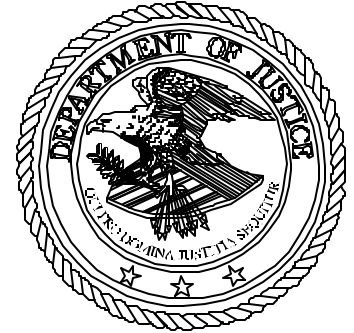


NEWS

United States Department of Justice
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Christopher J. Christie, U.S. Attorney

More Information? Contact the Assistant U.S. Attorney or other contact listed below to see if more information is available.

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FOR IMMEDIATE RELEASE
July 29, 2004

Company President and Wife Indicted in Connection with Illegally
Selling National-Security Sensitive Items to Chinese Interests

(More)

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Breaking News (NJ)
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CAMDEN – The president of a Mount Laurel company and his wife were arraigned on a 46-count Indictment unsealed today, charging that they used their business to illegally export sensitive national-security controlled items to state-sponsored research institutes and factories within the People’s Republic of China, U.S. Attorney Christopher J. Christie announced.

Teng Fang Li, a/k/a “Terry Li,” 63, president of Universal Technologies, Inc. (UTI) and his wife Nei-Chien Chu, a/ka/ “Pearl Li,” 58, both of Cherry Hill, were indicted by a federal grand jury yesterday. The Indictment, which was unsealed today with the arrest of Nei-Chien Chu, charges them with one count of conspiracy, 10 counts of money laundering, 22 counts of exporting in violation of the Export Administration Act (EAA), and 13 counts of making false statements in violation of the EAA.

Teng Fang Li and six additional officers and employees of UTI and Manten Electronics, Inc. (both Mount Laurel companies) were arrested July 1, 2004, on criminal complaints charging that they used their businesses to illegally export national-security controlled items to the People’s Republic of China. Nei-Chien Chu, who was not charged in the earlier criminal complaints, was arrested at her home this morning on the charges contained in the Indictment.

Two separate criminal Complaints on July 1 alleged that officers and employees of UTI and Manten were violating U.S. export laws. A multi-agency task force consisting of agents from the Federal Bureau of Investigation, Immigration and Customs Enforcement and the U.S. Department of Commerce have been conducting an investigation since January 2003.

Today’s Indictment and the July 1 press release and two criminal complaints are available on the Internet at www.njusao.org

According to the Indictment, Teng Fang Li and Nei-Chien Chu were illegally exporting items that are used in a wide variety of defense weapons systems, including radar, smart weapons, electronic warfare and communications. The Indictment describes the scheme in which the defendants used various techniques to conceal their export activities, such as providing false statements on shipping documents to conceal that the shipments contained national-security controlled items by falsely certifying on shipping documents that no license was required to ship the goods to China when, in fact, a license was required.

In addition to the 46-counts, the Indictment includes a forfeiture allegation which gives notice that upon a conviction on the charges, the government intends to seek forfeiture of the defendants assets and various bank accounts.

Both defendants had an arraignment today before U.S. Magistrate Judge Joel B. Rosen at

the federal courthouse in Camden. Judge Rosen set Teng Fang Li's bail at \$2 million to be secured by property, with the conditions of 24-hour home arrest with G.P.S./electronic monitoring, surrender of his travel documents, which include both U.S. and Taiwanese passports. Nei-Chien Chu's bail was set at \$1 million to be secured by property, 24-hour house arrest with electronic monitoring and surrender of travel documents, which include U.S. and Taiwanese passports.

The conspiracy charge carries a maximum penalty 5 years in prison and a \$250,000 fine. Each count of money laundering carries a maximum penalty 20 years in prison and a fine of \$500,000 or twice the amount of the money laundering, whichever is greater. The violations of the Export Administration Regulations carry a maximum penalty of 10 years in prison and a \$1 million fine. Both defendants are naturalized U.S. citizens.

Despite Indictment, every defendant is presumed innocent, unless and until found guilty beyond a reasonable doubt, following a trial at which the defendant has all of the trial rights guaranteed by the U.S. Constitution and federal law.

Christie credited Special Agents of the Federal Bureau of Investigation, under the direction of Special Agent in Charge Joseph Billy, Jr., in Newark; the Department of Commerce, Office of Export Enforcement, under the direction of Special Agent in Charge Sidney M. Simon, in New York; and the Department of Homeland Security, U.S. Immigration and Customs Enforcement, under the direction of Acting Special Agent in Charge David Palmatier, in Philadelphia, with developing the investigation.

The Government is represented by Assistant U.S. Attorney Judith H. Germano of the Criminal Division in Newark.

– end –

Defense Attorney: Michael Holston, Esq. Philadelphia