

# APPENDIX A

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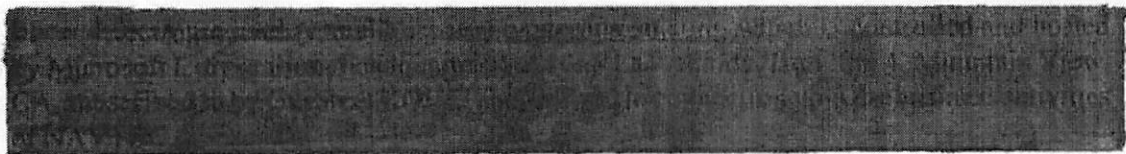
## AFFIDAVIT IN SUPPORT OF SEARCH WARRANTS

Your Affiant, Leslie D. Brooks, being first duly sworn, deposes and states as follows:

1. I am a Special Agent with United States Immigration and Customs Enforcement, Homeland Security Investigations ("HSI"), and have been so employed since March 1, 2003. From August 1988 until March 1, 2003, I was a Special Agent with the United States Immigration and Naturalization Service (hereafter INS). I am presently assigned to the Office of the Special Agent in Charge, Baltimore, Maryland, where I am responsible for conducting criminal investigations involving the illegal exportation of goods and services from the United States. I have received training on export violations and the Arms Export Control Act, and have participated in the execution of numerous search and arrest warrants in connection with the above mentioned federal offenses.

2. This affidavit is submitted in support of applications for the issuance of search warrants for the following:

a. 14416 Coral Gables Way, North Potomac, MD (more fully described in Attachment A), which serves as both the business location for NAVTEC, LLC ("NAVTEC"), and the residence of Gurpreet KOHLI, an Indian national who naturalized as a U.S. citizen in 1986.



Based on the investigation to date, I submit that there is probable cause to believe that a search of the KOHLI residence and [REDACTED] will uncover evidence, fruits, and/or instrumentalities of the following offenses: false statement in violation of 18 U.S.C. § 1001; obstructing an agency proceeding in violation of 18 U.S.C. § 1505; and attempted willful brokering

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of defense articles and services without a license in violation of the Arms Export Control Act, 22 U.S.C. § 2278.

3. I have personally participated in this investigation and have witnessed many of the facts and circumstances described herein. I have also received information from other federal law enforcement and intelligence officials relating to this investigation. The information set forth in this affidavit is based on my own observations and review of documents, or reliable information provided to me by other law enforcement personnel. I am setting forth only those facts and circumstances necessary to establish probable cause for the issuance of the requested search warrant. Unless otherwise indicated, all written and oral statements referred to herein are set forth in substance and in part, rather than verbatim.

**I. Arms Export Control Act**

4. The Arms Export Control Act (AECA), specifically 22 U.S.C. § 2778, authorizes the President of the United States to control the export and import of defense articles and services, promulgate regulations with respect to their export, and designate those items so deemed. Those items designated to be defense articles and services are set forth on the United States Munitions List (USML). By virtue of the President's delegation of his authority under § 2778, the Directorate of Defense Trade Controls (DDTC) within the State Department is charged with regulating the export and temporary import of defense articles and defense services covered by the USML in accordance with the provisions of the AECA and its implementing regulations, the International Traffic in Arms Regulations (ITAR) (22 C.F.R. Parts 120-130).

5. Under the terms of § 2278(b)(2), no defense articles or services as designated on the USML may be exported or imported without a license unless specifically provided by regulation.

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Section 2278(b)(1)(A)(ii) provides that persons engaged in the business of brokering activities with respect to the manufacture, export, import, or transfer of defense articles or services, foreign or otherwise, must be registered with, and licensed by, the DDTC. A broker is defined under 22 C.F.R. § 129.2(a) as “any person who acts as an agent for others in negotiating or arranging contracts, purchases, sales or transfers of defense articles or defense services in return for a fee, commission, or other consideration.” Section 129.2(b) defines brokering activities to encompass “the financing, transportation, freight forwarding, or taking of any other action that facilitates the manufacture, export, or import of a defense article or defense service, irrespective of its origin.”

## II. Relevant Facts and Circumstances

6. NAVTEC is a company incorporated in the State of Maryland whose principal office is located at 14416 Coral Gables Way, North Potomac, Maryland, which is the residence of Gurpreet KOHLI. The company maintains an online website – [navtecindia.net](http://navtecindia.net) - on which it purports to represent “the leading suppliers of sophisticated defense electronics from the United States of America,” including DRS Technologies (a supplier of integrated products, services and support to military forces and intelligence agencies); M/A-COM SIGNINT (a producer of microwave receivers and electronic products); and various signal and digital communications providers such as Triasys Technologies, Signami-DCS, Applied Signal Technology, and Antenna Research Associates. The website also represents that NAVTEC provides “Defense and other Government customers, and systems integrators, integrated commercial off the shelf sub-systems for performing advanced signal analysis and processing for gathering intelligence information.”

7. According to Maryland Department of Assessments and Taxation records, NAVTEC was incorporated in the State of Maryland in November 2002. KOHLI became the registered agent

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for NAVTEC on September 21, 2010. Up to that point, KOHLI's soon to be ex-wife, Anju Kohli, was the listed registered agent for the company.<sup>1</sup> DDTC records indicate that on December 15, 2003, upon application by Anju Kohli, the DDTC registered NAVTEC as a broker, allowing the company to engage in the brokering of defense articles covered by the USML. Gurpreet KOHLI was listed on all applications for the broker registration as the "Director" of NAVTEC. NAVTEC's broker registration was renewed on an annual basis through 2009 upon application by Anju Kohli. Since January 31, 2010, neither NAVTEC nor Gurpreet KOHLI have been registered with the DDTC to engage in the brokering of defense articles as covered by the USML.

**A. KOHLI and Northrop Grumman**

8. According to records provided by Northrop Grumman Corp., KOHLI was hired by the company on September 2, 2003, as a contract specific employee. He currently holds the position of Director of Business Development for India and has a Top Secret security clearance. In the resume KOHLI provided to Northrop Grumman in connection with his hiring, he listed his last place of employment as "NAVTEC, Gaithersburg, MD" beginning in 2002. He described his duties at NAVTEC as follows: "Consulting to various organizations in marketing their products to government agencies. Assisting in setting up sales networks, training of support personnel, marketing collateral, advertising campaigns and product development plans." KOHLI's resume also indicated that for the period from 2000-2002, he was employed by BAE Systems (subsequently DRS Technologies) as a manager for business development.

