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UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Criminal No. 13-671 (JAP)
	:	
	:	18 U.S.C. § 371;
v.	:	22 U.S.C. § 2778
	:	
HANNAH ROBERT	:	
	:	<u>INDICTMENT</u>

The Grand Jury in and for the District of New Jersey,
sitting at Trenton, charges

COUNT ONE

(Conspiracy to Violate the Arms Export Control Act)

Legal Background

1. At all times relevant to this Indictment:

a. The United States Arms Export Control Act, Title 22, United States Code, Section 2778 ("AECA" or the "Act") authorizes the President of the United States to control the export of defense articles and services from the United States. Unless an exception applies, the Act states that no defense articles or defense services may be exported without a license for such export. 22 U.S.C. § 2778(b)(2). The regulations promulgated pursuant to the Act, known as the International Traffic in Arms Regulations ("ITAR"), define exporting to include, among other things: "[s]ending or taking a defense article out of the United States in any manner" 22

C.F.R. § 120.17.

b. The ITAR defines a defense article and service to be any item on the United States Munitions List ("USML") contained in the regulations. The USML sets forth 21 categories of defense articles that are subject to export licensing controls by the U.S. Department of State's Directorate of Defense Trade Controls ("DDTC"). 22 C.F.R. § 121.1.

c. Unless specifically exempted, persons engaged in the export of defense articles covered by the USML must be registered with the DDTC, and must apply for and receive a valid license or other approval to export the defense article from the United States. 22 C.F.R. § 123.1(a).

d. Category IV(i) of the USML includes technical data directly related to specifically designed or modified components, parts, accessories, and associated equipment for, among other defense articles, rockets, launch vehicles, and missile and anti-missile systems. 22 C.F.R. § 121.1.

e. Category VIII(i) of the USML includes technical data directly related to components, parts, accessories, and associated equipment specifically designed or modified for military aircraft. 22 C.F.R. § 121.1.

The Participants and Relevant Companies

2. At all times relevant to this Indictment:

a. HANNAH ROBERT was a United States lawfully admitted permanent resident who resided in Mount Laurel Township, New Jersey.

b. "R.P." was an individual who resided in India with no known travel to or immigration status in the United States.

c. HANNAH ROBERT was the founder, owner, and President of One Source USA, LLC, a company located at her residence in Mount Laurel Township, New Jersey, that contracted with the United States Department of Defense ("DoD") to supply defense hardware items and spare parts pursuant to government contracts and that subcontracted with other government contractors on DoD contracts to serve as a supplier of defense hardware items and spare parts.

d. HANNAH ROBERT and R.P. were the co-owners and co-operators of One Source ("One Source India"), a company located in India that manufactured, at its own facility, defense hardware items and spare parts for the DoD, for DoD subcontractors, and for private companies both in the United States and in foreign countries.

The Technical Data

3. The DDTC has certified that the document titled "NSSN Class Submarine, Torpedo Tube, Open Breech Door Gagging Collar Assembly," Drawing Number: 7072825 is technical data covered by Category IV(i) on the USML.

4. The DDTC has certified that the document titled "NSSN Class Submarine, Torpedo Tube, Open Breech Door, Gagging Collar A," Drawing Number: 7072856 is technical data covered by Category IV(i) of the USML.

5. The DDTC has certified that the document titled, "Pin, Straight, Headless-Wing, Fuselage Attach, Front Spar," Drawing Number: 68A112177 is technical data covered by Category VIII(i) of the USML.

6. The DDTC has certified that the document titled, "Installation and Assy Acoustic Blankets, STA 120 CH-47F," Drawing Number: 724E4118 is technical data covered by Category VIII(i) of the USML.

Background on DoD Contracting

7. Contracts for defense hardware items and spare parts are put out to bid via a system known as the DLA Internet Bid Board System ("DIBBS"). DIBBS is a web-based application that provides the capability to search for, view, and submit secure bids on federal-government requests for quotations

("RFQs") from the Defense Logistics Agency ("DLA"), a DoD contracting entity. The Defense Finance and Accounting Service ("DFAS") is the DoD entity that oversees payments to DoD contractors, employees, and vendors.

8. "Domestic End Product," in connection with DoD contracts, is defined as an end product manufactured in the United States, if the cost of its components mined, produced, and manufactured in the U.S. exceeds 50 percent of the cost of all its components.

