

1 Information is classified as TOP SECRET if the unauthorized disclosure of
2 that information reasonably could be expected to cause *exceptionally grave*
3 *damage* to the national security that the original classification authority is
able to identify and describe.

4 Information is classified as SECRET if the unauthorized disclosure of that
5 information reasonably could be expected to cause *serious damage* to the
6 national security that the original classification authority is able to identify
and describe.

7 Information is classified as CONFIDENTIAL if the unauthorized
8 disclosure of that information reasonably could be expected to cause
9 *damage* to the national security that the original classification authority is
able to identify and describe.

10 Only individuals determined to be eligible by an appropriate U.S. government
11 official can lawfully access classified information. Such an individual is required to sign
12 an approved non-disclosure agreement, receive a security clearance, and possess a “need
13 to know” the classified information. The storage of classified information must be in an
14 approved facility and container commensurate with its classification level.

15 Classification markings represent the usual means of communicating the need to
16 protect classified national security information. Classified documents typically contain
17 banners on the top and bottom stating the highest level of classification and any
18 additional controls associated with the materials, as well as markings relating to the
19 information contained in each paragraph. In addition to classification markings, classified
20 information at times contains dissemination markings which restrict the distribution of
21 the information. These markings include “NF” or “NOFORN” meaning, “No Foreign
22 Dissemination.” The NOFORN marking denotes a limitation to disseminate the
23 information only to U.S. persons.

24 **C. The People’s Republic of China Intelligence Services.**

25 The PRC Intelligence Services is a general term that encompasses both the civilian
26 and military components of Chinese intelligence programs. More specifically, civilian
27 intelligence collection is handled by the Ministry of State Security (“MSS”). The MSS’s
28

1 role is similar to the FBI and the Central Intelligence Agency combined under one
2 intelligence directorate responsible for counter-intelligence, foreign intelligence, and
3 political security. The MSS consists of a central ministry, provincial state security
4 departments, and municipal state security bureaus, such as the Beijing State Security
5 Bureau and the Shanghai State Security Bureau.

6 The MSS and its regional bureaus are tasked with identifying and influencing the
7 foreign policy of other countries, including the United States. The MSS and its bureaus
8 seek to obtain information on political, economic and security policies that may affect the
9 PRC, foreign intelligence operations directed at the PRC, and biographical profiles of
10 foreign politicians and intelligence officers. Additionally, the MSS and its bureaus are
11 tasked with conducting clandestine and overt human source operations, of which the
12 United States is a principal target for the PRC's intelligence gathering.

13 MSS operations use trained intelligence case officers, as well as non-professional
14 collectors referred to as "cut-outs" or "co-optees," which are trusted persons used to
15 create a compartment between members of an operation to enable them to pass material
16 and/or messages securely. A cut-out or co-optee can operate under a variety of covers,
17 posing as diplomats, journalists, academics, or business people both at home and abroad.
18 These individuals are tasked with spotting, assessing, targeting, collecting, and running
19 sources that have access to classified, proprietary, and sensitive information that the
20 government of the PRC can utilize for an economic, political, or military advantage.

21 The PRC Intelligence Services use state-owned enterprises ("SOE") and their
22 employees to collect intelligence information from human sources. An SOE is a legal
23 entity that undertakes commercial activities on behalf of an owner-government. SOE's
24 may have different types of legal status, including being a formal part of government or
25 being a business with a state as a regular or dominant stockholder. While they may also
26 have public policy objectives, SOEs are differentiated from other forms of government
27 agencies or state entities that are established to pursue purely non-financial objectives.
28 The role of the Chinese Communist Party ("CCP") in SOEs has varied at different

1 periods but has increased during the rule of CCP General Secretary Xi Jinping, with the
2 CCP formally taking a commanding role in all SOEs as of 2020.

3 PRC Intelligence Services source operations tend to originate inside the PRC,
4 where the intelligence services prefer to meet with assets. To facilitate continued
5 meetings inside the PRC, the PRC Intelligence Services will arrange and/or pay for travel
6 and expenses. The intelligence services are known to pay their sources not only in cash,
7 but also through other means, including business considerations or other types of
8 assistance within the PRC.

9 **D. Background Information About JOSEPH DANIEL SCHMIDT.**

10 Beginning in January 2015, and continuing to early January 2020, JOSEPH
11 DANIEL SCHMIDT (herein after, "SCHMIDT") was an active duty soldier in the U.S.
12 Army. SCHMIDT ultimately rose to rank of Army Sergeant. On January 8, 2020,
13 SCHMIDT completed his term of service and transitioned to the Inactive Ready
14 Reserves.

