

DMP:JAM/CRH/MS/SAC
F. #2019R01707

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- X

UNITED STATES OF AMERICA

- against -

ILYA KAHN,

Defendant.

----- X

AFFIDAVIT AND
COMPLAINT IN SUPPORT
OF AN APPLICATION FOR
AN ARREST WARRANT

(T. 50, U.S.C., §§ 4819(a)(1),
4819(a)(2)(A)-(G) and 4819(b); T. 15,
C.F.R., §§ 736.2(b)(1), 736.2(b)(5),
744.10(a) and 746.8(a)(1))

No. 23-MJ-1133

EASTERN DISTRICT OF NEW YORK, SS:

Nicholas Milan, being duly sworn, deposes and states that he is a Special Agent with the Federal Bureau of Investigation, duly appointed according to law and acting as such:

Conspiracy to Violate the Export Control Reform Act

In or about and between March 2018 and December 2023, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant ILYA KAHN, together with others, did knowingly and willfully conspire to violate and to cause one or more violations of licenses, orders, regulations and prohibitions issued under the Export Control Reform Act, Title 50, United States Code, Section 4811 et seq., to wit: (a) KAHN, together with others, did agree to export and reexport and cause to be exported and reexported from the United States to Russia, including through Hong Kong and other locations, items on the Commerce Control List set forth in Title 15, Code of Federal Regulations, Part 774, Supplement Number 1, without having first obtained a license for such export from the U.S. Department of Commerce,

and (b) KAHN, together with others, did agree to export and reexport and cause to be exported and reexported from the United States to a prohibited end user, Joint Stock Company Research and Development Center ELVEES, which was added to the Entity List, set forth in Title 15, Code of Federal Regulations, Part 774, Supplement Number 4, on or about March 9, 2022, items subject to the Export Administration Regulations, without having first obtained a license for such export from the U.S. Department of Commerce.

(Title 50, United States Code, Sections 4819(a)(1), 4819(a)(2)(A)-(G) and 4819(b); and Title 15, Code of Federal Regulations, Sections 736.2(b)(1), 736.2(b)(5), 744.10(a) and 746.8(a)(1))

The source of your deponent's information and the grounds for his belief are as follows:¹

INTRODUCTION AND AGENT BACKGROUND

1. I am a Special Agent with the Federal Bureau of Investigation ("FBI"), and have been since 2018. I am currently assigned to investigate export control violations and espionage by foreign governments and related criminal and counterintelligence activity. Through my training, education and experience, I am familiar with the techniques and methods of operation used by individuals involved in intelligence and criminal activities to conceal their behavior from detection by law enforcement authorities. I have participated in numerous investigations, during the course of which I have conducted physical and electronic surveillance, interviewed witnesses, examined

¹ Because the purpose of this complaint is to set forth only those facts necessary to establish probable cause to arrest, I have not described all the relevant facts and circumstances of which I am aware.

financial records, executed court-authorized search warrants and used other techniques to secure relevant information.

2. I am familiar with facts and circumstances set forth below from my participation in the investigation, from my review of documents obtained pursuant to the investigation and from reports of other law enforcement officers involved in the investigation. When I rely on statements made by others, such statements are set forth only in part and in substance unless otherwise indicated. All translations in this affidavit are preliminary drafts and subject to revision.

RELEVANT STATUTORY AND REGULATORY BACKGROUND

3. The Export Administration Regulations (“EAR”), 15 C.F.R. Parts 730-774, were promulgated by the U.S. Department of Commerce (“DOC”), Bureau of Industry and Security (“BIS”), to regulate the export of goods, technology and software from the United States. Under the Export Control Reform Act (“ECRA”), it is a crime to violate, attempt to violate, conspire to violate or cause a violation of any regulation, order, license or authorization issued pursuant to the statute, including the EAR. See 50 U.S.C. § 4819(a)(1). Willful violations of the EAR constitute criminal offenses under the ECRA. See 50 U.S.C. § 4819(b).

4. Through the EAR, the BIS reviews and controls the export of certain U.S. items from the United States to foreign destinations. See 15 C.F.R. §§ 734.2-734.3. In particular, the BIS has placed restrictions on the export and reexport of items that it has 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. Under the EAR, such restrictions depend on several factors, including the technical characteristics of the item, the destination country, the end user and the end use.

