

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

Holding a Criminal Term

Grand Jury Sworn in on November 16, 2009

UNITED STATES OF AMERICA	:	CRIMINAL NO. 08-216(PLF)
	:	
v.	:	VIOLATIONS:
	:	
MAC AVIATION GROUP d/b/a	:	18 U.S.C. § 371
MAC AVIATION LIMITED and	:	(Conspiracy)
MAC AVIATION NIGERIA,	:	
THOMAS McGUINN a/k/a	:	50 U.S.C. § 1705
TOM McGUINN, and	:	(International Emergency Economic
SEAN McGUINN,	:	Powers Act Violation)
	:	
Defendants.	:	31 C.F.R. Part 560
	:	(Iranian Transaction Regulations)
	:	
	:	22 U.S.C. § 2778
	:	(Arms Export Control Act)
	:	
	:	22 C.F.R. Part 127.1
	:	(International Traffic in Arms
	:	Regulations)
	:	
	:	18 U.S.C. § 1001
	:	(False Statements)
	:	
	:	18 U.S.C. § 2
	:	(Aiding and Abetting)

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times material to this Indictment:

The Defendants

1. Defendant MAC AVIATION GROUP, doing business as MAC AVIATION

LIMITED and MAC AVIATION NIGERIA (collectively “MAC AVIATION”), is a company which brokers aircraft parts and related goods on behalf of foreign customers. Defendant MAC AVIATION GROUP is registered in Ireland, with a mailing address of Cloonmull House, Drumcliffe, County Sligo, Ireland.

2. Defendant THOMAS McGUINN, also known as TOM McGUINN (hereinafter “TOM McGUINN”), is a citizen and resident of Ireland. Defendant TOM McGUINN is the owner, director, and principal officer of Defendant MAC AVIATION. As part of his responsibilities, Defendant TOM McGUINN procures goods for foreign customers.

3. Defendant SEAN McGUINN, a citizen and resident of Ireland, is the sales/procurement director of Defendant MAC AVIATION. As part of his responsibilities, Defendant SEAN McGUINN procures goods for foreign customers. Defendant SEAN McGUINN is Defendant TOM McGUINN’s son.

The Iran Trade Embargo and the Iranian Transactions Regulations

4. The International Emergency Economic Powers Act (“IEEPA”), 50 U.S.C. §§ 1701-1706, authorizes the President of the United States (“the President”) to impose economic sanctions on a foreign country in response to an unusual or extraordinary threat to the national security, foreign policy or economy of the United States when the President declares a national emergency with respect to that threat.

5. On March 15, 1995, the President issued Executive Order No. 12957, finding that “the actions and policies of the Government of Iran constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States” and declaring “a national emergency to deal with that threat.” Executive Order No. 12957, as expanded and continued by

Executive Orders Nos. 12959 and 13059, was in effect at all times relevant to this Indictment.

6. Executive Orders Nos. 12959 and 13059 (collectively, with Executive Order No. 12957, “Executive Orders”) imposed economic sanctions, including a trade embargo, on Iran. The Executive Orders prohibited, among other things, the exportation, reexportation, sale, or supply, directly or indirectly, to Iran of any goods, technology, or services from the United States or by a United States person. The Executive Orders also prohibited any transaction by any United States person or within the United States that evaded or avoided, or had the purpose of evading or avoiding, any prohibition set forth in the Executive Orders.

7. The Executive Orders authorized the United States Secretary of the Treasury, in consultation with the United States Secretary of State, “to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes” of the Executive Orders. Pursuant to this authority, the Secretary of the Treasury promulgated the Iranian Transactions Regulations, 31 C.F.R. Part 560, implementing the sanctions imposed by the Executive Orders.

8. The Iranian Transactions Regulations prohibit, among other things, the export, reexport, sale, or supply, directly or indirectly, of any goods, technology, or services from the United States or by a United States person, wherever located, to Iran or the Government of Iran, without prior authorization or license from the United States Department of the Treasury, through the Office of Foreign Assets Control, located in the District of Columbia. These regulations further prohibit any transactions that evade or avoid or have the purpose of evading or avoiding any of the prohibitions contained in the Iranian Transactions Regulations, including the unauthorized exportation of goods from the United States to a third country if the goods are intended or destined

for Iran.