THE CONSPIRACY

9. From in or about June 2010, through on or about December 11, 2012, in Burlington County, in the District of New Jersey, and elsewhere, the defendant,

HANNAH ROBERT,

did knowingly and willfully conspire and agree with others to export to India defense articles on the United States Munitions List, 22 C.F.R. § 121.1, without having first obtained from the U.S. Department of State, Directorate of Defense Trade Controls, a license or other written approval for such export, contrary to Title 22, United States Code, Section 2778(b)(2) & 2778(c), and Title 22, Code of Federal Regulations, C.F.R. Section 120, et seq.

OBJECT OF THE CONSPIRACY

10. It was the object of the conspiracy to profit by exporting defense articles from New Jersey to foreign destinations, including India, without the requisite license or other written approval from the U.S. Department of State.

MANNER AND MEANS OF THE CONSPIRACY

11. It was part of the conspiracy that defendant HANNAH ROBERT transmitted or caused to be transmitted numerous ITAR-restricted technical data for defense hardware items and spare parts to R.P. in India, without an export license or approval from the U.S. Department of State authorizing the exportation of this technical data, as required by law.

12. It was part of the conspiracy that HANNAH ROBERT and R.P. profited and attempted to profit from their criminal conduct in several ways, including:

a. HANNAH ROBERT caused One Source USA, LLC to win DoD contracts for ITAR-restricted defense spare parts, to manufacture those parts in India at One Source India's manufacturing facility, and to supply those parts to the DoD as if One Source USA, LLC had manufactured them in the United States.

b. HANNAH ROBERT and R.P. caused One Source USA, LLC to act as a subcontractor to a DoD contractor ("Prime Contractor

1"), located in Sussex County, New Jersey, supplying and attempting to supply the DoD with export-controlled defense hardware items and spare parts manufactured in India, in such a way as to appear to the DoD that the items were manufactured in the United States.

c. HANNAH ROBERT and R.P. caused One Source USA, LLC to act as a subcontractor to a DoD contractor ("Prime Contractor 2"), located in Boca Raton, Florida, supplying and attempting to supply the DoD with export-controlled defense hardware items and spare parts manufactured in India, in such a way as to appear to the DoD that the items were manufactured in the United States.

d. HANNAH ROBERT transmitted ITAR-controlled technical data to R.P. in India so that HANNAH ROBERT and R.P. could submit bids to foreign companies, including those in the United Arab Emirates, to supply them or their foreign customers with defense hardware items and spare parts.

13. It was part of the conspiracy that HANNAH ROBERT and R.P. transmitted or caused to be transmitted ITAR-restricted technical data for defense spare parts to R.P. in India in numerous ways, including:

a. HANNAH ROBERT transmitted ITAR-controlled technical data to R.P. in India as attachments to e-mail.

b. HANNAH ROBERT transmitted technical data marked with export-control warnings to R.P. in India by posting the technical data to the password-protected website of a Camden County, New Jersey, church (the "Church") where she was a volunteer web administrator and without the knowledge of the Church staff. HANNAH ROBERT then e-mailed R.P. with the username and password to the Church website so that R.P. could download the files from India.

c. R.P. in India, with HANNAH ROBERT's knowledge and consent, received and attempted to receive ITAR-controlled technical data via e-mail from at least Prime Contractor 1.

14. It was part of the conspiracy that HANNAH ROBERT concealed in numerous ways that HANNAH ROBERT transmitted ITAR-controlled technical data to India without a license or other written consent from the U.S. Department of State, including:

a. HANNAH ROBERT made misrepresentations and omissions on her bids to win DoD contracts for ITAR-restricted defense hardware items and spare parts, creating the appearance that those items were made in the United States. Those misrepresentations and omissions included the following:

i. HANNAH ROBERT bid on DoD contracts using only One Source USA, LLC's unique DoD identifier, known as

a "CAGE" code, which was associated only with One Source USA, LLC's address in New Jersey. One Source India had its own CAGE code, which was associated with an address in India and which HANNAH ROBERT omitted from her One Source USA, LLC bids.

ii. HANNAH ROBERT falsely stated on bids for DoD contracts that One Source USA, LLC was a "manufacturer" rather than a "dealer" of defense hardware items and spare parts.

iii. HANNAH ROBERT falsely stated on bids for DoD contracts that One Source USA, LLC would provide Domestic End Products.

iv. Starting in or around September 2012, HANNAH ROBERT opened a third company, Caldwell Components Inc., which operated from the same U.S. address as One Source USA, LLC, but that had its own CAGE code. HANNAH ROBERT caused Caldwell Components Inc. to win DoD contracts by bidding in a similar manner as HANNAH ROBERT did for One Source USA, LLC, while manufacturing the defense hardware items in India.

