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10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION
13

14 UNITED STATES OF AMERICA,)	CASE NO. 11-573-JSW
15 Plaintiff,)	DECLARATION OF SPECIAL AGENT
16 v.)	CYNTHIA HO IN SUPPORT OF MOTION TO
17)	EXCLUDE DEFENSE EXPERTS GORDON L.
18 WALTER LIEW; CHRISTINA LIEW;)	KLEIN AND GERALD L. COX
19 USA PERFORMANCE TECHNOLOGY,)	Date: November 14, 2013
INC.; AND ROBERT MAEGERLE,)	Time: 2:00 p.m.
20 Defendants.)	Courtroom: 19 th Floor, Ctrm. 11
21)	

22 I, Cynthia Ho, pursuant to 28 U.S.C. § 1746, based on my investigation I declare as follows:
23 1. I am employed as a Special Agent with the Federal Bureau of Investigation.
24 2. As part of my responsibilities, I have been assigned to assist in the investigation of the
25 above-captioned case.
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27
28

1 3. I learned that Walter Liew was a resident of California after moving to the United States
2 and becoming a naturalized citizen in 1993. Walter Liew was an owner and executive of USA
3 Performance Technology (“USAPTI”) and Performance Group (USA) (“Performance Group”).

4 4. Walter Liew is married to Christina Liew, who was also an owner and executive of
5 USAPTI and Performance Group.

6 5. USAPTI was a California corporation that was headquartered in Oakland and offered
7 engineering services. USAPTI was the successor company to Performance Group and LH Performance.
8

9 6. During 2006 through 2011, Performance Group and USAPTI received payments from
10 their Chinese TiO2 customers at Mega International Commercial Bank, and then sent portions of those
11 payments to domestic banks controlled by Walter Liew. Some of the payments were also sent to at least
12 six entities holding bank accounts in Singapore. Below, I am detailing information that I reviewed
13 related to those transfers.

14 **A. *Huadong Equipment Solutions Pte. Ltd. (Huadong)***

15 7. As part of this investigation, the government obtained information and documents related
16 to entities in Singapore from Singapore’s Accounting and Corporate Regulatory Authority (“ACRA”).
17 According to information obtained from ACRA, Walter Liew was listed as a Director and the sole
18 shareholder of Huadong, and a Singapore citizen Shirley Sue Lan Chin, was listed as Huadong’s
19 Director with an address in Singapore; Shirley Chin is Walter Liew’s niece. Huadong was registered in
20 Singapore as an equipment procurement and services company on July 27, 2006, using address 637
21 Veerasamy Road, #02-107, Singapore 200637, and Huadong’s corporate status was “struck off” from
22 June 6, 2009.
23

24 8. Based on records I have reviewed, including bank records and email seized in the course
25 of this investigation, Walter Liew had signature authority over account #xxxx-022 held by a company
26 called Huadong Equipment Solutions Pte. Ltd. at the Development Bank of Singapore Ltd. (DBS),
27

1 According to a document that I reviewed, both accounts may have been closed sometime after
2 November 2008 at the instruction of Walter Liew.

3 *Huadong Monetary Transactions*

4 9. Agents that I work with and I reviewed evidence of money movement from the Liew
5 and their companies in the United States to Huadong, and then to the Liew's relatives in the PRC. No
6 evidence was recovered indicating that Huadong provided any products or services in exchange for the
7 money, such as correspondence, invoices, work orders, etc. The FBI has conducted internet searches for
8 information regarding Huadong's business activities. Huadong does not have a website, and internet
9 searches regarding the company do not reveal information that is typical of companies with active,
10 legitimate businesses.

11
12 10. Pursuant to Letter of Credit # LCxxxx0197A, on August 1, 2006, Pangang Group wired
13 \$1,394,773 from China Everbright Bank to Performance Group through Chiao Tung Bank.¹ On August
14 8, 2006, Performance Group wired \$1,272,100 from Chiao Tung Bank to Huadong's Singapore DBS
15 account #xxxx-022. On August 18, 2006, Huadong withdrew \$1,200,000 from its Singapore DBS
16 account #xxxx-022.

17
18 11. On March 5, 2007, Pangang Group wired \$272,966 from China Everbright Bank to
19 Performance Group through Mega International Commercial Bank. Performance Group received
20 \$272,592. On March 6, 2007, Performance Group wired \$272,592 from Mega International
21 Commercial Bank to Huadong's Singapore DBS account #xxxx-022. On April 5, 2007, Huadong
22 withdrew \$340,000 from its Singapore DBS account #xxxx-022.