5. The most sensitive items subject to the EAR controls are identified on the Commerce Control List (“CCL”), set forth in Title 15, Code of Federal Regulations, Part 774, Supplement Number 1. Items listed on the CCL are categorized by Export Control Classification Number (“ECCN”), each of which is subject to export control requirements depending on destination, end use and end user.

6. In response to Russia’s invasion of Ukraine on February 24, 2022, the DOC imposed new license requirements on exports to Russia. As of February 24, 2022, any item classified under any ECCN in Categories 3 through 9 of the CCL requires a license to be exported to Russia. See 87 Fed. Reg. 12226 (Mar. 3, 2022). As of April 8, 2022, all items on the CCL require a license to export to Russia. See 87 Fed. Reg. 22130 (Apr. 14, 2022). These rules were codified in Title 15, Code of Federal Regulations, Section 746.8, which states, in relevant part, “a license is required, excluding deemed exports and deemed reexports, to export, reexport, or transfer (in-country) to or within Russia or Belarus any item subject to the EAR and specified in any Export Control Classification Number (ECCN) on the CCL.”

7. The BIS publishes the names of certain foreign entities – including businesses, research institutions, government and private organizations, individuals, and other types of legal persons – that are subject to specific license requirements for the export, reexport and/or transfer (in-country) of specified items. These entities comprise the Entity List, which is found at Title 15, Code of Federal Regulations, Part 774, Supplement Number 4. The entities on the Entity List are subject to individual licensing requirements and policies supplemental to those found elsewhere in the EAR, due to a determination that such entities have engaged in activities contrary to U.S. national security and/or foreign policy interests. As relevant here, applications to export, reexport

or transfer (in-country) items subject to the EAR to Russian entities on the Entity List are subject to a presumption of denial, and no license exceptions apply. See 15 C.F.R. § 744.10.

PROBABLE CAUSE

I. Introduction and Summary of Probable Cause

8. U.S. law enforcement, including the FBI, is conducting a criminal investigation of an international network of individuals and entities responsible for the illegal procurement of sensitive technology for the benefit of the Russian government, including its military and intelligence services.

9. As discussed further below, the evidence gathered pursuant to this investigation has revealed that KAHN engaged in a years-long scheme to secure and export sensitive technology from the United States for the benefit of Joint Stock Company Research and Development Center ELVEES (hereinafter “Elvees”)², a Russian semiconductor manufacturer whose clients include elements of the Russian Ministry of Defense and the Federal Security Service (“FSB”), the main successor agency to the Soviet Union’s KGB. Elvees was sanctioned by the U.S. government in 2022 because of its critical role in facilitating Russia’s military and its invasion of Ukraine. Since at least 2017, and continuing after Elvees was sanctioned, KAHN acquired and exported sensitive and sophisticated electronics from the United States to Russia without securing the appropriate licenses. KAHN also facilitated the manufacturing of Elvees-designed microelectronics by a company in Taiwan. Following Russia’s invasion of Ukraine, after which the company in Taiwan

² Elvees has been identified by the Department of Commerce as “Electronic Computing and Information Systems (ELVIS), a.k.a. Joint Stock Company Research and Development Center ELVEES; and Scientific Production Center Elvis” and by the Department of Treasury as “Elvees Research and Development Center JSC, a.k.a. Elvees R and D Center JSC; a.k.a. Elvees R&D Center JSC; a.k.a. Joint Stock Company Scientific and Production Center Electronic Computing and Information Systems; a.k.a. JSC SPC Elvis.”

would no longer ship the technology to Russia, KAHN arranged for the technology to be sent to the United States. KAHN then re-exported the technology to Elvees in Russia through Hong Kong and other transshipment points in violation of export regulations. KAHN has engaged in substantial fraudulent conduct to obscure his involvement with a sanctioned Russian entity and to evade U.S. export regulations.

II. Background on KAHN and Elvees

10. KAHN is a dual U.S.-Israeli citizen who resides primarily in Israel and occasionally travels to the United States. KAHN is the president and sole owner of Senesys Incorporated (“Senesys”), which is described in California state filings as a “security software development” business. The company lists an address in California as its address of record. The Senesys website states that the company includes “AI and video analytics developers, security experts, and network specialists” and uses a “drone-based surveillance system.”

