

FILED

UNITED STATES DISTRICT COURT

MIDDLE DISTRICT OF FLORIDA  
TAMPA DIVISION

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CLERK U.S. DISTRICT COURT  
MIDDLE DISTRICT OF FLORIDA  
TAMPA, FLORIDA

CRIMINAL COMPLAINT

UNITED STATES OF AMERICA

vs.

HENSON CHUA

CASE NUMBER 8:11-MJ-

8:11 MJ 1076 TGW

I, the undersigned complainant, being duly sworn, state the following is true and correct to the best of my knowledge and belief.

From on or about May 6, 2010 to the present, in the Middle District of Florida and elsewhere, defendant HENSON CHUA did knowingly and willfully conspire combine and agree with others known and unknown to commit an offense against the United States, that is, to import into the United States and export from the United States a defense article without first having obtained a license or other authorization from the U.S. Department of State, Directorate of Defense Trade Controls, and did complete an act in furtherance of this offense, to wit, importing a defense article into the United States, as well as other acts described in the attached affidavit, in violation of Title 18, United States Code, Section 371; Title 22, United States Code, Section 2778(c); and Title 22, Code of Federal Regulations, Sections 121.1, 123.1, 127.1 and 127.

From on or about May 6, 2010 to the present, in the Middle District of Florida and elsewhere, defendant HENSON CHUA did knowingly and willfully aid and abet and cause the import into the United States and attempted export from the United States of a defense article without first having obtained a license or other authorization from the U.S. Department of State, Directorate of Defense Trade Controls, in violation of Title 22, United States Code, Section 2778(c); Title 22, Code of Federal Regulations, Sections 121.1, 123.1, 127.1 and 127; and

Title 18, United States Code, Section 2.

I further state that I am a Special Agent with Homeland Security Investigations, and that this Complaint is based on the following facts:

SEE ATTACHED AFFIDAVIT

Continued on the attached sheet and made a part hereof:  Yes  No



Signature of Complainant  
Nicholas S. Anderson, Special Agent  
Homeland Security Investigations, DHS

Sworn to before me and subscribed in my presence.

February 10, 2011 \_\_\_\_\_ at

Tampa, Florida \_\_\_\_\_

THOMAS G. WILSON  
United States Magistrate Judge \_\_\_\_\_  
Name & Title of Judicial Officer

  
\_\_\_\_\_  
Signature of Judicial Officer

AFFIDAVIT

8:11 MJ 1076 TGW

I, Affiant, Nicholas S. Anderson, being duly sworn, depose and state that:

1. Affiant has been employed by Homeland Security Investigations (HSI) for over fourteen years. Affiant is a Special Agent and is currently assigned to the Special Agent in Charge, Tampa, Florida and within that office, to the National Security Group. Affiant's duties include, but are not limited to, the investigation of violations of customs laws and the laws regulating imports into and exports from the United States, including violations of the Arms Export Control Act (AECA), Title 22, United States Code (USC), Sections 2751-2799, the International Traffic in Arms Regulations (ITAR), 22 Code of Federal Regulations (CFR) §§ 120-130 as well as Conspiracy, Smuggling Goods into and out of the United States, Schemes to Defraud, and Money Laundering, 18 USC §§ 371, 545, 554, 1001, 1956 and 1957, respectively. Affiant has received specific instruction and training in the investigation of arms trafficking law violations, including violations of these statutes.

2. Affiant has been involved in an investigation of an individual who is believed to be involved in the illegal sale and subsequent smuggling of an Unmanned Aerial Vehicle (UAV) from the Philippines into the United States and related offenses. Affiant received the information contained in this affidavit in an official capacity as a result of both affiant's own investigation and that of other law enforcement officers.

3. Because this affidavit is submitted for the limited purpose of establishing probable cause for an arrest warrant, it does not include every fact known by affiant in connection with this investigation.

