

United States District Court

SOUTHERN

FLORIDA

UNITED STATES OF AMERICA,

v.

JUWHAN YUN,

Aka JW Yun

DISTRICT OF
FILED by _____ D.C.

APR 16 2009
STEVEN M. LARIMORE
CLERK U. S. DIST. CT.
S. D. of FLA. - FT. LAUD.

CRIMINAL COMPLAINT

CASE NUMBER: 09-6139-RSR

I, the undersigned complainant being duly sworn state the following is true and correct to the best of my knowledge and belief. From in or about December 2008 to the present, in Broward County, in the Southern District of Florida, and elsewhere, the defendant did knowingly and willfully engage in a conspiracy to export defense articles designated on the United States Munitions List and the Missile Technology Control Regime Annex, without a license, knowingly and willfully attempt to export a defense article without a license, and knowingly and willfully engage in the business of brokering activities involving defense articles designated on the United States Munitions List and the Missile Technology Control Regime Annex, to wit: RD-180 Rocket Propulsion System and technology, without first having registered with and obtained a license from, the United States Department of State, Directorate of Defense Trade Controls,

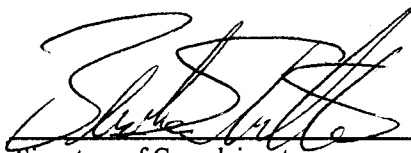
in violation of the Arms Export Control Act ("AECA"), 22 United States Code, Section 2778; The Missile Technology Control Regime, 22 United States Code, Sections 2797 and 2797a; and the International Trafficking in Arms Regulations (ITAR), 22 Code of Federal Regulations, Parts 120-130.

I further state that I am a Special Agent, DCIS and that this complaint is based on the following facts:

Official Title

SEE ATTACHED AFFIDAVIT

Continued on the attached and made a part hereof:



Signature of Complainant
Blake Schnitker
Special Agent, US Department of Defense
Defense Criminal Investigative Service

Sworn to before me, and subscribed in my presence,
the Court finds probable cause.

4/16/09

Date

at Fort Lauderdale, Florida
City and State

HON. ROBIN S. ROSENBAUM
UNITED STATES MAGISTRATE JUDGE
Name and Title of Judicial Officer



Signature of Judicial Officer

A F F I D A V I T

I, Special Agent Blake Schnitker, U.S. Department of Defense, Office of Inspector General, Defense Criminal Investigative Service, (hereinafter referred to as "DCIS"), being first duly sworn, state as follows:

A. Introduction and Agent Background

1. I am employed as a Special Agent with DCIS in the Ft. Lauderdale Resident Agency (RAC), and have been employed in that capacity since March 2008. I am empowered by law to investigate and make arrests for offenses with a nexus to U.S. Department of Defense personnel, contracts, technology, and military equipment listed on the United States Munitions List. Prior to this, I was employed as a Special Agent for the U.S. Department of Commerce, Office of Export Enforcement (OEE), from January, 2006 to March, 2008. As an OEE Special Agent, I investigated numerous cases involving the illegal exports of U.S. manufactured commodities and technology to destinations outside the United States. In many instances, these cases involved sensitive national security concerns. From October 2001 to January 2006, I was employed as a Special Agent for the United States Department of State, Diplomatic Security Service (DSS). As a DSS Special Agent, I investigated numerous cases involving visa and passport fraud, which were often linked to terrorist, money laundering, and drug trafficking activities. As a Special Agent with DCIS, I have received training related to the enforcement of statutes of the U.S. Codes specifically related, but not limited to, the Export Laws of the United States, i.e., the Arms Export Control Act ("AECA") – Title 22, United States Code, Section 2751, et seq.; the Export Administration Act ("EAA") – Title 50, United States Code, Section 2401, et seq.; and the International Emergency Economic Powers Act ("IEEPA") – Title 50

United States Code, Section 1701, et seq. I have conducted and participated in investigations of violations of United States laws relating to the unlawful export from the United States of goods and technology restricted for export for reasons of national security, foreign policy, anti-terrorism, and embargoed destinations, and I am empowered to make arrests in connection with such violations.

