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15 United States of America

16 UNITED STATES DISTRICT COURT
17 FOR THE CENTRAL DISTRICT OF CALIFORNIA
18 SOUTHERN DIVISION

19 UNITED STATES OF AMERICA,) SA CR No. 09-00077-JVS
20 Plaintiff,) PLEA AGREEMENT FOR DEFENDANT
21 v.) HONG CARSON
22 HONG CARSON,)
23 aka "Rose Carson,")
24 Defendant.)
25

26 1. This constitutes the plea agreement between HONG CARSON
27 ("defendant") and the United States Attorney's Office for the
28 Central District of California ("the USAO") and the United States

FILED

April 16, 2012

CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION AT SANTA ANA
BY Karla Tunis
Deputy Clerk, U.S. District Court

1 Department of Justice, Criminal Division, Fraud Section ("the
2 Fraud Section") (the USAO and the Fraud Section are, together,
3 referred to as "the Department of Justice") in the above-
4 captioned case. This agreement is limited to the Department of
5 Justice and cannot bind any other federal, state, local, or
6 foreign prosecuting, enforcement, administrative, or regulatory
7 authorities.

8 2. Defendant understands and agrees that this agreement is
9 part of a "package deal" in which the disposition of the case
10 against defendant is tied to and conditioned on the disposition
11 of a case against one other defendant, namely, Stuart Carson.
12 Accordingly, defendant and the Department of Justice agree that
13 this agreement and the obligations it creates will not become
14 binding on the Department of Justice and defendant unless and
15 until: (a) defendant executes this agreement and enters a guilty
16 plea in accordance with this agreement; and (b) Stuart Carson
17 executes his plea agreement with the Department of Justice and
18 enters a guilty plea in accordance with that agreement.
19 Defendant acknowledges that defendant has discussed with
20 defendant's attorney, and carefully considered, the possible
21 advantages and disadvantages to defendant of entering into this
22 agreement as part of the package deal; defendant is entering into
23 this agreement as part of the package deal freely and voluntarily
24 because defendant believes this agreement and the package deal to
25 be in defendant's best interests; and defendant is not entering
26 into this agreement as part of the package deal because of
27 threats, coercion, or other undue influence by the Department of
28 Justice or by the other defendant who is part of the package

1 deal, his counsel, or anyone acting on his behalf.

2 RULE 11(c)(1)(C) AGREEMENT.

3 3. Defendant understands that this agreement is entered
4 into pursuant to Federal Rule of Criminal Procedure 11(c)(1)(C).
5 Accordingly, defendant understands that, if the Court determines
6 that it will not accept this agreement, absent a breach of this
7 agreement by defendant prior to that determination and whether or
8 not defendant elects to withdraw any guilty plea entered pursuant
9 to this agreement, this agreement will, with the exception of
10 paragraph 23 below, be rendered null and void and both defendant
11 and the Department of Justice will be relieved of their
12 obligations under this agreement. Defendant agrees, however,
13 that if defendant breaches this agreement prior to the Court's
14 determination whether or not to accept this agreement, the breach
15 provisions of this agreement, paragraph 25 below, will control,
16 with the result that defendant will not be able to withdraw any
17 guilty plea entered pursuant to this agreement, the Department of
18 Justice will be relieved of all of its obligations under this
19 agreement, and the Court's failure to follow any recommendation
20 or request regarding sentence set forth in this agreement will
21 not provide a basis for defendant to withdraw defendant's guilty
22 plea.

23 DEFENDANT'S OBLIGATIONS

24 4. Defendant agrees to:

25 a) Give up the right to indictment by a grand jury
26 and, at the earliest opportunity requested by the Department of
27 Justice and provided by the Court, appear and plead guilty to a
28 one-count information in the form attached to this agreement as

1 Exhibit A or a substantially similar form, which charges
2 defendant with a violation of the Foreign Corrupt Practices Act
3 ("FCPA"), 15 U.S.C. § 78dd-2(a), (g)(2)(A).

4 b) Not contest facts agreed to in this agreement.

5 c) Abide by all agreements regarding sentencing
6 contained in this agreement.

7 d) Appear for all court appearances, surrender as
8 ordered for service of sentence, obey all conditions of any bond,
9 and obey any other ongoing court order in this matter.

10 e) Not commit any crime; however, offenses that would
11 be excluded for sentencing purposes under United States
12 Sentencing Guidelines ("U.S.S.G." or "Sentencing Guidelines")
13 § 4A1.2(c) are not within the scope of this agreement.

