

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

UNITED STATES OF AMERICA	:	Criminal Case No:
	:	
v.	:	Magistrate Case No.: 20-mj-225
	:	
DES INTERNATIONAL CO., LTD., and	:	VIOLATION:
	:	18 U.S.C. § 371
SOLTECH INDUSTRY CO., LTD.,	:	(Conspiracy to Violate International
	:	Emergency Economic Powers Act)
Defendants.	:	
	:	

INFORMATION

The United States informs the Court that on or about the times and dates stated herein:

GENERAL ALLEGATIONS

1. DES International Co., Ltd. (“DES”) was a business organization located in Taiwan. DES procured goods for the benefit of Iranian government entities and business organizations, including goods that originated in the United States. DES purchased goods from business organizations throughout the world and caused those goods to be shipped to its customers located in Iran. DES’s operations included affiliates and related business organizations located around Asia and the Middle East.
2. Soltech Industry Co., Ltd. (“Soltech”) was a business organization registered in Brunei, that utilized an address in Hong Kong and was operated by DES employees in Taiwan. SOLTECH was affiliated with DES by virtue of common directors, employees, and customers. SOLTECH purchased goods from business organizations throughout the world, including goods that originated in the United States, and caused those goods to be shipped to its customers located in Iran.

3. The IRANIAN ENTITY was an organization located in Iran that operated as a research center in the field of electronics standards testing. The IRANIAN ENTITY was a customer of both DES and SOLTECH.
4. CHIN HUA HUANG (“HUANG”) was an individual who resided in Taiwan. HUANG operated as a sales agent of both DES and SOLTECH. HUANG used e-mail addresses associated with both DES and SOLTECH to communicate with providers of goods and with customers, including the IRANIAN ENTITY. HUANG received compensation for her work as a sales agent of both DES and SOLTECH. HUANG reported regularly to owners and directors of both DES and SOLTECH, and her work as a sales agent in the scope of her employment benefited those business organizations in the form of revenue generation.
5. U.S. COMPANY 1 was a business organization located in the United States that functioned as a global manufacturer of electronic instruments and electromechanical devices.
6. U.S. COMPANY 2 was a business organization located in the United States that created and sold cybersecurity software.
7. The United States Department of the Treasury was a federal government agency located in Washington, D.C. Through its Office of Foreign Assets Control (“OFAC”), also located in Washington, D.C., the United States Department of the Treasury administered and enforced economic and trade sanctions against certain foreign countries, including Iran, as well as individuals and entities associated with those countries. OFAC was empowered to grant or deny license applications for the export or re-export of U.S. goods to Iran.

8. The International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-1706 (“IEEPA”) authorized the President of the United States (the “President”) to impose economic sanctions on a foreign country in response to an unusual or extraordinary threat to the national security, foreign policy, or economy of the United States when the President declared a national emergency with respect to that threat.
9. On March 15, 1995, the President issued Executive Order No. 12957, finding that “the actions and policies of the Government of Iran constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States,” and declaring “a national emergency to deal with that threat.” On May 6, 1995, the President issued Executive Order No. 12959, which imposed comprehensive trade and financial sanctions on Iran. These sanctions prohibited, 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 U.S. persons, wherever located. This included persons in a foreign country with knowledge or reason to know that such goods, technology, or services were intended specifically for supply, transshipment, or re-exportation, directly or indirectly, to Iran or the Government of Iran. On August 19, 1997, the President issued Executive Order No. 13059, consolidating and clarifying Executive Order Nos. 12957 and 12959 (collectively, the “Executive Orders”). The most recent continuation of this national emergency was executed on March 12, 2020. 85 Fed. Reg. 14731 (Mar. 13, 2020). Pursuant to this authority, the Secretary of the Treasury promulgated the Iranian Transaction Regulations, 31 C.F.R. Part 560, implementing the sanctions imposed by the Executive Orders. Effective October 22, 2012, the Department of the Treasury

renamed and reissued the Iranian Transaction Regulations as the Iranian Transactions and Sanctions Regulations (“ITSRs”).