b. After the DoD disclosed that certain aircraft parts supplied by Prime Contractor 1 had failed, HANNAH ROBERT and R.P. provided the principal of Prime Contractor 1 with false and misleading material certifications and inspection reports, listing only One Source USA, LLC's United States

address and CAGE code and not the address and CAGE code of the actual manufacturer in India, One Source India. HANNAH ROBERT and R.P. provided these documents to Prime Contractor 1, with the knowledge that the principal would transmit these documents to the DoD.

c. HANNAH ROBERT was, until in or about November 2012, an employee of a defense contractor in Burlington County, New Jersey (the "Defense Contractor"), where HANNAH ROBERT worked as a System Analyst and had access to thousands of drawings marked with export-control warnings and to information on the Defense Contractor's bids on DoD contracts. During her employment, HANNAH ROBERT misrepresented to the Defense Contractor the nature and extent of her involvement with One Source USA, LLC, in order to, among other reasons, conceal her criminal conduct.

OVERT ACTS

15. During and in furtherance of the conspiracy, in the District of New Jersey and elsewhere, one or more of the conspirators committed one or more of the following overt acts, among others:

HANNAH ROBERT Opens One Source USA, LLC

16. On or about June 21, 2010, HANNAH ROBERT opened a bank account at TD Bank, in the name of One Source USA, LLC. During the course of the scheme, payments were made by DFAS to this account pursuant to DoD contracts.

17. On or about April 1, 2011, HANNAH ROBERT signed a Military Critical Technical Data Agreement on behalf of One Source USA, LLC, in which HANNAH ROBERT certified, as a condition of receiving military critical technical data, to the following:

They (1) acknowledge all responsibilities under applicable U.S. export control laws and regulations . . . and (2) agree not to disseminate militarily critical technical data in a manner that would violate applicable U.S. . . . export control laws and regulations.

Unlicensed Export Example 1

18. On or about August 23, 2012, R.P., in India, e-mailed HANNAH ROBERT requesting the technical drawing or drawings for a particular part number for a defense hardware item. R.P.'s e-mail also forwarded HANNAH ROBERT an August 23, 2012 e-mail from an individual purporting to be "an official contractor of the UAE Ministry of Defence," and who listed a business address in Abu Dhabi, United Arab Emirates ("UAE"). The UAE e-mail requested quotations for a bid for the "blanket assembly" for the CH-47F Chinook military helicopter and listed

the "End User" for the hardware item as the UAE Armed Forces.

19. On or about August 23, 2012, HANNAH ROBERT replied to R.P.'s e-mail, attaching, among other things, the electronic file for the following ITAR-controlled technical drawing: "Installation and Assy Acoustic Blankets, STA 120 CH-47F," Drawing Number: 724E4118.

Unlicensed Export Example 2 and Failed Product

20. On or about January 25, 2012, the principal of Prime Contractor 1 sent an e-mail to One Source USA, LLC addressed to "Government Sales," at an e-mail address to which both R.P. (in India) and HANNAH ROBERT had access. The e-mail attached a request for quote ("RFQ") and the required technical drawing, so that One Source USA, LLC could review the drawing and make a quote to Prime Contractor 1. Under this arrangement, One Source USA, LLC would be a subcontractor to Prime Contractor 1 on a DoD contract. More specifically, Prime Contractor 1 attached the electronic file of the following ITAR-controlled technical drawing: "Pin, Straight, Headless-Wing, Fuselage Attach, Front Spar," Drawing Number: 68A112177. This particular hardware item is also known as a "wing pin," and it is installed on the F-15 combat aircraft.

21. On or about January 31, 2012, R.P. replied to Prime Contractor 1's e-mail, attaching a price quotation to

supply the ITAR-controlled defense hardware.

22. On or about February 16, 2012, Prime Contractor 1 was issued DoD contract ending -FQ52, to supply the wing pins. On or about February 20, 2012, Prime Contractor 1 e-mailed One Source USA, LLC at an e-mail address to which both R.P. and HANNAH ROBERT had access, attaching a purchase order for the quantity of wing pins.

23. One Source India manufactured the wing pins in India, and, on or about March 28, 2012, One Source India shipped the wing pins to Prime Contractor 1. Within the shipping records, One Source India included an "Invoice Cum Packing List" that listed the "Exporter" as One Source India, with an address in India; that listed the "Buyer" as One Source USA, LLC; and that listed the "Consignee" as Prime Contractor 1. The Invoice Cum Packing List also listed the "Country of Origin of Goods" as "India."