14 f) Be truthful at all times with Pretrial Services,
15 the United States Probation Office, and the Court.

16 g) Pay the applicable special assessment at or before
17 the time of sentencing unless defendant lacks the ability to pay
18 and prior to sentencing submits a completed financial statement
19 to the Department of Justice on a form to be provided by the
20 Department of Justice.

21 5. Defendant further agrees to cooperate fully with the
22 Department of Justice, the Federal Bureau of Investigation
23 ("FBI"), and, as directed by the Department of Justice, any other
24 federal, state, or local, prosecuting, enforcement,
25 administrative, or regulatory authority. This cooperation
26 requires defendant to:

27 a) Respond truthfully and completely to all questions
28 that may be put to defendant.

1 b) Attend all meetings as well as trial proceedings
2 in United States v. Paul Cosgrove and David Edmonds, Case No. SA
3 CR 09-00077-JVS, at which defendant's presence is requested by
4 the Department of Justice or compelled by subpoena or court
5 order; with respect to this provision, it is the parties' mutual
6 understanding that at the present time the government does not
7 expect to call defendant as a witness in its case-in-chief and
8 that defendant will be a witness, if at all, in a possible
9 rebuttal case.

10 c) Produce voluntarily all documents, records, or
11 other tangible evidence relating to matters about which the
12 Department of Justice, or its designee, inquires.

13 6. For purposes of this agreement: (1) "Cooperation
14 Information" shall mean any statements made, or documents,
15 records, tangible evidence, or other information provided, by
16 defendant pursuant to defendant's cooperation under this
17 agreement; and (2) "Plea Information" shall mean any statements
18 made by defendant, under oath, at the guilty plea hearing and the
19 agreed to factual basis statement in this agreement.

20 THE DEPARTMENT OF JUSTICE'S OBLIGATIONS

21 7. The Department of Justice agrees to:

22 a) Not contest facts agreed to in this agreement.

23 b) Abide by all agreements regarding sentencing
24 contained in this agreement and affirmatively recommend to the
25 Court that it impose sentence in accordance with paragraph 18 of
26 this agreement.

27 c) At the time of sentencing, move to dismiss the
28 underlying indictment as against defendant.

1 d) At the time of sentencing, provided that defendant
2 demonstrates an acceptance of responsibility for the offense up
3 to and including the time of sentencing, recommend a two-level
4 reduction in the applicable Sentencing Guidelines offense level,
5 pursuant to U.S.S.G. § 3E1.1, and recommend and, if necessary,
6 move for an additional one-level reduction if available under
7 that section.

8 e) Recommend that defendant be sentenced to no more
9 than the low end of the applicable Sentencing Guidelines range,
10 provided that the offense level used by the Court to determine
11 that range is 10 or higher prior to any departure downward in
12 offense level pursuant to U.S.S.G. § 5K1.1 and provided that the
13 Court does not depart downward in criminal history category or
14 offense level except to the extent requested by the Department of
15 Justice pursuant to U.S.S.G. § 5K1.1.

16 f) Provided that the defendant's Sentencing
17 Guidelines range falls within Zone B of the Sentencing Table in
18 U.S.S.G. Chapter 5, Part A, recommend that defendant be
19 sentenced to a sentence of probation that includes a condition
20 that substitutes home detention for imprisonment as set forth in
21 U.S.S.G. § 5C1.1. The Department of Justice further agrees that,
22 in the event any home detention is ordered, it shall recommend
23 that defendant be permitted to travel from her home in San
24 Clemente, California, for purposes related to her current
25 employment as follows: (a) no more than once every three months
26 internationally for up to two weeks; and (b) no more than once
27 every month to Houston, Texas, for up to one week.

1 g) Not further criminally prosecute defendant for
2 violations of the Foreign Corrupt Practices Act ("FCPA"), 15
3 U.S.C. § 78dd-2(a), (g)(2)(A), arising out of any conduct of
4 which the government is presently aware. Defendant understands
5 that the Department of Justice is free to criminally prosecute
6 defendant for any other unlawful past conduct or any unlawful
7 conduct that occurs after the date of this agreement.

8 8. The Department of Justice further agrees:

9 a) Not to offer as evidence in its case-in-chief in
10 the above-captioned case or any other criminal prosecution that
11 may be brought against defendant by the Department of Justice, or
12 in connection with any sentencing proceeding in any criminal case
13 that may be brought against defendant by the Department of
14 Justice, any Cooperation Information.