23
24 12. On December 19, 2007, Pangang Group wired \$149,985 from the Bank of
25 Communications in China to Performance Group through Mega International Commercial Bank. On
26

27 ¹ Chiao Tung was subsequently acquired by Mega International Commercial Bank sometime in 2006.

1 December 19, 2007, Performance Group wired \$149,955 from Mega International Commercial Bank to
2 Huadong's Singapore DBS account #xxxx-022. Huadong received \$149,955.

3 13. On January 23, 2008, Pangang Group wired \$1,749,982 from Jinzhou City Commercial
4 Bank to Performance Group through Mega International Commercial Bank. On January 23, 2008,
5 Performance Group wired \$1,749,952 from Mega International Commercial Bank to Huadong's
6 Singapore DBS account #xxxx-022. On February 4, 2008, Huadong withdrew \$1,902,000 from its
7 Singapore DBS account #xxxx-022.

8
9 14. On April 15, 2008, Pangang Group wired \$759,982 from Jinzhou City Commercial Bank
10 to Performance Group through Mega International Commercial Bank. On April 17, 2008, Performance
11 Group wired \$759,952 from Mega International Commercial Bank to Huadong's Singapore DBS
12 account #xxxx-022. On May 29, 2008, Walter Liew authorized a telegraphic transfer of \$750,000 from
13 Huadong's Singapore DBS account #xxxx-022 to HSBC account #xxxx-833 in Hong Kong, which is in
14 the name of Christina Liew's father, Qiao Hua. Walter Liew has signature authority on Qiao Hua's
15 HSBC account #xxxx-833.

16
17 15. On June 12, 2008, Pangang Group wired \$349,982 from Jinzhou City Commercial Bank,
18 to Performance Group through Mega International Commercial Bank. On June 13, 2008, Performance
19 Group wired \$349,952 from Mega International Commercial Bank to Huadong's Singapore DBS
20 account #xxxx-022. On June 25, 2008, Huadong transferred \$359,972 from Singapore DBS account
21 #xxxx-022 to HSBC account #xxxx-833 in Hong Kong belonging to Qiao Hua.

22
23 16. On August 21, 2008, Pangang Group wired \$399,980 from Jinzhou City Commercial
24 Bank to Performance Group through Mega International Commercial Bank. On August 29, 2008,
25 Performance Group wired \$149,935 from Mega International Commercial Bank to Huadong's
26 Singapore DBS account #xxxx-022. Also on August 29, 2008, Performance Group wired \$250,000
27

1 from Mega International Commercial Bank to USAPTI's Citibank account #xxxx046 located in
2 Oakland, California.

3 17. On October 22, 2008, Pangang Group wired \$1,359,980 from Jinzhou City Commercial
4 Bank to Performance Group through Mega International Commercial Bank. On October 23, 2008,
5 Performance Group wired \$1,109,935 from Mega International Commercial Bank to Huadong's
6 Singapore DBS account #xxxx-022. Also on October 23, 2008, Performance Group wired \$250,000
7 from Mega International Commercial Bank to USAPTI's Citibank account #202666046 in Oakland,
8 California. On November 4, 2008, Walter Liew directed DBS in Singapore to transfer \$1,250,000 from
9 Huadong's DBS Singapore account #xxxx-022 to HSBC account #xxxx-833 in Hong Kong, which is in
10 the name of Qiao Hua.

12 ***B. ESI Equipment and Engineering Pte. Ltd. (ESI)***

13 18. According to ACRA information, ESI provided environmental engineering services and
14 was a manufacturer of water treatment, waste treatment and oilfield chemicals. ESI was registered in
15 Singapore on June 27, 2008, with an address of 637 Veerasamy Road, #02-107, Singapore 200637 – the
16 very same registration address as Huadong, as noted above.

17
18 19. PRC national Qiao Mu, Christina Liew's brother, was appointed director of ESI on June
19 27, 2008 and was identified as ESI's sole shareholder.

20 20. An internet search conducted by the FBI for ESI produced a Singapore business directory
21 listing from localbuzz.sg, and provided a Singapore address for ESI as 190 Middle Road, #19-05
22 Fortune Center Rochor, Singapore 188979. However, ESI does not have a website and, other than the
23 address found on the business directory, internet searches regarding the company do not reveal
24 information that is typical of companies with active, legitimate businesses.

25
26 21. Information received from the Bank of China New York branch shows that ESI had an
27 address in the PRC, 3-13-1 Building No. 60, Nanshi Malu, Heping District, Liaoning, China 110005.

