

Judge James L. Robart

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AT SEATTLE  
CLERK U.S. DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON



09-CR-00185-ORD

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

CHUNG PO LIU,

Defendant.

NO. CR09-185JLR

PLEA AGREEMENT

The United States of America, by and through Jenny A. Durkan, United States Attorney for the Western District of Washington, Norman M. Barbosa, Assistant United States Attorney for said District, and John C. Odell, Special Assistant United States Attorney for said District, and Defendant, Chung Po Liu, and Defendant's attorney, John Lundin, enter into the following Agreement, pursuant to Federal Rule of Criminal Procedure 11(c):

1. Waiver of Indictment. Defendant, having been advised of the right to be charged by Indictment, agrees to waive that right and enter pleas of guilty to the charges brought by the United States Attorney in a Superseding Information.

2. The Charges. Defendant, having been advised of the right to have this matter tried before a jury, agrees to waive that right and enter a plea of guilty to the following charges contained in the Superseding Information: *Entry of Goods By Means of False Statements*, as charged in Count One, in violation of 18 U.S.C. §§ 542 and 2; and

1 *Misdemeanor Introduction of Adulterated Food Into Interstate Commerce*, as charged in  
2 Count Two, in violation of 21 U.S.C. §§ 331(a), 333(a)(1), 342(a)(2)(C)(i).

3 By entering these pleas of guilty, Defendant hereby waives all objections to the  
4 form of the charging document and venue. Defendant further understands that before  
5 entering Defendant's pleas of guilty, Defendant will be placed under oath. Any statement  
6 given by Defendant under oath may be used by the United States in a prosecution for  
7 perjury or false statement.

8 3. Elements of the Offenses.

9 a. The elements of the offense of *Entry of Goods By Means of False*  
10 *Statements*, as charged in Count One of the Superseding Information, are as follows:

11 First: The defendant entered or introduced, or attempted to enter or  
12 introduce, into the commerce of the United States, any imported  
merchandise;

13 Second: The defendant did so by means of any fraudulent or false invoice,  
14 declaration, affidavit, letter, paper, or by means of any false  
statement, written or verbal; and

15 Third: The defendant was without reasonable cause to believe the truth of  
16 such statement, or procured the making of any such false statement as  
to any matter material thereto without reasonable cause to believe the  
17 truth of such statement.

18 b. The elements of the offense of *Misdemeanor Introduction of*  
19 *Adulterated Food Into Interstate Commerce*, as charged in Count Two of the Superseding  
20 Information, are as follows:

21 First: Defendant, on behalf of Rainier Cascade and Evergreen Produce,  
22 introduced and delivered for introduction into interstate commerce, or  
aided and abetted such introduction and delivery, or attempted to  
introduce and deliver for introduction into interstate commerce

23 Second: A food product containing an unsafe food additive.

24 4. The Penalties.

25 a. Defendant understands that the statutory penalties for *Entry of Goods*  
26 *By Means of False Statements*, as charged in Count One of the Superseding Information,  
27 in violation of 18 U.S.C. § 542 are as follows: imprisonment for up to two (2) years, a  
28 fine of up to two hundred fifty thousand dollars (\$250,000), a period of supervision

1 following release from prison of up to one (1) year, and a one hundred dollar (\$100)  
2 penalty assessment.

3           b. Defendant understands that the statutory penalties for *Misdemeanor*  
4 *Introduction of Adulterated Food Into Interstate Commerce*, as charged in Count Two of  
5 the Superseding Information, in violation of 21 U.S.C. §§ 331(a), 333(a)(1),  
6 342(a)(2)(C)(i), are as follows: a term of imprisonment of not more than one (1) year, a  
7 fine of up to one thousand dollars (\$1,000), a period of supervision following release from  
8 prison of up to one (1) year, and a twenty-five dollar (\$25) special penalty assessment.

9           If Defendant receives a sentence of probation, the probationary period could be up  
10 to five (5) years. Defendant agrees that the special assessment shall be paid at or before  
11 the time of sentencing.