11. KAHN is also the owner of Sensor Design Association (“SDA”), which is identified in various business records as being located at the same California address as Senesys.³ According to its website, SDA describes itself as a “leading American company in the international market testing of silicon wafers” and that it provides services to “Military / Avionics / Space OEM users.” The SDA website lists an address in Brooklyn, New York as the contact address, which is a residential apartment. In a voluntary phone interview conducted on or about May 29, 2019, a member of KAHN’s family (hereinafter “Family Member-1”) advised law enforcement that SDA and Senesys were the same company.

³ The same California address is also listed as KAHN’s residence in public and government databases, and appears to be a residential address. Other government documents list a different residential address in California as KAHN’s residence.

12. Elvees is a Russian semiconductor manufacturer with close ties to the Russian government. According to an Elvees website, www.elveesneotek.ru/en, Elvees was established with the support of JSC Rusnano, a Russian nanotechnology company. The website claims that Elvees has done hundreds of projects with major Russian, European and Asian companies, as well as international airports, sea trade ports and hydroelectric power plants. Some of the Russian entities Elvees lists as clients include sanctioned Russian energy companies such as Gazprom and Transneft,⁴ as well as Russia's National Defense Control Center, which is the senior command and control center of the Russian Ministry of Defense and the Russian Armed Forces. On the website's "corporate information" page, it states that Elvees has had a procurement license with the FSB since April 28, 2023. The FSB is also sanctioned by the U.S. government.

13. On or about March 9, 2022, Elvees was added to the Entity List by the DOC.⁵ In addition, on or about September 15, 2022, the U.S. Department of the Treasury's Office of Foreign Asset Controls ("OFAC") added Elvees to the Specially Designated Nationals and Blocked Persons List (the "SDN List"),⁶ which is published on OFAC's website. In a press release on or about September 15, 2022, in connection with the designation to the SDN List, the Department of State described Elvees as "a Russian electronics company involved in developing electronics components . . . [and] also produc[ing] a radar system for detecting and tracking airborne, ground,

⁴ See OFAC website, "U.S. Treasury Announces Unprecedented & Expansive Sanctions Against Russia, Imposing Swift and Severe Economic Costs," available at <https://home.treasury.gov/news/press-releases/jy0608> (last visited Dec. 10, 2023) (identifying Gazprom and Transneft as sanctioned entities).

⁵ See 87 Fed. Reg. 13,141 (Mar. 9, 2022).

⁶ See OFAC website, "Russia-related Designations . . . ," available at <https://ofac.treasury.gov/recent-actions/20220915> (last visited Dec. 12, 2023).

and surface targets.”⁷ Accordingly, as of March 9, 2022, goods may not be exported or reexported from the United States to Elvees without a license from DOC. And, as of September 15, 2022, U.S. persons—including KAHN, SDA and Senesys—are prohibited from engaging in any transactions with or for the benefit of Elvees absent authorization from OFAC.⁸

14. Since at least 2011, KAHN used SDA and Senesys to engage in the export of microelectronics and other sophisticated technology from the United States. According to records gathered as part of this investigation, more than 290,000 microelectronics and other items were shipped out of the United States by SDA and Senesys between 2017 and 2023 alone.

15. KAHN’s export activity for the specific benefit of Elvees dates to at least 2012, and KAHN has derived a substantial amount of revenue from his relationship with Elvees. According to financial records, SDA received more than \$37 million from Elvees and related entities between 2012 and 2022, including more than \$2.1 million from Elvees between 2021 and 2022.

III. KAHN’s Knowledge of U.S. Export Regulations

16. KAHN has substantial knowledge about the laws and regulations that govern the export of goods from the United States.

17. For example, KAHN maintained a spreadsheet in his records, which includes an entry from on or about January 25, 2011, that mentions the EAR, links to the then-existing DOC

⁷ See State Dept. website, “Targeting Russia’s Senior Officials, Defense Industrial Base, and Human Rights Abusers,” available at <https://www.state.gov/targeting-russias-senior-officials-defense-industrial-base-and-human-rights-abusers/> (last visited Dec. 11, 2023).