15 SCHMIDT's primary assignment during his active duty was to the 109th Military
16 Intelligence Battalion at Joint Base Lewis-McChord ("JBLM"), located in Pierce County,
17 Washington. SCHMIDT was assigned to a Human Intelligence ("HUMINT") squad as a
18 HUMINT Collector and ultimately became a Team Leader of other HUMINT Collectors.
19 In this role, SCHMIDT supervised HUMINT collection operations and the production of
20 intelligence reporting, analysis, and the dissemination of intelligence products.
21 SCHMIDT's work directly supported the Indo-Pacific Command, the U.S. Department of
22 Defense's geographic combatant command that covers the Pacific Ocean and Indian
23 Ocean region, including the PRC.

24 As a HUMINT Collector and Team Leader, SCHMIDT attended various
25 intelligence-related trainings, including: Advanced and Basic Leader Courses;
26 Counterintelligence Collections; Human Intelligence Collector; Human Intelligence
27 Operation Management; and Human Intelligence Tradecraft. SCHMIDT also attended the
28 Defense Language Institute Chinese-Mandarin training.

1 While on active duty, SCHMIDT had access to classified intelligence collection
2 and reporting systems, including SECRET databases that are utilized for research,
3 reporting, and Army organizational information. SCHMIDT was given access to Secret
4 Internet Protocol Router Network (“SIPRnet”) and Sensitive Compartment Information
5 Facility (“SCIF”) space at JBLM. SIPRnet is a computer system containing information
6 classified up to SECRET, while SCIF spaces can contain information classified up to the
7 level of TOP SECRET.

8 During his tenure with the Army, SCHMIDT was granted a TOP SECRET and
9 Sensitive Compartment Information (“SCI”) security clearance. SCHMIDT was read out
10 of SCI accesses on December 17, 2019, although his TOP SECRET clearance remained
11 active. SCHMIDT received a briefing on how to handle and protect classified
12 information. In consideration of being granted access to classified information,
13 SCHMIDT entered into a non-disclosure agreement with the Army on March 23, 2015.

14 **E. SCHMIDT’s Communications and Cloud Storage Facilities.**

15 SCHMIDT was the user of various communications and cloud storage facilities
16 that he used during and in furtherance of the criminal activities alleged in the Indictment
17 filed in this case. I have obtained subscriber records from Google, Microsoft, and Apple
18 related to each of these facilities and other information that connects SCHMIDT to each
19 of the accounts, as summarized below:

20 Gmail account 1 was subscribed to in the name of “Joe Schmidt.” In January 2018
21 and April 2019, SCHMIDT provided Gmail account 1 to the Army as his email address.
22 Gmail account 1 also has a Google account associated with it.

23 Gmail account 2 was subscribed to in the name of “Joey Schmidt” and lists Gmail
24 account 1 as the recovery email address for the account. According to records obtained
25 from U.S. Customs and Border Protection, SCHMIDT used Gmail account 2 to make
26 travel reservations for his trips to the PRC, as discussed below. Gmail Account 2 also has
27 a Google account associated with it.

1 Outlook account 1 was subscribed to in the name of “Joseph Schmidt.” Outlook
2 account 1 was listed on SCHMIDT’s resume posted on his open source LinkedIn page
3 prior to the page’s deletion.

4 Yahoo account 1 was subscribed to in the name of “Joey Schmidt.” On multiple
5 occasions, Yahoo account 1 appeared to be a forwarding address for Gmail account 2.

6 Apple iCloud account 1 was subscribed to in the name of “Joseph Schmidt” with a
7 listed address of “JBLM, Washington.” Gmail account 1 and Gmail account 2 were listed
8 as the email addresses for the user of Apple iCloud account 1.

9 **F. SCHMIDT’s Historical Travel to the PRC.**

10 During November and December of 2017, while on active duty with the Army,
11 SCHMIDT took personal leave and traveled to the PRC. In April 2017, SCHMIDT
12 emailed himself a copy of the Chinese visa application he filled out prior to his trip, on
13 which he stated: “I plan to travel to China every New Year to learn about Chinese
14 culture... I would like to travel to China many times over the course of the next ten years.
15 I want to learn as much about China’s culture and history as I can, and so I plan to travel
16 to China annually.” SCHMIDT identified his employer as “Department of Defense
17 Army” and his current occupation as “soldier.”

18 SCHMIDT submitted at least two additional leave requests to the Army for the
19 stated purpose of traveling to the PRC between August 2017 and April 2018. For reasons
20 unknown, SCHMIDT did not take any of these trips.

21 On February 22, 2019, SCHMIDT conducted the following search in the Google
22 internet browser: “[I]f it doesn’t stop im [sic] going straight to china. I’m not taking
23 anymore [sic] of this because someone literally thought I looked funny after they spiked
24 my drink.”¹ FBI agents have interviewed Army personnel familiar with SCHMIDT and
25 have not been able to learn any information relating to the context of this Google search.