12           Defendant understands that supervised release is a period of time following  
13 imprisonment during which Defendant will be subject to certain restrictions and  
14 requirements. Defendant further understands that if supervised release is imposed and  
15 Defendant violates one or more of its conditions, Defendant could be returned to prison for  
16 all or part of the term of supervised release that was originally imposed. This could result  
17 in Defendant serving a total term of imprisonment greater than the statutory maximum  
18 stated above.

19           Defendant understands that in addition to any term of imprisonment and/or fine that  
20 is imposed, the Court may order Defendant to pay restitution to any victim of the offense,  
21 as required by law. Defendant further understands that a consequence of pleading guilty  
22 may include the forfeiture of certain property either as a part of the sentence imposed by  
23 the Court, or as a result of civil judicial or administrative process.

24           Defendant agrees that any monetary penalty the Court imposes, including the  
25 special assessment, fine, costs or restitution, is due and payable immediately, and further  
26 agrees to submit a completed Financial Statement of Debtor form as requested by the  
27 United States Attorney's Office.

1           5.     Rights Waived by Pleading Guilty. Defendant understands that by pleading  
2 guilty, Defendant knowingly and voluntarily waives the following rights:

3                 a.     The right to plead not guilty and to persist in a plea of not guilty;

4                 b.     The right to a speedy and public trial before a jury of Defendant's  
5 peers;

6                 c.     The right to the effective assistance of counsel at trial, including, if  
7 Defendant could not afford an attorney, the right to have the Court appoint one for  
8 Defendant;

9                 d.     The right to be presumed innocent until guilt has been established  
10 beyond a reasonable doubt at trial;

11                e.     The right to confront and cross-examine witnesses against Defendant  
12 at trial;

13                f.     The right to compel or subpoena witnesses to appear on Defendant's  
14 behalf at trial;

15                g.     The right to testify or to remain silent at trial, at which trial such  
16 silence could not be used against Defendant; and

17                h.     The right to appeal a finding of guilt or any pretrial rulings.

18           6.     United States Sentencing Guidelines. Defendant understands and  
19 acknowledges that, at sentencing, the Court must consider the sentencing range calculated  
20 under the United States Sentencing Guidelines, together with the other factors set forth in  
21 Title 18, United States Code, Section 3553(a), including: (1) the nature and circumstances  
22 of the offenses; (2) the history and characteristics of the defendant; (3) the need for the  
23 sentence to reflect the seriousness of the offenses, to promote respect for the law, and to  
24 provide just punishment for the offenses; (4) the need for the sentence to afford adequate  
25 deterrence to criminal conduct; (5) the need for the sentence to protect the public from  
26 further crimes of the defendant; (6) the need to provide the defendant with educational and  
27 vocational training, medical care, or other correctional treatment in the most effective  
28 manner; (7) the kinds of sentences available; (8) the need to provide restitution to victims;

1 and (9) the need to avoid unwarranted sentence disparity among defendants involved in  
2 similar conduct who have similar records. Accordingly, Defendant understands and  
3 acknowledges that:

4 a. The Court will determine Defendant's applicable Sentencing  
5 Guidelines range at the time of sentencing;

6 b. After consideration of the Sentencing Guidelines and the factors in  
7 18 U.S.C. 3553(a), the Court may impose any sentence authorized by law, up to the  
8 maximum term authorized by law;

9 c. The Court is not bound by any recommendation regarding the  
10 sentence to be imposed, or by any calculation or estimation of the Sentencing Guidelines  
11 range offered by the parties or the United States Probation Department, or by any  
12 stipulations or agreements between the parties in this Plea Agreement; and

13 d. Except as provided in paragraph 13 below, Sentencing  
14 Recommendation, Defendant may not withdraw a guilty plea solely because of the  
15 sentence imposed by the Court.

16 7. Ultimate Sentence. Defendant acknowledges that no one has promised or  
17 guaranteed what sentence the Court will impose.

18 8. Restitution. Defendant shall make restitution to the United States in the  
19 amount of four hundred thousand dollars (\$400,000.00), with credit for any amounts  
20 already paid. Said amount shall be due and payable immediately and shall be paid in  
21 accordance with a schedule of payments as proposed by the United States Probation Office  
22 and ordered by the Court.