2. I make this affidavit in support of the arrest of Juwhan Yun, aka JW Yun for violations of the Arms Export Control Act ("AECA"), 22 United States Code, Section 2778; The Missile Technology Control Regime, 22 United States Code, Sections 2797 and 2797a; and the International Trafficking in Arms Regulations (ITAR), 22 Code of Federal Regulations, Parts 120-130.

APPLICABLE REGULATIONS

3. The AECA authorizes the President of the United States to, among other things, control the export of "defense articles." 22 U.S.C 2778(a)(1). AECA also gives the President the authority to designate items as "defense articles." As a practical matter, that task is performed by the U.S. Department of State (DOS), with concurrence of the U.S. Department of Defense (DOD), in accordance with regulations promulgated by DOS, Directorate of Defense Trade Controls (DDTC), (formally known as the Office of Defense Trade Controls). 22 U.S.C 2778(a)(2); 22 C.F.R 120.1(a), 120.2. All items designated as "defense articles" are identified by category on the United States Munitions List (USML), a document prepared by DDTC. 22 U.S.C. 2778(a)(1); 22 C.F.R. 120.02.

4. Anyone who is a manufacturer, exporter, importer, or broker of any "defense article" (collectively, "defense article exporter") is required to register with DDTC. 22 U.S.C.

2778(b)(1)(A); 22 C.F.R. 120.1(a). It is a crime for any defense article exporter to willfully fail to register with DDTC. 22 U.S.C. 2778(c); 22 C.F.R. 127.3. Moreover, all defense article exporters are required to obtain a valid export license from DDTC for any "defense article", regardless of its value, before the article is exported to another country. 22 U.S.C. 2778(b)(2); 22 C.F.R. 123(a). It is a crime for any defense article exporter to willfully fail to obtain an export license before exporting a "defense article" to another country. 22 U.S.C. 2778(c); 22 C.F.R. 127.1(a)(1).

5. DCIS has the authority to enforce federal laws pertaining to the illegal export of defense articles, war materials, and defense services as indicated in the AECA.

6. The RD-180 rocket propulsion system is a two chamber derivative of the four chamber Russian booster engine system and was developed through a partnership between Pratt & Whitney Rocketdyne of the United States and NPO Energomash of Russia. The RD180 rocket propulsion system and associated technology and software are controlled items covered by the USML, Title 22, Code of Federal Regulations, Section 121.1 Category IV(a) and (d) and are also a controlled items under Category I of the Missile Technology Control Regime Annex, (MTCR) Title 22, Code of Federal Regulations 121.16 .

7. Your affiant is aware that pursuant to 22 C.F.R. Sections 129.1 and 129.2, no person may engage in the business of brokering activities in negotiating or arranging contracts, purchases, sales or transfers of defense articles without a license issued by the United States Department of State, Directorate of Defense Trade Controls (DDTC).

8. Your affiant is aware that 22 CFR 129.2(b) defines brokering activities as including the financing, transportation, freight forwarding or taking of any other action that

facilitates the manufacture, export or import of a defense article... irrespective of its origin. This includes, but is not limited to, activities by U.S. persons who are located inside or outside of the United States or foreign persons subject to U.S. jurisdiction involving defense articles or services of U.S. or foreign origin which are located inside or outside of the United States. Engaging in the business of brokering activities requires only one action described above.

9. Your affiant is aware that pursuant to 22 C.F.R. 129.2(b) brokering activities includes activities by U.S. persons and foreign persons subject to U.S. jurisdiction involving defense articles or defense services which are located inside or outside of the United States.

10. Your affiant is aware that pursuant to 22 C.F.R. 129.7(a)(1)(v), brokering activities involving Missile Technology Control Regime (MTCR) Category I items require the prior written approval of the Directorate of Defense Trade Controls.