26
27
28 ¹ This Google search – and the others referenced in this affidavit – was recovered from the stored historical records
in SCHMIDT’s Google accounts.

1 On January 14, 2020, six days after he transitioned to inactive duty status,
2 SCHMIDT departed the United States on a flight itinerary destined to Beijing. On
3 January 18, 2020, SCHMIDT returned to the United States from Qingdao Airport in
4 China.

5 **G. SCHMIDT Travels to Turkey in February 2020.**

6 On February 9, 2020, Schmidt departed the United States and traveled to Istanbul,
7 Turkey. SCHMIDT returned to the United States on March 2, 2020. While in Turkey,
8 SCHMIDT engaged in activities relevant to the charges in the Indictment filed in this
9 case, as detailed below.

10 Between February 17, 2020, and February 29, 2020, SCHMIDT conducted
11 internet research about defection from the United States and countries that do not have
12 extradition treaties with the United States. Specifically, SCHMIDT conducted the
13 following searches in the Google internet browser and/or visited the following web pages
14 through Google:

- 15 • Searched “chinese consulate”
 - 16 • Searched “soldier defect”
 - 17 • Searched “chinese embassy”
 - 18 • Visited “<http://istanbul.china-consulate.org/tur>”
 - 19 • Searched “iranian consulate”
 - 20 • Searched “iranian embassy”
 - 21 • Visited web page: “Chinese Consulate-General in Istanbul (Turkey)”
 - 22 • Searched “chinese consulate number doesn’t go through”
 - 23 • Searched “turkey extradition military defection”
 - 24 • Searched “countries that dont extradite”
 - 25 • Searched “can [specified U.S. Person] be extradited”
 - 26 • Searched “can you be extradited for treason”
 - 27 • Searched “iran visa”
- 28

- 1 • Searched “afghanistan visa”
- 2 • Searched “pakistan resident visa”
- 3 • Searched “russian visa costs”
- 4 • Searched “countries with most negative relations with US”
- 5 • Visited web page: “Ten Countries That Hate America Most – 24/7 Wall St”
- 6 • Searched “chinese embassy Istanbul”
- 7 • Searched “how did [specified U.S. Person] defect”
- 8 • Visited: “They wanted me gone: [specified U.S. Person] tells of
- 9 whistleblowing”
- 10 • Searched “chinese embassy”
- 11 • Searched “what is china's intelligence agency”
- 12 • Visited: “[https://en.m.wikipedia.org/wiki/Ministry_of_State_Security_\(China\)](https://en.m.wikipedia.org/wiki/Ministry_of_State_Security_(China))”
- 13 • Searched “subreddit spying”
- 14 • Visited on Reddit: “[looking_for_a_subreddit_about_spy_stuff](#)”
- 15 • Searched “russian embassy Istanbul”
- 16 • Visited web page: “Consulate General of Russia in Istanbul, Turkey”

17 On February 24, 2020, SCHMIDT used Gmail account 1 to send the following
18 email to the pubic email address for the Chinese Consulate in Istanbul:

19 Hello,

20
21 My name is Joe Schmidt. I am a United States citizen looking to move to
22 China. I currently reside in Istanbul, and am trying to set up an appointment
23 at the consulate in Istanbul.

24 I also am trying to share information I learned during my career as an
25 interrogator with the Chinese government. I have a current top secret
26 clearance, and would like to talk to someone from the Government to share
27 this information with you if that is possible.

28 My experience includes training in interrogation, running sources as a spy
 handler, surveillance detection, and other advanced psychological operation

1 strategies. I would like to go over the details with you in person if possible,
2 as I am concerned with discussing this over email.

3 I'm sorry for using English, but I want to make sure that I do not
4 miscommunicate. Please contact me at your earliest convenience if I can set
5 up a time to meet with you.

6 Thank you,

7 Joe Schmidt

8 On February 26, 2020,² SCHMIDT created a Word document entitled, "Important
9 Information to Share with Chinese Government." The document was recovered from
10 SCHMIDT's Apple iCloud account. As described further below, the Army has
11 determined that this document contains a variety of classified information that relates to
12 the national defense.

