

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA



Alexandria Division

UNITED STATES OF AMERICA)
)
) v. No. 1:10cr002
)
TAIPAN ENTERPRISES LTD,)
)
) Defendant.
)

STATEMENT OF FACTS

The United States of America and the defendant, Taipan Enterprises Ltd, through its authorized representative, Ioannis Papathanassiou, its president and secretary, agree that the following facts are true and correct and would be proven by the United States beyond a reasonable doubt were this matter to go to trial:

1. The defendant, Taipan Enterprises Ltd, is a corporation organized under the laws of the commonwealth of Virginia, with its principal place of business at 712 N. Frederick Lane, Arlington, Virginia, in the Eastern District of Virginia. The defendant's president and secretary is Ioannis Papathanassiou, a/k/a John Papathanassiou. From at least June 2006, Papathanassiou engaged in the business of brokering United States Munitions List items under the name Taipan Enterprises Ltd. Papathanassiou operated Taipan Enterprises Ltd as if it were a distinct corporate entity and held Taipan Enterprises Ltd out to the public as such. On November 19, 2009, Taipan Enterprises Ltd was formally incorporated.

2. On September 1, 2007, Papathanassiou entered the United States through the Dulles International Airport port of entry on a United Airlines flight from Sao Paulo, Brazil. Customs and Border Protection (CBP) referred Papathanassiou for secondary inspection, and

asked him the nature of his travel. Papathanassiou told the CBP agent that he had been in Brazil meeting with nationals of Yemen, but falsely stated that he had been attempting to sell them farm equipment.

3. CBP's examination of Papathanassiou's luggage revealed handwritten notes referring to "weapons," and product literature for military vehicles made by a military vehicle manufacturer in Brazil, named Agrale. When confronted about the military vehicle brochures by a CBP officer, Papathanassiou falsely stated that the vehicles were for agricultural purposes.

4. Toll records for telephone numbers used by Taipan Enterprises Ltd show that Papathanassiou, acting on behalf of Taipan Enterprises Ltd, contacted a number of defense commodity manufacturers and suppliers by telephone while engaging in the business of brokering United States Munitions List items. These entities included the following:

- a. TecMotiv Global Logistics, of Ontario, Canada, a maker of tank, armored personnel carriers, and cannon parts;
- b. Sabiex, of Brussels, Belgium, a maker of combat armored vehicles;
- c. Armet Armored Vehicles, of Ontario, Canada;
- d. J&T Distributing, of Winchester, KY, a supplier of small arms components;
- e. L-3 Communications Infrared Products Division, of Dallas, TX, a night vision manufacturer;
- f. Lenco armored vehicles, of Pittsfield, MA, an armored vehicle maker;
- g. Magna Technologies, of St. Charles, MO, a maker and supplier of defense related products;

- h. Knight's Armament Company, of Brevard, FL, a manufacturer of small arms; and
- i. Obzerv Technologies Inc. (Obzerv), a Canadian company that manufactures advanced night vision technology designed for military and government end users.

5. From at least December 2006 through at least May 2007, Papathanassiou, acting on behalf of Taipan Enterprises Ltd, corresponded by email with representatives of Obzerv using the email address taipanentltd@yahoo.com. This email correspondence shows that Taipan Enterprises Ltd had been attempting to arrange for the export of Obzerv's night vision technology from Canada to Libya. In other email correspondence with representatives of Obzerv, Papathanassiou proposed having Taipan Enterprises Ltd arrange the sale of Obzerv's night vision equipment to a company named International Defense Group, S.A. (IDG) in Chile. IDG imports defense-related items for distribution to various branches of the Chilean military.

6. From at least February 2008 through at least September 2008, Papathanassiou, acting on behalf of Taipan Enterprises Ltd, corresponded by email with representatives of IDG using the email address taipanentltd@yahoo.com. The emails show that Taipan Enterprises Ltd had been attempting to arrange the sale of weapons and defense technologies to the Chilean company. Among the products Papathanassiou offered to obtain for the Chilean company were M4 rifles, gas grenades, night vision equipment, armored vehicles, ground radars, and other surveillance systems.

7. In addition to these transactions, Papathanassiou, acting on behalf of Taipan Enterprises Ltd, attempted to arrange the sale of a number of Swiss-made “machine pistols” to an end user in Yemen in June and July 2007.

8. In June 2008, Papathanassiou, acting on behalf of Taipan Enterprises Ltd, attempted to arrange the sale of Canadian armored vehicles manufactured by Armet Armored Vehicles through a Chilean company to the Chilean marine corps.

9. In January and February 2008, Papathanassiou, acting on behalf of Taipan Enterprises Ltd, attempted to arrange the sale of a number of military armored vehicles from Sabiex International, a Belgian defense manufacturer, to Magna Technologies, a Missouri-based company, for final use in Vietnam.

10. Based upon his previous employment and otherwise, Papathanassiou was well aware of the requirements of the Arms Export Control Act (AECA), 22 U.S.C. § 2778, *et seq.*, and the International Traffic in Arms Regulations (ITAR), 22 C.F.R., Parts 120-130. Taipan Enterprises Ltd, through Papathanassiou, its president and secretary, well knew that it was required to register and to obtain a license in order to engage in the business of brokering United States Munitions List items as recounted above. Nevertheless, Taipan Enterprises Ltd willfully failed to register or to obtain a license as required by the AECA and the ITAR.

Respectfully submitted,

NEIL H. MACBRIDE
UNITED STATES ATTORNEY

By: 

James P. Gillis
Assistant United States Attorney

After consulting with the attorney for Taipan Enterprises Ltd, and pursuant to the plea agreement I have entered into on its behalf this day with the United States, I hereby stipulate on behalf of Taipan Enterprises Ltd, that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proven the same beyond a reasonable doubt.

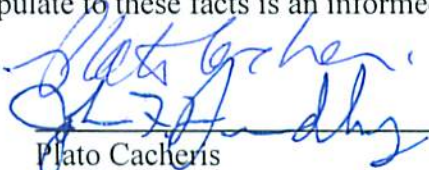
Date: 9/07/10



Ioannis Papathanassiou
President and Secretary
Taipan Enterprises Ltd
Defendant

I am counsel for Taipan Enterprises Ltd. I have carefully reviewed this statement of facts with Ioannis Papathanassiou, president and secretary of Taipan Enterprises Ltd. To my knowledge, the defendant's decision to stipulate to these facts is an informed and voluntary one.

Date: 11/2/10



Plato Cacheris
John F. Hundley
Counsel for the Defendant