1 Documents obtained in a search of the Liew's residence in the United States show that this address is
2 also used as a mailing address for Huadong. This address also corresponds to an address used by
3 Christina Liew's father, Qiao Hua, for his Hong Kong HSBC bank account #xxxx-833.

4 *ESI Monetary Transactions*

5 22. Evidence of monetary transfers from the Liew's and their companies in the United States
6 to ESI, and then to the Liew's relatives in the PRC was also uncovered. In its review of documents and
7 records seized from the Liew's residence and USAPTI's office, the FBI has not located any evidence
8 (correspondence, invoices, work orders, etc.) that shows ESI provided any products or services in
9 exchange for the money.
10

11 23. On February 26, 2009, Pangang Group wired \$499,975 from Jinzhou City Commercial
12 Bank to Performance Group through Mega International Commercial Bank. On February 27, 2009,
13 Performance Group wired \$399,930 from Mega International Commercial Bank to ESI's Oversea-
14 Chinese Banking Corp Ltd (OCBC) account #xxxx-301 in Singapore. Also on February 27, 2009,
15 Performance Group wired \$100,000 from Mega International Commercial Bank to USAPTI's Citibank
16 account #xxxx-046 in Oakland, California.
17

18 24. On July 3, 2009, Pangang Group wired \$2,669,985 from the Bank of China to USAPTI
19 through California Pacific Bank (CPB) in San Francisco, California. On July 6, 2009, USAPTI wired
20 \$438,000 from CPB to ESI's OCBC account #xxxx-301 in Singapore. On September 15, 2009,
21 USAPTI wired \$790,000 from CPB to ESI's OCBC account #xxxx-301 in Singapore.
22

23 25. On December 22, 2009, USAPTI wired \$469,970 from Mega International Commercial
24 Bank to ESI's OCBC account #xxxx-301 in Singapore.

25 26. On January 4, 2010, ESI wired \$792,000 from ESI's OCBC account #xxxx-301 in
26 Singapore to a Bank of China account in Hong Kong. Based on information the FBI has received from
27

1 the Bank of China, the account is assigned to Qiao Ning with account #xxxx-620 or xxxx-0101. Qiao
2 Ning is Christina Liew's brother and the brother of ESI's director and sole shareholder Qiao Mu.

3 27. On August 18, 2010, USAPTI received \$6,229,985 from a letter of credit with the
4 Pangang Group. The money was wired through the Bank of China in the PRC to USAPTI through
5 Mega International Commercial Bank. On August 19, 2010, USAPTI wired \$925,972 from Mega
6 International Commercial Bank to ESI's OCBC account #xxxx301 in Singapore. On the same day,
7 USAPTI wired \$2,630,000 from Mega International Commercial Bank to Dongbei (account at UOB in
8 Singapore), and \$2,670,000 to another Singapore company called Huan Qu (account at DBS in
9 Singapore), as described below.

10
11 28. On January 25, 2011, USAPTI received \$1,779,985 from a letter of credit with the
12 Pangang Group. The money was wired from the Bank of China in the PRC to USAPTI through Mega
13 International Commercial Bank. USAPTI received \$1,778,985. On January 25, 2011, USAPTI wired
14 \$1,788,667 from Mega International Commercial Bank to ESI's OCBC account #xxxx-301 in
15 Singapore.

16
17 29. On April 13, 2011, Jinzhou Titanium Industry Co Ltd wired \$1,357,480 from China
18 Merchants Bank, to USAPTI through Mega International Commercial Bank. On April 15, 2011,
19 USAPTI wired \$1,357,450 from Mega International Commercial Bank to ESI's OCBC account #xxxx-
20 301 in Singapore.

21 **C. *Dongbei Process Engineering (Dongbei)***

22 30. According to ACRA information, Dongbei is described as providing engineering
23 activities. Dongbei was registered in Singapore on July 1, 2009, with an address of 10 Anson Road,
24 #35-11, International Plaza, Singapore 079903.
25
26
27

1 work orders, etc.) that shows Huan Qu provided any products or services in exchange for the money that
2 was transferred to its Singapore bank account.

3 42. On September 15, 2009, USAPTI wired \$860,000 from CPB to Huan Qu's Singapore
4 DBS account #xxxx-022. This is the same day that USAPTI wired \$790,000 to ESI's OCBC account
5 #xxxx-301 in Singapore as noted above.