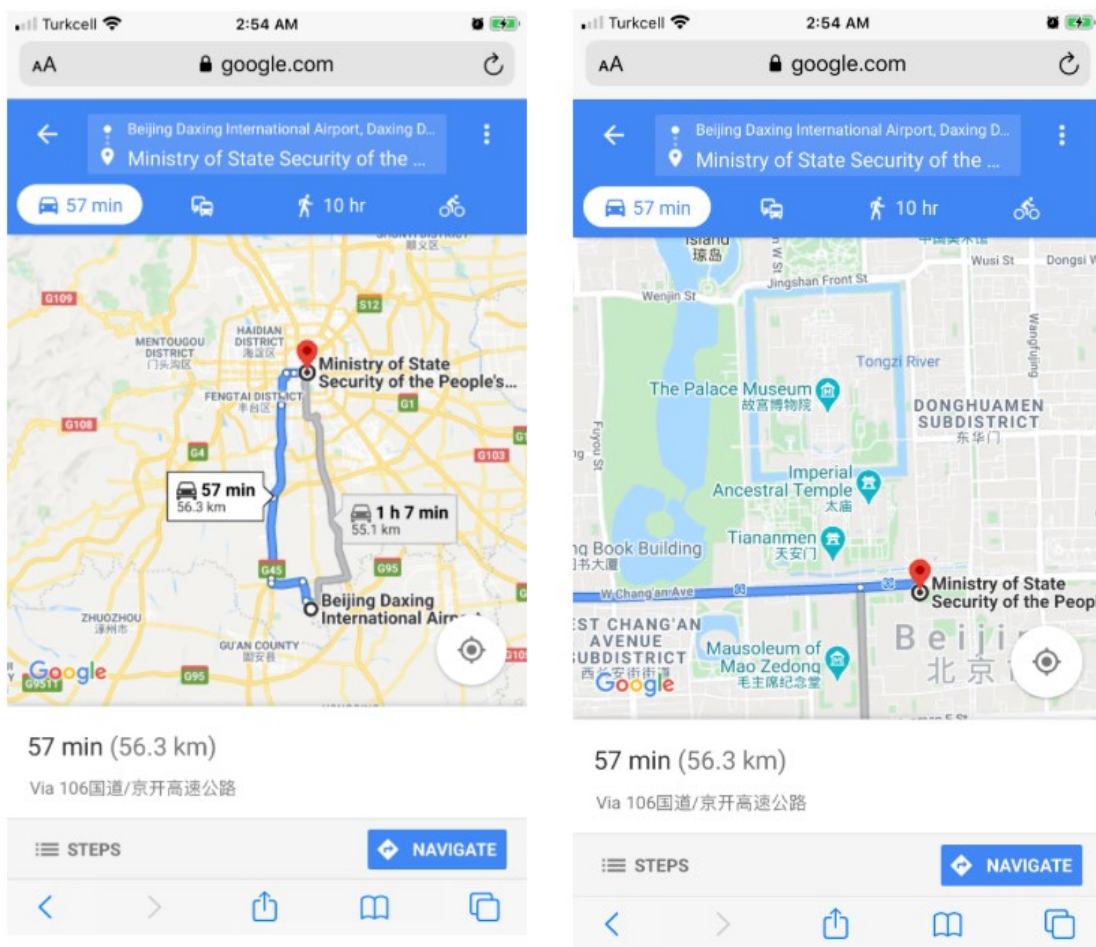
13 On February 26, 2020, SCHMIDT conducted a Google search for "chinese
14 military papers." That same day, SCHMIDT used Outlook account 1 and Yahoo account
15 1 to send several identical emails to email addresses associated with the *People's Daily*,
16 *China Daily*, and Phoenix Television.³ The emails stated:

17 Hey sorry to write this in English. I am not a native Chinese speaker so I
18 lose a lot in translation. I'm just writing you to check and see if you would
19 be interested in using any of my military stories in your paper. I have
20 several years experience in military intelligence, and I think your audience
21 would be very interested in reading some of these. Let me know if that's a
22 possibility. Thanks!

23
24 ² For the purposes of this affidavit, I have used the date of the historical records' creation and/or transmission as of
25 UTC time.

26 ³ I know from FBI investigations that *The People's Daily* is a newspaper owned by the Central Committee of the
27 Chinese Communist Party. In 2020, the United States Department of State designated the *People's Daily* a foreign
28 mission of the PRC government. The *China Daily* is an English-language newspaper owned by the Publicity
Department of the Chinese Communist Party. Per open sources, Phoenix Television is a PRC state-owned television
network. I have relied on open sources in this instance because it is likely the same information Schmidt would have
had available when using the internet to research options for transmitting information to the Chinese intelligence
services.

1 On or about February 29, 2020, while still in Turkey, SCHMIDT used Google
 2 Maps to conduct research on driving directions from the airport in Beijing to the MSS
 3 headquarters. The following screenshots from Google Maps were recovered from
 4 SCHMIDT's iCloud account:



23 On March 2, 2020, SCHMIDT departed Turkey and returned to the United States.

24 **H. SCHMIDT Travels to the PRC in March 2020.**

25 A few days later, on March 6, 2020, SCHMIDT departed the United States and
 26 traveled to Hong Kong. SCHMIDT has not since returned to the United States.

27 On March 9, 2020, a few days after arriving in Hong Kong, SCHMIDT traveled to
 28 Beijing, returning to Hong Kong on March 12, 2020. While in Beijing, SCHMIDT

1 engaged in a variety of activities relevant to the offenses charged in the Indictment filed
2 in this case, as detailed below.

