

FILED
US DISTRICT COURT
WESTERN DISTRICT
OF ARKANSAS
May 8, 2020
OFFICE OF THE CLERK

UNITED STATES DISTRICT COURT
for the
Western District of Arkansas

United States of America
v.
Simon Saw-Teong Ang

Case No. 5:20mj5006-001

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of 11-21-2016 through 5-7-2020 in the county of Washington in the
Western District of Arkansas, the defendant(s) violated:

| <i>Code Section</i> | <i>Offense Description</i> |
|---------------------|----------------------------|
| 18 U.S.C. 1343 | Wire Fraud |

This criminal complaint is based on these facts:

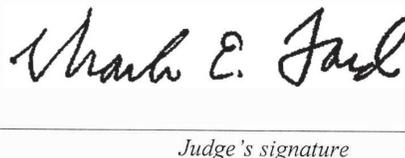
Continued on the attached sheet.


Complainant's signature

Special Agent Jonathan Willett
Printed name and title

Sworn to before me and signed in my presence.

Date: 05/08/2020


Judge's signature

City and state: Fort Smith, Arkansas

Mark E. Ford, United States Magistrate Judge
Printed name and title

**AFFIDAVIT IN
SUPPORT OF A CRIMINAL COMPLAINT**

I, Jonathan Willett, Special Agent with the Federal Bureau of Investigation being first duly sworn, hereby depose and state as follows:

INTRODUCTION AND AGENT BACKGROUND

1. I make this affidavit in support of an application and affidavit for Criminal Complaint.

2. I am a Special Agent with the Federal Bureau of Investigation (FBI), and have been since approximately January 8, 2017. I am presently assigned to the Little Rock Field Office Fayetteville Resident Agency National Security Squad, which investigates, among other things, matters related to 18 U.S.C. § 1343, Wire Fraud violations (the Subject Offense). Further, I have received basic training in cyber-based investigative techniques pertaining to the use of the internet and email in the furtherance of crimes.

3. The facts in this affidavit come from my personal observations, my training and experience, and information obtained from other agents and witnesses. This affidavit is intended to show merely that there is probable cause for the requested warrant and does not set forth all of my knowledge about this matter.

LEGAL BACKGROUND

4. Title 18, United States Code, Section 1343 provides that transmitting “by means of wire, radio, or television communication” any “writing, signs, signals, pictures or sounds” (or causing any such false statements to be transmitted), in interstate or foreign commerce, for the purpose of executing “any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises” is a violation of federal law.

5. As detailed below, there is probable cause to support that Simon Saw-Teong Ang (Ang) was employed by Chinese companies and has received, and possibly is continuing to receive, funding from the same entities during the time that he was also soliciting and receiving research grants from various United States Government agencies. Ang's close ties to the Chinese government and employment with numerous Chinese companies would have made him ineligible to receive grants issued by United States Government agencies. As detailed below, Ang intentionally made materially false misrepresentations to the University of Arkansas and NASA which caused wire transmissions to be sent and received in the form of grant applications and grant funding that he would not otherwise have been entitled to receive. Specifically, the emails, information, and facts summarized below indicate that Ang had close ties with the Chinese government and Chinese companies, and failed to disclose those ties when required to do so in order to receive grant money from NASA. These materially false representations to NASA and the University of Arkansas resulted in numerous interstate wire communications to be sent and received that facilitated Ang's scheme to defraud. These activities are violations of Title 18, United States Code, Section 1343.

PROBABLE CAUSE

6. Simon Saw-Teong Ang (Ang) is a professor and researcher at the University of Arkansas – Fayetteville (UA). Ang has been employed at UA since approximately the fall semester of 1988. At UA, Ang serves as the Director of the High Density Electronics Center (HiDEC). The HiDEC performs proprietary research as well as United States Government (USG) funded research. UA is a public land grant research university located in Fayetteville, AR. A variety of research is performed at UA to include the fields of agriculture and engineering. Research at UA is funded through a variety of means, with the majority of funding coming from the United States

Government funding agencies such as the National Science Foundation (NSF), Department of Energy (DOE), Department of Defense (DOD) and the National Aeronautics and Space Administration (NASA). Since approximately 2013, Ang has been either the primary investigator or co-investigator on USG funded grant contracts totaling approximately \$5,064,861.50. As explained in detail below, there is probable cause to believe Ang maintained his employment at UA by failing to disclose that he held other positions at a Chinese university and Chinese companies, in violation of UA policy.¹ As explained below, Ang made false statements and failed