23 Defendant further agrees to provide a truthful proffer regarding all of Defendant's  
24 assets and to make a full and complete disclosure of all assets in which Defendant has any  
25 interest or over which Defendant exercises control and those which are held or controlled  
26 by a nominee(s). Defendant further agrees to submit to a polygraph examination on the  
27 issue of assets if it is deemed necessary by the United States.

1       9.     Forfeiture.

2       Defendant agrees to forfeit to the United States immediately all of Defendant's  
3 right, title, and interest in any and all property, real or personal, constituting, or derived  
4 from, proceeds the Defendant obtained directly or indirectly, as the result of the offense  
5 charged in Count One of the Superseding Information, including the following assets:

6             a.     CBP Seizure Number - 2008300100006701 - Seized from Defendant  
7 at Pure Foods in Sultan, Washington- currently located at the VSE storage facility in  
8 Riverside, California - total of 66 Barrels of honey. (Original Customs Entry Number  
9 555-03833745);

10            b.     CBP Seizure Number 2008300100006801 - Seized from Defendant  
11 at Terminal 18 in Seattle, Washington- currently being held at the Chipman storage facility  
12 in Kent, Washington - total of 264 Barrels of honey that had entered into General Order  
13 Status;

14            c.     CBP Seizure Number 2008300100006901 - Seized from Defendant -  
15 currently located at the Chipman storage facility in Kent, Washington - total of 264  
16 Barrels of honey (Original Customs Entry Number 555-03833745);

17            d.     CBP Seizure Number 2008300200000601 - Seized from Defendant -  
18 currently located at the Chipman storage facility in Kent, Washington - total of 198  
19 Barrels of honey. (Original Customs Entry Number 555-03841292); and

20            e.     A money judgment in the amount of \$400,000.00.

21       Defendant agrees that each of the listed assets constituted, or was derived from,  
22 proceeds the Defendant obtained directly or indirectly, as the result of the offense charged  
23 in Count One of the Superseding Information.

24       Defendant agrees to fully assist the United States in the forfeiture of the listed  
25 assets and to take whatever steps are necessary to pass clear title to the United States,  
26 including but not limited to: surrendering title and executing any documents necessary to  
27 effectuate such forfeiture; assisting in bringing any assets located outside the United States  
28 within the jurisdiction of the United States; and taking whatever steps are necessary to

1 ensure that assets subject to forfeiture are not sold, disbursed, wasted, hidden, or otherwise  
2 made unavailable for forfeiture. Defendant agrees not to file a claim to any of the listed  
3 property in any civil forfeiture proceeding, administrative or judicial, which may be  
4 initiated.

5 Defendant agrees that the shipments of honey listed above in paragraph 9(a)  
6 through 9(d) have no current value and, on the basis of the forfeiture of these shipments of  
7 honey, Defendant will receive no credit towards the money judgment in paragraph 9(e) or  
8 any restitution order imposed by the Court.

9 With respect to the money judgment listed in paragraph 9(e), Defendant agrees to  
10 liquidate his interest in real property described as Snohomish County parcel number  
11 27061900100600, together with its buildings, improvements, appurtenances, fixtures,  
12 attachments and easements, more particularly described as:

13 Portion of NE 1/4 of NE 1/4 and portion of SE 1/4 of the NE 1/4 of Sec. 19, T27N,  
14 R6E, WM, a/k/a portion of Parcel D, BLA Recording No. 9603070487  
15 within two (2) years of the acceptance of this Plea Agreement by the Court, and the  
16 signing of the Judgment and Commitment which implements this Plea Agreement.  
17 Defendant shall apply all the proceeds of the sale of said real property towards the money  
18 judgment listed under paragraph 9(e) if the net proceeds are equal to or less than said  
19 money judgment; if the proceeds are greater than the judgment, then Defendant shall apply  
20 funds from the sale sufficient to pay off the money judgment.