15 b) Not to use Cooperation Information against
16 defendant at sentencing for the purpose of determining the
17 applicable guidelines range, including the appropriateness of an
18 upward departure, or the sentence to be imposed, and to recommend
19 to the Court that Cooperation Information not be used in
20 determining the applicable guidelines range or the sentence to be
21 imposed. Defendant understands, however, that Cooperation
22 Information will be disclosed to the probation office and the
23 Court, and that the Court may use Cooperation Information for the
24 purposes set forth in U.S.S.G § 1B1.8(b) and for determining the
25 sentence to be imposed.

26 c) In connection with defendant's sentencing, to
27 bring to the Court's attention the nature and extent of
28 defendant's cooperation.

1 d) If the Department of Justice determines, in its
2 exclusive judgment, that defendant has both complied with
3 defendant's obligations under paragraphs 4 and 5 above and
4 provided substantial assistance to law enforcement in the
5 prosecution or investigation of another ("substantial
6 assistance"), to move the Court pursuant to U.S.S.G. § 5K1.1 to
7 fix an offense level and corresponding guideline range below that
8 otherwise dictated by the sentencing guidelines, and to recommend
9 a sentence within this reduced range.

10 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

11 9. Defendant understands the following:

12 a) Any knowingly false or misleading statement by
13 defendant will subject defendant to prosecution for false
14 statement, obstruction of justice, and perjury and will
15 constitute a breach by defendant of this agreement.

16 b) Nothing in this agreement requires the Department
17 of Justice or any other prosecuting, enforcement, administrative,
18 or regulatory authority to accept any cooperation or assistance
19 that defendant may offer, or to use it in any particular way.

20 c) Defendant cannot withdraw defendant's guilty plea
21 if the Department of Justice does not make a motion pursuant to
22 U.S.S.G. § 5K1.1 for a reduced guidelines range or if the
23 Department of Justice makes such a motion and the Court does not
24 grant it or if the Court grants such a Department of Justice
25 motion but elects to sentence above the reduced range.

26 d) At this time the Department of Justice makes no
27 agreement or representation as to whether any cooperation that
28 defendant has provided or intends to provide constitutes or will

1 constitute substantial assistance. The decision whether
2 defendant has provided substantial assistance will rest solely
3 within the exclusive judgment of the Department of Justice.

4 e) The Department of Justice's determination whether
5 defendant has provided substantial assistance will not depend in
6 any way on whether the government prevails at any trial or court
7 hearing in which defendant testifies or in which the government
8 otherwise presents information resulting from defendant's
9 cooperation.

10 NATURE OF THE OFFENSE

11 10. Defendant understands that for defendant to be guilty
12 of the crime charged in count one of the information, that is, a
13 violation of the Foreign Corrupt Practices Act, in violation of
14 Title 15, United States Code, Section 78dd-2(a), (g)(2)(A), the
15 following must be true:

16 (1) defendant is a domestic concern, or an officer,
17 director, employee, or agent of a domestic concern;

18 (2) defendant acted corruptly and willfully;

19 (3) defendant made use or caused the use of the mails,
20 wires, or any means or instrumentality of interstate commerce in
21 furtherance of conduct that violates the FCPA;

22 (4) defendant offered, paid, promised to pay, or authorized
23 the payment of money, or offered, gave, promised to give, or
24 authorized the giving of anything of value to a foreign official;

25 (5) the payment or gift at issue in element (4) was to (a) a
26 person the defendant knew or believed to be a foreign official or
27 (b) any person and the defendant knew that all or a portion of
28 such money or thing of value would be offered, given, or promised

1 (directly or indirectly) to a person the defendant knew or
2 believed to be a foreign official, although a belief that an
3 individual was a foreign official does not satisfy this element
4 if the individual was not in fact a foreign official;

5 (6) the payment or gift at issue was intended for at least
6 one of four purposes: (a) to influence any act or decision of a
7 foreign official in his or her official capacity; (b) to induce a
8 foreign official to do or omit to do any act in violation of that
9 official's lawful duty; (c) secure any improper advantage; or (d)
10 to induce a foreign official to use his or her influence with a
11 foreign government or department, agency, or instrumentality
12 thereof to affect or influence any act or decision of such
13 government, department, agency, or instrumentality; and

14 (7) the payment or gift was intended to assist the defendant
15 in obtaining or retaining business for or with, or directing
16 business to, any person.