¹ According to UA Policy 404.0, which governs Conflict of Interest and Conflict of Commitment, Including Outside Activity, UA Faculty and Staff must disclose any conflicts of interest, or conflicts of commitment, to include: “The salary and other payments received from the entity (whether directly or indirectly) in the past twelve months, When aggregated, exceeds \$5,000, or When any equity or ownership interest exists; Receipt of income related to intellectual property rights and interests (e.g., patents, copyrights); Externally reimbursed travel; Service as senior executive or board member of an entity, regardless of current value or compensation received, if there is potential for future compensation or equity.”

The UA annual disclosure Appendix D: Disclosure of Potential Conflict of Interest and Commitment Form Disclosure of Potential Conflict of Interest and Commitment states: “It is the campus policy of the University of Arkansas that its officers, faculty, staff and others acting on its behalf have the obligation to avoid ethical, legal, financial, and other conflicts of interest with their obligations to the University or its welfare. In adherence to the institution’s policy, please complete the following statement to disclose any relationships or activities which might give rise to conflicts, or the appearance thereof, with your duties, responsibilities or obligations to the University of Arkansas.

The UA annual disclosure Appendix B: Prior Approval of Outside Employment Prior Approval of Outside Employment, states: “and This form implements the University of Arkansas Board Policy on outside employment (450.1) and related provisions in the campus conflict of interest policy (404.0). Full-time faculty and non-classified administrative staff members are required annually or as needed to obtain written approval from the department head/supervisor and dean/administrative unit head prior to undertaking outside employment, and required to report on time spent in outside employment during the previous year. Appendix B requests answers to: “In the space below or in an attached explanation include: name and address of employer; specific explanation of the nature of the employment, location, schedule, how assigned University responsibilities will be covered during your absence; whether or not the use of University facilities, property, or personnel are requested in the employment,” and “What is the expected benefit of the outside employment to professional development and to the University? Attach additional sheet if needed.”

to report his outside employment to UA, which enabled Ang to keep his UA job as well as obtain USG research funding.

7. On or about June 20, 2019, a staff member (STAFF1) at UA David W. Mullins Library (DWML) provided details on how they discovered an email between UA Professor Simon Ang and a visiting researcher (RESEARCHER1) from Xidian University in Xi'an, China. Every Saturday, items that have been found and turned into the DWML lost and found are placed in a box on STAFF1's desk. STAFF1 makes an effort to identify the owners and return all lost items before they go into storage at the UA. In an attempt to identify the owner of a hard drive from the lost and found, STAFF1 reviewed the hard drive contents for any information which could identify the owner. One of the files labeled "Ang_Confidential.pdf" was opened. The file contained a saved email exchange between RESEARCHER1 and Ang. STAFF1 provided a copy of the email to Agents and portions of the email exchange are provided below:

8. On or about September 15, 2018, Ang using his 163.com e-mail address wrote, *"Please do not send e mails to my 163 e mail and copied my university e mail! This is too late as the university now knows about my 163 e mail!"*

9. On or about September 14, 2018, RESEARCHER1 wrote, *"I am so so sorry, can I apply a new 163 email for you? RESEARCHER1"*

10. On or about September 14, 2018, Ang wrote, *"Please do not worry, I need to see what I can do! I am working on my NASA report and I shall take a look at your proposal later! Take care! Simon"*

11. On or about September 15, 2018, Ang wrote: *"Dear RESEARCHER1, I want you to understand that I will do my best to support your stay here in Arkansas, there are things that are becoming very difficult for me recently because of the political climate. You can search the*

Chinese website regarding what the US will do to Thousand Talent Scholars. Not many people here know I am one of them but if this leaks out, my job here will be in deep troubles. I have to be very careful or else I may be out of my job from this university. I hope you understand my deep concerns...Please keep this to yourself as I trust you. I have also spoken to [REDACTED]'s new student from Xidian but I did not tell him the full story, just tell him to keep quiet about [REDACTED] and my involvement in Xidian. Otherwise, we may be "fired" from our jobs here. After you read this e-mail, please delete for safety sake as any e-mail can be retrieved."