9. On August 16, 2004, Gurpreet KOHLI signed a Northrop Grumman certificate

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<sup>1</sup> KOHLI and his wife separated in or about August 2009, and their divorce is set to be finalized on or about November 29, 2010.

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regarding conflicts of interest and standards of business conduct. On this form, KOHLI was required to disclose whether he or any member of his family had a relationship with, or substantial financial interest in, any supplier or prospective supplier of Northrop Grumman, or had received from same, either directly or indirectly, any gifts, anything of value, compensation, commissions, fees or payment of any kind in excess of \$10. KOHLI answered "No" to each of those questions. KOHLI has since responded similarly on annual conflict of interest forms submitted to Northrop Grumman. Northrop Grumman records indicate that KOHLI has received extensive annual training since his employment began on matters involving export compliance and procurement.

10. In August 2006, Northrop Grumman initiated an internal investigation against KOHLI based on an anonymous letter received by the company dated July 31, 2006. In that letter, the writer stated: "It came to my attention that Mr. Gurpreet Kohli ... has been concurrently moonlighting as a CSR/Agent for DRS Technologies, with CSR responsibilities for the country of India.... For those who work side by side with Mr. Kohli: that he is able to doubly profit form (sic) covering the Indian market while being employed by NGC is a possible conflict of interest, possible violation of ethics, and a possible compromise of our market positioning and confidential data."

11. On or about August 21, 2006, KOHLI provided a written statement to Northrop Grumman in response to the allegations. He indicated that his wife had "set up her own company, NAVTEC, for consulting on her own and looked into a business venture involving India." He stated further that prior to obtaining employment with Northrop Grumman, he had worked jointly with his wife on NAVTEC projects. He stated that since his employment by Northrop Grumman, he has assisted his wife with "book keeping, reviewing contracts and other governmental documents that need to be filed on an ongoing basis (tax returns, yearly registrations etc.)." He indicated that

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“Under no circumstance would I get involved in a venture that would be a conflict with my current or future job function at [Northrop Grumman],” and that he had no time for “moonlighting.” Shortly thereafter, based on KOHLI’s statements and review of his tax forms, Northrop Grumman determined that the allegations against KOHLI had no merit and suspended its internal investigation.

12. In February 2007, Northrop Grumman and Bharat Electronics Limited (BEL) of India, signed a Memorandum of Understanding (MOU) to explore the feasibility of teaming with each other to offer products. According to BEL’s website, BEL was established in 1954 in Bangalore, India, by the Government of India’s Ministry of Defense in order to meet the specialized needs of the Indian Defense services. The MOU was based, in part, on the fact that both Northrop Grumman and BEL had technical experience and expertise related to the design development and manufacture of defense products to include radar, electronic warfare, and electronic support measures products. The agreement was signed by the Vice President of Northrop Grumman and witnessed by Gurpreet KOHLI in his position as Director of Business Development for Northrop Grumman. In a press release on the MOU issued that same day, Northrop Grumman described BEL as the leading Indian defense electronics company. The partnership between Northrop Grumman and BEL continues to this date.

**B. NAVTEC and Antenna Research Associates**

13. Your affiant has reviewed records from Antenna Research Associates, Inc. (ARA) located in Beltsville, Maryland, which is one of the companies NAVTEC has represented in the past. Among those documents are records regarding an August 10, 2008, export of antenna commodities to BEL in Bangalore, India. These documents establish that beginning in or about August 2007, Gurpreet KOHLI, representing NAVTEC, brokered and negotiated the sale by ARA to BEL of

antennas and antenna positioner systems subsequently exported to India in August 2008. The records include documentation that the end user for this sale was the Cabinet Secretariat, Government of India. In an e-mail dated August 23, 2007, from [navtec@msn.com](mailto:navtec@msn.com) to two ARA sales managers, KOHLI advised that he was in Bangalore at BEL, and that BEL officials were requesting clarifications on their antenna systems order with ARA. Attached to KOHLI's e-mail message were the technical specifications and configuration drawings provided to him by BEL for the order. Handwritten notes, dated August 27, 2007, on the ARA printout of KOHLI's e-mail message state: "11 e-mails sent to Gurpreet @ 6-7 pm. He is leaving now for india."

14. Travel itinerary records obtained from U.S. Customs and Border Protection (CBP) indicate that KOHLI and his son, Navpreet, traveled on August 18, 2007, to New Delhi, India, and returned to Washington, D.C., on August 25, 2007. Those same records indicate that KOHLI traveled again on August 27, 2007, to New Delhi, India, and returned to Washington, D.C., on August 30, 2007. Expense reports for KOHLI obtained from Northrop Grumman indicate that he traveled to New Delhi, India, on company business from August 27 through August 29, 2007, specifically for the "MMA-ESM Indian Navy meeting." There is no indication of any travel by KOHLI on behalf of Northrop Grumman for business related to BEL.

15. In another ARA e-mail dated September 14, 2007, an ARA technical sales manager and "Gurpreet" at [navtec@msn.com](mailto:navtec@msn.com), discussed reducing the unit cost for the BEL antenna order and set out prices for the units to be ordered to include a 20% commission. The e-mail also noted that the prices were "based on your (KOHLI's) comments that additional units will be ordered in the near future" for the Indian "Cab Sec" and the "Indian ARMY." The ARA printout of this e-mail contains handwritten notes dated October 5, 2007, which state: "Gurpreet Calls. He has finished negotiations

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for the 1" unit for \$95 K. Spares for LNA w/20% comm. He will quote at \$1650 ea for 3 pcs 20% Comm for ALL - \$1500 /per kcn for lower negotiated system cost."

16. In an e-mail dated November 9, 2007, from an ARA sales assistant to "Gurpreet Kohli" (unspecified e-mail address), the sales assistant provided KOHLI with scanned copies of the order acknowledgment and sales order for BEL. In another e-mail dated February 5, 2008, between KOHLI at [navtec@msn.com](mailto:navtec@msn.com) and an ARA sales assistant, the latter referenced the BEL purchase order number and asked KOHLI to ask "the customer" if they wanted the antenna dish painted the same color green as the positioner. KOHLI responded on that same date from [navtec@msn.com](mailto:navtec@msn.com) stating, "make it one color. OD Green." The signature block on the KOHLI's response stated: "Gurpreet Kohli Email: [navtec@msn.com](mailto:navtec@msn.com) Tel: 301-838-7621 Fx: 301-838-7622." These telephone numbers are consistent with the numbers on NAVTEC's website for the KOHLI residence at 14416 Coral Gables Way in Potomac, Maryland.