17 For the purposes of the FCPA, a person's state of mind is
18 "knowing" with respect to conduct, a circumstance, or a result if
19 (1) the person is aware that the person is engaging in the
20 conduct, that the circumstance exists, or that the result is
21 substantially certain to occur, or (2) the person has a firm
22 belief that such circumstance exists or that such result is
23 substantially certain to occur. Knowledge is established if a
24 person is aware of a high probability of the existence of a
25 circumstance.

26 PENALTIES

27 11. Defendant understands that the statutory maximum
28 sentence that the Court can impose for a violation of Title 15,

1 United States Code, Section 78dd-2(a), (g)(2)(A), is: five years
2 imprisonment; a three-year period of supervised release; a fine
3 of \$100,000 or twice the gross gain or gross loss resulting from
4 the offense, whichever is greater; and a mandatory special
5 assessment of \$100.

6 12. Defendant understands that supervised release is a
7 period of time following imprisonment during which defendant will
8 be subject to various restrictions and requirements. Defendant
9 understands that if defendant violates one or more of the
10 conditions of any supervised release imposed, defendant may be
11 returned to prison for all or part of the term of supervised
12 release authorized by statute for the offense that resulted in
13 the term of supervised release, which could result in defendant
14 serving a total term of imprisonment greater than the statutory
15 maximum stated above.

16 13. Defendant understands that, by pleading guilty,
17 defendant may be giving up valuable government benefits and
18 valuable civic rights, such as the right to vote, the right to
19 possess a firearm, the right to hold office, and the right to
20 serve on a jury. Defendant understands that once the court
21 accepts defendant's guilty plea, it will be a federal felony for
22 defendant to possess a firearm or ammunition. Defendant
23 understands that the conviction in this case may also subject
24 defendant to various other collateral consequences, including but
25 not limited to revocation of probation, parole, or supervised
26 release in another case and suspension or revocation of a
27 professional license. Defendant understands that unanticipated
28 collateral consequences will not serve as grounds to withdraw

1 defendant's guilty plea.

2 14. Defendant understands that, if defendant is not a
3 United States citizen, the felony conviction in this case may
4 subject defendant to: removal, also known as deportation, which
5 may, under some circumstances, be mandatory; denial of
6 citizenship; and denial of admission to the United States in the
7 future. The court cannot, and defendant's attorney also may not
8 be able to, advise defendant fully regarding the immigration
9 consequences of the felony conviction in this case. Defendant
10 understands that unexpected immigration consequences will not
11 serve as grounds to withdraw defendant's guilty plea.

12 FACTUAL BASIS

13 15. Defendant admits that defendant is, in fact, guilty of
14 the offense to which defendant is agreeing to plead guilty.
15 Defendant and the Department of Justice agree to the statement of
16 facts provided below and agree that this statement of facts is
17 sufficient to support a plea of guilty to the charge described in
18 this agreement and to establish the Sentencing Guidelines factors
19 set forth in paragraph 17 below but is not meant to be a complete
20 recitation of all facts relevant to the underlying criminal
21 conduct or all facts known to either party that relate to that
22 conduct.

23 Defendant H. CARSON was an employee of Control Components,
24 Inc. ("CCI") from in or around 1995 through in or around 2007.

25 CCI was a Delaware corporation headquartered in Rancho Santa
26 Margarita ("RSM"), California, that designed and manufactured
27 control valves for use in the nuclear, oil and gas, and power
28 generation industries worldwide. CCI sold its products to both

1 state-owned and private companies in over thirty countries around
2 the world. Because CCI was organized under the laws of a State
3 of the United States and had its principal place of business in
4 the United States, it was a "domestic concern" as that term is
5 defined in the Foreign Corrupt Practices Act ("FCPA"), Title 15,
6 United States Code, Section 78dd-2(h)(1)(B). Defendant H.
7 CARSON, a Chinese national until 2003, was an employee of a
8 "domestic concern" under the FCPA, Title 15, United States Code,
9 Section 78dd-2(a).

10 In conducting its business, CCI utilized a sales model known
11 as "friend-in-camp" ("FIC"), in which CCI employees and agents
12 cultivated relationships with employees of its customers. FICs,
13 who were also referred to as "consultants," sometimes included
14 employees of CCI's state-owned customers who had the ability to
15 influence the technical specifications of an order or otherwise
16 to direct business to CCI.

17 One of CCI's customers was Kuosheng Nuclear Power Plant
18 ("Kuosheng"). Defendant H. CARSON knew Kuosheng was a Taiwanese
19 state-owned entity. Defendant H. CARSON understands that at any
20 trial, the Government would prove sufficient facts to demonstrate
21 that Kuosheng was a government instrumentality within the meaning
22 of the FCPA, Title 15, United States Code, Section
23 78dd-2(h)(2)(A) and its employees "foreign officials" within the
24 meaning of the FCPA.