12. Talent recruitment programs (also called talent plans) are a vital part of a Chinese government national strategy to enhance Chinese civilian and military programs in key areas critical to China's development. Talent plans integrate foreign technology into China by recruiting experts from businesses and universities across the globe to fill technical jobs that drive innovation and growth in the economy. Various Chinese government talent programs use financial, personal, and professional benefits in exchange for working with universities, businesses, and state-owned enterprises in China.

13. Talent plans target scientists, engineers, professionals, foreign government employees, and contractors to bring foreign research and technology with them to Chinese universities, businesses, and state-owned enterprises in China. All talent programs constitute a contractual funding source from a foreign government. Examples of talent plans include 1000 Talents, Overseas expert, specially recruited expert and friendship awards. The Friendship award is for overseas experts whom the PRC acknowledges have made significant contributions to the countries social and economic progress.

14. On approximately August 6, 2019, a Chinese news article obtained via the URL <https://kknews.cc/science/3ogxrj8.html>, was obtained by the FBI. Ang is also referred to by the Chinese Pinyin name Hong Sizhong (aka 洪思忠, STC 3163/1835/1813)² in these articles. The article was translated, and a summary of the article is as follows:³

15. *“In this article, accomplishments made by 30 Thousand Talents Program experts for the month of August are listed. Among which, HONG Sizhong is listed at No. 13 with the following heading, “Thousand Talent Program” expert HONG Sizhong receives Qilu Friendship Award.” The article states that according to a recent announcement made by the People’s Government of Shandong Province, “Thousand Talents Program” expert HONG Sizhong, an expert introduced by Binzhou Maotong Electronic Technology Co., Ltd., is one of the 20 recipients of the 2018 Qilu Friendship Award. The article also provides a background summary of HONG, including his current position as a tenured professor at the University of Arkansas, a director of the High Density Electronics Center, at the same, as a technical director of Binzhou Maotong Electronic Technology Co., Ltd. In 2012, ZHONG was selected by the People’s Government of the Shandong Province as a “Taishan Scholar” overseas distinguished expert. In 2014, selected as an expert for the national “Thousand Talents Program” and selected as a national distinguished expert in 2016.*

² Hanyu Pinyin, or Pinyin, is the official Romanization system for Standard Chinese. Pinyin without tone marks is used spell Chinese names and language written in the Latin alphabet. The International Organization for Standardization adopted Pinyin in 1982, and later by United Nations in 1986. [“ISO 7098:1982 – Documentation – Romanization of Chinese” Retrieved 1 March 2009 and Margalit Fox (14 January 2017). “Zhou Yanguang, Who Made Writing Chinese as Simple as ABC, Dies at age 111.” The New York Times.]

³ This is a summary of a Chinese-language article. This summary is not intended to be a verbatim translation and transcript of the article, but does accurately represent the substance and nature of the article.

16. As detailed below, Ang did disclose his participation to UA regarding “Thousand Talents Scholars” in 2014 but did not disclose his participation in other programs in 2012 through 2018. Ang’s disclosures in 2014 demonstrate his intent to execute a scheme to defraud the University of Arkansas and NASA. This is because Ang obviously knew about the requirement to disclose such conflicts of interest and deliberately kept all such conflicts of interest from the University of Arkansas and NASA.

17. During the course of this investigation, I applied for search warrants for Ang’s University of Arkansas and personal emails. Some of the emails obtained from the search warrant are described below.

18. On June 9, 2013, in an email from Ang to another individual, Ang stated the following:

“As I mentioned over the phone, I am not allowed to participate in the Thousand People Scheme without a proper project funding and approved by my University. Please resolve this issue very quickly.

This has nothing to do with me, but, my contractual agreement with my University requires me to do so.

That was the reason that I told you that I must be paid to work in Binzhou with the Thousand People and Taishan Schoalr schemes. when we applied for these last year. I need to cover my saalries with the University.

I hope that you understand that if I go for the Interview, this will jeopardize my contract with my University.

Here attached is the form required by my University, and you will see that I need to provide a detailed explanation of the nature of my outside employment (in this case, I have to make it a paid consultation job). Given my Director position, the request will be even more difficult without a lot of funding to support it. This means that I am not cheap. The Nanyang Technological University paid me closed to RMB\$150,000 per month, plus benefits such as housing and others. Remember, my University took 44% of my income for benefits.

As such, I will not be able to make it to Binzhou nor attend the interview for the Thousand People Scheme.