9. The Executive Orders and the Iranian Transactions Regulations were in effect at all times relevant to this Indictment.

10. At no time did the defendants, MAC AVIATION, TOM McGUINN, or SEAN McGUINN, apply for, receive, or possess a license or authorization from the Office of Foreign Assets Control to export goods, technology, or services, of any description, to Iran.

The Arms Export Control Act

11. The Arms Export Control Act (“AECA”), 22 U.S.C. § 2778, authorizes the President of the United States to control the export of “defense articles” by designating items, such as certain military aircraft components, on the United States Munitions List (“Munitions List”), which is codified at 22 C.F.R. § 121.

12. The AECA and its attendant regulations, the International Traffic in Arms Regulations (“ITAR”), 22 C.F.R. Parts 120-130, require a person to apply for and obtain a validated export license from the United States Department of State, Directorate of Defense Trade Controls (“DDTC”), located in the District of Columbia, before exporting from the United States arms, ammunition, or articles of war, which are all classified as defense articles under 22 U.S.C. §§ 2778(b)(2) and 2794(3), and 22 C.F.R. §§ 120.1 and 121.1. In the application for an export license, the exporter is required to state, among other things, the nature of the armaments to be exported, the end recipient of the armaments, and the purpose for which the armaments are intended.

13. The defense articles which are subject to such licensing requirements are designated on the Munitions List. Those designations are made by the State Department with concurrence of the Defense Department under 22 USC § 2778(a)(1) and 22 C.F.R. Section 120.2.

14. Category VIII(h) of the Munitions List includes military aircraft parts. The DDTC has certified the F-5 forward canopy panel as a defense article under Category VIII(h) of the Munitions List.

15. The AECA and ITAR were in effect at all times relevant to this Indictment.

16. At no time did the defendants, MAC AVIATION, TOM McGUINN, or SEAN McGUINN, apply for, receive, or possess a license or authorization from the DDTC to export defense items and services to Iran.

Export and Shipping Records

17. Pursuant to United States law and regulation, exporters and shippers or freight forwarders are required to file certain forms and declarations concerning exports of goods and technology from the United States. Typically, those filings are filed electronically through the Automated Export System (“AES”) administered by the United States Department of Homeland Security (“DHS”), Bureau of Customs and Border Protection, which is headquartered in the District of Columbia. A Shipper’s Export Declaration (“SED”) is an official document submitted to DHS in connection with export shipments from the United States.

18. An essential and material part of the SED and AES, as well as other export filings, is information concerning the end-user or ultimate destination of the export. The identity of the end-user may determine whether the goods may be exported a) without any specific authorization from the United States government; b) with the specific authorization or validated license from the United States Department of Commerce, the United States Department of State, or the United States Department of Treasury; or c) whether the goods may not be exported from the United States.

19. The SED or AES is equivalent to a statement to the United States government that

the transaction occurred as described. The SED or AES is used by the United States Bureau of Census to collect trade statistics and by the Bureau of Industry and Security, Department of Commerce, which is located in the District of Columbia, for export control purposes. Other United States government agencies located in the District of Columbia also rely upon the information provided by SED and AES records.

COUNT ONE

(Conspiracy to Defraud the United States and to Violate Iran Embargo, IEEPA, and AECA)

20. The allegations in Paragraphs 1 through 19 are incorporated and re-alleged by reference in this Count.

21. Beginning as early as in or about June 16, 2005, the exact date being unknown to the Grand Jury, and continuing through in or about July 2008, beginning outside of the jurisdiction of any particular State or district, and later within the District of Columbia and elsewhere, the defendants,

**MAC AVIATION,
TOM McGUINN,
and
SEAN McGUINN,**

did knowingly and willfully combine, conspire, confederate, and agree with each other, and with others known and unknown to the Grand Jury, to commit offenses against the United States, that is,

(a) to defraud the Department of the Treasury and the United States government by interfering with and obstructing a lawful government function, that is, the promulgation of laws prohibiting the export or supply of goods from the United States to Iran without a license, by deceit, craft, trickery, and dishonest means, in violation of Title 18, United States