21 The parties agree that if Defendant fails to apply the proceeds of any sale of the  
22 above real property towards the money judgment listed in paragraph 9(e), this shall  
23 constitute a breach of the Plea Agreement pursuant to paragraph 16 of this Agreement.  
24 Defendant understands that in such an event, the United States will be relieved of its  
25 obligations under this agreement and Defendant may be prosecuted for all offenses for  
26 which the United States has evidence, but Defendant may not withdraw his guilty plea.  
27 Defendant agrees not to oppose any steps taken by the United States to find him in breach  
28 of this Plea Agreement, including the filing of a motion to declare a breach of the Plea

1 Agreement. Defendant also agrees that if Defendant is in breach of this Plea Agreement,  
2 Defendant has waived any objection to the reinstatement of any charges in the Superseding  
3 Indictment that were previously dismissed or any additional charges that had not been  
4 prosecuted.

5 Defendant also understands that if the proceeds of the sale of the above real  
6 property fail to satisfy the full amount of the money judgment listed in paragraph 9(e), the  
7 United States retains all rights to pursue the collection of the money judgment in  
8 accordance with Federal law, which may include proceeding against any remaining assets  
9 not identified in this Plea Agreement, including any real or personal property in which  
10 Defendant has any interest or control.

11 The parties agree that any money forfeited to the government under paragraph 9(e)  
12 shall be credited towards any restitution obligations ordered by the Court in this case.

13 10. Statement of Facts. The parties agree on the following facts. Defendant  
14 admits he is guilty of the charged offenses.

15 Defendant, CHUNG PO LIU is a United States citizen living in King County,  
16 Washington. Defendant is the owner of RAINIER CASCADE, INC. and EVERGREEN  
17 PRODUCE, INC. These two companies that were owned and controlled by Defendant,  
18 were engaged in the business of importing honey and other products from various Asian  
19 countries including China, into the United States between the early 1990's and 2009. The  
20 United States began requiring the deposit of estimated anti-dumping duties of between  
21 183% and 221% on all non-exempt honey of Chinese origin beginning in 2001. Since the  
22 United States began assessing an anti-dumping duty for honey imported from China,  
23 neither RAINIER CASCADE nor EVERGREEN PRODUCE, have declared China as the  
24 country of origin of any of their honey imports.

25 Changge Jixiang Bee Products Company, Ltd., ("Changge") is a honey  
26 manufacturer, located in Henan, China. Changge is affiliated with two holding companies,  
27 Henan Yufengyuan Bee Products Company, Ltd. and Yi Fung (Hong Kong) Company,  
28 Ltd. Changge and its affiliated companies are engaged in the business of manufacturing



1 honey as well as exporting Chinese honey and honey from other Asian countries to  
2 countries throughout the world including the United States. Honey produced by Changge  
3 Jixiang Bee Products Limited and its affiliated companies was never listed in the Federal  
4 Register as being exempt from U.S. anti-dumping duties. The United States did not  
5 impose anti-dumping duties on honey originating from the Philippines or Thailand.

6 Yong Xiang Yan is a citizen and national of China and the President, Chairman,  
7 and majority owner of Changge. Yong Xiang Yan, directed employees of his company to  
8 establish and carry out a transshipment scheme to transship Chinese honey through third  
9 countries without disclosing the honey is from China in order to avoid anti-dumping duties  
10 associated with Chinese honey. Boa Zhong Zhang, a citizen and national of China, was  
11 Vice President of International Trading for Changge and he was responsible for brokering  
12 sales of honey to the defendant. The Foreign Trade Manager of Changge also brokered  
13 sales of honey to the defendant. Zhang, Yan and the Foreign Trade Manager of Changge  
14 directed and facilitated the creation and operation of the honey transshipment scheme.

15 In late 2004 through the spring of 2005, Boa Zhong Zhang, operating on the  
16 instructions of Yong Xiang Yan, traveled to the Philippines and entered into an agreement  
17 with a third party who operated a company named Indigo Distribution ("Indigo") located  
18 in Subic Bay, Philippines. Under this agreement, Indigo would receive honey shipped by  
19 Changge from China, store it in the Philippines, repackage the honey to hide its Chinese  
20 origins, obtain false certificates of origin from the Philippine government showing the  
21 honey was produced in the Philippines, and ship the Chinese honey to the United States  
22 marked as a product of the Philippines. During the spring of 2005, pursuant to this  
23 agreement, Changge shipped Chinese honey to the Philippines where it was received and  
24 stored by Indigo. Further, in the spring of 2005, three shipments of Chinese honey from  
25 Changge were shipped by Indigo from the Philippines to Chicago, Illinois, to a party or  
26 parties that have no relationship to Defendant, falsely marked as a product of the  
27 Philippines. Criminal charges have been filed in Chicago as a result of these and other  
28 shipments.