Please read this e-mail carefully so that I can call you later today.

Thanks for your understanding.

Simon”

19. Attached to the email referenced above, Ang attached the the UA Outside Employment Form 4040 Form B, which is utilized by the UA for approval of outside employment.

20. In an email dated September 27, 2018, Ang sent an “Application for a Program Director Position” at Zhejiang University/University of Illinois at Urbana-Champaign Institute China. As part of the application package Ang included his CV, believed by the affiant to refer to Ang’s *curriculum vitae*. Ang listed on his CV that he was a “One Thousand Talent Program – Industry” Shangdong Province recipient in 2014 and a “State Specially Recruited Experts” recipient in 2016.

21. On or about July 16, 2019, a Chinese news article was obtained from www.yybnet.net/binzhou/news/201808/7939771.html titled, “Gaoxin District National “Thousand Talents Plan” Expert Hong Sizhong⁴ Receives the 2018 Qilu Friendship Award.” The article stated, “Hong Sizhong is a tenured professor and the director of the High Density Electronics Center at the University of Arkansas in the US.” According to UA’s website, the Director of the High Density Electronics Center at the University of Arkansas, is Simon Ang.

22. On Ang’s UA Disclosure of Potential Conflict of Interest and Commitment form signed September 16, 2014 by Ang, he acknowledged, *“I have read the campus policy on conflict of interest and commitment, and I disclose the attached explanation of the nature of each potential conflict of interest or appearance thereof in compliance with that policy.”* Ang documented his potential conflict of interest and commitment on the Approval of Outside Employment, covering the dates from September 15, 2014 through September 14, 2015. On the form, Ang stated he would participate in, *“Consulting to various industrial clients as opportunity arises as a professional engineer. No specific locations and schedule. University assignments will be made up. No university facilities, property, and personnel will be required.”*

23. On Ang’s UA Prior Approval of Outside Employment Board Policy 450.1 form signed August 30, 2011, he listed, *“Company: SFC Fluidics, LLC Role: Consultant, No University facility will be used. No absences from University duties will be expected.”* Additionally, Ang acknowledged, *“I affirm that, to my knowledge, this outside employment will not create a conflict of interest or commitment (see policy in Faculty Handbook) in my duties, responsibilities or obligations to the University of Arkansas.”*

⁴ As mentioned above, Chinese articles also refer to Simon Ang as Hong Sizhong.

24. On Ang's UA Disclosure of Potential Conflict of Interest and Commitment form signed August 27, 2012, he acknowledged, "*I have read the campus policy on conflict of interest and commitment, and I have no conflicts of interest to disclose.*"

25. On Ang's UA Disclosure of Potential Conflict of Interest and Commitment form signed August 21, 2013, he acknowledged, "*I have read the campus policy on conflict of interest and commitment, and disclose the attached explanation of the nature of each potential conflict of interest or appearance thereof in compliance with that policy.*" In the attached documents, Ang detailed receiving approximately \$100.00 in royalties for a book he authored and donated that money to a UA Fund.

26. Further, Ang signed identical disclosure forms indicating that he understood the conflict policy and had nothing to disclose in 2015, 2016, 2017, 2018, and 2019⁵. These forms cover the period from September 2015 through August 2019. Ang did not disclose any conflicts during this period despite the fact (as explained below) that he held positions with Chinese companies that constitute conflicts of interest and implicated the UA's disclosure policy.

27. During the course of my investigation, I interviewed a supervising employee of the University of Arkansas who is familiar with the University's policies and procedures and how they specifically apply to the Engineering Department. This employee stated that it was made clear to University of Arkansas Engineering faculty that they must accurately disclose all potential conflicts. The employee went on to state that faculty knew they must disclose any outside conflicts to include patents in China and outside affiliations to other companies.

⁵ Specifically, the language on the forms signed by Ang stated, "*I have read the campus policy on conflict of interest and commitment, and I have no conflicts of interest to disclose.*"

Ang's Affiliations with Chinese Companies

28. While working as a professor at UA, Ang also held multiple positions in China without reporting them. Since the start of this investigation, the FBI obtained evidence of Ang's undisclosed employment with outside companies other than the UA. Multiple Chinese articles detailed Ang's participation in outside companies. Some of what was found in the course of the investigation is detailed below.