11. Your affiant is aware that Title 22, United States Code, Section 2797 (a)(1) and (c) makes it a criminal offense to conspire or attempt to engage in the export transfer or trade of a controlled item on the MTCR Annex, or to facilitate such export, transfer or trade by any other person in violation of the Arms Export Control Act, Title 22, United States Code, Section 2778, and the International Trafficking in Arms Regulations, 22 Code of Federal Regulations, Section 120-130.

Probable Cause

12. The facts set forth in this affidavit are based on my personal knowledge, information obtained during this investigation, information from others, including law enforcement officers, my review of documents and computer records related to this investigation, and information gained through my training and experience. Because this affidavit is submitted

for the limited purpose of establishing probable cause for the arrest of Juwhan Yun, aka JW Yun, it does not set forth each and every fact that I or others have learned during the course of this investigation.

13. Based upon the facts set forth below, your affiant has probable cause to believe that Juwhan Yun, aka JW Yun, did knowingly and willfully engage in brokering a transaction involving the export of defense articles to the Republic of Korea without first having obtained an export license and written approval from the Department of State, Directorate of Defense Trade Controls, in violation of Title 22, United States Code, Section 2778 (b)(2) and (c), and that he knowingly and willfully engaged in a conspiracy and attempt to export , transfer and facilitate the transfer of an article listed on the Missile Technology Control Regime Annex in violation of Title 22, United States Code, Section 2797(a).

14. On September 30, 2008, an Immigration and Customs Enforcement confidential informant (CI) initiated contact with JW Yun via e-mail at the direction of ICE agents.

15. On October 3, 2008, JW Yun replied to the CI via e-mail stating that he was pleased to hear from the CI. JW Yun stated that he was working with the new government of the Republic of Korea.

16. On December 3, 2008, JW Yun sent an e-mail to the CI advising that JW Yun had added the CI as a friend on Renunion.com.

17. On December 7, 2008, JW Yun sent an e-mail to the CI in which he discussed "Korea Satellite Launch Vehicle 2". JW Yun advised the CI that Korea launched the KSLV 1 successfully in 2005 with a Russian rocket propellant system and that at that time the Russian government was favorable to making a technology transfer of the rocket propellant system to the

Korean government. Because of this the Korean government has been planning to launch KSLV 2 with the Russian rocket technology, but Russia recently refused to transfer the rocket technology to Korea. JW Yun stated that Korea was trying to get the rocket propellant technology system from any other country, possibly from France. JW Yun asked the CI if he could get the rocket propellant technology from Russia as he was sure that they could do very good business.

18. On December 8, 2008, the CI replied to JW Yun by e-mail and requested information as to why the Russians denied selling the rocket technology to South Korea and when that occurred. The CI stated that he needed as much information as possible if the CI was going to be able to help. The CI also asked JW Yun why he did not try to get the same technology in the United States. The CI asked JW Yun if the South Koreans were ready, willing and able to pay for the information and if so what was the number attached to it.

19. On December 23, 2008, JW Yun sent an e-mail to the CI and advised the CI that the "High Power Rocket Propellant (Engine) Technology which Russia had once considered to transfer the technology, was 120MT Engine." All of the sudden Russia changed "his" mind and refused to make the technology transfer. JW Yun advised that the Korean government may "knock the door of Franc, Germany or UK." Your affiant has identified the subject rocket propulsion technology as the RD180 which was a joint Russian and American project to develop booster rocket engines.

20. On January 2, 2009, the CI sent an e-mail to JW Yun and advised JW Yun that the engine he was referring to was space age technology and asked JW Yun if his country was wanting to get involved with such technology to launch rockets into space. The CI said that he

had spoken to an old friend in Russia that is involved in such business and that it was very hush hush, that this was top secret technology and costs a lot of money to get into. The CI asked if JW Yun could prove that this was 100% legitimate because starting such a project was a big deal. The CI informed JW Yun that working very closely with the CI's friends the transfer of the technology was definitely possible, but discussions would have to occur in Florida.

