



## Wenheng “Thomas” Zhao

- Born in China
- Naturalized U.S. citizen
- Petty Officer Second Class, U.S. Navy
- Age 26 at time of sentencing
- Construction Electrician in Naval Marine Construction Battalion 3 (NMCB 3)



# CDSE

Center for Development  
of Security Excellence

# CASE STUDY

## Espionage

### WHAT HAPPENED

Wenheng “Thomas” Zhao worked at Naval Base Ventura County in Port Hueneme, CA. Between August 2021 and May 2023, Zhao used his authorized access to collect and transmit sensitive U.S. national defense information to an intelligence officer from the People’s Republic of China (PRC). In exchange for his espionage, Zhao received at least \$14,866 in 14 separate bribe payments.

Zhao secretly collected and transmitted sensitive, non-public information regarding U.S. Navy operational security, military trainings and exercises, and critical infrastructure. Zhao’s espionage efforts included entering restricted military and naval installations and taking a photograph of a “Large Scale Exercise 2021 Pacific NCF CONOPS11 diagram” that was marked controlled unclassified information (CUI). A few days later, he returned and took 12 more photographs of computer screens that displayed operational orders of military training exercises.

On another occasion, Zhao took five photographs of diagrams and blueprints outlining the electrical system in the “GATOR Storage” that housed the Ground/Air Task Oriented Radar systems located at a U.S. military base in Okinawa, Japan. Each document was marked “UNCLASSIFIED//FOUO,” indicating that it was For Official Use Only (FOUO).

Zhao sent 16 files to his PRC handler using a secure method as instructed by his Chinese co-conspirator. The 16 files consisted of PowerPoint, Word, and PDF files that contained United States Navy sensitive, CUI marked, and/or OPSEC information.

Zhao used sophisticated encrypted communication methods to transmit the information. He also destroyed evidence and concealed his relationship with the intelligence officer. Zhao’s conduct violated his official duties to protect such information and the oath he swore to protect the U.S.

Zhao pleaded guilty in October 2023 to one count of conspiracy and one count of receiving a bribe in violation of his official duties. Zhao was sentenced to 27 months in prison and ordered to pay a \$5,500 fine.

### INDICATORS

**Access Attributes** – Zhao worked at Naval Base Ventura County in Port Hueneme, CA. He held a U.S. security clearance and was eligible to access material up to and including the SECRET level.

**Foreign Influence and Preference** – Zhao was born in the People’s Republic of China in 1997, immigrated to the U.S. in 2009, became a naturalized citizen in 2012, and enlisted in the U.S. Navy in 2017. He also has a history of personal international travel to the PRC in 2016.

**Financial Considerations** – In exchange for his espionage, Zhao received at least \$14,866 in 14 separate bribe payments.

## IMPACT

- “Mr. Zhao betrayed his solemn oath to defend his country and endangered those who serve in the U.S. military,” said Assistant Attorney General Matthew G. Olsen of the Justice Department’s National Security Division.
- “Make no mistake, the PRC is engaged in an aggressive effort to undermine the national security of the U.S. and its partners,” said Executive Assistant Director Larissa L. Knapp of the FBI’s National Security Branch. “Zhao chose to betray the oath he took to our country and put others at risk by providing sensitive U.S. information to a PRC intelligence official. The Chinese Communist Party has repeatedly shown it will freely break any law or norm to achieve a perceived intelligence advantage.
- “Zhao betrayed his country and disgraced himself when he accepted bribes from an intelligence officer with the People’s Republic of China,” said U.S. Attorney Martin Estrada for the Central District of California. “As a result, he has now been removed from the military and will serve time in federal prison.”

## ADDITIONAL INFO

- Naval Construction Group 1 (NCG-1) prepared Pacific Fleet Naval Construction Force (NCF) units to implement construction in support of Combatant Commanders and warfighter requirements.
- Naval Mobile Construction Battalion 3 (NMCB-3) – Zhao’s unit—was subordinate to NCG-1 and provided engineering and construction support to naval and joint forces around the world.
- As part of his naval duties, Zhao was responsible for installing, repairing, and servicing electrical equipment on U.S. military installations.
- The Chinese operative told Zhao that the information he provided was for maritime economic research, as well as to inform investment decisions.
- Zhao admitted to sending the information because it was “easy money.”

### Questions to consider:

- What protections does your organization employ to detect insiders with malicious intent before they act out?
- If you observe someone in your organization who exhibits a concerning behavior and/or a potential risk indicator, to whom would you immediately report the incident?

### Resources for further exploration:

- [DOD Instruction 5240.26, Countering Espionage, International Terrorism, and the Counterintelligence \(CI\) Insider Threat](https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodi/524026p.pdf) (https://www.esd.whs.mil/Portals/54/Documents/DD/issuances/dodi/524026p.pdf)
- [Unauthorized Disclosure \(UD\) of Classified Information and Controlled Unclassified Information \(CUI\) eLearning IF130.16](https://www.cdse.edu/Training/eLearning/IF130/) (https://www.cdse.edu/Training/eLearning/IF130/)
- [How to Respond to an Unauthorized Disclosure \(UD\) of Classified and Controlled Unclassified Information \(CUI\)](https://www.cdse.edu/Portals/124/Documents/jobaids/information/Reporting-UD-Job-Aid.pdf) (https://www.cdse.edu/Portals/124/Documents/jobaids/information/Reporting-UD-Job-Aid.pdf)

## Supporting Through Reporting!

Contact the appropriate POC to report any observed potential risk indicators:

Name: \_\_\_\_\_ Agency/Department: \_\_\_\_\_  
Title: Supervisor/Security Officer/ITP Senior Official/ITP Manager