Binzhou Maotong Electronic Technology Co. Ltd

29. On or about July 16, 2019, a Chinese news article was obtained from www.yybnet.net/binzhou/news/201808/7939771.html titled, "Gaoxin District National "Thousand Talents Plan" Expert Hong Sizhong Receives the 2018 Qilu Friendship Award." The article stated was translated and a summary is provided below⁶:

30. *"Hong Sizhong is a tenured professor and the director of the High Density Electronics Center at the University of Arkansas in the US. He is also the Chief Technology Officer for Binzhou Maotong Dianzi Keji Co., Ltd [STC: 3453/1558/5399/6639/7193/1311/4430/2111]. Hong was selected as "Taishan Scholar Specially Recruited Overseas Expert" in 2012, National "Thousand Talents Plan" Expert in 2014, and State Specially Recruited Expert in 2016. His field of research includes the R&D and manufacturing of ultra-precision integrated circuit and research on the packaging and application of third generation semiconductor materials such as silicon carbide. Hong is one of the internationally acclaimed experts in the fields of ultra-precision micro-drive control system and device manufacturing, simulation, and new material packaging. While working in Shangdong, Hong successfully tackled the difficulties surrounding the*

⁶ As noted above, this summary is not intended to be a verbatim translation and transcript of the article, but does accurately represent the substance and nature of the article.

technologies for high power AC LED driver chip, new energy automobile SiC inverter control system, SiC specialized module packages, etc. He has received “R&D” awards multiple times and published more than 50 papers in internationally renowned journals such as IEEE journals. Hong assisted Binzhou University in establishing the College of Aeronautical Engineering, established a research team of more than 20 PhDs, and sent faculty to the US for training in two batches. Hong’s scientific research team has obtained more than 40 patents and published more than 70 papers at provincial and ministerial levels. Hong is the principal investigator for a research project on new hydrogen fuel cell vehicle control system. Currently product samples have been delivered and it is estimated to have an annual production value of more than two billion yuan after actual production of the project begins.” \$2 Billion Yuan equaled approximately \$292 million USD⁷.

31. Ang did not disclose his participation or work with Binzhou Maotong Electronic Technology Co. Ltd via the UA Conflict of Interest and Commitment for the 2011-2018 school years in violation of UA policies and procedures⁸.

⁷ The conversion of Chinese Yuan and US Dollar based on US Federal Reserve Bank exchange rate for June 30, 2019 of 6.8444 RMB to 1 USD.

⁸ For example, Ang is a Co-PI (co-recipient) of NSF Grant 1747757. This award provided support for UAF research conducted between approximately January 2, 2018 through approximately December 31, 2019. The NSF requires a conflict of interest disclosure as part of the Grant “*The AOR is required to complete certifications stating that the organization has implemented and is enforcing a written policy on conflicts of interest (COI), consistent with the provisions of PAPPG Chapter IX.A.; that, to the best of his/her knowledge, all financial disclosures required by the conflict of interest policy were made; and that conflicts of interest, if any, were, or prior to the organization’s expenditure of any funds under the award, will be, satisfactorily managed, reduced or eliminated in accordance with the organization’s conflict of interest policy.*”

Binzhou Gande Electronic Technology Ltd.

32. In an email dated September 27, 2018, Ang sent an “Application for a Program Director Position” at Zhejiang University/University of Illinois at Urbana-Champaign Institute China. As part of the application package Ang included his CV. In the email Ang listed that from 2012-2016 he served as “Chief Technology Officer” for Gande Electronic Technology Ltd in Binzhou, Shangdong China.

33. In an email dated September 29, 2011, Ang forwarded emailed a copy of Joint Agreement between Binzhou Gande Electronic Technology and two other companies.

At the bottom of the contract was a line for a signature listing the name “Dr. Simon Ang” with the title of “Chairman.”

34. An open source article obtained on October 12, 2019 from the URL <http://xingsen.wyww.cn/articles/b8e4cd90768a4d7f97783f2fc1db9359.html> listed Ang’s affiliation with Binzhou Gande Electronic Ltd. The article was translated and a draft translation is provided below. Ang is also pictured in a photograph on the website, first row third from left.⁹ Ang is pictured along with several other individuals sitting under a banner with Chinese writing. The writing is translated to read, “Opening Ceremony of SVT Technologies (Binzhou) Co., Limited and **Binzhou Gande Electronic Technology Co., Ltd.**”

SVT Technologies (Binzhou) Co., Limited is a high-tech company of integrated production and technical services. The company’s SVT Optoelectronics Technology R&D Center has obtained significant achievements in the fields of lighting control and design through collaboration work with University of Arkansas High Density Electronic Packaging

⁹ As noted above, this summary is not intended to be a verbatim translation and transcript of the article, but does accurately represent the substance and nature of the article.