17. According to a Shipper's Export Declaration filed with the U.S. Census Bureau (and maintained in its Automated Export System database), ARA shipped the antennas and antenna positioner systems, brokered by KOHLI, to BEL on August 10, 2008. Records obtained via subpoena from Citibank disclosed a check in the amount of \$5,560.00 from ARA to NAVTEC and Gurpreet KOHLI on July 7, 2008.<sup>2</sup>

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<sup>2</sup> At the time of ARA's shipment of the items, they had neither applied for, nor received, an export license from the DDTC. A final determination from the DDTC as to whether the items fall within the USML is still pending. Your affiant has been advised that per the request of the DDTC, the Defense Technology Security Administration within the Department of Defense is currently evaluating the technical specifications of the items for a final USML category determination.



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**C. NAVTEC and Signami DCS**

18. Your affiant has reviewed records received from Signami DCS (Signami) located in Annapolis Junction, Maryland, regarding exports of their products that were brokered by Gurpreet KOHLI and NAVTEC. Among those records is a copy of a Representation Agreement, entered into on August 23, 2007, appointing NAVTEC as Signami's exclusive representative in India to negotiate and accept sales contracts and orders for Signami products and provide after-sales support. The agreement provided that NAVTEC would receive a 17.5% commission on all Signami products sold in India, and in some instances a 50/50 split on profits. The agreement was signed by Anju Kohli as the managing member of NAVTEC.

19. On April 15, 2009, Signami terminated its sales agreement with NAVTEC. In a letter to Anju KOHLI regarding the termination, the CEO specifically referenced a recent meeting that had taken place between Gurpreet KOHLI and Signami's VP of Marketing. He stated: "As you know from Gurpreet, 2008 was a good year for Signami, due in part to the value of orders we received and executed from India. We are in the final stage of collecting all funds due from BEL and will soon disburse your commission payments." In e-mails dated April 17, 2009, from the Signami CEO to various representatives of BEL, the CEO advised that his company had severed its business relationship with NAVTEC and Gurpreet KOHLI.

20. On April 19, 2010, your affiant interviewed the Director of Business Applications for Signami (hereinafter referred to as the "Director"). During this interview, the Director discussed the business relationship between Signami and NAVTEC. He stated that Signami dealt solely with Gurpreet KOHLI, who brokered and negotiated all sales of Signami products to India. He also stated that KOHLI would travel to India to negotiate the sale of Signami products to BEL. In a second

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interview on April 28, 2010, the Director stated that there was an Indian based company called RF Technologies, operated by Haridas Ghosh, that did work for Gurpreet KOHLI and his company NAVTEC. He explained that the last sale KOHLI negotiated for Signami DCS was for a \$3.2 million sale of 10 Signami products to BEL. BEL advised Signami DCS that they would need technical support in India for these products, and KOHLI arranged for RF Technologies to provide this support. The Director indicated that in 2008, KOHLI arranged for Haridas Ghosh and another representative from RF Technologies, Karam Singh, to travel to the United States to meet with KOHLI and representatives of Signami DCS to review factory testing of the products being sold to BEL.

21. CBP travel records indicate that Haridas Ghosh of New Dehli, India traveled as a nonimmigrant visitor for business to the United States on January 4, 2008, and departed for India on January 16, 2008. Your affiant has reviewed Ghosh's visa application, obtained from the Department of State. Ghosh was sponsored for this trip by NAVTEC for the purpose of attending a training program at Signami-DCS. The NAVTEC invitation, dated November 15, 2007, was directed to Ghosh on NAVTEC letterhead and signed by Anju Kohli. On his visa application, Ghosh indicated that he was employed by NAVTEC India. He listed his e-mail address as [hghosh@navtecindia.net](mailto:hghosh@navtecindia.net), and his U.S. point of contact as Gurpreet KOHLI at 301-838-7621. This telephone number is listed on the NAVTEC website and is KOHLI's residential phone.

22. Included in the documents provided by Signami are records documenting the company's sale of 7500EXL TDM Demultiplexer units to BEL and Gurpreet KOHLI's involvement in brokering that transaction on behalf of NAVTEC. These records include the DDTC license obtained by Signami for export of the products, which were classified by the DDTC as ITAR-

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controlled items under USML Category XI(b).<sup>3</sup> Also included in the records are the following:

- a. A price quotation on NAVTEC letterhead, dated September 11, 2007, for seven 7500EXL TDM Demultiplexer units, total price \$1,3330,000, sent to BEL indicating that an end-use statement would be required for the sale, and that export of the items was subject to the ITAR.
- b. A letter dated August 26, 2008, sent by Signami to BEL, copied to "Gurpreet Kohli, Navtec LLC," referencing changes that needed to be made to the original purchase order for the units.
- c. An e-mail sent by KOHLI on September 4, 2008, from the [navtec@msn.com](mailto:navtec@msn.com) account to the Signami CEO, in which he forwarded an e-mail received from BEL outlining additional technical requirements for the demultiplexer units. KOHLI requested that Signami complete the order acknowledgment for him to forward to BEL.
- d. An e-mail sent by KOHLI on September 18, 2008, from the [navtec@msn.com](mailto:navtec@msn.com) to the Signami CEO, to which he attached a copy of the Letter of Credit from BEL. KOHLI requested that a revised proforma invoice for BEL order be sent to him.
- e. Signami's final invoice to BEL, dated December 18, 2008, for units at a total price of \$1,134,000. NAVTEC was listed on the ~~on the~~ invoice as the "rep." The day before issuance of this invoice, Signami released another invoice to BEL for a companion order, also brokered by NAVTEC, for non-USML items. In a final agreement between Signami and NAVTEC dated August 7, 2009, Signami calculated NAVTEC's commission on these two orders to be \$398,667.

According to the relevant Shipper's Export Declaration, Signami shipped six EXL 7500 TDM Demultiplexer units to BEL, per DDTC license 050076286, on January 14, 2009.

**D. NAVTEC and DRS Signal Solutions**

23. Your affiant has reviewed records received from DRS Technologies, d/b/a DRS Signal Solutions (DRS), located in Gaithersburg, Maryland, involving overseas product sales

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<sup>3</sup> Category XI(b) encompasses "[e]lectronic systems or equipment specifically designed, modified, or configured for intelligence, security, or military purposes for use in search, reconnaissance, collection, monitoring, direction-finding, display, analysis and production of information from the electromagnetic spectrum and electronic systems or equipment designed or modified to counteract electronic surveillance or monitoring."