Code, Section 371;

(b) to export and cause the exportation of aircraft engines and parts, and to attempt to export and cause the exportation of aircraft engines and parts, from the United States to Iran in violation of the embargo imposed upon that country by the United States, without having first obtained the required licenses or authorizations from the Office of Foreign Assets Control, United States Department of the Treasury, located in the District of Columbia, in violation of Title 50, United States Code, Sections 1702 and 1705; and Title 31, Code of Federal Regulations, Parts 560.203 and 560.204; and

(c) to export and cause the exportation from the United States to a place outside thereof, that is Iran, defense articles, that is, military aircraft parts, which are designated as defense articles on the United States Munitions List, without first obtaining from the Department of State, DDTC, a license or written authorization for such export, in violation of Title 22, United States Code, Section 2778(b)(2); and Title 22, Code of Federal Regulations, Sections 121.1, 123.1, and 127.1.

OBJECTS OF THE CONSPIRACY

22. The objects of the conspiracy were:
- A. to make money for Defendant MAC AVIATION and its owners and employees;
 - B. to supply entities in Iran with aircraft engines and parts from the United States;
 - C. to evade the prohibitions and licensing requirements of IEEPA, the Iranian Transactions Regulations, the AECA and the ITAR; and

D. to conceal the prohibited activities and transactions from detection by the United States government so as to avoid penalties and disruption of the illegal activity.

MANNER AND MEANS OF THE CONSPIRACY

23. The manner and means by which the defendants and their co-conspirators sought to accomplish the objects of the conspiracy included, among others, the following:

A. Defendants TOM McGUINN, SEAN McGUINN and others employed by MAC AVIATION used e-mail accounts and other forms of communication, often using the alias Sean Byrne, to communicate with co-conspirators, and with other individuals located in the United States and Iran.

B. Defendants TOM McGUINN, SEAN McGUINN and others employed by MAC AVIATION solicited purchase orders and business from co-conspirators and other customers in Iran for U.S.-origin aircraft parts.

C. Defendants TOM McGUINN, SEAN McGUINN and others employed by MAC AVIATION sent requests on behalf of co-conspirators and other customers in Iran for purchases of aircraft parts to companies located in the United States.

D. Defendants TOM McGUINN, SEAN McGUINN and others employed by MAC AVIATION placed orders and purchased aircraft parts from companies located in the United States.

E. Defendants TOM McGUINN, SEAN McGUINN and others employed by MAC AVIATION wired money to banks located in the United States for payment to United States companies for these aircraft parts.

F. Defendants TOM McGUINN, SEAN McGUINN and others employed by

MAC AVIATION intentionally concealed from aircraft parts companies, shippers, and freight forwarders located in the United States the ultimate end-use and end-users of the purchased parts.

G. Defendants TOM McGUINN, SEAN McGUINN and others employed by MAC AVIATION caused shipments of aircraft parts to be made from the United States to third countries like Malaysia before causing the items to be transshipped to Iran.

H. Defendants TOM McGUINN, SEAN McGUINN and others employed by MAC AVIATION caused the aircraft parts to be exported from the United States to individuals and entities in Iran without obtaining a license from the Office of Foreign Asset Controls, United States Department of Treasury, located in the District of Columbia or the Department of State, DDTC, located in the District of Columbia.

I. Defendants TOM McGUINN, SEAN McGUINN and others employed by MAC AVIATION caused materially false, misleading, and incomplete information to be placed in documents such as air waybills, and AES and SED records.

OVERT ACTS

24. In furtherance of this conspiracy, and to accomplish its purposes and objects, at least one of the conspirators committed or caused to be committed, beginning outside of the jurisdiction of any particular State or district, and later within the District of Columbia, and elsewhere, at least one of the following overt acts, among others:

Seventeen (17) Rolls-Royce Aircraft Engines to Iran

(1) Defendant MAC AVIATION issued an invoice signed by Sean Byrne, an alias used by one or more co-conspirators, dated November 20, 2006, identified, in part, as “10072/06,” addressed to an Iranian trading company in Tehran, Iran (hereinafter “Iranian Trading Company”).