21. On January 2, 2009, JW Yun sent an e-mail to the CI advising the CI to remember that if it is possible for the CI "to make arrangement of the technology transfer to Korea the documents (Manuals & Drawings) themselves are not enough. The expert/specialist (Engineer or Scientist) should be involved in with." JW Yun advised the CI that the sanitized resume of the expert was required first and that if the expert was reliable with an excellent background they could begin to talk.

22. On January 3, 2009, JW Yun sent an e-mail to the CI advising that they were not looking for such hardware as a technical manual. They were looking for the "technology (software) itself. Therefore, it is a consulting business for transferring the technology itself." JW Yun also advised that the CI had to find a "retired expert/specialist with much experience at the right job."

23. On January 5, 2009, the CI sent an e-mail to JW Yun and informed JW Yun that the CI needed to know exactly what type of systems and manufacturers had been spoken to or approached by the South Koreans on this matter and where the negotiations took place.

24. On January 21, 2009, JW Yun traveled to Florida from Newark New Jersey to meet with the CI in Fort Lauderdale, Broward County, Florida to discuss the transaction for the rocket technology. During the meeting an undercover agent was introduced to JW Yun as a

rocket scientist who was capable of providing JW Yun with the rocket propulsion technology and software. During the meeting JW Yun disclosed that he had been seeking the services of a rocket scientist or engineer and had tried to contact a professor at the University of Central Florida's Aerospace Program. JW Yun bragged that he had excellent connections in the government of South Korea and discussed a prior venture where JW Yun had been looking to obtain "Mission Control Centers" for South Korea. two years ago.

25. In January , 2009, JW Yun traveled to Korea..

26. On February 10, 2009, JW Yun sent an e-mail to the CI advising that he had just returned home and that this business is much bigger than S-27. JW Yun asked that the CI try to get an offer via his friend.

27. On February 11, 2009, JW Yun sent an e-mail to the CI stating that if the CI had a "really excellent connection in Moscow and can do the business of both the missiles and SU-27, I am sure that you are able to make a business of the rocket engines." JW Yun advised the CI that he was not interested in doing business with the UC scientist as he knew nothing about him and cannot trust him.

28. On February 11, 2009, the CI replied to JW Yun e-mails by sending an e-mail to JW Yun and stated that JW Yun should understand that the CI's connections to the Russian Federation run deep and that the CI's connections for the SU 27 aircraft and the rocket engines were different people and had nothing to do with one another. The CI reminded JW Yun that when JW Yun had asked for SU-27's and SAM missile systems in the past, the CI had got them for him, when JW Yun asked for manuals for SU-27's, the CI had got them for him even though JW Yun never paid for them. The CI advised JW Yun that he could get the rocket engine project

accomplished and asked JW Yun for a letter from his government authorizing him to negotiate the matter, because the CI's contacts would ask if the CI had authority to act on this transaction. The CI further advised JW Yun that the CI could probably buy the rocket engines but the problem would be in how to export them, as the Russian government has refused to sell either the technology or engines to South Korea. The CI advised that the engines might have to be shipped in parts. The CI inquired regarding how much they were willing to pay for the engines and how quickly the project could be done.

29. On February 11, 2009, JW Yun replied to the CI's email and advised that the rocket engine business cannot be combined with the SU-27 business because the end-users are entirely different. JW Yun said that they would do them one by one separately. JW Yun advised that he trusted the CI, but did not trust the UC scientist yet because he did not know anything about him. JW Yun advised that the Korean government would never issue such a letter to anyone. JW Yun advised that "Korean wants to buy rocket engines (without technology) through Russian government official channel so that Russian should be responsible for the quality of the products and want to buy them again in the future." JW Yun advised "as the time passes by, the true facts shall be known to everybody. No permanent secrets are in the world." JW Yun further stated that the CI could make as much money as the CI wanted and would not have to do any other business through his life, and further stated that the Korean government has the money in the bank and needs the engines asap. JW Yun concluded by stating that he wanted to do legitimate business under Russian law because the Korean government does not want him to buy the rocket engines illegitimately, although he acknowledged that the technology of the rocket engines may be "reluctantly exported to Korea by Russia."