4. This affidavit is made in support of an application, pursuant to Fed. R. Crim. P. 4, for a warrant to arrest:

**HENSON CHUA**

5. From on or about May of 2010, until and including September of 2010, in the Middle District of Florida and elsewhere, defendant herein, did knowingly, and willfully agree and conspire with others both known and unknown to commit an offense against the United States, that is, to aid and abet the import into and attempted export from the United States, of a defense article designated on the United States Munitions List, without having first obtained from the U.S. Department of State (DoS) a license for such import and export or written authorization for such import and export, in violation of Title 22, United States Code, Section 2778(c) (Arms Export Control Act); Title 18, United States Code, Section 371; and Title 22, Code of Federal Regulations, Sections 121.1, 123.1, 127.1(a), 127.1(c) and 127.3 (International Traffic in Arms Regulations).

6. The defense article is comprised of parts for an RQ-11A/B "Raven". The "Raven" is a UAV that is manufactured by AeroVironment Inc. and designed for the U.S. Army. It was designed for low altitude surveillance and intelligence gathering missions and can be launched by hand. The DoS, Directorate of Defense Trade Controls (DDTC),

has informed your Affiant that the RQ-11A/B "Raven" is a defense article under category VIII(a) of the United States Munitions List (USML). U.S. Department of Defense (DoD) demilitarization procedures require that the "Raven" be destroyed upon retirement from the U.S. military inventory.

#### **PROBABLE CAUSE**

7. On May 6, 2010, HSI agents in Tampa, Florida received information from the DoD that a "Raven" UAV had been listed for sale on eBay.com. The seller of the UAV used eBay.com user name "celltron8". The UAV was listed for sale at a price of \$13,000.00 U.S. dollars.

8. The "Raven" UAV system consists of three separate airframes and associated support equipment. Each airframe consists of a fuselage, nose cone containing surveillance cameras, main wing, tail assembly and battery. Support equipment for the UAV system includes extra batteries, battery chargers, and the ground control system (GCS). The GCS allows the operator to program and control the UAV. The GCS provides real-time video from the UAV's payload cameras to personnel on the ground. Additionally, the GCS allows the operator to capture screen images, store, and playback data for target assessment, and facilitates real-time retransmission of video and metadata to an operations network.

9. The eBay.com listing in question was for a fuselage, nose cone, horizontal surface of the tail assembly, and the logbook. It contained nine photos of the UAV. The bar code and unique id number is visible in one photo of the fuselage DoD entities were able to specifically identify the UAV system using this information. DoD identified the UAV as one of the three airframes in the system. DoD also determined that the UAV in question was U.S. government property. The manufacturer, using the bar code and unique number on the item, identified the fuselage of the UAV in question as an RQ-11A model, but the nose cone is the more advanced, currently fielded RQ-11B model. The photos included the UAV's protective transportation case in the background. The unit appeared to be in good condition as well, both of which indicated to your Affiant that it was unlikely that the unit had been lost during legitimate U.S. military use and simply recovered by unknown entities.

10. On May 6, 2010, a Tampa, Florida based, HSI undercover agent (UCA-TA1) began to communicate in an undercover capacity with the seller of the UAV, who was later identified as Henson CHUA, via the internal eBay.com e-mail system. CHUA replied to UCA-TA1 using first the internal eBay.com e-mail messaging system, and then subsequently, he used an e-mail account "celltron@hotmail.com", which lists the user's name as "Henson C."

11. On May 12, 2010, an administrative subpoena was served on MSN requesting subscriber information, account status, registration IP, and IP login information. MSN

provided information that indicated that "Henson C" from Manila, Philippines, registered the e-mail address "celltron@hotmail.com" on February 20, 2003.

12. Internal HSI deconfliction efforts revealed that HSI agents in Los Angeles, California had discovered the eBay.com listing independently, and a Los Angeles based HSI undercover agent (UCA-LA) had begun to communicate with the seller in an undercover capacity as well. At all times relevant herein, all e-mail communications between CHUA and undercover agents in Los Angeles and Tampa described herein, were conducted through CHUA's e-mail address "celltron@hotmail.com."

13. On May 4, 2010, CHUA sent an e-mail to UCA-LA in which he provided a part number and a partial serial number to the UAV. CHUA provided "P/N 54892 , serial 21xx". The complete markings were later verified on the protective case.