25 In 2002, CCI entered into an agreement with Kuosheng to
26 provide diving work involving a strainer replacement at Kuosheng.
27 During the contract negotiations with Kuosheng, defendant H.
28 CARSON was informed that a \$40,000 payment, described as

1 "flowers", was to be paid in connection with this transaction.
2 Defendant H. CARSON was informed that this payment would be made
3 to a third-party agent involved with this transaction, but that
4 the third-party agent was responsible for distributing the
5 \$40,000 to other unnamed individuals. She was also informed that
6 the financial numbers associated with this project were "not
7 typical" due to the "big portion of flowers." On August 14,
8 2002, defendant H. CARSON, in an email she marked as
9 "Confidential," authorized the payment of \$40,000 when she wrote:
10 "40,000 flower out of 65,000 okay."

11 Although defendant H. CARSON did not actually know that all
12 or a portion of the \$40,000 was to be offered, given, or promised
13 to an employee at Kuosheng for the purpose of securing Kuosheng's
14 business, she was aware of a high probability of this
15 circumstance and failed to make additional inquiries concerning
16 the nature of the commission and the suspected recipient in order
17 to determine whether the proposed commission payment might be
18 made to an employee at Kuosheng for the purpose of securing
19 Kuosheng's business. This awareness arose, at least in part,
20 from defendant H. CARSON's knowledge that, as described above,
21 CCI's sales model included the cultivation of FICs who sometimes
22 included employees of CCI's customers.

23 Although defendant H. CARSON did not know about the
24 prohibitions of the FCPA, defendant H. CARSON was aware that the
25 law would forbid making an undisclosed payment to an employee of
26 a customer for the purpose of securing the customer's business.

27 SENTENCING FACTORS AND AGREED-UPON SENTENCE

28 16. Defendant understands that in determining defendant's

1 sentence the Court is required to calculate the applicable
 2 Sentencing Guidelines range and to consider that range, possible
 3 departures under the Sentencing Guidelines, and the other
 4 sentencing factors set forth in 18 U.S.C. § 3553(a). Defendant
 5 understands that the Sentencing Guidelines are advisory only.

6 17. Applying the November 1, 2001 Sentencing Guidelines
 7 Manual, defendant and the USAO agree to the following applicable
 8 Sentencing Guidelines factors:

9	Base Offense Level	:	8	U.S.S.G. § 2B4.1(a)	
10	Specific Offense Characteristics-				
11					
12	Value of the Bribe/ Improper Benefit	:	+6	U.S.S.G. § 2B4.1(b)(1)	
13	Adjustments-				
14					
15	Acceptance of Responsibility	:	-2	U.S.S.G. § 3E1.1(a)	
16	Mitigating Factors	:	-2	18 U.S.C. § 3553(a)	

17 Total Offense Level : 10

18 Criminal History
 19 Category : I

20

21 Guideline Range : 6 - 12 months imprisonment
 22 \$2,000 - \$ 20,000 fine

23 The parties agree not to argue that any other specific offense
 24 characteristics, adjustments, or departures, other than a
 25 downward departure pursuant to U.S.S.G. § 5K1.1, be imposed.

26 18. Defendant and the USAO agree that, taking into account
 27 the factors listed in 18 U.S.C. § 3553(a)(1)-(7) and the relevant
 28 sentencing guideline factors set forth above, an appropriate

1 disposition of this case is that the court impose a sentence of:
2 three years probation with conditions to be fixed by the Court,
3 which may include a condition of up to six months home
4 confinement; a fine of no more than \$20,000; no amount of
5 restitution; and a \$100 special assessment. The parties agree
6 that any fine ordered shall be paid within 30 days of defendant's
7 sentencing hearing.

8 WAIVER OF CONSTITUTIONAL RIGHTS

9 19. Defendant understands that by pleading guilty,
10 defendant gives up the following rights:

- 11 a) The right to persist in a plea of not guilty.
- 12 b) The right to a speedy and public trial by jury.
- 13 c) The right to be represented by counsel - and if
14 necessary have the court appoint counsel - at trial. Defendant
15 understands, however, that, defendant retains the right to be
16 represented by counsel - and if necessary have the court appoint
17 counsel - at every other stage of the proceeding.
- 18 d) The right to be presumed innocent and to have the
19 burden of proof placed on the government to prove defendant
20 guilty beyond a reasonable doubt.
- 21 e) The right to confront and cross-examine witnesses
22 against defendant.
- 23 f) The right to testify and to present evidence in
24 opposition to the charges, including the right to compel the
25 attendance of witnesses to testify.
- 26 g) The right not to be compelled to testify, and, if
27 defendant chose not to testify or present evidence, to have that
28 choice not be used against defendant.

