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NEWS RELEASE

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Paul J. McNulty, United States Attorney for the Eastern District of Virginia, announced that Donald W. Keyser, former Principal Deputy Assistant Secretary of State for East Asian and Pacific Affairs, pleaded guilty today to unlawfully removing classified United States documents from the Department of State and to two counts of making false official statements. Keyser is scheduled to be sentenced on February 24, 2006, before the Honorable T.S. Ellis, III, at which time he faces a maximum sentence of 3 years in prison on the charge of removing classified US documents and shall be disqualified from holding any office under the United States, and a maximum of five years in prison on the false statement counts. There is also a \$250,000 fine on both.

Keyser, age 62, of Fairfax, Virginia, was commissioned a Foreign Service Officer in the U.S. Department of State in 1972. Subsequently, he served at Department of State offices in Washington, D.C., and at U.S. embassies abroad in positions concerning U.S. foreign policy with respect to East Asia and the Pacific, including positions as a China analyst for the Bureau of Intelligence and Research (1973-1975); Chief of the Political/External Affairs Unit at the U.S. embassy in Tokyo, Japan (1985-1988); Minister-Counselor at the U.S. embassy in Beijing, China (1989-1992); and Director, Office of Chinese and Mongolian Affairs, Bureau of East Asian and Pacific Affairs (1993-1995).

In 1999 and 2000, Keyser served as Principal Deputy Assistant Secretary of State, Bureau of Intelligence and Research (INR), at the Department of State in Washington, D.C. In July 2001, Keyser was appointed to the position of Deputy Assistant Secretary of State for East Asian and Pacific Affairs. In February 2003, Keyser was promoted to the position of Principal Deputy Assistant Secretary for East Asian and Pacific Affairs. Since July 2001, Keyser had extensive involvement in, and responsibility for, the foreign policy of the United States with respect to East Asia and the Pacific. Keyser held a Top Secret security clearance.

Between 1992 and September 4, 2004, Keyser removed numerous classified documents from the Department of State and transported them to his home in Fairfax, Virginia. These included documents classified at the TOP SECRET level, and several documents that contained Secure Compartmented Information (SCI). Numerous additional classified documents were found on a

laptop computer and on floppy disks in Keyser's home. In all, Keyser had over 3,600 documents in either hard copy or electronic form.

From 2002 to September 2004, Keyser had an undisclosed personal relationship with a female Taiwanese national, Isabelle Cheng, who was employed by the National Intelligence Bureau, which is the foreign intelligence agency of the government of Taiwan.

From September 3, 2003, through September 6, 2003, Keyser met with Isabelle Cheng in Taiwan. Upon his return to the United States, Keyser submitted a Customs Declaration form at Dulles International Airport in which he falsely stated, in response to an item on the form requiring the traveler to identify the countries he visited, that he had visited only China and Japan, when, in fact, Keyser had also visited Taiwan.

On August 9, 2004, an investigator of the Bureau of Diplomatic Security interviewed Keyser as part of a security reinvestigation. During that interview, Keyser falsely claimed that he had not engaged in conduct which may make him vulnerable to coercion, exploitation, or pressure from a foreign government, when, in fact, he had done so.

Mr. McNulty stated: "Those who are trusted to handle classified documents must not allow such material to be compromised in any way."

This case was investigated by special agents of the Washington Field Office of the FBI. Assistant United States Attorneys Patricia M. Haynes and David H. Laufman are prosecuting the case.