1 In July or August of 2005, at Yong Xiang Yan's request, Boa Zhong Zhang met  
2 with the defendant in Beijing, China, to discuss the sale of honey and its shipment to the  
3 United States for the defendant's company. The defendant subsequently placed numerous  
4 orders for honey using purchase orders made out to Indigo or Tha Yu Inter Trading  
5 Company of Bangkok, Thailand. Defendant received signed copies of these purchase  
6 orders back from Changege via fax. This honey was initially transhipped by Changege  
7 through the Philippines. From late 2005 through April of 2008, Defendant imported a  
8 total of approximately 22 shipments of honey that was shipped by Changege, and  
9 Defendant made approximately \$200,000.00 in gross profits from the sale of the honey.  
10 Throughout this time period, Changege shipped the honey that had been sold to the  
11 defendant to the Philippines and Thailand, where the honey was then repackaged and re-  
12 labeled, so that the honey containers falsely indicated that the honey originated in the  
13 Philippines and/or Thailand. Employees and affiliates of Changege created and obtained  
14 documents to be presented to Customs upon the honey's entry into the United States to  
15 make it falsely appear that the honey originated in the Philippines or Thailand.

16 In 2006, Yong Xiang Yan instructed Boa Zhong Zhang to research transshipment  
17 opportunities through Thailand because transshipping through the Philippines was too  
18 expensive. Changege established a transshipment scheme through Thailand. Subsequently,  
19 during 2006 and 2007, using affiliates in Thailand, Changege transhipped Chinese honey to  
20 the defendant through Thailand to the United States pursuant to the purchase orders made  
21 out to Tha Yu Inter Trading Company and faxed to Defendant from China by Changege.  
22 During this time period, Defendant also purchased actual Thai honey through those  
23 purchase orders. Some shipments of Chinese honey were co-mingled with Thai honey.  
24 Boa Zhong Zhang and the Foreign Trade Manager for Changege coordinated the  
25 transshipment of several loads of Chinese honey to the United States via Thailand. In  
26 Thailand, Changege's affiliates repackaged and relabeled the honey so that the honey  
27 containers falsely indicated that the honey originated in Thailand. They also obtained false  
28 certificates of origin for the honey from the Thai government.

1 Throughout the entire time period that Defendant was purchasing honey from  
2 Changge, the defendant, Yan, Zhang and the Foreign Trade Manager for Changge all  
3 communicated regularly by e-mail, telephone, and facsimile. Several of these  
4 communications indicated that the honey shipments discussed therein originated in China,  
5 and not the Philippines or Thailand. Bao Zhong Zhang corresponded with Defendant  
6 using an email address, "indigozbz@163.com". However, Zhang never sent faxes using  
7 the letterhead of Indigo. Zhang sent Defendant faxes which had no company name or  
8 letterhead. The defendant wired payments for the honey to a bank account in China owned  
9 by YiFung (Hong Kong) Company, Ltd., a corporation in Hong Kong that was owned or  
10 controlled by Changge's Foreign Trade Manager. An acknowledgment of the money  
11 received was sent to Defendant by fax using a Changge fax form.

