July 7, 2004

U.S. Department of Justice
Northern District of California
United States Attorney
11th Floor, Federal Building
M450 Golden Gate Avenue, Box 36055
San Francisco, California 94102
Tel: (415) 436-7200
Fax: (415)
436-7234

China Citizen Pleads Guilty to Unauthorized Access of a Software Company with Intent to Defraud

The United States Attorney's Office for the Northern District of California announced that Yan Ming Shan, 34, of Daqing, China, pled guilty in federal court late yesterday to a one-count indictment charging him with gaining unauthorized access to the computers of a Silicon Valley business to fraudulently obtain proprietary software programs and source code.

The maximum statutory penalty for the violation of 18 U.S.C. § 1030(a)(4) is five years of imprisonment and a fine of $250,000, plus restitution if appropriate. However, the actual sentence will be dictated by the Federal Sentencing Guidelines, which take into account a number of factors, and will be imposed in the discretion of the Court. The sentencing of Mr. Shan is scheduled before U.S. District Judge Jeremy Fogel in San Jose on September 7, 2004, at 2:30 p.m.

According to the criminal complaint and other court filings, Mr. Shan worked for 3DGeo Development, Inc., a Mountain View company that develops software used to survey land for sources of natural gas and oil from April to September 2002. 3DGeo employed Mr. Shan under an agreement with one of its customers, PetroChina, a Chinese company with a division named DaQing Oil, which arranged for its employee Mr. Shan to travel to California for training on 3DGEO's software. In pleading guilty to the indictment, Mr. Shan admitted that he gained unauthorized access to 3DGeo's computer system with an intent to defraud the company.

FBI agents arrested Mr. Shan in September 2002, as he attempted to board a flight to China. He has been held in custody as a flight risk pending trial since that time, and remains in custody pending his sentencing.

The prosecution is the result of an investigation by agents of the Federal Bureau of Investigation, and was overseen by the Computer Hacking and Intellectual Property (CHIP) Unit of the United States Attorney's Office. Kyle F. Waldinger is the Assistant U.S. Attorney who prosecuted the case.

A copy of this press release may be found on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can Related court documents and information may be found on the District Court website at www.cand.uscourts.govor on http://pacer.cand.uscourts.gov

All press inquiries to the U.S. Attorney's Office should be directed to Assistant U.S. Attorney Christopher P. Sonderby, Chief of the CHIP Unit, at (415) 308-7993, or Matthew J. Jacobs at (415) 436-7181.