14. On May 13, 2010, CHUA e-mailed UCA-LA and responded to a question about difficulties in shipping the UAV due to its military nature. He wrote, in pertinent part, "Did not have time to answer your question, as far as shipping it out is not problem over here, problem might be when you are receiving the items in the USA, do you require any Govt. Permitt" (sic).

15. On May 14, 2010, the UCA-LA e-mailed CHUA and wrote, in pertinent part, "Now, as far as the US permits, yes you're right that could be a bit of a problem for me if this isn't done right. It's tricky because you have to be a registered broker with the state

department in order to transfer US military items. (The Raven and its parts are definitely military items.) Otherwise, you're breaking US law. I'm not really registered, so I hope that is not a problem for you ; ) The only other concern I had was that if my client ever needed to have the camera payload serviced and discovered that it shouldn't have left the military, there may be issues..." (sic).

16. On May 16, 2010, CHUA e-mailed UCA-LA and wrote, in pertinent part, "As for the Permits its all up to you, you can hand carrier the items or ship them Fedex.. I can not give you any Permit only an Invoice, stating Raven parts: Camera and Fuslage.. i can also accommodate whatever price you want in the invoice since item is not ship from Factory, could be sited as used" (sic).

17. On May 16, 2010, CHUA again e-mailed UCA-LA and wrote, in pertinent part, "We got paper work for the items so i have no problem selling to you whether you're a license broker or not, this comes to us as a part not a whole unit, can be declared as spare.." (sic).

18. On May 17, 2010, UCA-LA and CHUA spoke over the telephone. During the call, UCA-LA informed CHUA that he was purchasing the UAV for a Russian client. CHUA related that he was selling the UAV for another individual who actually owned the UAV. He stated that the owner of the UAV acquired it in a Philippine government auction. CHUA stated that the government auctioned the UAV as abandoned property.



During the call, CHUA stated that he could not travel to the U.S. because he did not have a visa. In fact, CHUA was issued a non-immigrant visitor visa on April 13, 2010.

19. On May 18, 2010, CHUA e-mailed UCA-LA and wrote, in pertinent part, "1) I know your issue with regards to security & safety. 2) I have contacted potential people that can bring camera over, but all of them just came back from the states, wont be traveling until Aug, some do not have free time even if we pay them... 3) Your second option might be flying to Hongkong, I think that's a safe place for you..." (sic).

20. On May 18, 2010, eBay security delisted the UAV for sale. The listing violated their internal policies relating to the sale of military items.

21. On May 27, 2010, UCA-LA and CHUA spoke over the telephone. UCA-LA told CHUA that bringing the UAV into the U.S. would require paperwork to be filed with the U.S. State Department. He also stated that he had issues with Customs authorities and did not want to file for the proper documentation. CHUA stated that he understood UCA-LA's issues.

22. On May 28, 2010, CHUA e-mailed UCA-LA a photograph of the UAV fuselage and nose cone next to current copies of Newsweek and Time magazines.

23. On May 30, 2010, CHUA e-mailed UCA-TA1 and wrote, in pertinent part, "US - customs i was told that you might have a problem if you are going to ship an item that is

UAV need some kind of clearance--i do not know how you want to declare this item. Please note that item declare must be same as the item requested for payment in Paypal. example: If Payment of paypal is for 1 unit starter @ 10.00 . Invoice would be done equally." (sic).

24. On May 31, 2010, UCA-TA1 e-mailed CHUA and wrote, in pertinent part, "I believe we will both be exposed to certain liabilities when sending this to the US. We will need to be on the same page when it goes out."

25. On May 31, 2010, CHUA e-mailed UCA-TA1 and wrote, in pertinent part, "As for paper work: a) We can lower the cost as long as payment is paid by cash. if paypal will follow paypal value b) Declaration, we can break the shipment into 2, camera then fuselage.. \* I do not see any problem with the camera-- you can declare it as security camera \* our problem will be fuselage." (sic).