30. On February 11, 2009, JW Yun sent an e-mail to the advising the CI that "all of our business should be legitimate and lawful because our business should be continued one after another in the future."

31. On February 12, 2009, JW Yun sent an e-mail to the CI advising that " Korean buyer wants to buy them at a reasonable prices from a dependable supplier just as Russian government because Korean buyer wants the quality of the engines to be guaranteed by a dependable organization. This is not a one-time business but a continuous business in the future and it is why Korean buyer wants a dependable supplier such as a government. Korean buyer wants only the rocket engines (Hardware), not the technologies (software). If you have such an excellent connection at Russian government enough to get Sam missiles and SU-27 exported to Korea, you can also manage to get the engines exported to Korea, I am sure."

32. On February 13, 2008, the CI called JW Yun and had a recorded telephone conversation with JW Yun in which the CI asked JW Yun to send the CI a letter or agreement authorizing the CI to negotiate on behalf of JW Yun's company for Korea..

33. On February 17, 2008, JW Yun sent an e-mail to the CI. The e-mail contained a signed and notarized agreement appointing the CI as a purchasing agent for JW Yun's company, Blue Hill Corporation, for the purchase of (1) "The technology transfer of the boosters (the rocket engines) for the KSLV 2 of the Republic of Korea (*KSLV=Korea Satellite Launch Vehicle)"; (2) "High Buring Rate Propellant Technology Transfer"; (3) "The complete set of the booster (A complete set of the rocket engines with the fuel tanks and the accessories)". JW Yun identified that the origin of the technology should be Russia and the final destination and end user is the Republic of Korea. The agreement authorizes the CI to "solicit a buying offer and make negotiation on the prices on behalf of Blue Hill Corporation." The agreement is valid for

one year and further identifies "Blue Hill Corporation (President JW Yun/Korean-American citizen) has been doing an export business in USA since 1990 mostly for the Republic of Korea." The agreement is written on the letterhead of Blue Hill Corporation. Attached to this letter are a document entitled " Section IV, State of Work for the High Burning Rate Propellant Technology", and a second document bearing page number 47 which sets forth specifications for the consulting to be accomplished for the high burning rate propellants. The fact that one page bears the numeral IV to indicate the section and that the attached page is numbered 47, gives your affiant probable cause to believe that these two pages are part of a larger and more comprehensive document pertaining to rocket propulsion systems and technology.

34. On February 24, 2009, the confidential informant (CI) called JW Yun and discussed with JW Yun what it was that JW Yun wanted the CI to get for him. JW Yun advised the CI that he needed two technologies, one of which was the high-burning rate propellant. JW Yun also stated that he wanted everything that was in the letter he had sent, but that the rocket engine was priority number 3. JW Yun stated that he would send the CI an e-mail clarifying what he wants, but that he was outside and needed to go back to the apartment and would then send the e-mail. On the same day, JW Yun sent the CI an e-mail stating that he would like to clarify the priority of the business and also sent an e-fax containing two signed notarized agreements appointing the CI as his purchasing agent.

35. On February 24, 2009, JW Yun sent an email to the CI stating that he would like to clarify the priority of the business and that his client would "like to first get the technology-transfers done." "After the technology-transfers are agreed to proceed on, then we would start to discuss a purchase of the boosters (A complete set of the rocket engines with the fuel tanks and

accessories).” “In other words, we would prefer the technology-transferring business to the purchase of the boosters in the order.” “ I have made 2 separate agreements for you (One is for the technology-transfers and the other is for the boosters). JW Yun closed by advising that he was willing to fly to Moscow in order to meet the officers in charge with the CI.

36. On February 24, 2009, JW Yun sent the CI two signed and notarized agreements, one appointing the CI as his purchasing agent for the purchase of “the technology transfer of the boosters (the rocket engines) for the KSLV2 of the Republic of Korea (*KSLV= Korea Satellite Launch Vehicle) and High Burning Rate Propellant Technology Transfer”, JW Yun specified that the origin of the technology and products should be Russia and that the final destination and end-user is the Republic of Korea.. The second agreement appointed the CI as JW Yun’s purchasing agent for a “complete set of the booster (A complete set of the rocket engines with the fuel tanks and the accessories)”, again specifying that the origin of the products should be Russia and that the final destination and end-user is the Republic of Korea.