⁸ It is a violation of the International Emergency Economic Powers Act (“IEEPA”), 50 U.S.C. § 1701 *et seq.*, for U.S. persons to transact with entities whose property and interests in property are blocked pursuant to Executive Order 14024. See also 31 C.F.R. § 587.201.

website pages associated with export licensing requirements,⁹ and references particular ECCNs for microelectronics of the type that KAHN often exported from the United States.

18. As another example, in 2018, KAHN and Family Member-1 discussed the need for an end-use certificate (i.e., a written certification about the identity and location of the user of the item) when Family Member-1 attempted to purchase microelectronics associated with radar equipment from a U.S. company.

19. Additionally, and as discussed further below, KAHN received and completed numerous requests from U.S. companies for end-user information, which typically included warnings and information about U.S. export regulations.

20. After Elvees was sanctioned in 2022, KAHN repeatedly indicated in written communications that he was not permitted to engage in business with certain customers in Russia, and even wrote a letter in April 2022 stating that he “cannot continue [sic] business with Elvees,” though he did, in fact, continue doing business with and for Elvees.

21. Despite this knowledge, KAHN repeatedly exported controlled goods from the United States to Russia and other countries, including goods controlled for national security reasons, without securing the proper licenses.

22. Additionally, after Elvees was added to the Entity List in March 2022, and to the SDN List in September 2022, KAHN continued to cause exports for which Elvees was the ultimate end user, and to engage in other transactions for Elvees’s benefit, in violation of U.S. export

⁹ The URLs to the website pages in the document are no longer active but, based on my training and experience and discussions with DOC employees, I know that the URL previously linked to information related to export licensing requirements.

regulations and sanctions. As discussed below, he did so through a complex series of transactions designed to obscure his illegal activity.

IV. KAHN's Fraudulent Scheme to Violate ECRA and Export Regulations

A. Illegal Export of U.S.-Origin Microcontroller to Russia

23. On or about March 29, 2018, KAHN received a letter from Elvees directing him to purchase five units of a specific low power microcontroller ("U.S. Microcontroller-1") manufactured by a U.S. company ("U.S. Company-1"). Depicted below is the header of the letter, which contains the Elvees name in Russian as well as a distinctive circular logo associated with Elvees.



24. U.S. Microcontroller-1 is controlled by the DOC under ECCN 3A001.a.2.c for national security reasons. A license was required to export this item from the United States to Russia in 2018 and thereafter.

25. According to order confirmation records found in the Senesys email account associated with KAHN, on or about August 24, 2019, Senesys purchased five units of the U.S. Microcontroller-1 from U.S. Company-1. The delivery address was an address in New Hampshire identified as being associated at the time with SDA and Family Member-1.

26. On or about August 30, 2019, SDA issued a commercial invoice to Elvees for the shipment of five units of the U.S. Microcontroller-1 to an address associated with Elvees in Moscow, Russia.

27. According to a license history check performed by BIS, KAHN did not obtain a license to export these or any other goods to Russia.

B. Illegal Export of Multiple U.S.-Origin Microelectronics to Sanctioned Russian Entity Through Hong Kong Shipper

28. According to email records, on or about and between March 16, 2022 and March 18, 2022, after Russia's invasion of Ukraine on February 24, 2022, KAHN exchanged a series of communications with a representative of a Hong Kong shipping company (the "Hong Kong Shipper"). In sum and substance, the communications reveal a scheme to falsely portray the Hong Kong Shipper as the purchaser and end user of items exported from the United States to conceal the fact that the items were ultimately destined for Elvees in Russia. Specifically, on behalf of Elvees, KAHN indicated that he would purchase a quantity of specific U.S.-origin network interface controllers (the "U.S. Network Hardware") from a U.S. supplier and requested that the Hong Kong Shipper purchase those goods from him. KAHN also requested the Hong Kong Shipper to purchase a radiofrequency transmitter (the "U.S. RF Transmitter") directly from a U.S. company.

29. KAHN indicated to the Hong Kong Shipper that a person he identified by name ("Named Employee-1") was directing the acquisition of these goods. According to other records found in KAHN's business records for SDA and Senesys, Named Employee-1 is an Elvees employee. For example, on December 6, 2018, KAHN received a request from Elvees employees to purchase technology from a U.S.-based business. A person with the same name as Named Employee-1 with an "@elvees.com" email address was cc'd on this email thread.