26. On June 3, 2010, CHUA e-mailed UCA-TA1 and wrote, in pertinent part, "... we still have certain issue with regards to declaration etc.. i do not want you to have problem with the item. I do not Know the regulation in the USA with regards to this item. If i am correct you plan to resale this to another buyer right ?? Its complicated..." (sic).

27. A second Tampa, Florida based, HSI undercover agent (UCA-TA2) was introduced to CHUA. The purpose of this introduction was for an inspection of the UAV. CHUA and UCA-TA2 met on June 3, 2010 in Manila, Philippines to finalize

details of the inspection to take place on June 4, 2010. CHUA initially agreed to allow UCA-TA2 inspect the UAV; however, on June 4, 2010, CHUA sent a message to UCA-TA2 indicating that he could not meet for the inspection due to a family emergency.

28. On June 3, 2010, a third Tampa, Florida based, HSI undercover agent, UCA-TA3, engaged in several phone calls with CHUA. The purpose of these phone calls was to discuss shipping and payment arrangements. CHUA proposed shipping the UAV in two separate shipments.

29. On June 4, 2010, CHUA e-mailed UCA-TA1 and wrote, in pertinent part, "The owner of the product called me and advised me to hold the sale of the equipment. According to Him he consulted several lawyers on how to proceed in shipping the product. they found out the following: \* Raven is not a commercial product, its main purpose is for Military use. \* Technology on the Raven camera is state of the art, not for commercial consumption, its highly sensitive." (sic). In the same e-mail CHUA also writes, in pertinent part, "The buyer or Consignee has to produce a State Department Permit to Acquire or Import ( If it is sold to a USA company ), other country should have there own Permit to Import. \* We should Not use Paypal, ( because PayPal is under a personal name and not a Company since this is not for Civilian use ) A letter of Credit has to be Issued by the Importer- For payment of the Product." (sic).

30. On June 7, 2010, CHUA e-mailed UCA-TA1 and wrote, in pertinent part, "All of this information just came to us over the weekend. did not know that this was a restricted

item. I guess the owners got them accidentally. Just Do not want to get into any trouble, since item can be traceable. . . Lawyers just gave us an idea how to go about it legally.." (sic).

31. On June 29, 2010, CHUA e-mailed UCA-TAI and wrote, in pertinent part, "1) The Raven is Unsold awaiting proper Documentation, so a sale can push through...Viewing is still available Sorry for the miscommunication on Raven, did not really know procedure regarding this kind of product." (sic).

32. On June 30, 2010, UCA-TAI e-mailed CHUA and wrote, in pertinent part, "I'm going to be real honest with you. I'm speaking from experience here. There is no way that any government, especially the US government, is going to give you the proper documentation to sell that Raven. It just won't happen. It's too much of a military item. If that's a problem for you, I'd like to propose that you put me in direct contact with the owner. I also should have thought of this earlier, since you don't have the Raven with you, maybe we can do a Skype video call and the owner can show me it over Skype. I'm not really concerned about the "proper" documentation, because I'm not keeping it. It's headed back out of the US as soon as I get it. I don't have any desire to cut you out of any deal. I'd be happy to pay you a finder fee or something along those lines if the owner and I work something out." In the same e-mail, while addressing a separate transaction, UCA-TAI also wrote, "On the selling to military issue. We've found that foreign military sales tend to attract a lot of attention and they're not the most profitable sales we

get either. We prefer private sales. The military sales still have to go through the licensing procedures, but are also subject to the whims of politicians." (sic).

33. On July 7, 2010, CHUA e-mailed UCA-TA1 and wrote, in pertinent part, "According to Our Lawyers, there is no problem in selling the item except when it falls into the wrong hands and commits a crime. It is going to be trackable because of paypal and Fedex. I can only be protected if the purchaser provides a documents that allows them to buy this type of equipment or parts of the equipment." (sic). In the same e-mail CHUA also wrote, "As for shipping the item, if you do not have a state department permit to ship this out, US Custom can confiscate the product, the buyer also has to apply to buy this from our US embassy in Manila.. \* their is money to be made in Defense as long as you know the paperwork its all paper work..." (sic).