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brokered by NAVTEC and Gurpreet KOHLI. Included in the documents are records relating to company's sale of five WJ-9548 Digital FDM Demultiplexer units to BEL and the involvement of Gurpreet and Navpreet KOHLI in brokering the transaction on behalf of NAVTEC. These records include the DDTC license approving the export that lists NAVTEC as one of the consignor/freight forwarders in the United States, and classifies the product under USML Category XI(b), specifically, "electronic warfare systems." The records also include the following:

- a. An e-mail from Navpreet KOHLI, dated August 18, 2008, sent from the [navtec@msn.com](mailto:navtec@msn.com) account to the international sales manager for DRS, with the purchase order received from BEL for the units attached. In a subsequent e-mail that same day, Navpreet KOHLI advised DRS that he needed the order acceptance and proforma invoice from DRS "immediately" and that he would "deliver to BEL and pressure them to open LC [letter of credit] immediately."
- b. An e-mail, dated September 9, 2008, sent by a DRS representative to Gurpreet KOHLI at the [navtec@msn.com](mailto:navtec@msn.com) account. The representative indicated that DRS had received BEL's letter of credit, but wanted KOHLI to obtain a revised end-user statement from BEL prior to shipment.
- c. An e-mail, dated September 25, 2008, sent to DRS by Gurpreet KOHLI from the [navtec@msn.com](mailto:navtec@msn.com) account, with the end-user statement from BEL attached. In a responsive e-mail that same day, DRS Director of Contracts thanked KOHLI and advised him that the company was "working on your consultant agreement."

According to the relevant Shipper's Export Declaration, and an Air Waybill provided by Signami, the WJ-9548 units were ultimately shipped to BEL, per DDTC license number 050079653, on October 13, 2008, via a freight forwarder.

24. Also included in the records provided by DRS were documents relating to the company's pending sale of eight SI-9135-4 tuners to the Defence Electronics Research Laboratory (DI.RL.) in Hyderabad, India, with the assistance of Gurpreet KOHLI acting on behalf of NAVTEC. According to public internet databases, DLRL is actively involved in the design and development

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of integrated electronic warfare systems for the Indian Armed Forces. The DRS records relating to this pending sale include the following:

a. An e-mail from Gurpreet KOHLI, dated September 22, 2009, sent from the [navtec@msn.com](mailto:navtec@msn.com) account to a DRS representative, with an end-use statement attached. The statement indicated that DLRL would be obtaining eight SI-9135-4 tuners for use by the Center for Airborne Systems (CABS) in Bangalore in connection with their "Airborne Early Warning & Control (AEW&C) Programme."<sup>4</sup> Also attached was a Department of State Form 83 (DSP-83) - Nontransfer and Use Certificate - certifying the end-user and end-use of the items, and the limitations placed on the end-user (AEW&C) and foreign consignee (DLRL) regarding re-export or resale of the items. In his e-mail message, KOHLI asked the DRS representative to review the documents and advise if any changes needed to be made so that DLRL could then finalize the documents and send them back with original signatures.

b. An e-mail, dated October 13, 2009, from Gurpreet KOHLI, using the [navtec@msn.com](mailto:navtec@msn.com) account, sent to a DRS representative stating: "Yesterday DLRL received the sanction. The Purchase order will be made/signed by DLRL today. The EUS and DSP-83 will be signed by CABS only after the PO is made. Hence it will take a couple of days more to get signatures on them. DLRL will fax the purchase order directly to DRS tomorrow morning. The Original PO along with the EUS and DSP will be couriered with in a week."

c. An e-mail, dated October 23, 2009, with attached scanned copies of the final end-user statement and DSP-83 for the DLRL order, which was forwarded to the DRS representative handling the order. The e-mail contained the message: "I am attaching scanned copy of signed EUS and DSP83 for DRS Tuners. Originals in mail from DLRL." The sender of the e-mail was "NAVTEC Kohli [[navtec@msn.com](mailto:navtec@msn.com)]. In a responsive e-mail dated October 27, 2009, the DRS representative stated, "Thanks Gurpreet!"

d. A copy of a handwritten DSP-83 form, signed by KOHLI on November 12, 2009, that was submitted to DRS and signed by its Director of Contracts on November 17, 2009. The DSP-83 references the DLRL purchase order for eight SI-9135-4 tuners and related items for a total price of \$130,600. Under the signature of Gurpreet KOHLI is his handwritten name and title, "Director." The NAVTEC logo is stamped next to KOHLI's signature/title, and the following is typed in under the logo, "Navtec LLC USA."

25. On January 11, 2010, based upon an application submitted by DRS, the DDTC issued a license, number 050202327, approving the export of eight SI-9135-4 Tuners and related hardware

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<sup>4</sup> Public source information indicates that CABS is a division of the Defense Research Development Organization (DRDO), which is within the Ministry of Defense for the Government of India.

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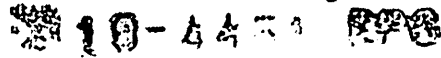
to CABS/DLRL. The items were classified by the DDTC on the license as USML Category XI(c).<sup>5</sup> NAVTEC's branch office in India was listed as the foreign intermediate consignee; NAVTEC in Maryland was listed as one of the consignors/freight forwarders in the United States. Shipment of the order was delayed due to DLRI's failure to timely obtain a letter of credit to pay for the order, and due to a subsequent change in the designated freight forwarder. As a result, DRS was required to obtain an amended license from the DDTC, which it did on March 22, 2010 (license number 060015687). A further review of the records provided by DRS indicates that KOHLI, utilizing the [navtec@msn.com](mailto:navtec@msn.com) account, continued to broker the tuner transaction between DRS and DLRI through March 2010, despite the fact that NAVTEC's broker registration had expired on January 31, 2010. According to the Air Waybill provided to your affiant by DRS, and the relevant Shipper's Export Declaration, the eight SI-9135-4 Tuners and related hardware were ultimately shipped to CABS/DLRL on June 18, 2010, via a freight forwarder.