30. Additionally, on or about March 16, 2022, another person with an "@elvees.com" email address ("Named Employee-2") emailed KAHN an invoice reflecting "prepayment" for the

shipment of quantities of the U.S. RF Transmitter and U.S. Network Hardware. The invoice sent by Named Employee-2 was drafted to appear to be from the Hong Kong Shipper, indicated that the items were to be shipped to Russia to the attention of Named Employee-1, but billed to a different company than Elvees. On or about that same date, March 16, 2022, KAHN sent what appears to be the same invoice to the Hong Kong Shipper, indicating that it was an “invoice sample,” but that the “money will be the same as in the invoice” once the transaction to acquire the U.S. RF Transmitter and U.S. Network Hardware was completed.

31. As noted above, as of March 9, 2022, prior to these communications, Elvees was placed on the Entity List, and therefore KAHN and the U.S. businesses that he operated were prohibited from exporting or reexporting any goods to Elvees without a license.

32. Additionally, according to DOC records, the U.S. Network Hardware was controlled under ECCN 5A002.a, for reasons of national security, and could not be shipped to Russia or Hong Kong without a license during the relevant time period. The U.S. RF Transmitter was controlled under ECCN 5A991.b, for reasons of anti-terrorism, and could not be shipped to Russia without a license during the relevant time period.

33. According to purchase order information found in KAHN’s business records, on or about March 22, 2022, May 18, 2022, and May 24, 2022, KAHN purchased four units of the U.S. Network Hardware from a U.S.-based company. KAHN requested that the items be shipped to SDA in California. On or about March 29, 2022 and May 3, 2022, KAHN purchased five units of the U.S. RF Transmitter from a U.S.-based company. KAHN likewise requested that the items be shipped to SDA in California.

34. KAHN was advised by the suppliers that exporting these products might be illegal without a proper license. Invoices for the U.S. Network Hardware sent to KAHN state that the

U.S. Network Hardware is subject to the EAR and cannot be shipped without proper license.

Similarly, invoices for the U.S. RF Transmitter expressly stated:

THESE ITEMS ARE CONTROLLED BY THE U.S. GOVERNMENT AND AUTHORIZED FOR EXPORT ONLY TO THE COUNTRY OF ULTIMATE DESTINATION FOR USE BY THE ULTIMATE CONSIGNEE OR END-USER(S) HEREIN IDENTIFIED. THEY MAY NOT BE RESOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF, TO ANY OTHER COUNTRY OR TO ANY PERSON OTHER THAN THE AUTHORIZED ULTIMATE CONSIGNEE OR END-USER(S), EITHER IN THEIR ORIGINAL FORM OR AFTER BEING INCORPORATED INTO OTHER ITEMS WITHOUT FIRST OBTAINING APPROVAL FROM THE U.S. GOVERNMENT OR AS OTHERWISE AUTHORIZED BY U.S. LAW AND REGULATIONS.

(Capitalization in original).

35. KAHN was also told by an employee of the Hong Kong Shipper that export of the technology from the United States was not permitted without appropriate permissions. Specifically, on or about March 16, 2022, the employee told KAHN that U.S. Network Hardware “is forbidden to be sold to China(including HK),” a reference to Hong Kong, and that “if you ship this time from USA to me, it will be a problem.” On or about March 17, 2022, KAHN received another email from the representative of the Hong Kong Shipper, stating that the U.S. RF Transmitter also could not be shipped “to China” and that it was likely “because it has military use.”

36. Notwithstanding these warnings, KAHN proceeded with the transaction and export of the goods. According to emails and other records, on or about June 13, 2022, KAHN received confirmation from a New York-based shipping company that it had shipped items to an address in Hong Kong associated with Hong Kong Shipper by way of John F. Kennedy International Airport (“JFK Airport”). Included in the materials was an SDA commercial invoice, signed by KAHN,

which indicated that he shipped the four units of the U.S. Network Hardware and five units of the U.S. RF Transmitter to Hong Kong.