6 43. On August 19, 2010, USAPTI received \$6,229,985 from the Pangang Group, as stated
7 above. The same day, USAPTI wired \$2,670,000 from Mega International Commercial Bank to Huan
8 Qu's Singapore DBS account #xxxx-022, as well as \$925,972 to ESI and \$2,630,000 to Dongbei, as
9 described above.
10

11 ***E. LHV Equipment and Services (LHV)***

12 ***Information regarding the LHV entity***

13 44. According to ACRA information, LHV is described as providing wholesale service
14 establishment equipment and supplies. LHV was registered on May 4, 2011, with an address of 637
15 Veerasamy Road, #02-107, Singapore 200637 (the same registration address as Huadong and ESI as
16 noted above).
17

18 45. The ACRA information identifies two officers for LHV, both of whom are also officers
19 of Dongbei and Huan Qu, as described above: Chinese national Li Rue and Singapore citizen Elaine
20 Shu Peng Chin, who is Walter Liew's niece.

21 46. The FBI has conducted internet searches for information regarding LHV's business
22 activities. LHV does not have a website, and internet searches regarding the company do not reveal
23 information that is typical of companies with active, legitimate businesses.
24

25 ***LHV Monetary Transaction***

26 47. The FBI has discovered evidence of money movement from the Liewes and their
27 companies in the United States to LHV. In its review of documents and records seized from the Liewes'
28

1 residence and USAPTI's office, the FBI has not located any evidence (correspondence, invoices, work
2 orders, etc.) that shows LHV provided any products or services in exchange for the money that was
3 transferred to its Singapore bank account.

4 48. On July 7, 2011, USAPTI received \$1,779,985 from a letter of credit with the Pangang
5 Group. The money was wired from the Bank of China in the PRC to Performance Group through Mega
6 International Commercial Bank. On July 14, 2011, USAPTI wired \$1,778,777 from Mega International
7 Commercial Bank to LHV's Oversea-Chinese Banking Corporation Ltd (OCBC) account #xxxx-301 in
8 Singapore.

9
10 ***F. Lawrence Process Engineers Pte. Ltd. (Lawrence)***

11 ***Information regarding the Lawrence entity***

12 49. According to ACRA information, Lawrence is described as providing process and
13 industrial plant engineering services. Lawrence was registered on July 25, 2006, with an address of 637
14 Veerasamy Road, #02-107, Singapore 200637 (the same registration address as Huadong and ESI as
15 noted above). It was struck off on December 29, 2008.

16
17 50. The ACRA information identifies three officers for Lawrence: American national
18 Christina Hong Qiao Liew; Singapore citizen Rick Khiong Choy; and Singapore citizen Elaine Shu Peng
19 Chin, who is Walter Liew's niece.

20 51. According to the ACRA records, Christina Hong Qiao Liew is the sole listed shareholder.

21 52. The FBI has discovered the following address in evidence for Lawrence: 10 Anson
22 Road, #35-11, International Plaza, Singapore 079903. This is the same address as the addresses used by
23 Dongbei and Huan Qu, as noted above.

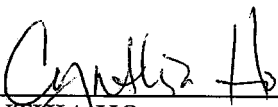
24
25 53. The FBI has conducted internet searches for information regarding Lawrence's business
26 activities. Lawrence does not have a website, and internet searches regarding the company do not reveal
27 information that is typical of companies with active, legitimate businesses.

Lawrence Monetary Transactions

1
2 54. On July 11, 2006, Performance Group received \$902,757 in its account at the Chiao Tung
3 Bank from a letter of credit with the Pangang Group. The money was wired from China Everbright
4 Bank to Performance Group through Chiao Tung Bank. On July 31, 2006, Performance Group wired
5 \$901,699 from Chiao Tung Bank to Lawrence's United Overseas Bank Limited (UOB) account #xxxx-
6 302-0 in Singapore.
7

8 55. On November 10, 2006, Performance Group received \$707,188 from a letter of credit
9 with the Pangang Group. The money was wired from the China Everbright Bank to Performance Group
10 through Chiao Tung Bank. On November 15, 2006, as president of Performance Group, Walter Liew
11 directed Chiao Tung Bank to wire \$707,188 to Lawrence's UOB account #xxxx-302-0 in Singapore.
12

13 I declare under penalty of perjury that the foregoing is true and correct to the best of my
14 knowledge and that this declaration was executed on October 11, 2013 in San Francisco, California.
15

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18 _____
19 CYNTHIA HO
20 Special Agent, Federal Bureau of Investigation
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28 DECLARATION OF CYNTHIA HO RE: MOTION TO EXCLUDE
CR 11-573 JSW