34. On July 15, 2010, CHUA e-mailed UCA-LA and wrote, in pertinent part, "YES item is still available but i needs a state department clearance for it to be ship via FEDEX to the USA. can you apply for this document ????? There is a chance US custom might confiscate the item with out proper documentation Item is not longer available in Ebay, because ebay regards Raven as a source of Armaments..." (sic).

35. On July 21, 2010, UCA-TA3 and CHUA engaged in a video call. CHUA showed UCA-TA3 the nose cone, the logbook, the fuselage, auction paperwork and the transportation case to the UAV. CHUA stated that the UAV was acquired by a third party in a government auction in February of 2008. Due to technical issues, the video

call was terminated in favor of a traditional phone call after CHUA showed UCA-TA3 the UAV. During the phone call, UCA-TA3 told CHUA that the importation of the UAV was illegal without the proper documentation.

36. On July 21, 2010, CHUA e-mailed UCA-TA1 and wrote, in pertinent part, "Like what i have told you my concern is not flying this to the USA but, how to convince the owner not to let me pay the full amount until you have paid me thru paypal." (sic).

37. On July 22, 2010, UCA-TA1 e-mailed CHUA and wrote, in pertinent part, "Our big issue is still how to get it into the US and to me. Like we discussed, if US customs finds it, I won't get it. If you declare it as what it is, they will take it. No doubt. If you can solve that problem, it looks like we're in business. If I can get an office working in a 3rd country, does that help the shipping and customs issues? I know that it doesn't solve all the problems, but what are your thoughts? I just don't need a visit from customs or the military asking me difficult questions."

38. On July 23, 2010, CHUA e-mailed UCA-TA1 and wrote, in pertinent part, "Since you are not going to apply for US state dept. permit for this item we will require you to fill up a simple form, if you can not even sign a form between the two of us, we can just call it the day even if the owners agree to send this over." (sic).

39. On July 27, 2010, CHUA e-mailed UCA-TA1 and when discussing the contents of a form he would request, wrote, in pertinent part, "\*The customer shall not export, re-

export or transfer directly or indirectly either by laws applicable in the customer's own country or by laws of the United States of America to countries/companies developing weapons of mass destruction (WMD) and to companies/persons listed under the US Department of Commerce Denied List."

40. On July 27, 2010, CHUA again e-mailed UCA-TA1 and wrote, in pertinent part, "So, since my funds are Limited I am taking first the fuselage for \$6500, once you have paid i will ship to our US counter part & then ship to you, just incase we might need to pay any taxes. so you will received the goods net of all tax and shipping. within 5-10 days" (sic).

41. On July 28, UCA-TA1 e-mailed CHUA and wrote, in pertinent part, "Just so I understand you right, here's how you're saying everything will go, step by step:" UCA-TA1 continued in the same e-mail "4) Once you see the money in your paypal account (should be immediately, my paypal account is verified), you'll ship the fuselage to your associate here in the US. (can I get the fedex tracking number once you send it?) 5) Your associate will then send the Raven to me in Tampa. (again, can I get the tracking number upon shipment?) 6) Once I get the fuselage, we start at #3 for the nose cone in the same way." (sic). CHUA replied to the individual questions in an e-mail the same day. His reply to #4 was no. To #5, he replied yes. To #6, he replied yes. Affiant's understanding was that CHUA would not provide a tracking number for the Philippines to US shipment, but would provide a tracking number on the domestic shipment.

42. On July 29, 2010, CHUA e-mailed UCA-TA1 a "Sales Agreement" form. The sales agreement stated, in pertinent part, "A sales agreement has been entered between Sellers: Mr. Pablo Cotaoco through Its auctioneer Celltron Company represented by Mr. Henson Chua , of 47 G. Araneta Avenue Quezon City 1105, Philippines." The sales agreement continues to state "The Buyer shall not export, re-export or transfer directly or indirectly either by laws applicable in the customer's own country or by laws of the United States of America to countries/companies developing weapons of mass destruction (WMD) and to companies/persons listed under the US Department of Commerce Denied List." The sales agreement described the item in question as "Spare Raven Fuselage Motor" and "Spare Raven Nose Camera".