26. In March 2010, KOHLI, through his [navtec@msn.com](mailto:navtec@msn.com) account, forwarded to DRS a request for quote from the Electronics Corporation of India Limited (ECIL) for purchase of DRS wideband recorders. According to public source information, ECIL is affiliated with the Government of India's Department of Atomic Energy. On March 10, 2010, KOHLI sent an e-mail to a DRS employee with an attachment from ECIL for their requirements for the product. In his e-mail, KOHLI stated: "They expect to expedite this tender with quick turnaround from MoD.<sup>6</sup> Please have your experts look at specs and advise if we could be fully compliant." On March 11, the DRS

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<sup>5</sup> Category XI(c) encompasses components, parts, accessories, attachments, and associated equipment specifically designed or modified for use with electronic equipment and/or systems configured for military applications as set forth in Category XI(a) and Category XI(b).

<sup>6</sup> "MoD" a common abbreviation in India for its Ministry of Defense.



representative responded to KOHLI in a series of e-mails identifying the appropriate DRS product that would meet ECIL's requirements. In his responsive e-mails, KOHLI indicated: "We can work with this," and advised that MoD was on a "short fuse." On March 12, 2010, the DRS employee e-mailed KOHLI the technical guide for a DRS Eagle Xpress Signal Recorder, which contains an export statement declaring that the technical data contained therein is controlled for export under the ITAR.<sup>7</sup> On March 16, 2010, KOHLI sent an e-mail to the DRS representative asking that he provide a write-up on the product, "[o]therwise they will send question after question." Since that time, KOHLI has continued to engage in e-mail discussions with DRS about the appropriate specifications and pricing for the product. On October 10, 2010, he advised the DRS representative that he had requested an extension on the bid, but his "humble opinion" was that DRS bid it directly to ECIL. He asked the DRS representative to let him know when they could meet, and attached ECIL's request for quote to his e-mail message.

27. DRS has advised your affiant that since June 2010, KOHLI has been attempting to renew NAVTEC's international representative agreement with the company. He has been contacting various DRS employees about the matter and inferring to them that he has generated new clients interested in purchasing DRS products. On June 24, 2010, KOHLI met with a DRS representative and provided him with specifications for a new requirement that the representative understood to be from the Indian Army. KOHLI asked that DRS provide its product specifications so that the order could be sourced out to them. On September 1, 2010, KOHLI telephonically contacted the same DRS representative and advised that a DLRL employee was in the United States and would be

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<sup>7</sup> The DDTC recently confirmed that the DRS Eagle Xpress Signal Recorder technical guide is ITAR controlled as it references technical data regarding a USML item.

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meeting with KOHLI on September 3rd. KOHLI indicated his desire to arrange a meeting between the DRS representative and the DLRL employee. He stated that the purpose of the meeting would be to discuss DLRL's interest in procuring additional SI-9135 tuners and WB recorders for an airborne application. He also indicated that the DLRL employee was on DLRL's tech review committee and might have some influence on another tender submitted to DRS for microwave tuners. KOHLI stated that the DLRL contingent was upset that DRS had not provide specifications on that microwave tender.

28. In September 2010, DRS legal counsel sent KOHLI an International Intermediary Application Form for completion in connection with possible renewal of NAVTEC's representative agreement. In October 2010, KOHLI telephonically contacted the DRS sales representative with whom he had been corresponding in June and September. KOHLI questioned the representative agreement provided to him by DRS and stated that he did not understand why he had to start this process all over again. KOHLI complained that his relationships in India with DLRL, DRDO, and ECIL were in jeopardy because of DRS's lack of support and responsiveness to new business opportunities over the past year. KOHLI stated that ECIL had already begun sending its requirements and specifications out to other companies.

29. On October 27, 2010, KOHLI sent DRS his completed application for a representative agreement, along with his resume and the Maryland incorporation records for NAVTEC. These documents have been provided by DRS to your affiant. KOHLI made the following statements/representations, among others, in response to questions on the DRS application:

- he is the 100% owner of NAVTEC;
- the current board of directors for NAVTEC consists of Gurpreet ("Managing



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Member”), Navpreet (“Director”), and Aneet (“Finance”) KOHLI, and no other individuals exercise control over, or have a beneficial interest in, the company;

- NAVTEC employs a technical consultant in India by the name of K. Nageswara Rao;
- NAVTEC is engaged in “marketing and technical assistance in the sales of defense electronics in India,” and “expansion on behalf of the US Manufacturer’s of Defense Electronics products;”
- all customers will be the India Ministry of Defense and Ministry of Home Affairs;
- the answer “No” in response to the question, “Are you or any Principal an employee, officer, representative, consultant, or advisor of any government, any agency or instrumentality of any government, any government-controlled enterprise, or any public international organization, or do you or any principal hold any office with or have any official duties for, or are you or any principal otherwise in a position to influence or provide services for any government, agency or instrumentality, government-controlled entity, or public international organization?”;
- all relationships with policy-making officials in government/military and industry are “purely business related to address technical solutions;”
- registered as a broker with DDTC from 2003 until January 2010, but not currently registered - “we will submit registration application again;”
- while NAVTEC does not have a written code, procedure, or policy addressing export compliance, they “train everyone to follow USA Export Compliance standards. We have had personnel attend USA Export Compliance classes, often provided by our principals like DRS.”

On his resume, KOHLI listed his past employment as follows: “NAVTEC as the Technical Sales and Marketing Principal from 2002 to Present; BAE Systems from 2000-2002; Boonton Electronics Corporation 1994-2000.” KOHLI omitted that he has been employed at Northrop Grumman since 2003.

**E. Interviews and Statements**

30. KOHLI’s Top Secret security clearance is required to be reviewed and renewed every five years by the Office of Personnel Management (OPM). OPM is an independent federal agency

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responsible for overseeing all aspects of the federal government's workforce, including management of security clearances, which are investigated by the Federal Investigative Services Division of OPM. On May 19, 2010, KOHLI submitted an Electronic Questionnaire for Investigations Processing (e-QIP) to OPM for renewal of his security clearance. Section 13A of the e-QIP requests that the applicant list all employment activities for the last 7 years, including full-time and part-time work, paid or unpaid, consulting/contracting work, all military service duty locations, self-employment, other paid work, and all periods of unemployment. In this section of the form, KOHLI listed prior employment as a "Consultant" with NAVTEC from 04/2003 to 08/2003. He signed the certification page on the e-QIP, which states:

My statements on this form, and on any attachments to it, are true, complete, and correct to the best of my knowledge and belief and are made in good faith. I have carefully read the foregoing instructions to complete this form. I understand that a knowing and willful false statement on this form can be punished by fine or imprisonment or both (18 U.S.C. 1001). I understand that intentionally withholding, misrepresenting, or falsifying information may have a negative effect on my security clearance, employment prospects, or job status, up to and including denial or revocation of my security clearance, or my removal and debarment from Federal service."