10. Pursuant to 50 U.S.C. § 1705, it is illegal to willfully violate, attempt or conspire to violate, or cause a violation of any license, order, regulation or prohibition issued under IEEPA.

COUNT ONE

11. Paragraphs 1 through 10 of the General Allegations are hereby realleged as if fully set forth herein.
12. Starting in November 2011 at the latest, through May 2018 at the earliest, in the District of Columbia and elsewhere, HUANG conspired and agreed with DES, SOLTECH, and the IRANIAN ENTITY to willfully commit offenses against the United States and to defraud the United States, specifically by causing goods, including (a) a power amplifier and related components, and (b) cybersecurity software, to be exported from the United States and shipped to Iran without a license, in violation of IEEPA and the regulations issued thereunder.
13. A purpose of the conspiracy was to cause goods to be exported from the United States to Iran without a license issued by OFAC. A further purpose of the conspiracy was to impede the United States Government from performing its function of determining whether to license the exports of the goods from the United States to Iran. It was part of the conspiracy that the defendants concealed from United States business organizations that the goods were destined for Iran, and misled United States business organizations about the ultimate destination of the goods.
14. In furtherance of the conspiracy and to achieve the objects and purposes thereof, the

defendants and their co-conspirators committed and caused to be committed, in the District of Columbia and elsewhere, the following overt acts, among others:

Power Amplifier and Related Components

- a. On or around November 4, 2011, HUANG provided to agents of the IRANIAN ENTITY purchase information for a power amplifier for use in electromechanical devices (the “Power Amplifier”), along with a power source and related components. HUANG included information that some items originated in the United States. HUANG utilized her DES e-mail address and operated as an agent of DES throughout the business transaction, including by sharing developments with directors and other employees of DES.
- b. On or around December 2, 2011, an agent of the IRANIAN ENTITY informed HUANG and DES that the IRANIAN ENTITY had sent to DES a down payment for the Power Amplifier and some of the related items.
- c. On or around February 21, 2012, U.S. COMPANY 1 exported a power source from the United States to Taiwan, in response to an order that had been placed by a Taiwan business organization operating as a purchasing intermediary for HUANG and DES. The power source was part of the related components of the Power Amplifier that the IRANIAN ENTITY was seeking from HUANG and DES. U.S. COMPANY 1 did not know that Iran was the ultimate destination of the power source and was misled to believe that the item would be used in Taiwan. The value of the power source was approximately \$8,304.
- d. On or around February 13, 2012, HUANG described to an agent of the IRANIAN ENTITY that the purchase of the Power Amplifier and related

components was a very difficult and risky project.

- e. On or around March 27, 2012, HUANG informed an agent of the IRANIAN ENTITY that the goods requested had arrived in Hong Kong and that additional payment from the IRANIAN ENTITY was necessary before the goods would be released for transfer to Iran. HUANG also proposed that HUANG would change the packaging of the goods and remove the serial number, in order to minimize the risk that the items would be tracked. The serial number sticker included the phrase “Made in USA.” On March 28, 2012, an agent of the IRANIAN ENTITY agreed that the packaging could be changed, but objected to removal of the serial number because the serial number would be needed for guarantee and repair. The agent of the IRANIAN ENTITY promised that the IRANIAN ENTITY would not contact the provider of the goods directly for any repairs, but would instead deal with DES.
- f. On or around April 3, 2012, HUANG and DES caused shipment of the Power Amplifier and related components to Iran, having changed the packaging and also removed the serial number. The serial number sticker (with the phrase “Made in USA”) was separately shipped to the IRANIAN ENTITY in Iran. HUANG informed other employees and directors of DES of HUANG’s decision to change the packaging and remove the serial number.
- g. On or around June 29, 2012, U.S. COMPANY 1 exported from the United States another item connected to the IRANIAN ENTITY’s purchase of the Power Amplifier – this was a source amplifier that was necessary for the Power Amplifier to properly function (the “Source Amplifier”). U.S. Company 1 did

not understand that the Source Amplifier was to be shipped to Iran; instead, U.S. COMPANY 1 believed that the Source Amplifier would be used in Hong Kong. The Source Amplifier had been purchased from U.S. COMPANY 1 by a Taiwan business organization that operated as an intermediary purchaser for DES. The value of the source amplifier was approximately \$14,219.