37. According to a license history check performed by BIS, KAHN did not obtain a license to export these or any other goods to Russia or Hong Kong. Additionally, as discussed above, Elvees was directing the acquisition of these goods, and as a result of Elvees being placed on the Entity List, a specific license was required to export any items for which Elvees was the ultimate end user. KAHN did not obtain such a license to export to Elvees.

C. The Scheme to Illegally Manufacture and Ship Semiconductors Designed by Elvees

38. KAHN also assisted Elvees with the manufacture of semiconductors in Taiwan that were designed by Elvees and the shipment of those semiconductors from Taiwan to Russia. Following Russia's invasion of Ukraine in February 2022, KAHN often caused the shipment of quantities of the microelectronics from Taiwan to the United States before reexporting them to Russia, including through the People's Republic of China (the "PRC"), South Korea and Hong Kong, using the same Hong Kong shipping company described above. The export or reexport of these items from the United States to Russia required a license, which KAHN did not obtain.

39. According to publicly available Russian news reporting, since at least 2012 Elvees has designed and caused the manufacture of a series of semiconductors¹⁰ known as "NVCOM."

¹⁰ Semiconductors are sometimes also called microchips or integrated circuits.

Depicted below is an image from the reporting of an example of an NVCOM semiconductor, which includes the distinctive Elvees logo, as well as the model number “1892BM10R.”¹¹



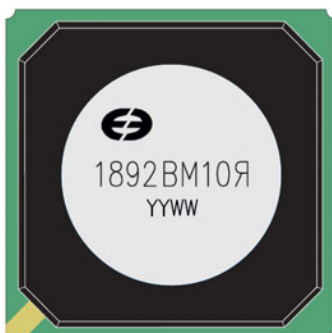
40. NVCOM semiconductors were typically fabricated by a company located in Taiwan (the “Taiwan Manufacturer”). KAHN, through SDA and Senesys, facilitated the production and shipment of the NVCOM semiconductors for the benefit of Elvees. For example, on or about January 27, 2017, KAHN, using his Senesys email account, discussed with an Elvees employee issues related to the testing of certain NVCOM semiconductors. Subsequently, on or about October 12, 2017, a shipping invoice in KAHN’s records from SDA reflects that SDA shipped 20,655 units of “Microchip 1892BM10R” (i.e., the same model number on the NVCOM microchip depicted above) from Taiwan to an entity in Russia at a total cost of more than \$248,000. Notably, subsequent records in KAHN’s possession reflect that the company the NVCOM microchips were sent to in Russia is a buyer for Elvees.

41. As discussed above, Elvees was added to the Entity List on March 9, 2022. The following month, on April 11, 2022, KAHN appeared to express his awareness of the fact that due to Russia’s invasion of Ukraine the U.S. government was increasingly imposing export restrictions and sanctions on Russia and Russian entities, including Elvees, writing a letter to a senior Elvees

¹¹ The “R” in the model number is reversed, reflecting a Russian-language Cyrillic character that does not exist in the Roman alphabet.

employee that stated, “Dew [sic] current political situation I cannot continue business with ELVEES.”

42. Nevertheless, KAHN continued to engage in transactions with Elvees. For example, on May 19, 2022, KAHN emailed the Taiwan Manufacturer and gave directions about the NVCOM semiconductor. The design KAHN sent to the manufacturer continued to reflect the Elvees logo, indicating that KAHN was still working for the benefit of Elvees. Depicted below is the design sent by KAHN, which is materially identical to the picture of the NVCOM microprocessor in paragraph 39:



43. KAHN was made aware that continued transactions with Elvees was a problem for the Taiwan Manufacturer. On August 17, 2022, KAHN signed a “Form of Reasonable Inquiry of Export Control Compliance” that was requested by the Taiwan Manufacturer, certifying that KAHN would not “engage in any export, re-export or transfer of [semiconductor products] posing potential risk exposure to violations of U.S. Export Administration Regulations.” KAHN certified that semiconductors manufactured by Taiwan Manufacturer would not “be destined, directly or indirectly, to any entity or individuals located in the territory of Russia and/or Belarus.”