37. On February 25, 2009, JW Yun sent an e-mail to the CI and advised that the “2 (Two) technology-transfer business are most important to both of us. Each of them is larger than either the missiles or S-27 business.”

38. On February 25, 2009, JW Yun sent an e-mail to the CI and asked the CI how much commission the CI and the people in Moscow wanted as he would include that in the sale price to Korea. JW Yun reiterated that he was willing to fly to Moscow with the CI.

39. On March 24, 2009, the CI called JW Yun and advised JW Yun that the CI was back home from his trip to Russia. JW Yun immediately asked the CI when he should fly to Florida to meet with the CI. The CI clarified with JW Yun that he was looking for RD-180

liquid fuel engines and technology. JW Yun asked the CI if he had the technology transfer materials. The CI told JW Yun that he had everything JW Yun wanted but that he had put out a lot of money for the trip and needed to have money to stay out of trouble with the people in Moscow and that they would need to work out something about the money. JW Yun stated that he wanted to fly to Florida to confirm what the CI has.

40. On March 24, 2009, JW Yun sent an e-mail to the CI stating that it was nice of the CI to return home with such excellent results and asked if he had been successful in getting all 3 businesses done there, referring to "the procurement of a complete set of the boosters (a complete set of the rocket engines with the fuel tanks and the related accessories), the technology transfer of the boosters (the rocket engines) for the KSLV 2 of the Republic of Korea., the High Burning Rate Propellant Technology Transfer."

41. On March 25, 2009 the CI responded to JW Yun by e-mail and advised JW Yun that when JW Yun came to Florida he would be able to look at the materials that the CI had brought back from Russia and that once the CI received some money JW Yun could take the software back with him to New Jersey. The CI advised JW Yun that they would thereafter travel to Moscow to see the factory where the engines are built, and that the CI was waiting for the people in Russia to tell the CI how much money to ask for. The CI advised that he was sending JW Yun a copy of the front cover of the RD-180 manual.

42. On April 2, 2009, JW Yun sent an e-mail to the CI and advised that he would fly to Florida on April 15th and asked what the CI had on hand for the high burning rate propellant technology transfer.

43. On April 6, 2009, JW Yun sent an e-mail to the CI saying that he would discuss

the details with the CI on April 15th, but that he understood that he would not take any information by either a picture or a disk etc, but may jot down words or references but not the whole picture or a print.

44. On April 8, 2009, JW Yun sent an e-mail to the CI reiterating that he would come to Florida on the 15th of April to meet with the CI.

45. On April 15, 2009, JW Yun traveled from New Jersey to Fort Lauderdale Florida to meet with the CI to review the materials that the CI had allegedly procured from Russia. During this meeting JW Yun reviewed a CD of the technology for the manufacture of the RD-180 rocket engine propulsion system, CAD technical drawings of the RD-180 engines and propulsion system, CAD engineering software of the RD-180 rocket engine propulsion system and manuals and specifications pertaining to the High Burning Rate Propellant Technology. Yun discussed payment arrangements, commissions and possible shipment and transshipment arrangements. Yun could not make payment at this time and stated that he wanted to take only some of the documents pertaining to the High Burning Rate Propellant Technology with him so that he could take it to South Korea to show to the scientists. Yun instructed an undercover ICE agent who was posing as a secretary regarding what pages of the documents Yun wanted copied. Yun informed the CI that they would make further arrangements once Yun returned from Korea and that when Yun returned from Korea he would travel to Russia with the CI to meet the CI's Russian contacts and see the rocket engines.