Research Center, Institute of Manufacturing and Information Technology of Nanjing University of Aeronautics and Astronautics, and expert team from National Key Laboratory of Bioelectronics of Southeast University (Wu Jianxiong Laboratory). The company has professional procurement, R&D, production, marketing and sales teams.

35. Ang did not disclose his participation or work with **Binzhou Gande Electronic Technology Co. Ltd** via the UA Conflict of Interest and Commitment for the 2011-2018 school years in violation of UA policies and procedures.

Jiangsu Xuanzhi New Materials and Technology Co., Ltd. (XZNIA)

36. In an email from Ang on April 20, 2018 discussing company share ownership, Ang stated the following, *“The 47% of the shares are to be distributed among the followings:” ... “Ang Simon Saw-Teong 9%-7%.”*

37. The company website of XZNIA was accessed on January 28, 2020 from the URL <http://www.xznia.com/about-us/the-core-team.html>. The following image and text were captured from a download of the website.



Hong Sizhong /Simon Ang in Xuanzhi, Professor.

Distinguished Professor of National "The Recruitment Program of Global Experts" plan, a tenured professor at the University of Arkansas, served as professor and adjunct professor at National University of Singapore, Nanyang Technological University Singapore.

Hong has more than 20 years of research and development experience, led and completed more than 70 research and development projects.

38. Ang did not disclose his participation or work with XZNIA in the UA Conflict of Interest and Commitment for the 2011-2018 school years in violation of UA policies and procedures and NSF Grant Funding Policies.

ANG's RECEPTION OF NASA FUNDING

39. Ang has received several grants / contracts from federal funding agencies to include the National Aeronautics and Space Administration (NASA). NASA is an independent Federal agency in the United States responsible for the administration of the civilian space program. NASA Goddard Space Flight Center ("Goddard") is one of the largest centers within NASA and is located in Greenbelt, Maryland.

40. I reviewed records related to Ang's applications for grants to NASA. I reviewed one grant submitted by Ang to NASA on approximately November 21, 2016. This was a proposal for \$637,856 was submitted for NASA Proposal 16-HOTTCH16-0003. Ang was the Principle Investigator (PI) for NASA award totaling \$598,656. The period of performance for the NASA award was May 15, 2017 to May 14, 2019. I discovered that Ang caused this proposal to be sent to NASA via an online submission portal. The NASA Solicitation and Proposal Integrated Review and Evaluation System (NSPIRES) is a web-based system utilized by NASA to receive grants. The proposal cover page (with attached proposal document(s) if required by the solicitation) is not submitted by the PI. The PI must release the proposal to his/her organization and the organization (the Authorized Organizational Representative, or AOR) completes the submission process. Prior to submitting the grant application to NASA, the UA conducts a review of the PI's 404.0 Appendix B and D, which govern conflicts of interest and outside employment disclosures. By submitting and signing the grant to NASA, the UA AOR certified that the PI was in compliance with the funding institution's policies regarding conflicts of interest and outside employment. Because Ang did not disclose his conflicts of interest and employment in China to the UA, he caused this grant to be submitted. The NASA Proposal Titled 500°C Capable, Weather-Resistant Electronics Packaging for Extreme Environment Exploration was electronically submitted on November 21,

2016. Ang was the proposed Principle Investigator (PI) which was submitted by Authorized Organizational Representative (AOR) for the UA.

41. On December 20, 2016, the proposal was selected by the NASA's Planetary Science Division. The proposal resulted in the issuance of several payments to the UA for NASA Grant NNX17AG42G, which was funded by Goddard. NASA utilizes the Systems Application Process as their financial systems database, which connects to Health and Human Services Payment Management System ("PMS"). The funding for the grant was drawn down via the PMS to the UA. Between 2017 and 2020, the total disbursed amount for this award is approximately \$502,738.39, with the last payment being sent to UA on or about February 21, 2020. These payments were sent by wire transfers from PMS to the University of Arkansas' bank account.