44. Additionally, on or about August 19, 2022, KAHN was asked to provide information about the end user and application of the NVCOM semiconductor and another microchip model. KAHN responded asking if he could “put Awadji [a location in Kyrgyzstan] as

the end user?” The manufacturer representative said he could not because “Our Legal doesn’t allow us to ship to Awaji as they suspect the parts might eventually go to Russia.”

45. Subsequent to the Taiwan Manufacturer’s rejection of Awadji as an appropriate shipping location, KAHN sought to ship NVCOM semiconductors into the United States. On or about September 16, 2022 – one day after Elvees was sanctioned by OFAC and placed on the SDN List – KAHN completed a “written assurance of end uses” from the Taiwan Manufacturer, which indicated that he was shipping 50,667 units of NVCOM semiconductors to SDA’s address in California, by way of JFK Airport in New York.

46. According to DOC records, the NVCOM semiconductors are controlled by the DOC under ECCN 3A001.a.2.c for national security and anti-terrorism reasons and require a license to be shipped to Russia and Hong Kong during this time period. Thus, once KAHN shipped these items into the United States, he was required to obtain an export license if he wanted to export them to Russia or Hong Kong. Additionally, as a result of Elvees being placed on the Entity List, a specific license was required to export any items for which Elvees was the ultimate end user, and after Elvees was placed on the SDN List, KAHN and his businesses were prohibited from engaging in any transaction or providing any services for Elvees’s benefit.

47. According to records from KAHN’s Senesys email account, on or about November 4, 2022, KAHN engaged in a series of emails with the Hong Kong Shipper about the shipment of NVCOM semiconductors to entities outside the United States, including in the Republic of Korea (“South Korea”) and Krygyzstan.

48. According to email communications and other records, on or about November 11, 2022, KAHN, through SDA, directed a New York-based shipper to ship 28,800 units of

NVCOM01 microchips to the Hong Kong Shipper, which according to an SDA invoice were valued at \$72,000.

49. According to emails and other records found in KAHN's Senesys email account, on or about and between November 22, 2022 and January 12, 2023, KAHN shipped 7,200 units of NVCOM semiconductors, by way of a New York-based shipper, first to the Hong Kong Shipper, and eventually to an entity in the PRC. Notably, on or about November 25, 2022, KAHN emailed the Hong Kong Shipper, indicating that he received a "call from Russia" about the entity in the PRC to which he had shipped NVCOM semiconductors, which I believe to be a reference to the fact that the semiconductors were, in reality, destined for Russia and Elvees.

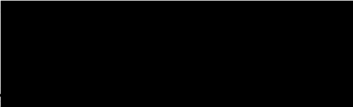
50. Subsequently, on or about May 19, 2023, a Senesys invoice reflects that 7133 units of NVCOM semiconductors were shipped to a company in South Korea. The invoice was signed by Family Member-1.

51. According to government records, KAHN never obtained a license to export NVCOM semiconductors from the United States to Russia, South Korea or Hong Kong, nor did he obtain a license to export any goods to Elvees as the end user.


WHEREFORE, your deponent respectfully requests that an arrest warrant be issued for the defendant ILYA KAHN, so that he may be dealt with according to law.

IT IS FURTHER REQUESTED that this Court issue an order sealing, until further order of the Court, all papers submitted in support of this application, including this Affidavit and any arrest warrants issued, with the exception that the complaint and arrest warrant can be unsealed for the limited purpose of disclosing the existence of, or disseminating, the complaint and/or arrest warrant to relevant United States, foreign or intergovernmental authorities, at the discretion of the United States and in connection with efforts to prosecute the defendant or to secure the defendant's

arrest, extradition or expulsion. Based on my training and experience, I have learned that criminals actively search for criminal affidavits on the Internet and disseminate them to other criminals as they deem appropriate, such as by posting them publicly through online forums. Premature disclosure of the contents of this Affidavit and related documents will seriously jeopardize the investigation, including by giving targets an opportunity to flee or continue flight from prosecution, destroy or tamper with evidence, change patterns of behavior and notify confederates.


Nicholas Milan
Special Agent
Federal Bureau of Investigation

Sworn to before me this
22th day of December, 2023 by telephone



THE HONORABLE PEGGY KUO
UNITED STATES MAGISTRATE JUDGE
EASTERN DISTRICT OF NEW YORK