46. JW Yun was arrested as he returned to the airport to return to New Jersey and the documents copied by Yun were recovered. In his post Miranda statements JW Yun stated that he was attempting to obtain the RD-180 engines, technology and the High Burning Rate Propellant

Technology for a subcontractor for the KSLV project. JW Yun identified this Korean company, and a check of public source information via the internet verified that the company identified by Yun is listed as a member of the Korea Defense Industry Association and was previously involved in the Altitude & Orbit Control Subsystem and Propulsion Subsystem development for the Korean KOMPSAT-1 satellite.

46. Your affiant has verified that Juwhan Yun, aka JW Yun was previously convicted of conspiracy to violate the Arms Export Control Act, 22 USC 2778, and was sentenced to 30 months in federal prison in 1989. Federal Bureau of Prisons records show that Juwhan Yun was released from Federal Prison on March 15, 1991. Your affiant also learned that Juwhan Yun, aka JW Yun was debarred by the Department of State pursuant to Section 127.6(c) of the International Traffic in Arms Regulations (ITAR) as a result of his conviction and has not been reinstated or issued a license to broker transactions involving items on the United States Munitions List.

47. Your affiant is aware that documents obtained from the execution of search warrants on JW Yun's e-mail accounts at Yahoo and MSN have revealed several thousand emails that were sent and received by JW Yun. A preliminary examination of a portion of those e-mails have shown that a great majority of the e-mails are in the Korean language, and are e-mail exchanges between JW Yun and individuals in Korea as evidenced by both the e-mail addresses and the IP addresses associated with the e-mail addresses which have been traced back to an Internet Service Provider (ISP) called the Asia Pacific Network Information Center. Although the body of the e-mails messages were largely in Korean, several of the messages had headings written in English which described the subject matter of the e-mail as pertaining to

High Burning Rate Propulsion Technology or to the KSLV 2. Thirteen e-mails were found between JW Yun and an individual in Korea which contained the reference to KSLV (Korean Space Launch Vehicle).

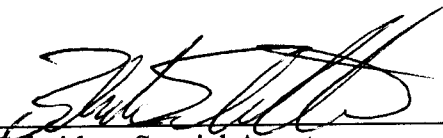
48. On January 14, 2009, record checks with the Department of State, Directorate of Defense Trade Controls (DDTC) revealed that Juwhan Yun aka JW Yun was debarred and had not been reinstated or issued an export license or brokering license by the DDTC. . These same record checks revealed that Blue Hill Corporation does not have and has never applied for an export or brokering license with the DDTC.

49. On April 8, 2009, the DDTC issued a certification that the RD-180 Propulsion System is an article covered by Category IV(d) on the United States Munitions List, and that negotiating or arranging a contract, purchase, sale or transfer of the RD-180 Propulsion System to South Korea in exchange for a fee, commission or other consideration constitutes brokering activity as defined in Section 129.2 of the ITAR. DDTC further certified that license history checks for Blue Hill Corporation and Juwhan Yun revealed that neither was registered or licensed with respect to the import, export, brokering or transfer of any defense article.

50. Based upon the foregoing, there is probable cause to believe that Juwhan Yun aka JW Yun, violated the Arms Export Control Act ("AECA"), 22 United States Code, Section 2778; The Missile Technology Control Regime, 22 United States Code, Sections 2797 and 2797a; and the International Trafficking in Arms Regulations (ITAR), 22 Code of Federal Regulations, Parts 120-130, by knowingly and willfully engaging in a conspiracy to export defense articles without a license, knowingly and willfully attempting to export defense articles without a license, and knowingly and willfully engaging in brokering activities for United States

defense articles designated on the United States Munitions List, specifically RD 180 rocket propulsion systems, engines and technology, for which a license and written approval from the United States Department of State, Directorate of Defense Trade Controls is required without first obtaining the same.

FURTHER AFFIANT SAYETH NAUGHT



Blake Schnitker, Special Agent
U. S. DEPARTMENT OF DEFENSE
DEFENSE CRIMINAL INVESTIGATIVE SERVICE

Sworn to and subscribed before me
on this 16th day of April, 2009



ROBIN S. ROSENBAUM
UNITED STATES MAGISTRATE JUDGE