24. On or about April 8, 2012, One Source USA, LLC used an e-mail address shared by HANNAH ROBERT and R.P. to e-mail an invoice for payment to Prime Contractor 1.

25. In or about March 2012, One Source USA, LLC supplied a second quantity of F-15 wing pins as a subcontractor to Prime Contractor 1, pursuant to a DoD contract ending -EK62, awarded on January 26, 2012. These wing pins were manufactured

in India at the facilities of One Source India.

26. On or about October 10, 2012, Prime Contractor 1 e-mailed One Source USA, LLC at an e-mail address to which both R.P. and HANNAH ROBERT had access, in a message marked with "High" importance. The principal of Prime Contractor 1 stated: "Our customer states the wrong material was used for the 2 orders listed. Need all material certifications and inspection records immediately for their review." The principal listed the two purchase order numbers corresponding to the two wing-pin contracts noted above, ending -FQ52 and -EK62.

27. On or about October 11, 2012, One Source USA, LLC sent an e-mail from an e-mail address to which both R.P. and HANNAH ROBERT had access, to that same e-mail address. There was no subject line or content to the e-mail. Attached were four electronic files, which purported to be material certifications and test reports for the two wing-pin contracts. These four documents (the "False Test Reports") bore the CAGE code and New Jersey address of One Source USA, LLC, and nowhere mentioned that the parts were manufactured in India.

28. Later on October 11, 2012, One Source USA, LLC, using an e-mail address to which both R.P. and HANNAH ROBERT had access, forwarded the e-mail and attachments discussed in the above paragraph to Prime Contractor 1, stating: "Herewith

enclosed all reports as per your previous email." On or about October 12, 2012, Prime Contractor 1 provided the False Test Reports to the DoD. As a result of the nonconforming wing-pins, the DoD grounded approximately 47 F-15 fighter aircraft for inspection and repair, at a cost estimated to exceed \$150,000.

Unlicensed Export Examples 3 and 4

29. On or about June 26, 2012, the principal of Prime Contractor 1 again sent an e-mail to One Source USA, LLC, at an e-mail address to which both R.P. (in India) and HANNAH ROBERT had access. The e-mail stated "See attached and confirm receipt. Be sure to comply with all technical data requirements or material will need to be returned for correction. Do not use styrofoam as packaging cushioning." The e-mail attached a purchase order relating to a DoD contract, under which One Source USA, LLC had agreed to subcontract to Prime Contractor 1's prime DoD contract. The e-mail attached the electronic files for the following ITAR-controlled technical drawings: (i) "NSSN Class Submarine, Torpedo Tube, Open Breech Door Gagging Collar Assembly," Drawing Number: 7072825; and (ii) "NSSN Class Submarine, Torpedo Tube, Open Breech Door, Gagging Collar A," Drawing Number: 7072856. These drawings relate to torpedo hardware for nuclear-powered military submarines.

HANNAH ROBERT Opens Caldwell Components Inc.

30. In or about September 2012, HANNAH ROBERT began operating a third company, Caldwell Components Inc. Caldwell Components Inc. purported to be a manufacturer and dealer of defense hardware and spare parts and was based in the same residential townhome in Mount Laurel Township, New Jersey, as One Source USA, LLC.

31. On or about October 23, 2012, HANNAH ROBERT signed a Military Critical Technical Data Agreement on behalf of Caldwell Components Inc., in which HANNAH ROBERT certified, as a condition of receiving military critical technical data, to the following:

They (1) acknowledge all responsibilities under applicable U.S. export control laws and regulations . . . and (2) agree not to disseminate militarily critical technical data in a manner that would violate applicable U.S. . . . export control laws and regulations.

32. On or about October 31, 2012, HANNAH ROBERT electronically submitted a false bid to a component of the DoD claiming that Caldwell Components Inc. was a "manufacturer" and that "Domestic End Products" would be provided, in connection with a contract to provide "bushing, machine thread," replacement parts for the M190/M191, 120 mm mortar.

33. Based on this false quote to the DoD, on or about November 4, 2012, Caldwell Components Inc. was awarded a

purchase order.

34. On or about November 28, 2012, the defense hardware items were shipped via Federal Express from India to the United States, and then on to the DoD customer. DFAS subsequently paid Caldwell Components Inc. for the foreign-manufactured parts.

Additional Communications in Furtherance of the Scheme

35. On or about October 13, 2010, HANNAH ROBERT e-mailed R.P. in India with the address for the Church's website along with a username and password. HANNAH ROBERT sent this e-mail so that R.P. could download, from India, certain technical drawings that bore export-control warnings. HANNAH ROBERT had received these drawings, for an aircraft test-stand, from the principal of Prime Contractor 2. Starting on or about October 13, 2010, through the course of this scheme, HANNAH ROBERT uploaded thousands of technical drawings to the Church website for R.P. to download in India.