12 On December 20, 2006, a shipment of honey arrived under Customs and Border  
13 Protection Entry No. 555-03778809 at the Port of Tacoma, which Changge had  
14 transhipped from China, through Thailand for the defendant. The value of this shipment  
15 of honey was declared as \$93,456.00. Although some of the honey in this shipment was  
16 actual Thai honey, the majority of the honey originated in China. The defendant, through  
17 his company Rainier Cascade, was the importer of record for this shipment of honey. On  
18 November 1, 2006, prior to this shipment's arrival at the Port of Tacoma, the Foreign  
19 Trade Manager for Changge stated in a fax to Defendant that the shipment of honey had  
20 originated at the Port of Qingdao, China, and that the honey was initially being shipped to  
21 Thailand. Upon arrival of the shipment in the United States, Defendant caused his  
22 customs broker to declare the country of origin of the entire honey shipment as Thailand in  
23 order to enter the goods into the commerce of the United States. That declaration was  
24 false, and the defendant had no reasonable cause to believe the truth of this statement.  
25 Had the defendant truthfully declared the country of origin as China, the United States  
26 would have required a deposit for the antidumping duty of 221%, the goods would have  
27 been denied entry until the defendant made a cash deposit or secured a bond to cover the  
28 estimated duty, and the defendant would not have paid the deposit.

1 On February 14, 2007, a shipment of honey arrived under Customs and Border  
2 Protection Entry No. 555-03782801 at the Port of Los Angeles, which Changge had  
3 transhipped from China through the Philippines to the defendant. The value of this  
4 shipment of honey was declared as \$93,456.00. The defendant, through his company  
5 Rainier Cascade, was the importer of record for this shipment of honey. On November 29,  
6 2006, prior to this shipment's arrival in the United States, the Foreign Trade Manager for  
7 Changge notified Defendant by email that the shipment of honey had originated in China  
8 and that the honey was initially being shipped to the Philippines. Upon arrival of the  
9 shipment in the United States, Defendant caused his customs broker to declare to Customs  
10 that the country of origin of the honey was the Philippines in order to enter the goods into  
11 the commerce of the United States. That declaration was false and the defendant was  
12 without reasonable cause to believe it was true. Had the defendant truthfully declared the  
13 country of origin as China, the United States would have required a deposit for the  
14 antidumping duty of 221%, the goods would have been denied entry until the defendant  
15 made a cash deposit or secured a bond to cover the estimated duty, and the defendant  
16 would not have paid the deposit.

17 On January 16, 2008, a shipment of honey arrived under Customs and Border  
18 Protection Entry No. No. 555-03833745 at the Port of Seattle, which Changge had  
19 transhipped from China, through Thailand, for the defendant. The defendant, through his  
20 company Rainier Cascade, was the importer of record for this shipment of honey and  
21 introduced the honey in to the commerce of the United States. The Food and Drug  
22 Administration tested samples of this shipment and found the samples contained  
23 Ciprofloxacin, an antibiotic. Ciprofloxacin is man-made and does not occur in nature.  
24 Therefore, Ciprofloxacin in honey is a food additive within the meaning of Title 21,  
25 United States Code, Section 321(s). Because there is no regulation prescribing the  
26 conditions under which Ciprofloxacin may be safely used in food, nor an exemption  
27 allowing its use in food, Ciprofloxacin is an unsafe food additive, and its presence in  
28 honey causes the honey to be adulterated.

1           11.    Customs Taxes and Duties. The defendant acknowledges and agrees that, if  
2 this matter proceeded to a jury trial, the United States would be able to prove that the  
3 customs taxes and duties associated with the conduct underlying Count One of the  
4 Superseding Indictment (Conspiracy to Enter Goods Into the United States Through False  
5 Statements and to Smuggle Goods) is \$2,903,954.90, which represents the amount of  
6 customs duties that Changge Jixiang Bee Products Limited, Rainier Cascade, Evergreen  
7 Produce, and the defendant avoided by the false identification of the origin of 21 entries of  
8 honey, as being from the Philippines or Thailand, when the honey, in fact, originated in  
9 China.

10           12.    Sentencing Guidelines. The parties agree and stipulate that the following  
11 Sentencing Guidelines provisions apply to this case: a base offense level of 24, pursuant  
12 to USSG §§ 2T3.1(a)(1) and 2T4.1(J), because the amount of customs taxes and duties  
13 avoided exceeded \$2.5 million.

14           The parties agree they are free to argue the application of any other provisions of  
15 the United States Sentencing Guidelines. Defendant understands, however, that at the  
16 time of sentencing, the Court is free to reject these stipulated adjustments, and is further  
17 free to apply additional downward or upward adjustments in determining Defendant's  
18 Sentencing Guidelines range.