The invoice quoted a purchase price of 2,524,600.00 euro for eight (8) Rolls-Royce aircraft engines with a reference to the “R.R. 250 C20B Engine Project.” The invoice also stated that the engines could be delivered either to Kuala Lumpur, Malaysia, or Dubai, United Arab Emirates.

(2) On or about November 21, 2006, Defendant TOM McGUINN sent a letter on Defendant MAC AVIATION letterhead to a representative of the Iranian Trading Company. In the letter, which referenced the invoice “10072/06,” Defendant TOM McGUINN confirmed that the representative’s 10% commission would be paid to his account at the Export Development Bank of Iran upon completion of the sale.

(3) On November 25, 2006, Defendant TOM McGUINN sent an e-mail with the subject line of “R.R.250-C20B (Engines)” to the representative of the Iranian Trading Company that stated, in part:

Prices offered “Euro” due to fact..Iran-banks have problem with USD payments (worldwide) all/most Iran-business is now non-USD it make no difference to “Mac-Group” price-offered..\$385,000.00 each....Finally...delivery–to..Tehran (Iran) very - possible but price – our -extra-risk..etc..must be fully considered.

(4) In a subsequent invoice dated December 6, 2006, Defendant MAC AVIATION provided the representative of the Iranian Trading Company with a quote for three (3) Rolls-Royce 250-C20B engines at \$278,000.00 each, plus a 10% commission, for a total of \$917,400.00. The invoice referred to the “R.R. 250 C20B Engine Project” and listed the same invoice number referenced in the November 20, 2006 invoice. The invoice also stated that the engines could be delivered to Kuala Lumpur, Malaysia, or Dubai, United Arab Emirates, or that Defendant MAC AVIATION would consider delivery to Tehran “subject to special banking terms.” The invoice was signed by Sean Byrne, an alias used by one or more co-conspirators.

(5) On December 12, 2006, Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, to a sales manager at Rolls-Royce Corporation, located in Indianapolis, Indiana, to confirm Defendant MAC AVIATION's purchase order for six (6) Rolls-Royce model 250-C20B engines. Defendant MAC AVIATION stated in the e-mail that “these engines for our ‘MAC-GROUP’ useage and unable to give ops. details for few mths.”

(6) On or about December 22, 2006, Defendant TOM McGUINN caused a wire transfer of \$649,972.00 to be made to a Rolls-Royce account at a bank in New York, on behalf of Defendant MAC AVIATION, in partial payment for this purchase order for six (6) Rolls-Royce model 250-C20B engines.

(7) On or about December 22, 2006, Defendant MAC AVIATION caused a wire transfer of \$51,640.00 to be made to a Rolls-Royce account at a bank in New York, in partial payment for this purchase order for six (6) Rolls-Royce model 250-C20B engines.

(8) On or about December 22, 2006, Defendant MAC AVIATION caused a shipment to be made from Rolls-Royce of six (6) model 250-C20B engines bearing the serial numbers: CAE 837076 (hereinafter “Engine No. 1”); CAE 837078 (hereinafter “Engine No. 2”); CAE 837079 (hereinafter “Engine No. 3”); CAE 837080 (hereinafter “Engine No. 4”); CAE 837082 (hereinafter “Engine No. 5”); and CAE 837083 (hereinafter “Engine No. 6”); to New York Express, Defendant MAC AVIATION’s designated freight forwarder located in Inwood, New York.

(9) On January 15, 2007, Defendant TOM McGUINN sent an e-mail with a subject line of “250-C20B..engines (ready) 3 each (fn)” to the representative of the Iranian Trading Company notifying the representative that three engines were immediately available to ship in Kuala

Lumpur, Malaysia, and noting that “We are giving you – mavt..top-quality-service..under extreme difficult-conditions (embargo”s..export-control”s) worldwide right-now.”

(10) On or about January 17, 2007, Defendant MAC AVIATION caused a shipment to be made from New York Express to “MAC AVIATION GROUP, KS Global Logistics, Selangor Darul Ehsan, Malaysia.” The invoice stated that the shipment contained six (6) Rolls-Royce model 250-C20B engines at \$300,000.00 each, for a total of \$1,800,000.00. The serial numbers listed in the invoice were those associated with Engines Nos. 1, 2, 3, 4, 5 and 6.