- h. On or around July 9, 2012, HUANG and DES provided to an agent of the IRANIAN ENTITY photographs of the Source Amplifier that included a serial number sticker with the phrase “Made in USA.” HUANG also noted that the Source Amplifier had arrived in Hong Kong, and would be shipped to the IRANIAN ENTITY in Iran. By on or around July 16 2012, the Source Amplifier was en route to Iran via a shipping company.
- i. No license was ever sought or obtained from OFAC for the export or reexport of these items to Iran.

Cybersecurity Software

- j. On or around December 19, 2015, an agent of the IRANIAN ENTITY asked HUANG to provide purchase information for various items of computer software. One of the requested software items was cybersecurity software developed in the United States and sold from the United States by U.S. COMPANY 2 (the “Cybersecurity Software”).
- k. On or around January 30, 2016, HUANG provided to the agent of the IRANIAN ENTITY the cost of the Cybersecurity Software sold by U.S. COMPANY 2. HUANG used her SOLTECH e-mail address in all of her correspondence regarding this business transaction, and thereby indicated her operation as an

agent of SOLTECH. As set forth further below, DES was the business organization that ultimately purchased the Cybersecurity Software on behalf of the IRANIAN ENTITY. Also on or around January 30, 2016, HUANG and SOLTECH inquired whether the IRANIAN ENTITY would be able to download the cybersecurity software, or if instead HUANG and her co-conspirators should download it onto a computer and send the computer to the IRANIAN ENTITY.

- l. On or around February 14, 2016, an agent of the IRANIAN ENTITY confirmed that the IRANIAN ENTITY would purchase one year of access to the Cybersecurity Software, and requested that HUANG download the software onto a computer. HUANG and SOLTECH provided information to the IRANIAN ENTITY, including the name of the U.S. city where U.S. COMPANY 2 was headquartered.
- m. On or around March 18, 2016, HUANG accomplished the purchase by DES of one year of access to the Cybersecurity Software with a value of approximately \$2,700. Customer contact information provided to U.S. COMPANY 2 included a DES e-mail address. HUANG used her SOLTECH e-mail address to forward the purchase information to the IRANIAN ENTITY. On or around April 4, 2016, a user identifying itself as SOLTECH downloaded the Cybersecurity Software from computer servers in the United States.
- n. On or around September 27, 2016, an agent of the IRANIAN ENTITY informed HUANG and SOLTECH that the Cybersecurity Software required an update. On or around October 2, 2016, HUANG and SOLTECH provided file

transfer protocol information to the IRANIAN ENTITY in order to download the software update.

- o. On or around April 23, 2017, an agent of the IRANIAN ENTITY requested that HUANG and SOLTECH purchase another one-year subscription to the Cybersecurity Software, with a value of approximately \$2,700. HUANG effectuated the purchase of the Cybersecurity Software by DES. The IRANIAN ENTITY paid SOLTECH for the cost of the subscription.
- p. On or around May 16, 2018, HUANG and SOLTECH sent updated purchase information to the IRANIAN ENTITY for another year of access to the Cybersecurity Software.
- q. No license was ever sought or obtained from OFAC for the export or reexport of the Cybersecurity Software to Iran

(Conspiracy to Violate IEEPA, in violation of Title 18, United States code, Section 371)

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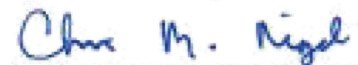
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