43. On July 30, 2010, CHUA sent a request through PayPal.com to UCA-TA1 for \$6,500.00 for what CHUA described in PayPal as a "spare fuselage". The funds were transferred to PayPal.com user ID "celltron@hotmail.com".

44. On August 11, 2010, UCA-TA1 received a fuselage and case for an RQ-11A "Raven" UAV. The shipment originated from a business that performs shipping services in Chino Hills, California. The shipment was paid for in cash. The case was marked with part number 54842. Both the fuselage and case were marked with the serial number 2128.



45. On August 10, 2010, CHUA sent another request through PayPal.com to UCA-TAI for \$6,500.00 for what CHUA described in PayPal as "Goods". On August 11, 2010, the funds were transferred to PayPal.com user ID "celltron@hotmail.com".

46. On August 23, 2010, UCA-TAI received a nose cone for an RQ-11B "Raven" UAV. The package came via the U.S. Postal Service from an address in California and included as part of the return address was "Celtron".

47. On August 25, 2010, UCA-TAI received a flight logbook and horizontal stabilizer tail for an RQ-11A "Raven" UAV. The logbook was marked "Air Vehicle # 2128" on the cover. The tail was marked with part number 54683 and serial number 1261. The items were shipped via FedEx. The shipping label was completed by the shipper and indicated that the sender was "CHUA" with "CELLTRON MKTG. CO." located at "47A G. ARANETA AVE" in "Quezon CITY, MM PHILIPPINES 1105". CHUA described the item as "1 pcs StAbilizeR NCV, SAmpLe" with \$30 in value. This shipment was sent directly from CHUA to UCA-TAI.

48. It is believed that CHUA shipped the UAV in an unknown number of shipments, to a co-conspirator, who then forwarded the UAV by domestic shipments to UCA-TAI. Administrative subpoenas to major shipping companies revealed no shipments matching the suspect shipment.

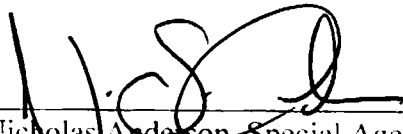
49. On December 7, 2010, CHUA emailed UCA-TA1 in response to a question posed by UCA-TA1 relating to the method of importation of the UAV. CHUA wrote, in pertinent part, "We do not have paper work to show that it was ship out of the USA, because this was won in a Government Auction, product is made in the USA it is not right to pay duty for something that is made in the same country. If you are referring to MNL-USA. We did this through a personal courier service, this type does not use tracking number our office will just receive a call when item is ready for pick up, we either prepay or ship collect. Maybe you are being charge sales Tax ??? This is also the first time i have heard of export being charge Tax/ duties If its an import you should not pay more than, 600-800 USD for your items depends on how much you will declare the product, duties should be around 3-5% only for electronics not made in the USA like Israel Thousands does not look realistic for your item, maybe you need to hire a license broker to do the computation." (sic).

50. A search of government databases has found no record that indicates that either CHUA or Celltron Marketing Company has ever obtained a DoS or DDTC registration or license for the transfer of the UAV.


51. Based upon the facts set forth above, your affiant has probable cause to believe that HENSON CHUA and others both known and unknown did knowingly and willfully agree and conspire with others both known and unknown to commit an offense against the United States, that is, to aid and abet the import into and attempted export from the United States, of a defense article designated on the United States Munitions List.

without having first obtained from the U.S. Department of State, a license for such import and export or written authorization for such import and export, all in violation of Title 22, United States Code, Section 2778(c) (Arms Export Control Act); Title 18, United States Code, Section 371; and Title 22, Code of Federal Regulations, Sections 121.1, 123.1, 127.1(a), 127.1(c) and 127.3 (International Traffic in Arms Regulations).

Further your affiant sayeth naught.

  
\_\_\_\_\_  
Nicholas Anderson, Special Agent  
Homeland Security Investigations  
U.S. Department of Homeland Security

Sworn and subscribed to me  
this the 14<sup>th</sup> day of February, 2011.

  
\_\_\_\_\_  
THOMAS G. WILSON  
United States Magistrate Judge