(11) On January 25, 2007, Defendant TOM McGUINN sent an e-mail to the representative of the Iranian Trading Company requesting, among other things, payment for the first three (3) engines and attaching Defendant MAC Aviation Invoice “10072/06” addressed to a representative of a company located in Tehran, Iran, for engines identified by the serial numbers associated with Engines Nos. 1, 2, 3, 4, 5 and 6.

(12) On February 3, 2007, Defendant TOM McGUINN sent an e-mail to the representative of the Iranian Trading Company notifying the representative that his engines were “ready” to be delivered within twenty-four hours from Defendant MAC AVIATION’s warehouse. In the e-mail, Defendant TOM McGUINN also referred to invoice “10072/06” for engines and stated, “Note–Aviation/equipt..embargo..very very ‘strong’ right now on ‘Iran’ extreme-vigilance ‘worldwide’ in place.”

(13) On February 11, 2007, Defendant TOM McGUINN sent an e-mail to the representative of the Iranian Trading Company to confirm that Defendant MAC AVIATION had six (6) engines in its warehouse pursuant to invoice “10072/06” and was ready to hand over the engines upon confirmation of payment.

(14) On February 12, 2007, the representative of the Iranian Trading Company sent an e-mail to Defendant TOM McGUINN to reply that the order for six (6) engines was “up to 100% secured” and that they would most likely be looking to purchase additional engines, for a total of twenty (20) engines.

(15) On February 20, 2007, in response to an e-mail from the sales manager at Rolls-Royce asking him to “confirm the final destination of [the six (6) engines shipped out] and where they are being used i.e. country and application,” Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, stating, “We have them in our w/house...as clearly advised before we issue p/order...we advised our intention to..rent/lease engines.....we have a number of outlets and expect to make decision soon...”

(16) On or about April 11, 2007, Defendant MAC AVIATION caused a wire transfer of \$665,612.00 to be made to a Rolls-Royce account at a bank in New York, in final payment for the purchase order for six (6) Rolls-Royce model 250-C20B engines that were shipped by Rolls-Royce on or about December 22, 2006.

(17) On May 7, 2007, the representative of the Iranian Trading Company sent an e-mail to Defendant TOM McGUINN referencing the six (6) sold engines bearing the serial numbers associated with Engines Nos. 1, 2, 3, 4, 5 and 6, and requesting information about the guarantees on the engines.

(18) On June 12, 2007, Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, to the sales manager at Rolls-Royce, stating that defendant MAC AVIATION wanted to place a firm purchase order for an additional six (6) model 250-C20B engines. The total cost of the six (6) engines was listed as \$1,483,020.00.

Defendant MAC AVIATION stated the engines were destined for “Pennerbit Kemas Sdn. Bhd,” located in Selangor, Malaysia.

(19) On June 18, 2007, Defendant TOM McGUINN sent an e-mail to the representative of the Iranian Trading Company relaying the delivery schedule for a total of six (6) engines and confirming Defendant MAC AVIATION’s ordering of six (6) additional engines. In the e-mail, Defendant TOM McGUINN requested immediate clarification as to whether the representative required five (5) or six (6) engines, adding the following:

U.S.A. Auth (exp/copntrol) very villigant and double checking the “end-use” of these/all 250-C20B eng (military-civil use) this is most important to understand at this-time....don’t heed “silly” talk..no-problem etc...(yes–there are problems–high risk) we are ready to..supply-perform as above....

Again we have to be “careful” from U.S.A-customs/exp-auth require full “end-use (proof)....

(20) On June 20, 2007, Defendants TOM McGUINN and SEAN McGUINN met with a representative of Rolls-Royce at an air show held in Paris, France, during which the Rolls-Royce representative stated that Defendant MAC AVIATION needed to provide end-user information for all orders, including the intended end use and location of the previously-sold six (6) engines, before any more engines would be sold to them, and specifically inquired as to why Defendant MAC AVIATION had listed a Malaysian publishing company as the end-user of the engines. In response, Defendant TOM McGUINN stated to the representative that the engines were sent to a broker in Malaysia who was acquiring the engines on behalf of the Malaysian Ministry of Defense.