1 h) Any and all rights to pursue any affirmative
2 defenses, Fourth Amendment or Fifth Amendment claims, and other
3 pretrial motions that have been filed or could be filed.

4 WAIVER OF APPEAL OF CONVICTION

5 20. Defendant understands that, with the exception of an
6 appeal based on a claim that defendant's guilty plea was
7 involuntary, by pleading guilty defendant is waiving and giving
8 up any right to appeal defendant's conviction on the offense to
9 which defendant is pleading guilty.

10 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

11 21. Defendant agrees that, provided the Court imposes the
12 sentence specified in paragraph 18 above, defendant gives up the
13 right to appeal any portion of that sentence.

14 22. The USAO agrees that, provided the Court imposes the
15 sentence specified in paragraph 18 above, the USAO gives up its
16 right to appeal any portion of that sentence.

17 RESULT OF WITHDRAWAL OF GUILTY PLEA

18 23. Defendant agrees that if, after entering a guilty plea
19 pursuant to this agreement, defendant seeks to withdraw and
20 succeeds in withdrawing defendant's guilty plea on any basis
21 other than a claim and finding that entry into this plea
22 agreement was involuntary, then (a) the Department of Justice
23 will be relieved of all of its obligations under this agreement;
24 and (b) should the Department of Justice choose to pursue any
25 charge that was either dismissed or not filed as a result of this
26 agreement, then (i) any applicable statute of limitations will be
27 tolled between the date of defendant's signing of this agreement
28 and the filing commencing any such action; and (ii) defendant

1 waives and gives up all defenses based on the statute of
2 limitations, any claim of pre-indictment delay, or any speedy
3 trial claim with respect to any such action, except to the extent
4 that such defenses existed as of the date of defendant's signing
5 this agreement.

6 EFFECTIVE DATE OF AGREEMENT

7 24. This agreement is effective upon signature and
8 execution of all required certifications by defendant,
9 defendant's counsel, and an Assistant United States Attorney.

10 BREACH OF AGREEMENT

11 25. Defendant agrees that if defendant, at any time after
12 the signature of this agreement and execution of all required
13 certifications by defendant, defendant's counsel, and an
14 Assistant United States Attorney, knowingly violates or fails to
15 perform any of defendant's obligations under this agreement ("a
16 breach"), the Department of Justice may declare this agreement
17 breached. All of defendant's obligations are material, a single
18 breach of this agreement is sufficient for the Department of
19 Justice to declare a breach, and defendant shall not be deemed to
20 have cured a breach without the express agreement of the
21 Department of Justice in writing. If the Department of Justice
22 declares this agreement breached, and the Court finds such a
23 breach to have occurred, then: (a) if defendant has previously
24 entered a guilty plea pursuant to this agreement, defendant will
25 not be able to withdraw the guilty plea, and (b) the USAO will be
26 relieved of all its obligations under this agreement.

27 COURT AND PROBATION OFFICE NOT PARTIES

28 26. Defendant understands that the Court and the United

1 States Probation Office are not parties to this agreement and
2 need not accept any of the Department of Justice's sentencing
3 recommendations or the parties' agreements to facts or sentencing
4 factors. Defendant understands that the Court will determine the
5 facts, sentencing factors, and other considerations relevant to
6 sentencing and will decide for itself whether to accept and agree
7 to be bound by this agreement.

8 27. Defendant understands that both defendant and the
9 Department of Justice are free to: (a) supplement the facts by
10 supplying relevant information to the United States Probation
11 Office and the Court, (b) correct any and all factual
12 misstatements relating to the Court's Sentencing Guidelines
13 calculations and determination of sentence, and (c) argue on
14 appeal and collateral review that the Court's Sentencing
15 Guidelines calculations and the sentence it chooses to impose are
16 not error, although each party agrees to maintain its view that
17 the calculations and sentence referenced in paragraphs 17 and 18
18 are consistent with the facts of this case. While this paragraph
19 permits both the Department of Justice and defendant to submit
20 full and complete factual information to the United States
21 Probation Office and the Court, even if that factual information
22 may be viewed as inconsistent with the facts agreed to in this
23 agreement, this paragraph does not affect defendant's and the
24 Department of Justice's obligations not to contest the facts
25 agreed to in this agreement.