KOHLI made an identical representation on the e-QIP he submitted on November 1, 2005, in connection with his prior security clearance renewal. This form was also signed pursuant to a false statement certification.

31. As part of his 2005 background investigation, KOHLI was interviewed on February 22, 2007, under oath, by an OPM investigator. During this interview, KOHLI stated that his spouse was the owner of NAVTEC, which was formed in November 2002. He stated that he had never been an employee of the company, and his name never appeared on the corporate roles. He confirmed that he had worked as an independent consultant for NAVTEC from 04/2003 to 08/2003. He stated that:

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he stopped doing consulting work for NAVTEC upon being hired by Northrop Grumman. He stated that since NAVTEC is a family business, he continues to review contracts and do accounting work for the company on weekends and in the evenings. Though he had never submitted invoices for these services, he was being paid an average of \$40,000-\$50,000 a year for these services via 1099 forms to keep the "IRS happy." KOHLI stated that he had only documented employment with NAVTEC from 04/2003 to 08/2003 on the e-QIP because that was the only period that he was employed by the company.

[REDACTED]

<sup>8</sup> This interview, along with the interview of Anju Kohli and a subsequent interview of Navpreet Kohli, were represented to the parties to be in connection with Navpreet Kohli's application to the FBI for a position as an Intelligence Analyst.

KOHLI stated that NAVTEC represented; his contacts with these companies were indirect. KOHLI stated it was able to link its buyers and sellers. KOHLI stated that his wife made contacts with the U.S. Nageswara Rao, who obtained requests for proposals. NAVTEC would receive commissions when these Indian buyers. Rather, his wife had two NAVTEC representatives in India, Haridas Ghosh and Indian Ministry of Defense. KOHLI stated that neither he nor his wife had any direct contact with between U.S. companies and Indian buyers, who consisted of foreign military members from the KOHLI stated that NAVTEC dealt exclusively in the Indian market and acted as an intermediary business that represented U.S. companies selling radio frequency surveillance products to India. having him take over the business in the future. KOHLI described NAVTEC as a defense services KOHLI indicated that he used his son, Navpreet, to help with the business with an eye towards KOHLI advised that NAVTEC was a family business that operated out of the family residence.

33. On September 7, 2010, your affiant and Agent Boyle interviewed Gurpreet KOHLI.<sup>8</sup>

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that NAVTEC was set up to be a business run by his wife, but sometimes he and his son helped out by looking over Requests for Proposals (RFPs).

34. KOHLI acknowledged during the interview that the surveillance products being brokered by NAVTEC were ITAR controlled and required a license to be shipped to India. As such, NAVTEC was required to be registered with the State Department and have a brokering license. KOHLI indicated that the license was with his wife, but he was listed on the registration because he did record keeping for her. He stated that his duties with NAVTEC included maintaining accounting, doing technical evaluation, and keeping contract information together. He stated that his wife was the sole proprietor of the company, and he was just the "hired help." KOHLI indicated that though he traveled all over the world as part of his employment with Northrop Grumman, he did not deal directly with foreign government or military officials; he only met with U.S. government representatives. He stated that his involvement with NAVTEC did not present a conflict of interest with his Northrop Grumman employment because NAVTEC's dealings were in a very small market of RF technology, and his work with Northrop Grumman involved major airplane platforms.

35. KOHLI indicated that he was paid for his consulting services with NAVTEC after the company started making money. He recalled that in 2008, he made approximately \$150,000. Both he and his sons were also paid monies out of the NAVTEC bank account in exchange for their services. KOHLI estimated that he paid Navpreet approximately \$12,000 out of the NAVTEC account. KOHLI stated that since his separation from his wife in August 2009, he has not performed any work for NAVTEC because it is his wife's company and in her name. As part of the divorce settlement, his wife offered the company to him. KOHLI stated that he has not decided yet whether to continue the business. The company's brokering license was not renewed for 2010. KOHLI

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confirmed that he and his son traveled to India in August 2007 to explore different parts of the country. KOHLI described it as a father and son trip for pleasure. He stated that neither he nor his son conducted any business on behalf of NAVTEC while in India.

36. On November 1, 2010, KOHLI was interviewed, under oath, by an OPM investigator in connection with the current OPM background investigation for his security clearance. The substance of the interview was reduced to an affidavit that KOHLI signed under oath. During this interview, KOHLI provided the following information concerning his involvement with NAVTEC. He stated that he had previously operated a business called NAVTEC when he resided in Irvine, California, that involved importing electronic test equipment and related accessories from India, Korea and Taiwan. The business ended when KOHLI moved to New Jersey in May 1994, but was reestablished in November 2002 by his spouse, Anju Kohli, who was the sole owner. KOHLI's name did not appear on any corporate documents. KOHLI indicated that he has never been an employee of NAVTEC, but did work as an independent consultant for the company from April 2003 through August 2003, while he was looking for gainful employment. He advised that NAVTEC was a family business, and he helped his wife by doing some accounting work and looking over contracts on evenings and weekends. For these services, he was paid \$40,000 to \$50,000 annually via 1099. KOHLI reiterated that NAVTEC was his wife's company and he "only helped out as a supportive spouse." He stated that NAVTEC was "not in competition with any contracts that Northrop Grumman has or may be pursuing." He stated further, "*I have not been involved in conducting brokering activities for NAVTEC.*"

37. KOHLI advised the OPM investigator that his wife has given him NAVTEC as part of their divorce settlement. He indicated that even though he is now the listed registered agent, the

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company is "just a shell of a company in holding for my son." He stated that other than relatives in India, he has no foreign contacts or associations, continuing or otherwise, with any foreign nationals, and has not sponsored any foreign nationals into the U.S. other than his wife. KOHLI acknowledged that on his e-QIP he had indicated contact with foreign government/representatives from June 2007 to the present. He stated that these contacts have been the result of business meetings on behalf of Northrop Grumman involving the Air and Naval Attaches from the Indian Embassy in Washington, D.C. KOHLI stated that contacts with these individuals have taken place at either the Indian Embassy in Washington, the offices of Northrop Grumman, or via phone.