42. NASA's Research Announcement highlights "China's Funding Restriction," Public Law 112-55, Section 539, that states in relevant part, "NASA is restricted from using funds appropriated in the Acts to enter into or fund any grant or cooperative agreement of any kind to participate, collaborate, or coordinate bilaterally with China." Public Law 112-55 defines China as "the People's Republic of China, any company owned by the People's Republic of China, or any company incorporated under the laws of the People's Republic of China." Public Law 112-55 further states that, "By submission of its proposal, the proposer represents that the proposer is not China [. . .] that the proposer will not participate, collaborate, or coordinate bilaterally with China." This China funding law became effective on April 25, 2011, and was a requirement of the NASA award in which Ang was a PI.¹⁰

¹⁰ NASA Funding Notice "Research Opportunities in Space and Earth Sciences 2016, As stated in 2 CFR 1800 Appendix A, NASA requires Certifications, Assurances, and Representations, including Certifications and Assurances to implement restrictions in Appropriation Acts, that are applicable to all awards. By submission of a proposal, proposers are certifying that the proposing organization has read and is in compliance with all the Certifications, Assurances, and

43. A review of NASA Grant NNX17AG42G by NASA show's Ang provided a copy of his Biographical Sketch. In the document, Ang does not list any affiliation or involvement with Chinese companies or Government of China Talent programs.

44. Information provided by NASA indicated that the following wire transfers were initiated for NASA Grant NNX17AG42G between approximately June 23, 2017 and February 21, 2020 totaling approximately \$512,904.56. The records I reviewed from NASA indicated that the money was transferred using wire transfers through an ACH (Automated Clearing House), which was used in banking to move money using wire transfers from one account to another.

45. An interview of a NASA Contracting Officer (CO) overseeing Ang's grant occurred on approximately March 16, 2020. The CO stated if s/he had known the information about Ang's involvement in Chinese companies, the CO "would not have signed the award". Specifically the CO "pointed out that Ang's associations with PRC companies would have been an immediate red flag."

CONCLUSION

46. Based on the emails I reviewed from Ang's email accounts noted above, based on the open source news articles listed above that detail Ang's employment and involvement with companies based in China, and based on my review of the records associated with the NASA grant

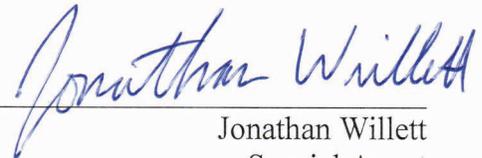
Representations, including that they are not China or a Chinese- owned company, and that they will not participate, collaborate, or coordinate bilaterally with China or any Chinese-owned company, at the prime recipient level or at any subrecipient level, whether the bilateral involvement is funded or performed under a no exchange of funds arrangement. An Assurance of Compliance with restrictions in Appropriation Acts herein after referred to as "the Acts" whereas: (4) By submission of its proposal, the proposer represents that the proposer is not China or a Chinese-owned company, and that the proposer will not participate, collaborate, or coordinate bilaterally with China or any Chinese-owned company, at the prime recipient level or at any subrecipient level, whether the bilateral involvement is funded or performed under a no exchange of funds arrangement.””

that Ang applied for and was awarded on about February 21, 2017, the foregoing information has established probable cause that Ang committed Wire Fraud, in violation of 18 U.S.C. § 1343.

47. Ang was required to report to both the University of Arkansas and NASA any conflicts of interest, including affiliations with companies in China. As noted above, Ang did not disclose any of his associations with such companies to either the University of Arkansas or NASA. Therefore, he caused wire transfers to be sent from NASA to the University of Arkansas that were based on his own fraudulent misrepresentations. These wire transfers were used to fund Ang's programs and research at the University of Arkansas. As such, these wire transfers were in support of a scheme to defraud both NASA and the University of Arkansas in violation of 18 U.S.C. § 1343.

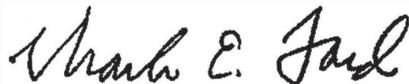
48. Based on the foregoing, I request that the Court issue the proposed criminal complaint.

Respectfully submitted,



Jonathan Willett
Special Agent
Federal Bureau of Investigation

Subscribed and sworn to before me on May 8, 2020, 2020



Honorable Mark E. Ford
UNITED STATES MAGISTRATE JUDGE