3 On March 9-10, 2020, SCHMIDT conducted several Google searches and visited
4 websites related to espionage and intelligence topics, including:

- 5 • Searched “interrogation field manual”
- 6 • Searched “fm human intelligence”
- 7 • Visited webpage: “If it’s Spy, it’s here – Reddit”
- 8 • Visited: “Espionage – Reddit”
- 9 • Visited: “What Do Real Spies Do and How are they Recruited – Reddit”
- 10 • Visited: “I am [specified U.S. Person 2] a Former Covert CIA – Reddit”

11 That same day, SCHMIDT created and modified a Word document entitled,
12 “Humint AIT.” The document was recovered from SCHMIDT’s Apple iCloud account.
13 The “Humint AIT” document is four pages long and discusses in detail various aspects of
14 U.S. Army intelligence collection, dissemination, and training, including: the types of
15 intelligence reports that are prepared and disseminated; methods of conducting
16 interrogations; methods of conducting human source operations; and the types of training
17 courses offered for HUMINT officers. An official with the U.S. Army who is qualified
18 and authorized to make classification determinations has reviewed this information and
19 determined that, although unclassified, it constitutes information related to the national
20 defense because it pertains to intelligence activities, including covert actions, and
21 intelligence sources and methods.

22 The following day, on March 10, 2020, SCHMIDT’s phone was in close
23 proximity to the MSS headquarters in Beijing. The below screenshot taken from Apple
24 Maps was recovered from SCHMIDT’s iCloud account. The map depicts SCHMIDT’s
25 phone’s location (the blue dot in the lower left-hand corner) relative to the Ministry of
26 Public Security, which is located at the same site as the MSS headquarters that
27 SCHMIDT had researched on Google Maps on February 29, 2020.
28



On March 11, 2020, SCHMIDT used Google to search for and view several maps of U.S. Military installations. Many of the installations were locations SCHMIDT had visited while with the Army, including Fort Huachuca, the U.S. Army Intelligence Center of Excellence, the Military Intelligence Museum, Schofield Barracks, and Joint Base Lewis McChord, McChord Air Force Base, Building 9116 (the home of the 109th Expeditionary Military Intelligence Battalion).

I. SCHMIDT Continues his Espionage Activities from Hong Kong.

SCHMIDT departed Beijing on March 12, 2020, and returned to Hong Kong where he has resided since that time. As detailed below, SCHMIDT continued his espionage activities from Hong Kong during the next several months.

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1 **1. SCHMIDT Drafts Documents Containing National Defense**
2 **Information.**

3 On or about March 16, 2020, SCHMIDT created a Word document entitled “High
4 Level Secrets” (written in Chinese characters). SCHMIDT made modifications to the
5 “High Level Secrets” document on March 19, 2020. That same day, SCHMIDT also
6 modified the document he previously created while in Turkey, entitled, “Important
7 Information to Share with Chinese Government.” Both documents were recovered from
8 SCHMIDT’s Apple iCloud account. As detailed below, the Army has determined that
9 both documents contain a variety of classified information that relates to the national
10 defense.

11 The “High Level Secrets” document contains 23 pages. Nearly all of it is written
12 in English except for the title and the following introductory passage (translated from
13 Chinese characters):

14 If you read this document, please make sure that the State Security Bureau
15 of People’s Republic of China [MSS] receives it. The content is a high-
16 level secret of U.S. intelligence and can help the Chinese people. The
17 content is in English, please use an advanced translator to translate it into
18 Chinese to avoid language barriers.

19 At the beginning of the document, SCHMIDT explained his purpose in creating
20 the document and his desire to transmit national defense information to PRC Intelligence
21 Services:

22 My name is Joseph Schmidt. I’m a human intelligence collector that just
23 got out of the military. I’m trying to send some information to the Chinese
24 government about the United States Intelligence Services. I’ll provide some
25 documents to verify my identity, and I hope that it reaches the proper
26 authorities.

27 *****

28 My last year in the military [] left me with experience working with an
advanced intelligence team on a project with technology that is very
compartmentalized, to the extent that the majority of people in the
intelligence field are unaware of its existence. I will only discuss this

1 | technology in person if I can meet with a qualified member of the Chinese
2 | Security Bureau.

3 | *****

4 | Over the course of the next several weeks, I'll be releasing information in a
5 | series of short documents about my experience with United States
6 | Intelligence. I also have experience with highly classified technology that I
7 | would be happy to share with you if you would like my expertise. I can
8 | help to create training programs that either mimic American Intelligence
9 | Source Handling courses, or training for surveillance teams to more
effectively identify American Spy Handlers by training your intelligence
teams in the highest techniques that American Intelligence forces use.