19           13.    Sentencing Recommendations

20           a.    As part of this Plea Agreement, the parties agree to recommend as a  
21 condition of supervised release, or probation if imposed, that during the term of  
22 supervision, Defendant is prohibited from engaging directly or indirectly in employment or  
23 activities related to the importation or exportation of honey or any other products subject  
24 to anti-dumping duties into or out of the United States of America.

25           b.    Pursuant to Rule 11(c)(1)(C) of the Federal Rules of Criminal Procedure, the  
26 parties acknowledge and agree that any sentence imposed by the Court at the time of  
27 sentencing for Count Two of the Superseding Information should run concurrent to any  
28 sentence imposed for Count One of the Superseding Information. If the sentencing court

1 rejects this agreement with regard to the appropriate sentence, both the defendant and the  
2 United States reserve the right to withdraw from this agreement pursuant to Rule  
3 11(c)(1)(C) of the Federal Rules of Criminal Procedure and to proceed to trial. No other  
4 agreement, that would bind the court upon acceptance of the Plea Agreement, has been  
5 made with regard to the imposition of the sentence in this matter, and the parties  
6 understand that the Court retains full discretion with regard to the sentencing guidelines  
7 calculations, the appropriate term of imprisonment to be imposed for Counts One or Two  
8 of the Superseding Information, the imposition of a term of supervised release, the  
9 conditions of supervised release, fines, forfeiture or restitution as may be applicable.

10 c. As part of this Plea Agreement, the United States agrees to recommend a  
11 total sentence of imprisonment of no more than twenty-four (24) months as to Count One  
12 of the Superseding Information.

13 d. As part of this Plea Agreement, the United States agrees to recommend a  
14 fine of no more than \$12,500.00.

15 14. Non-Prosecution of Additional Offenses. As part of this Plea Agreement,  
16 the United States Attorney's Office for the Western District of Washington agrees to move  
17 to dismiss the Superseding Indictment at the time of sentencing and not to prosecute  
18 Defendant for any additional offenses known to it as of the time of this agreement that are  
19 based upon evidence in its possession at this time, or that arise out of the conduct giving  
20 rise to this investigation. In this regard, Defendant recognizes the United States has agreed  
21 not to prosecute all of the criminal charges the evidence establishes were committed by  
22 Defendant solely because of the promises made by Defendant in this agreement.  
23 Defendant agrees, however, that for purposes of preparing the Presentence Report, the  
24 United States Attorney's Office will provide the United States Probation Office with  
25 evidence of all conduct committed by Defendant.

26 Defendant agrees that any charges to be dismissed before or at the time of  
27 sentencing were substantially justified in light of the evidence available to the United  
28 States, were not vexatious, frivolous or taken in bad faith, and do not provide Defendant

1 with a basis for any future claims under the "Hyde Amendment," Pub.L. No. 105-119  
2 (1997).

3 15. Acceptance of Responsibility. The United States acknowledges that if  
4 Defendant qualifies for an acceptance of responsibility adjustment pursuant to USSG  
5 § 3E1.1(a), and if the offense level is sixteen (16) or greater, Defendant's total offense  
6 level should be decreased by three (3) levels pursuant to USSG §§ 3E1.1(a) and (b),  
7 because Defendant has assisted the United States by timely notifying the authorities of  
8 Defendant's intention to plead guilty, thereby permitting the United States to avoid  
9 preparing for trial and permitting the Court to allocate its resources efficiently.

10 16. Breach, Waiver, and Post-Plea Conduct. Defendant agrees that if he  
11 breaches this Plea Agreement, the United States is relieved of its obligations under this  
12 agreement and Defendant may be prosecuted for all offenses for which the United States  
13 has evidence, but Defendant may not withdraw his guilty plea. Defendant agrees not to  
14 oppose any steps taken by the United States to find him in breach of this Plea Agreement,  
15 including the filing of a motion to declare a breach of the Plea Agreement. Defendant also  
16 agrees that if Defendant is in breach of this Plea Agreement, Defendant has waived any  
17 objection to the reinstatement of any charges in the Superseding Indictment that were  
18 previously dismissed or any additional charges that had not been prosecuted.