(21) On July 24, 2007, Defendant TOM McGUINN sent an e-mail to the representative of the Iranian Trading Company to update him about when the model 250-C20B

engines would be ready and to notify the representative about a “problem with our ‘friends-R.R (U.S.A) the last ‘six’ C20B we shipped..they require..end-operator before they ‘release’ our order (12 engines)..somebody ‘Iran’ has advised..engines shipped to Iran-?...not nice...wee now have ‘extra’ costs-work to resolve ASAP...”

(22) On July 30, 2007, Defendant SEAN McGUINN sent an e-mail with the subject line “bank details” to the representative of the Iranian Trading Company attaching a letter to an individual at an Iranian company from Defendant TOM McGUINN requesting payment of 3,577,272.00 euro on invoice numbers “21077/07” and “21078/07/1” to Defendant TOM McGUINN’s account at an Iranian bank in Tehran.

(23) On August 6, 2007, in response to additional inquiries from Rolls-Royce, Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, to a sales manager at Rolls-Royce and stated that Defendant MAC AVIATION would be selling or renting the Rolls-Royce engines to operations in such countries as Malaysia, Indonesia, Bangladesh, Romania, Nigeria, Ghana, and Mauritania.

(24) On August 7, 2007, Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, to a sales manager at Rolls-Royce to answer questions posed by Rolls-Royce about the end use for the engines already purchased by Defendant MAC AVIATION. The e-mail stated that Defendant MAC AVIATION had opportunities to sell engines to Singapore and Libya, and declared that Defendant MAC AVIATION was not selling the Rolls-Royce engines to any military organization or government.

(25) On August 13, 2007, Defendant TOM McGUINN sent an e-mail to the representative of the Iranian Trading Company to attach a draft banking guarantee document from

an employee of a bank in Ireland (hereinafter "Irish Bank"). The attached document was directed to the Iranian company in Tehran and stated:

We are informed by MAC Aviation ('The Seller') that they have entered into PFI Numbers [21077/07] and [21078/07/1] with you for the supply of 12 Rolls Royce engines. The engines will be sourced by the Seller from Rolls Royce Corp...Indianapolis, United States of America ('The Supplier').

In accordance with the terms of the contract, the Seller is to receive an amount of EUR3,844,272.00...by way of an advance payment representing one hundred per cent of the amount of the contract...

(26) On August 21, 2007, Defendant TOM MCGUINN sent an e-mail to the representative of the Iranian Trading Company attaching a Defendant MAC AVIATION invoice dated August 21, 2007. The invoice was signed by Sean Byrne, an alias used by one or more co-conspirators and was addressed to a representative of the Iran Aircraft Manufacturing Industrial Company (known by the Iranian acronym "HESA," hereinafter "HESA") located in Esfahan, Iran. The invoice contained a quote for six (6) engines for the "R.R. 250C20B Engine Project."

(27) Defendant MAC AVIATION placed an order for five (5) Rolls-Royce model 250-C20R/2S engines and two (2) Rolls-Royce model 250-C20B engines and caused a shipment to be made from Rolls-Royce on August 31, 2007, of five (5) Rolls-Royce model 250-C20R/2S engines bearing the following serial numbers: CAE 295902 (hereinafter "Engine No. 7"); CAE 295903 (hereinafter "Engine No. 8"); CAE 295906 (hereinafter "Engine No. 9"); CAE 295907 ((hereinafter "Engine No. 10"); and CAE 295908 (hereinafter "Engine No. 11"); and two (2) Rolls-Royce model 250-C20B engines bearing the serial numbers: CAE 837087 (hereinafter "Engine No. 12") and CAE 837089 (hereinafter "Engine No. 13").