10 | *****

11 | For documented proof of my service and position, please see my attached
12 | Enlisted Record Brief (ERB) which contains proof of my Top Secret-
13 | Secured Compartmentalized Information Clearance, as well as all the afore-
14 | mentioned schools and duty locations. I also am including a picture of my
15 | CAC card, which is my military Identification, my DD 214 which serves as
16 | proof of my honorable discharge from service, a picture of my SIPR token,
which provides access to the United States Secret intelligence network, and
a photocopy of my passport.

17 | The remainder of the "High Level Secrets" document discussed SCHMIDT's
18 | training and experience in HUMINT collection; the functions and capabilities of U.S.
19 | HUMINT collectors; the curriculum and substance of various Army HUMINT training
20 | courses; and tradecraft used by U.S. HUMINT collectors, including information
21 | regarding surveillance detection routes, casing for meeting locations, source assessment,
22 | and operational testing. The document also identifies the geographic locations of
23 | numerous U.S. Military installations.

24 | //

25 | //

26 | //

27 | //

28 | //

1 The “High Level Secrets” document has been reviewed by a Defense Intelligence
2 Senior Executive Service (“DISES”) member in the U.S. Army,⁴ who is an Original
3 Classification Authority (“OCA”). The OCA determined that information contained
4 therein is properly classified at the SECRET level. Specifically, the OCA identified
5 numerous portions of the document that constitute national defense information.

6 The document entitled “Important Information to Share with Chinese
7 Government” contains 22 pages. It contains extensive details regarding the use of human
8 sources in U.S. military intelligence, including source types, source assessment and
9 categorization, assessing sites for source meetings, source communication planning, and
10 the application of tradecraft to source handling. The OCA reviewed the document and
11 determined that information contained therein is properly classified at the SECRET level
12 and identified numerous portions of the document that constitute national defense
13 information.

14 **2. SCHMIDT Attempts to Transmit Information to PRC SOE 1.**

15 On March 19, 2020, SCHMIDT took photographs of the front and back of his
16 Army PKI card and his Army CAC card. The photographs were recovered from
17 Schmidt’s Apple iCloud account. According to Army personnel, the PKI card serves as
18 an encryption key for accessing the Army’s classified Secret network and related
19 databases, referred to as the Secret Internet Protocol Router Network (“SIPRnet”). The
20 CAC card serves as a badge/ID that allows access into certain Army premises.

21 //

22 //

23 //

24
25 ⁴ The DISES member has 26 years of active service and two years of civilian service with the U.S. Army. He
26 currently serves as the Director, Directorate of Counterintelligence, Human Intelligence, Security, and Foreign
27 Disclosure, Office of the Deputy Chief of Staff, G-2, Headquarters, Department of the Army at the Pentagon. His
28 responsibilities include the review of Army Human Intelligence information for classification purposes pursuant to
Executive Order 13526 (“Classified National Security Information”). As the Director, Army G-2X, he has been
delegated by the U.S. Army Deputy Chief of Staff, G-2, Original Classification Authority pursuant to Executive
Order 13526.

1 On March 22, 2020, SCHMIDT used Gmail account 1 to send an email to a PRC
2 state-owned enterprise (“SOE 1”).⁵ Prior to sending the email, SCHMIDT used Google to
3 conduct the following research relating to SOE 1, which identified SOE 1 as being under
4 the direct control of the PRC State Council:

- 5 • Searched “Chinese security companies”
- 6 • Searched “Chinese cybersecurity companies”
- 7 • Searched “Chinese smart card security”
- 8 • Visited: “China Security Company Directory|Security Companies in China”
- 9 • Visited a webpage containing an article about SOE 1 which stated:
10 “Chinese e-government and smart card firm [SOE 1], whose parent
11 company is under the direct control of China’s cabinet, the State Council,
12 has been awarded contracts to process Hong Kong people’s ID card and
13 other data as they cross the border into mainland China.”
- 14 • Searched for the name of SOE 1
- 15 • Visited the home webpage for SOE 1.
- 16 • Searched for “sipr acronym”

17 Shortly thereafter, SCHMIDT sent the following email⁶ to a public email account
18 associated with SOE 1:

19 Hello, I am a retired United States Army Intelligence Agent. I have a Secret
20 Internet Protocol Routing PKI token that I would like to reverse engineer to
21 give to the Chinese government. This type of card is what US intelligence
22 agencies use to gain access to SIPR, the intelligence network with TOP
23 SECRET documents and information. It is a very rare card to find outside

24 ⁵ Based on open source research, I know that SOE 1 is a subsidiary of the China Aerospace Science and Industry
25 Corporation Limited, a PRC state-owned enterprise. SOE 1 has produced intelligence-gathering software tools that
26 the Chinese government requires businesses to use to pay taxes. This software has been found to have numerous
27 backdoors built into it that can be used in support of cyber-hacking activities by the Chinese government. To
develop the software, SOE 1 collaborated with universities that are linked with the MSS. I have relied on open
sources here for the same reasons described in footnote 3.