36. On or about April 2, 2012, HANNAH ROBERT e-mailed R.P. in India, with the subject line "Emirates," instructing R.P. to "please send out quotes to Emirates and let me know if you need any drawings."

37. On or about April 23, 2012, R.P. e-mailed HANNAH ROBERT, stating "PLS DELETE ALL DRAWINGS IN CHURCH FTP SITE AND

UPLOAD NEW DRAWINGS."

38. On or about June 25, 2012, R.P. in India e-mailed HANNAH ROBERT, stating in part: "Please send me the church web site username and password." The e-mail was in reference to both an invoice to and a quote for an individual known to HANNAH ROBERT as a broker of defense hardware items for an end user in Pakistan. This individual (the "Pakistan trans-shipper") employed a UAE address for shipping purposes.

39. On or about June 25, 2012, HANNAH ROBERT replied to R.P.'s e-mail noted in the paragraph above. HANNAH ROBERT provided a new username and password for the Church website.

40. On or about October 5, 2012, HANNAH ROBERT e-mailed R.P. in India, with the subject line "Important." The e-mail referenced the Pakistan trans-shipper and the Church website. HANNAH ROBERT wrote, in part: "Please quote [the Pakistan trans-shipper] and Indonesia items today[.] [Dr]awings I cannot do now as if the size exceeds then problem, I should be watching what I upload, will do over the weekend[.] Ask me if you need any drawing Talk to you tomorrow"

Failure to Obtain a License

41. At no point during any of the transactions described in the overt acts enumerated above did HANNAH ROBERT, R.P., or any other parties involved, apply for or receive a

license or other authorization from the DDTTC to export directly or indirectly ITAR-controlled technical data.

COUNT TWO

(Arms Export Control Act)

1. The allegations set forth in Count One of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. On or about August 23, 2012, in Burlington County, in the District of New Jersey, and elsewhere, the defendant,

HANNAH ROBERT,

knowingly and willfully exported and caused to be exported from the United States to India a defense article, that is, the technical drawing for "Installation and Assy Acoustic Blankets, STA 120 CH-47F," Drawing Number: 724E4118, which was designated as a defense article on the USML, without having first obtained from the U.S. Department of State a license for such export or written authorization for such export.

3. It is further alleged that this offense was committed during and in furtherance of the conspiracy charged in Count One, above.

In violation of Title 22, United States Code, Sections 2778(b)(2) and 2778(c), and Title 22, Code of Federal Regulations, Sections 121.1, 123.1, and 127.1.

FORFEITURE ALLEGATION

1. The allegations contained in this Indictment are hereby realleged and incorporated by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. The United States hereby gives notice to the defendant, that upon her conviction of any of the offenses charged in this Indictment, 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 requires any person convicted of such offenses to forfeit any property constituting or derived from proceeds obtained directly or indirectly as a result of such offenses.

3. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

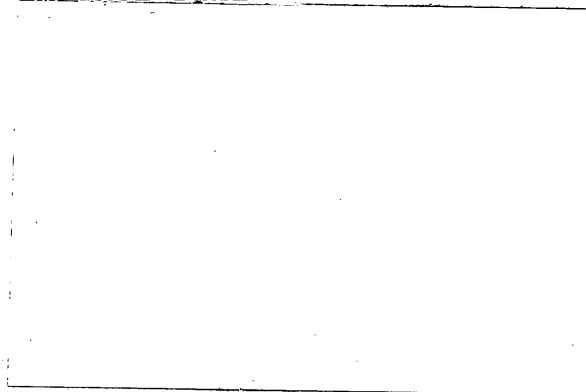
- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described above.

A TRUE BILL

Paul J. Fishman

PAUL J. FISHMAN
United States Attorney



CASE NUMBER: 13-

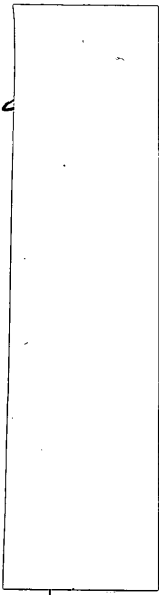
**United States District Court
District of New Jersey**

**UNITED STATES OF AMERICA
v.
HANNAH ROBERT**

INDICTMENT FOR

18 U.S.C. § 371
22 U.S.C. § 2778

A True bill,



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