

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

Criminal Case No. 17-cr-18-PAB

UNITED STATES OF AMERICA,

Plaintiff,

v.

1. TSVETAN KANEV,

Defendant.

INDICTMENT

**Count One
50 U.S.C. § 1705**

Violation of the International Emergency Economic Powers Act

**Count Two
50 U.S.C. § 1705**

Violation of the International Emergency Economic Powers Act

**Count Three
18 U.S.C. § 554
Unlawful Outbound Smuggling of U.S.-Origin Goods from the United States**

The Grand Jury charges:

COUNT ONE

**Violation of the International Emergency Economic Powers Act
(50 U.S.C. § 1705)**

1. The export and re-export of certain items are regulated by Department of Commerce through Bureau of Industry and Security ("BIS").

2. BIS placed restrictions on the export and re-export of items that it determined could make a significant contribution to the military potential or nuclear proliferation of other nations or that could be detrimental to the foreign policy or national security of the United States. BIS promulgated the Export Administration Regulations (“EAR”), 15 C.F.R. §§ 730-774, which contained restrictions on the export of goods outside of the United States.

3. The most sensitive items subject to the EAR are identified on the Commerce Control List, or “CCL.” 15 C.F.R. § 774, Supp. 1. Items listed on the CCL are categorized by an Export Control Classification Number (“ECCN”). Those attempting to export or re-export items on the CCL are required to follow licensing and other regulations.

4. Certain clock drivers used to optimize timing of high performance microprocessors and communications systems, particularly those with the part number UT7R995-XCC, and certain static random access memory programmable multi-chip modules, particularly those with a part number UT8R1M39 or UT8R512K8, were listed on the CCL and categorized under ECCN 9A515. Under the EAR, a BIS license was required to export these items from the United States to Russia.

5. From on or about October 2, 2015 and continuing through in or around June 2016, in the State and District of Colorado, and elsewhere, the defendant, **TSVETAN KANEV** unlawfully and willfully attempted to export and cause to be exported from the United States to Russia items, namely clock drivers UT7R995-XCC and static random access memory multi-chip modules UT8R1M39 and UT8R512K8, which were

designated as items on the Commerce Control List, without having first obtained the required authorization and license for such export from the U.S. Department of Commerce, all in violation of Title 50, United States Code, Section 1705, Title 15, Code of Federal Regulations, Part 764.2, and Title 18, United States Code, Section 2.

COUNT TWO

**Violation of the International Emergency Economic Powers Act
(50 U.S.C. § 1705)**

6. The allegations in Paragraphs 1 through 3 of Count One are incorporated and realleged by reference in this Count.

7. Certain analog-to-digital converters, particularly those with the part number ADS5444/MHFG-V, were listed on the CCL and categorized under ECCN 3A001. Under the EAR, a BIS license was required to export these items from the United States to Russia.

8. From on or about December 14, 2015 and continuing through in or around June 2016, in the State and District of Colorado, and elsewhere, the defendant, **TSVETAN KANEV** unlawfully and willfully attempted to export and cause to be exported from the United States to Russia items, namely multiple analog-to-digital converter ADS5444/MHFG-V, which were designated as items on the Commerce Control List, without having first obtained the required authorization and license for such export from the U.S. Department of Commerce, all in violation of Title 50, United States Code, Section 1705, Title 15, Code of Federal Regulations, Part 764.2, and Title 18, United States Code, Section 2.

COUNT THREE

**Unlawful Outbound Smuggling of U.S.-Origin Goods from the United States
(18 U.S.C. § 554)**

9. The allegations in Paragraphs 1 through 3 of Count One are incorporated and realleged by reference in this Count.

10. On or about October 2, 2015 and continuing through in or around June 2016, in the State and District of Colorado, and elsewhere, the defendant, **TSVETAN KANEV** did fraudulently and knowingly attempt to export and send from the United States merchandise, articles, and objects contrary to the laws and regulations of the United States, that is, without first having obtained the required authorizations from the U.S. Department of Commerce, all in violation of Title 18, United States Code, Section 554, and Title 18, United States Code, Section 2.

CRIMINAL FORFEITURE ALLEGATION

11. The violations alleged in Count One through Count Three of this Indictment are incorporated and realleged by reference herein for the purpose of alleging forfeiture to the United States of America pursuant to the provisions of Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c).

12. The United States hereby gives notice to the defendant that, upon conviction of any such offense, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of any such offense, or conspiracy to commit such offense, to forfeit any and all property, real or personal, which

constitutes or is derived from proceeds traceable to a violation of such offenses, including but not limited to the following:

Money Judgment

13. A sum of money in United States currency, of at least \$372,432, in a final amount to be determined at trial, which represents a sum of money equal to property constituting, or derived from, the proceeds obtained, directly or indirectly, as a result of the offenses alleged in Count One through Count Three of this Indictment.

A TRUE BILL

Ink signature on file in Clerk's Office
FOREPERSON

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