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THE UNITED STATES ATTORNEY'S OFFICE  
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**Department of Justice**

U.S. Attorney's Office

Northern District of Illinois

FOR IMMEDIATE RELEASE

Tuesday, October 26, 2021

## **Chicago Tech Executive Guilty of Illegally Exporting Computer Equipment to Pakistan**

CHICAGO —A Chicago technology executive pleaded guilty today to a federal criminal charge and admitted illegally exporting computer equipment from the United States to a nuclear research agency of the Pakistani government.

OBAIDULLAH SYED, 66, of Northbrook, Ill., pleaded guilty to conspiracy to export goods from the U.S. without a license from the Department of Commerce and to submit false export information. The conviction is punishable by a maximum sentence of five years in federal prison and a maximum fine of \$250,000. U.S. District Judge Mary M. Rowland set sentencing for Feb. 23, 2021, at 12:30 p.m.

The guilty plea was announced by John R. Lausch, Jr., United States Attorney for the Northern District of Illinois; Angie Salazar, Special Agent-in-Charge of the Chicago office of Homeland Security Investigations; Aaron Tambrini, Special Agent-in-Charge of the U.S. Department of Commerce, Bureau of Industry and Security-Office of Export Enforcement, Chicago Field Office; and Cynthia A. Bruce, Special Agent-in-Charge of the U.S. Department of Defense, Defense Criminal Investigative Service, Southeast Field Office. The government is represented by Assistant U.S. Attorney Peter M. Flanagan.

Syed owned Pakistan-based BUSINESS SYSTEM INTERNATIONAL PVT. LTD., and Chicago-based BSI USA. The companies provided high-performance computing platforms, servers, and software application solutions. Syed admitted in a plea agreement that from 2006 to 2015 he conspired with his company's employees in Pakistan to violate the International Emergency Economic Powers Act by exporting computer equipment from the U.S. to the Pakistan Atomic Energy Commission without obtaining the required authorization from the U.S. Department of Commerce. The PAEC is a Pakistani government agency responsible for, among other things, designing and testing explosives and nuclear weapons parts. It was designated by the U.S.

government as an entity which may pose an unusual or extraordinary threat to the national security, foreign policy, or economy of the United States.

Syed further admitted that he and the other conspirators falsely represented to U.S.-based computer manufacturers that the illegal shipments were intended for Pakistan-based universities or Syed's businesses, when, in fact, the conspirators knew that the true end user of each shipment was either the PAEC or a research institute that trained the agency's engineers and scientists. In so doing, Syed and his company caused the U.S.-based computer manufacturers to submit to the U.S. government shipping documents that listed false end-users for the U.S.-origin goods, thereby undermining the U.S. government's ability to stop the illegal shipments.

Business System International Pvt. Ltd. was charged in the conspiracy as a corporate defendant. The company has yet to respond to the charges.

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**Attachment(s):**

[Download Syed plea agreement](#)

**Topic(s):**

Counterintelligence and Export Control

**Component(s):**

[USAO - Illinois, Northern](#)

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