiracy to commit wire fraud. On July 20, 2012, Yip pleaded guilty to one count of conspiracy to violate the Iranian Transaction Regulations. By pleading guilty, Yip admitted that from October 9, 2007, to June 15, 2011, she acted as a broker and conduit for Foomanie to buy items in the United States and have them unlawfully shipped to Iran.

According to the indictment, Foomanie also bought or attempted to buy items in the United States and arranged to have them unlawfully shipped to Iran through his companies in Iran (Sazgan Ertebat Co. Ltd, and Morvarid Shargh Co. Ltd.); in Hong Kong (Panda Semiconductor and Foang Tech Inc., aka Ofogh Electronics Co.); and, in China (Ninehead Bird Semiconductor). The indictment also alleges that Ansari attempted to transship and transshipped cargo obtained from the United States by Yip and Foomanie using Ansari's company, Gulf Gate Sea Cargo L.L.C., located in Dubai, United Arab Emirates. In her guilty plea, Yip admitted to primarily using her companies in Taiwan (Hivocal Technology Company, Ltd.; Enrich Ever Technologies Co., Ltd.; and, Kuang-Su Corporation) and in Hong Kong (Infinity Wise Technology; Well Smart (HK) Technology; Pinky Trading Co., Ltd.; and, Wise Smart (HK) Electronics Limited) to carry out the fraudulent scheme.

United States Attorney Robert Pitman stated, "When companies or individuals sell or otherwise facilitate the shipment of certain categories of goods to other countries in violation of the law or turn a blind eye to the end user, they are subjecting the United States to potential risks to its national security. As we allege in court documents, the parts in this case had dual-use military and civilian capability. We will continue to be vigilant in detecting and prosecuting those who would jeopardize our security in this way."

"This investigation should serve as a clear indication to those who attempt to supply or trade with our enemies, that all investigative efforts will be utilized to bring you to justice," said HSI Special Agent in Charge Jerry Robinette, San Antonio Office.

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From October 9, 2007, to June 15, 2011, the defendants obtained or attempted to obtain from companies worldwide over 105,000 parts valued at approximately \$2,630,800 involving more than 1,250 transactions. The defendants conducted 599 transactions with 63 different United States companies where they obtained or attempted to obtain parts from United States companies without notifying the United States companies these parts were being shipped to Iran or getting the required U.S. Government license to ship these parts to Iran.

At no time did Yip, Foomanie, or Ansari, individually or through any of their companies, ever apply for or receive either a required United States Department of the Treasury's Office of Foreign Assets Control (OFAC) license or Department of Commerce export license to ship any item listed in this Indictment to the Republic of Iran.

“This sentencing was a result of a highly successful joint investigative effort by the DCIS, HSI, FBI, the Department of Commerce – Office of Export Enforcement and the U.S. Attorney's Office for the Western District of Texas,” said Janice M. Flores, Special Agent-in-Charge of the DCIS, Southwest Field Office. “The DCIS is committed to protecting America from this type of activity, and this commitment combined with the courage and determination of the law enforcement agents involved, prevented sensitive military technology from falling into the hands of our adversaries. I believe this speaks volumes and serves as a warning for those intent on committing this type of criminal activity that law enforcement will pursue these crimes relentlessly.”

Iranian Transaction Regulations prohibit, among other things, the exportation, re-exportation, sale or supply, directly or indirectly, to Iran or the Government of Iran, of any goods, technology or services from the United States or by a United States person. The embargo also prohibits any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, any prohibition set forth in the Executive Orders.

“Parties who conspire to transship sensitive U.S. technology to hostile nations such as Iran will be pursued and prosecuted to the fullest extent of the law,” said Special Agent in Charge Tracy Martin, U.S. Commerce Department's Bureau of Industry and Security's Office of Export Enforcement Dallas Field Office. “Today's sentencing demonstrates how federal law enforcement partners effectively work together to prevent U.S. technology from falling into the wrong hands.”

“This investigation demonstrates the critical need for unwavering vigilance when our national security is at risk as threats can emerge from anywhere and from anyone, even in what appears to be legitimate commerce,” stated FBI Special Agent in Charge Armando Fernandez, San Antonio Division.

Foomanie and Ansari remain fugitives. Upon conviction, each faces up to 20 years in federal prison for conspiracy to violate Iranian Trade Regulations, up to 20 years in federal prison for conspiracy to launder money and up to five years in federal prison for conspiracy to commit mail fraud.

It is important to note that an indictment is merely a charge and should not be considered as evidence of guilt. The defendants are presumed innocent until proven guilty in a court of law.

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