19 Defendant further understands that if, after the date of this agreement, Defendant  
20 should engage in illegal conduct, or conduct that is in violation of Defendant's conditions  
21 of release or confinement (examples of which include, but are not limited to: obstruction  
22 of justice, failure to appear for a court proceeding, criminal conduct while pending  
23 sentencing, and false statements to law enforcement agents, the Pretrial Services Officer,  
24 Probation Officer or Court), the United States is free under this agreement to file  
25 additional charges against Defendant or to seek a sentence that takes such conduct into  
26 consideration. Such a sentence could include a sentencing enhancement under the United  
27 States Sentencing Guidelines or an upward departure from the applicable sentencing  
28 guidelines range.

1       17.    Waiver of Appeal As part of this Plea Agreement and on the condition that  
2 the Court imposes a custodial sentence that is within or below the Sentencing Guidelines  
3 range that is determined by the Court at the time of sentencing and orders restitution that is  
4 consistent with this Plea Agreement, Defendant waives to the full extent of the law:

- 5       a.     any right conferred by Title 18, United States Code, Section 3742 to appeal  
6             the sentence, including any restitution order imposed and/or the conditions  
7             of supervised release or probation; and  
8       b.     any right to bring a collateral attack against the conviction and sentence,  
9             including any restitution order imposed, except as it may relate to the  
10            effectiveness of legal representation.

11 Furthermore, this waiver does not preclude Defendant from bringing an appropriate  
12 motion pursuant to 28 U.S.C. § 2241, to address the conditions of his confinement or the  
13 decisions of the Bureau of Prisons regarding the execution of his sentence.

14       If Defendant breaches this Plea Agreement at any time by appealing or collaterally  
15 attacking (except as to effectiveness of legal representation) the conviction or sentence in  
16 any way, the United States may prosecute Defendant for any counts, including those with  
17 mandatory minimum sentences, that were dismissed or not charged pursuant to this Plea  
18 Agreement.

19       18.    Voluntariness of Plea. Defendant agrees that Defendant has entered into this  
20 Plea Agreement freely and voluntarily, and that no threats or promises, other than the  
21 promises contained in this Plea Agreement, were made to induce Defendant to enter these  
22 pleas of guilty.

23       19.    Statute of Limitations. In the event this agreement is not accepted by the  
24 Court for any reason, or Defendant has breached any of the terms of this Plea Agreement,  
25 the statute of limitations shall be deemed to have been tolled from the date of the Plea  
26 Agreement to: (1) 30 days following the date of non-acceptance of the Plea Agreement by  
27 the Court; or (2) 30 days following the date on which a breach of the Plea Agreement by  
28 Defendant is discovered by the United States Attorney's Office.

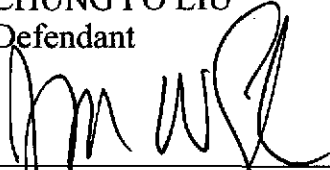


1       20.   Completeness of Agreement. The United States and Defendant  
2 acknowledge that these terms constitute the entire Plea Agreement between the parties.  
3 This agreement binds only the United States Attorney's Office for the Western District of  
4 Washington. It does not bind any other United States Attorney's Office or any other office  
5 or agency of the United States, or any state or local prosecutor.

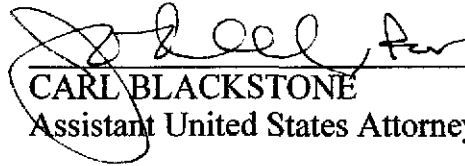
6       Dated this 26 day of August 2010.



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9 CHUNG PO LIU  
Defendant



10  
11  
12 JOHN LUNDIN  
Attorney for Defendant



13  
14  
15 CARL BLACKSTONE  
Assistant United States Attorney

16  
17  
18 NORMAN M. BARBOSA  
Assistant United States Attorney



19  
20  
21 JOHN C. ODELL  
Special Assistant United States Attorney