26
27 NO ADDITIONAL AGREEMENTS

28 28. Defendant understands that, except as set forth herein,

1 there are no promises, understandings, or agreements between the
2 Department of Justice and defendant or defendant's attorney, and
3 that no additional promise, understanding, or agreement may be
4 entered into unless in a writing signed by all parties or on the
5 record in court.

PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

29. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED

UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF CALIFORNIA

ANDRE BIROTTE JR.
United States Attorney

DOUGLAS F. MCCORMICK
Assistant United States Attorney

FRAUD SECTION, CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE

CHARLES G. LA BELLA
Deputy Chief

ANDREW GENTIN
Trial Attorney

HONG "ROSE" CARSON
Defendant

KIMBERLY A. DUNNE
Attorney for Defendant
HONG "ROSE" CARSON

April 16, 2012
Date

4-16-12
Date

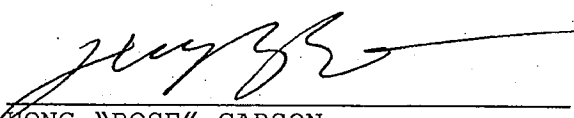
4/16/12
Date

4/14/12
Date

4/14/12
Date

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. This agreement has been read to me in Mandarin Chinese, the language I understand best. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charges and wish to take advantage of the promises set forth in this agreement, and not for any other reason.


HONG "ROSE" CARSON
Defendant

April 14, 2012
Date

CERTIFICATION OF INTERPRETER

I, Hongbin Wang, am fluent in the written and spoken English and Mandarin Chinese languages. I accurately translated this entire agreement from English into Mandarin Chinese to defendant HONG "ROSE" CARSON on this date.


Interpreter

4/14/12
Date

CERTIFICATION OF DEFENDANT'S ATTORNEY

I am HONG "ROSE" CARSON's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of her rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. To my knowledge: no promises, inducements, or representations of any kind have been made to my client other than those contained in this agreement; no one has threatened or forced my client in any way to enter into this agreement; my client's decision to enter into this agreement is an informed and voluntary one; and the factual basis set forth in this agreement is sufficient to support my client's entry of a guilty plea pursuant to this agreement.


KIMBERLY A. DUNNE

4/14/12
Date

Attorney for Defendant
HONG "ROSE" CARSON

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8 UNITED STATES DISTRICT COURT
9 FOR THE CENTRAL DISTRICT OF CALIFORNIA
10 SOUTHERN DIVISION

11 UNITED STATES OF AMERICA,) SA CR No. 09-00077(B)-JVS
12)
12 Plaintiff,) S U P E R S E D I N G
13) I N F O R M A T I O N
13 v.)
14) [15 U.S.C. § 78dd-2: Foreign
14 HONG CARSON,) Corrupt Practices Act]
15 aka "Rose Carson,")
15 Defendant.)
16)
17)

18 The United States Attorney charges:
19

20 INTRODUCTION

21 At all times relevant to this Superseding Information:

22 1. The Foreign Corrupt Practices Act of 1977 ("FCPA"), as
23 amended, Title 15, United States Code, Sections 78dd-1, et seq.,
24 was enacted by Congress for the purpose of making it unlawful,
25 among other things, for certain United States persons and
26 business entities to act corruptly in furtherance of an offer,
27 promise, authorization, or payment of money or anything of value
28 to a foreign government official (or to any person, while knowing
that the money or thing of value will be offered, given or

1 promised to a foreign official), for the purpose of securing any
2 improper advantage, or of assisting in obtaining or retaining
3 business for and with, or directing business to, any person.

4 2. Control Components, Inc. ("CCI") was a Delaware
5 corporation headquartered in Rancho Santa Margarita, California,
6 that designed and manufactured service control valves for use in
7 the nuclear, oil and gas, and power generation industries
8 worldwide. CCI sold its products to both state-owned enterprises
9 and private companies in approximately thirty countries around
10 the world. Because CCI was organized under the laws of a State
11 of the United States and had its principal place of business in
12 the United States, it was a "domestic concern" as that term is
13 defined in the FCPA, Title 15, United States Code, Section 78dd-
14 2(h)(1).