28 ⁶ Schmidt wrote this email in both Chinese characters and in English. The English portion is quoted here. The
Chinese language portion of the email contains a very similar message.

1 of the intelligence community, and if used properly, it can improve China's
2 ability to access the SIPR network.

3 If I give you card, can you look into the security algorithms that it uses for
4 me? By the way, I'm sorry my Chinese is so bad. I don't know how to
5 translate most of this terminology, and I appreciate your patience. Where
6 can I turn in the card at? Thank you!!

Best regards, Joey

7 **3. SCHMIDT Prepares Additional Information to Transmit to PRC.**

8 On March 29, 2020, Schmidt took photographs of several hand-drawn sketches.
9 The photographs were recovered from SCHMIDT's Apple iCloud account. The sketches
10 depict information known to SCHMIDT through his service in the Army, including: (a) a
11 flow chart entitled, "Intelligence Report Flow"; (b) an organizational chart of the chain of
12 command involving SCHMIDT's battalion at JBLM; and (c) an organizational chart for a
13 "Drone PED Team Hierarchy." According to the Army, none of the information
14 contained in these sketches is classified.

15 The next day, on March 30, 2020, SCHMIDT created a Word document entitled,
16 "Open Source Intelligence Analysis." The document was recovered from SCHMIDT's
17 Apple iCloud account. The document discussed and purported to demonstrate how open-
18 source maps, such as Google Earth, can be used to identify the locations of U.S. Military
19 facilities worldwide. In the document, SCHMIDT described this process as "an
20 invaluable look in discovering adversary locations and activities." According to the
21 Army, none of this information is classified.

22 On April 29, 2020, SCHMIDT created a Word document entitled, "An Analysis of
23 U.S. Embassy Job Postings in China." The document was recovered from SCHMIDT's
24 Apple iCloud account. The document purported to explain how one can "look at a job
25 posting from the U.S. embassy [] to identify a potentially suspicious job, that could be
26 related to espionage or spy handling." The document further explained how to confirm
27 that a "suspicious posting [is] . . . affiliat[ed] with the intelligence community" and how
28

1 to “identify sources the person is working with.” According to the Army, none of this
2 information is classified.

3 On May 7, 2020, SCHMIDT used Gmail account 1 to send the following message
4 to his sister:

5 Hey Mary, there’s something I need to tell you. The real reason I left
6 America is because of a disagreement with American policy. I don’t talk
7 about it often, but I learned some really terrible things about the American
8 government while I was working in the Army, and I no longer feel safe
9 living in America or like I want to support the American government. I
10 don’t plan on going back any time, except maybe once to sell my house,
11 and I plan on limiting my contact with people who live in America. So
12 basically, I’ll be going off the map for a long time. If you don’t hear from
13 me, it’s because I don’t trust the U.S. government, and I want to minimize
14 my communication to U.S. numbers. I’ll still communicate occasionally by
15 email, but I just wanted to give you a heads up so you don’t worry about
16 me.

13 **4. SCHMIDT Creates Two More Documents With Classified NDI.**

14 On May 12, 2020, SCHMIDT created a 28-slide PowerPoint presentation entitled,
15 “Use of Technology in Military Source Operations and Interrogations.” SCHMIDT
16 modified the presentation on May 13, 2020. The file was recovered from SCHMIDT’s
17 Apple iCloud account. The first slide of the presentation was entitled, “About Me.” This
18 slide lists SCHMIDT’s military experience, intelligence experience, and training in
19 Mandarin Chinese. The rest of the presentation discussed various intelligence topics.

20 The OCA has reviewed the document and determined that information contained
21 therein is properly classified at the SECRET level. Additionally, the OCA identified
22 numerous portions of the document that constitute national defense information.

23 On May 20, 2020, SCHMIDT took a photograph of a hand-drawn sketch entitled,
24 “Mat V Computers.” The photograph was recovered from SCHMIDT’s Apple iCloud
25 account. The sketch contained a diagram of connected computer hardware and servers. It
26 also had handwritten notations including “Top Secret Network,” “SIPR,” and references
27
28

1 to a particular Army computer network. Another OCA⁷ has reviewed the sketch and
2 determined that information contained therein constitutes CONTROLLED
3 UNCLASSIFIED information, meaning that its disclosure could cause damage to the
4 national security of the United States. Specifically, this OCA has certified that “an
5 unauthorized release of this document would have a serious adverse effect on
6 organization operations, organization assets, and/or individuals.”