38. KOHLI was then asked by the OPM investigator about foreign travel. He advised that his foreign travel has consisted of business trips, paid for and arranged by Northrop Grumman, to meet with U.S. contractors and defense agencies. He stated that he did not establish any close or continuing associations with any foreign nationals encountered on these trips, nor has he established any business contacts with foreign nationals residing abroad or in the United States. KOHLI stated that a majority of his foreign travel has been for Northrop Grumman business; the remainder for family visits in Canada or India. KOHLI specifically described a trip he took to India in August 2007 as a "bonding trip" with his son Navpreet. At no time did KOHLI indicate to the OPM investigator having visited with BEL during that trip, or having engaged in brokering activities with BEL while on that trip.

### III. Evidence Found in Computers and Documents

39. Based upon your affiant's knowledge, training, experience, and participation in other investigations, and information provided by other law enforcement officers, your affiant knows that:

- a. Owners and operators of businesses, including self-employed individuals, are

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required to maintain files in accordance with state and federal regulations regarding the financial operations of the business. Corporations and Limited Liability Companies (LLCs) are required to maintain financial statements and records on all company activities. Due to federal income tax laws, owners and operators of businesses maintain their books and records for many years.

b. Items maintained by the owner/operator of a business include ledger books, telephone books, receipts, customer lists, financial statements, banking receipts and statements, legal documents, copies of filings, and correspondences, which are typically stored in both hard copy and electronic media, such as computers, personal data assistants (PDAs), and other electronic devices. These documents and files can identify co-conspirators and their participation and role in both the legal entity and any illegal activities of such businesses. Financial statements and loan applications often are more accurate than a criminal's filed income tax returns.

c. Persons engaged, or assisting, in financial and export-related crimes/businesses maintain records of their activities, such as receipts for expenditures by cash and check, bank records, contracts, notes and correspondence, and other financial and related documents, in their personal residences, place of business, or other properties under their control, such as rented storage units, and vehicles. Records of this kind are also often stored on computers and computer media. Individuals who amass proceeds from their financial and/or export-related crimes routinely attempt to conceal the existence and source of their funds by engaging in financial transactions with domestic and foreign institutions, and others, through all manner of financial instruments, including cash, cashier's checks, money drafts, traveler's checks, and wire transfers, which are also routinely maintained at the individual's residence, place of business, or other properties under the individual's control. In most cases of illegal activity, additional documentation and a "second set of books" is maintained at a separate location or private residence, most likely the residence of the corporate officers and/or owners of the company. Home computers are often used by business owners to keep track of business expenses and income. Many times, documents, materials, statements, or instrumentalities of an illegal nature are typically stored in safes within a residences to safeguard and facilitate their concealment.

40. Based upon your affiant's knowledge, training and experience, your affiant knows that searching and seizing information from computers often requires agents to seize most or all electronic storage devices (along with related peripherals) to be searched later by a qualified computer expert in a laboratory or other controlled environment. This is true because of the following:



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a. Computer files, or remnants of such files, can be recovered months or years after they have been downloaded onto a hard drive, deleted or viewed via the Internet. Electronic files downloaded to a hard drive can be stored for years at little or no cost, and if deleted, can be recovered using readily-available forensics tools. When a person "deletes" a file on a computer, the data contained in the file does not actually disappear, but instead, remains on the hard drive until it is overwritten by new data. Therefore, deleted files, or remnants of deleted files, may reside in free space or slack space - that is, in space on the hard drive that is not allocated to an active file or that is unused after a file has been allocated to a set block of storage space - for long periods of time before they are overwritten. In addition, a computer's operating system may also keep a record of deleted data in a "swap" or "recovery" file. Similarly, files that have been viewed via the Internet are automatically downloaded into a temporary Internet directory or "cache." The browser typically maintains a fixed amount of hard drive space devoted to these files, and the files are only overwritten as they are replaced with more recently viewed Internet pages. Thus, the ability to retrieve residue of an electronic file from a hard drive depends less on when the file was downloaded or viewed than on a particular user's operating system, storage capacity, and computer habits.

b. Computer storage devices (like hard disks, diskettes, tapes, laser disks) can store the equivalent of millions of pieces of information. A suspect may try to conceal criminal evidence by storing it in random order with deceptive file names. This may require searching authorities to examine all the stored data to determine which particular files are evidence or instrumentalities of crime. This sorting process can take weeks or months depending on the volume of data stored, and it would be impractical and invasive to attempt this kind of data search on-site.

c. Searching computer systems for criminal evidence is a highly technical process requiring expert skill and a properly controlled environment. The vast array of computer hardware and software available requires even computer experts to specialize in some systems and applications, so it is difficult to know before a search which expert is qualified to analyze the system and its data. Data search protocols are exacting scientific procedures designed to protect the integrity of the evidence and to recover even "hidden," erased, compressed, password-protected, or encrypted files. Because computer evidence is vulnerable to inadvertent or intentional modification or destruction (either from external sources or from destructive code imbedded in the system as a "booby trap"), a controlled environment may be necessary to complete an accurate analysis. Such searches often require the seizure of most or all of a computer system's input/output peripheral devices, related software, documentation, and data security devices (including passwords) so that a qualified computer expert can accurately retrieve the systems data in a laboratory or other controlled environment.

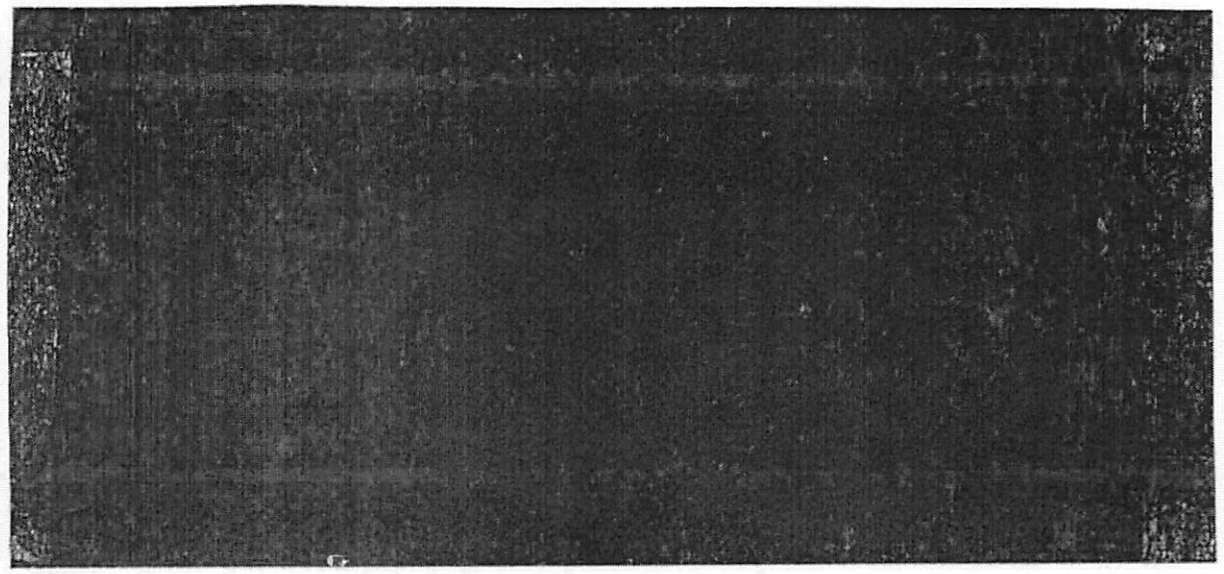
41. Every attempt will be made to do on-site searching and copying of the computer hardware recovered pursuant to the warrant for the KOHLI residence. However, in light of the issues