15 3. Defendant HONG CARSON, also known as "Rose Carson" ("R.
16 CARSON") was CCI's Manager of Sales for China and Taiwan from in
17 or around 1995 through in or around 2000 and then served as the
18 Director of Sales for China and Taiwan from in or around 2000
19 through in or around 2007. Defendant was initially a United
20 States resident and then, in 2003, became a citizen of the United
21 States. Defendant was a "domestic concern" and an employee and
22 agent of CCI and thus an employee and agent of a "domestic
23 concern" as that term is defined and used in the FCPA, Title 15,
24 United States Code, Section 78dd-2(h)(1).

25 4. CCI's customers included Kuosheng Nuclear Power Plant
26 ("Kuosheng") in Taiwan. Kuosheng was a department, agency, and
27 instrumentality of a foreign government, within the meaning of
28 the FCPA, Title 15, United States Code, Section 78dd-2(h)(2)(A).

1 The officers and employees of Kuosheng were "foreign officials"
2 within the meaning of the FCPA, Title 15, United States Code,
3 Section 78dd-2(h) (2) (A).

4 COUNT ONE

5 [15 U.S.C. § 78dd-2]

6 5. Paragraphs 1 through 4 are realleged and incorporated
7 by reference as through set forth herein.

8 6. On or about August 14, 2002, in the Central District of
9 California and elsewhere, defendant R. CARSON, did willfully make
10 use of the mails and means and instrumentalities of interstate
11 commerce corruptly in furtherance of an offer, payment, promise
12 to pay, and authorization of the payment of any money, offer,
13 gift, promise to give, and authorization of the giving of
14 anything of value to a foreign official, and to a person, while
15 knowing that all or a portion of such money and thing of value
16 would be offered, given, and promised to a foreign official, for
17 purposes of: (i) influencing acts and decisions of such foreign
18 official in his or her official capacity; (ii) inducing such
19 foreign official to do and omit to do acts in violation of the
20 lawful duty of such official; (iii) securing an improper
21 advantage; and (iv) inducing such foreign official to use his
22 influence with a foreign government and instrumentalities thereof
23 to affect and influence acts and decisions of such government and
24 instrumentality, in order to assist defendant R. CARSON and
25 others in obtaining and retaining business for and with, and
26 directing business to, CCI and others, to wit, Defendant R.
27 CARSON corruptly caused an email to be sent authorizing the
28 payment of \$40,000 to officials of Kuosheng for the purpose of

1 securing Kuosheng's business.

2 In violation of Title 15, United States Code, Section 78dd-
3 2.

4 ANDRÉ BIROTTE JR.
5 United States Attorney

6 ROBERT E. DUGDALE
7 Assistant United States Attorney
8 Chief, Criminal Division

9 DENNISE D. WILLETT
10 Assistant United States Attorney
11 Chief, Santa Ana Branch Office

12 DOUGLAS F. McCORMICK
13 Assistant United States Attorney
14 Deputy Chief, Santa Ana Branch Office

15 KATHLEEN McGOVERN
16 Acting Chief, Fraud Section
17 Criminal Division
18 United States Department of Justice

19 CHARLES G. LA BELLA
20 Deputy Chief, Fraud Section
21 Criminal Division
22 United States Department of Justice

23 ANDREW GENTIN
24 Trial Attorney, Fraud Section
25 Criminal Division
26 United States Department of Justice
27
28

CERTIFICATE OF SERVICE BY MAIL

I, REBECCA SATO, declare: That I am a citizen of the United States and resident or employed in Orange County, California; that my business address is United States Attorney's Office, 411 West Fourth Street, Suite 8000, Santa Ana, California 92701; that I am over the age of eighteen years, and am not a party to the above-entitled action;

That I am employed by the United States Attorney for the Central District of California, who is a member of the Bar of the United States District Court for the Central District of California, at whose discretion the service by mail described in this Certificate was made; that on April 16, 2012, I deposited in the United States Mails, United States Attorney's Office, 411 West Fourth Street, Suite 8000, Santa Ana, California 92701 in the above-entitled action, in an envelope bearing the requisite postage, a copy of:

PLEA AGREEMENT FOR DEFENDANT HONG CARSON [UNDER SEAL]
addressed to:

SEE ATTACHMENT

at their last known address, at which place there is a delivery service by CERTIFIED United States Mail.

This Certificate is executed on April 16, 2012, Santa Ana, California. I declare under penalty or perjury that the foregoing is true and correct.


REBECCA SATO

Service List

Kimberly A. Dunne
Sidley Austin LLP
555 West Fifth Street, Suite 4000
Los Angeles, CA 90013-1010