7 **5. SCHMIDT Attempts to Transmit Information to PRC SOE 2.**

8 On July 8, 2020, SCHMIDT took a photograph of a hand-drawn map depicting an
9 unknown area with a parking lot, buildings, trees, paths, and a “brick courtyard.” In the
10 courtyard, there is a drawing of a bench with the notation: “Bench for meeting site.” The
11 photograph was recovered from SCHMIDT’s Apple iCloud account.

12 On July 21, 2020, SCHMIDT used Gmail account 2 to send an email to a PRC
13 state-owned enterprise (“SOE 2”).⁸ Prior to sending the email, SCHMIDT used Google to
14 conduct the following research relating to SOE 2, which indicates that SCHMIDT
15 identified SOE 2 as being affiliated with the PRC Ministry of Science and Technology:

- 16 • Searched “Ministry of Science and Technology”
- 17 • Searched “Institutions Subordinate to Ministry of Science and Technology”
- 18 • Visited webpage “The Ministry of Human Resources and Social Security of
19 the People’s Republic of China shall be publicly announced by some of the
20 institutions affiliated with the Ministry of Science and Technology”

21
22
23 ⁷ In December 2017, an OCA reviewed the sketch and determined the appropriate classification for this information
24 was “UNCLASSIFIED//FOR OFFICIAL USE ONLY,” and that its unauthorized release would have an adverse
25 effect on operations, organization assets, and/or individuals. Subsequently, another OCA determined the correct
26 classification marking for the sketch is “CONTROLLED UNCLASSIFIED” information for the same reasons. The
27 later OCA was delegated OCA authority pursuant to Executive Order 13526 and the May 5, 2011, memorandum of
28 the Deputy Secretary of Defense.

⁸ Based on open source research, I know that SOE 2 was established with the approval of the Chinese government.
SOE 2 is affiliated with the Ministry of Science and Technology and also operates under the State Development
Planning Commission. The missions of SOE 2 include managing the day-to-day affairs and implementation of
China’s Agenda 21 and its Priority Program and conducting research in the area of sustainable development. I have
relied on open sources here for the same reasons described in footnotes 3 and 5.

1 Shortly thereafter, SCHMIDT sent the following email to a public email account
2 associated with SOE 2:

3 Subject: Background of intelligence warrior in providing technological
4 information to your company

5 Hello,

6 I am a veteran with the US military with assignments in intelligence.
7 Hence, I'm quite familiar with many of the most advanced US intelligence
8 technologies. I want to apply the knowledge to enhance the capability of
9 your company and accelerate the development of your technologies. I am
10 currently living in Hong Kong and looking for employment in China. I am
11 in possession of Top Secret Clearance/Secret Compartmentalized
12 Information from the US, as well as a PKI card of the Secret Internet
13 Protocol Routing Network (a US Intelligence Community's Global Top-
14 secret Network), which I need to pass on to your company. Please contact
15 me if you would like to look back [sic] this information. My WeChat
16 number is [].

14 Joseph Schmidt
15 Intelligence Officer

16 **J. SCHMIDT's Continuing Efforts to Obtain Immigration Status in**
17 **Hong Kong and the PRC.**

18 Since his arrival in Hong Kong in early March 2020, SCHMIDT had been trying to
19 obtain employment in China and a PRC work permit/visa so he could permanently relocate
20 to China. However, due to a variety of factors, including China's policies in response to the
21 COVID-19 pandemic, SCHMIDT was having trouble obtaining a PRC visa.

22 In July 2020, just two weeks prior to SCHMIDT's email to SOE 2, he was notified
23 by Hong Kong immigration authorities that he had been "overstaying in Hong Kong"
24 since June 12, 2020, and his application for an extension of a visitor status was "refused."
25 Hong Kong immigration authorities ultimately issued a recognizance bond for
26 SCHMIDT, allowing him to remain in Hong Kong while he worked out the details of his
27 immigration status.

SCHMIDT finally received a work permit from the PRC on August 7, 2020.

On September 28, 2020, SCHMIDT used Gmail account 2 to send an email to Hong Kong immigration authorities. SCHMIDT requested the return of his passport and explained that he was in the process of working “with the Chinese visa office to begin preparations to leave” Hong Kong.

Since then, SCHMIDT has continued to pursue legal immigration status in Hong Kong while he waited to relocate to China.

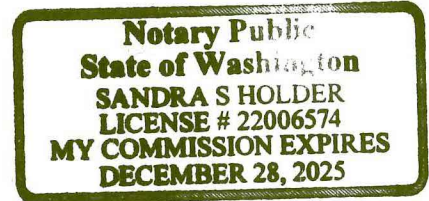


Brandon Tower
Special Agent, Federal Bureau of Investigation

Signed and sworn to before me on the 4th day of October, 2023.


(Signature of Notary)

Sandra Holder
(Name of Notary)



My Commission Expires: December 28, 2025