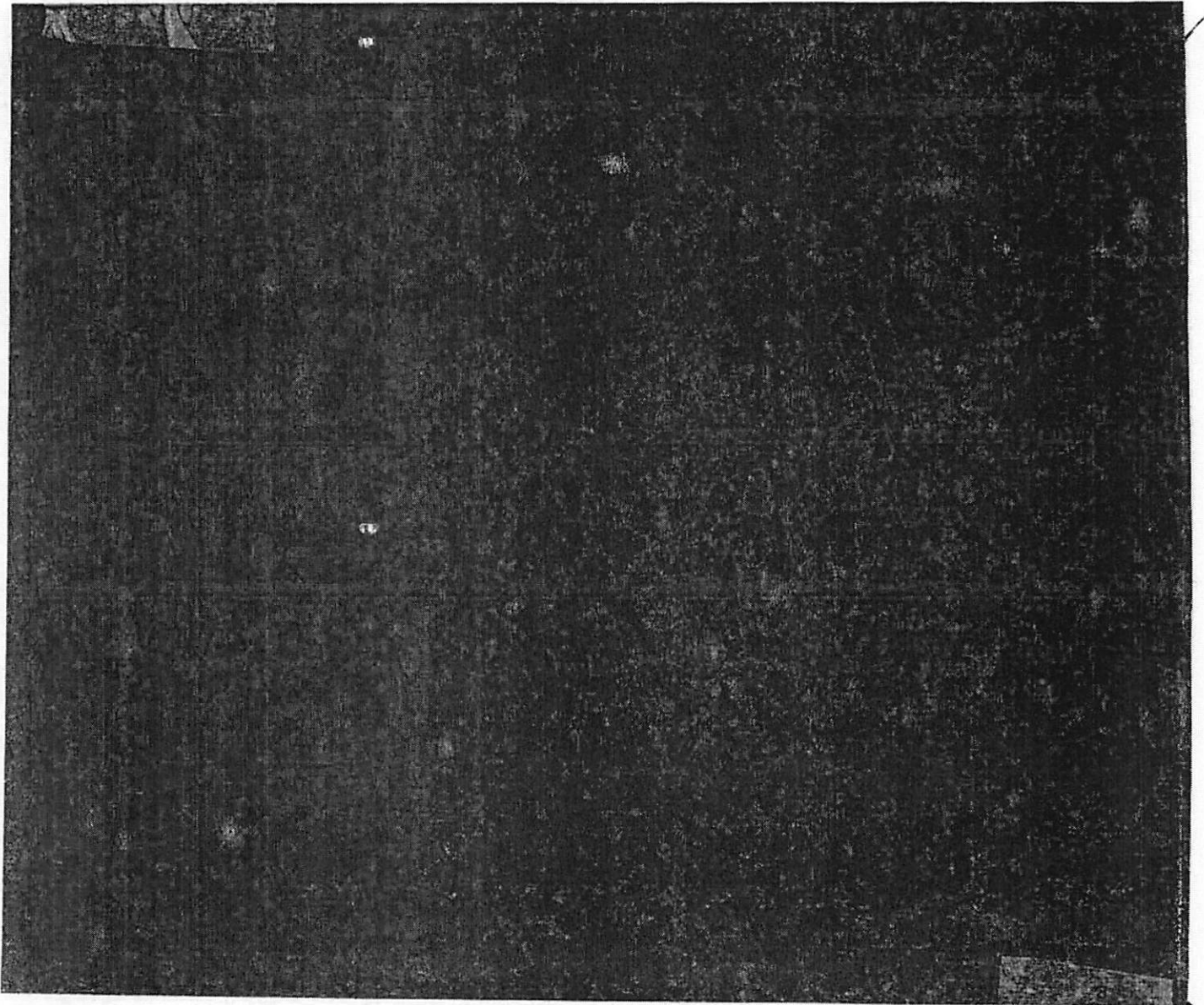
enumerated above, your affiant requests the Court's permission to seize the computer hardware (and associated peripherals) that are believed to contain some or all of the evidence described in the warrant, and conduct an off-site search of the hardware for relevant evidence if, upon arriving at the scene, the agents executing the search conclude that it would be impractical to search the computer hardware on-site for this evidence. Any search of the computer hardware will be conducted in accordance with the procedure set forth in Attachment D.

IV. Conclusion

42 Based on the facts set forth herein, it is your affiant's belief that there is probable cause to believe that within the residence of Gurpreet KOHL, which is also the business location of NAVTEC as identified herein, [REDACTED]

evidence, fruits and instrumentalities of the following violations will be found: false statement in violation of 18 U.S.C. § 1001; obstructing an agency proceeding in violation of 18 U.S.C. § 1505, and attempted willful brokering of defense articles and services without a license in violation of 22 U.S.C. § 2278.

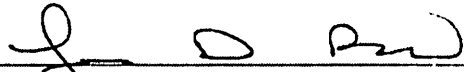




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Your affiant has signed this document under oath as to all assertions and allegations contained herein and states that its contents are true and correct to the best of her knowledge.



Leslie D. Brooks, Special Agent  
Homeland Security Investigations  
Immigration and Customs Enforcement

Subscribed and sworn to me on this 19<sup>th</sup> day of November, 2010.



Beth P. Gesner  
United States Magistrate Judge  
District of Maryland