(28) On September 10, 2007, Defendant TOM MCGUINN sent an e-mail to the

Iranian Trading Company representative, notifying the representative that freight and agent charges had to be paid in Kuala Lumpur, Malaysia, and Tehran, Iran. Defendant TOM McGUINN also forwarded an e-mail he had sent the same day to a representative of HESA about six (6) Rolls-Royce engines with the subject line “payment 6 x c200r/2 engines (\$2,242,272.00.” In the e-mail to the HESA representative, Defendant TOM McGUINN stated that Defendant MAC AVIATION was prepared to ship the engines to its agent in Iran and release the engines to HESA after confirmation from its bank that funds had been received. In the e-mail to the HESA representative, Defendant TOM McGUINN provided Defendant MAC AVIATION’s agent’s name, address in Iran, and contact information. In the text of the e-mail, Defendant TOM McGUINN identified five of the six Rolls-Royce model 250-C20R/2S engines to HESA by the serial numbers associated with Engines Nos. 7, 8, 9, 10 and 11.

(29) On or about September 13, 2007, Defendant MAC AVIATION caused a shipment to be made from New York Express, located in Inwood, New York, directly to “Penerbit Kemas Sdn Bhd,” Bandar Puteri Puchong, Puchong, Malaysia. The invoice stated the shipment contained two (2) Rolls-Royce model 250-C20B engines at \$335,200.00 each, for a total of \$670,400.00. The serial numbers on the engines were those associated with Engines Nos. 12 and 13.

(30) On or about September 14, 2007, Defendant MAC AVIATION caused a shipment to be made by New York Express, located in Inwood, New York, to “Penerbit Kemas Sdn Bhd” in Malaysia, c/o Hamburg Express GMBH in Hamburg, Germany. The shipping invoice listed five (5) Rolls-Royce model 250-C20R/2S engines priced at \$379,850.00 each, for a combined cost of \$1,899,250.00. The serial numbers listed in the invoice were those associated with Engines Nos.

7, 8, 9, 10 and 11.

(31) On October 3, 2007, Defendants TOM McGUINN and SEAN McGUINN met with a representative and a sales manager of Rolls-Royce at an air show in London, England, to discuss, among other things, potential future purchases of aircraft engines from Rolls-Royce.

(32) On October 4, 2007, an employee of Defendant MAC AVIATION sent an e-mail to the representative of the Iranian Trading Company some air waybills and shipping documents for Rolls-Royce engines in order to ensure “clear and smooth shipping in advance.” Attached to this October 4, 2007, e-mail were Defendant MAC AVIATION invoices dated October 1, 2007, addressed to the representative of HESA in Esfahan, Iran for the sale of two (2) model 250-C20B and five (5) model 250-C20R/2S engines, respectively, identified by the serial numbers associated with Engines Nos. 7, 8, 9, 10, 11, 12 and 13. The employee of Defendant MAC AVIATION also attached to this e-mail an air waybill that listed the shipper as “MAC AVIATION LIMITED, Penerbit Kemas SDN BHD, NO. 60, Jalan SS20/10, Damansara Utama, 47400 Petaling Jaya, Selangor [Malaysia]” and the consignee as “Iran Aircraft Manufacturing Industries Co. (H.E.S.A.)” A note on the air waybill stated, “ensure no release of goods (engines) to HESA until confirmation by MAC AVIATION that funds with our bank.”

(33) On or about October 11, 2007, Defendant MAC AVIATION caused a wire transfer of \$1,904,564.00 to a Rolls-Royce account at a bank in New York, in payment for the purchase order for five (5) Rolls-Royce model 250-C20R engines and two (2) model 250-C20B engines that were shipped by Rolls-Royce on or about August 31, 2007.

(34) Defendant MAC AVIATION ordered from Rolls-Royce two (2) model 250-C20B aircraft engines and, on or about October 26, 2007, caused to be shipped from Rolls-Royce

two (2) model 250-C20B engines bearing the serial numbers: CAE 837094 (hereinafter “Engine No. 14”) and CAE 837095 (hereinafter “Engine No. 15”).

(35) On November 7, 2007, in an e-mail response to an inquiry from a Rolls-Royce employee regarding the current status of the five (5) Rolls-Royce model 250-C20R/2S engines bearing serial numbers associated with Engines Nos. 7, 8, 9, 10 and 11, which were shipped from Rolls-Royce on or about August 31, 2007, Defendant SEAN McGUINN stated, “[P]lease be advised that ‘No Installations’ have been carried out on the [] listed engines as our contracts have not yet been finalized with our customers. As soon as there are any installations I will inform you immediately to enable you to report back to head-office.”

(36) Defendant MAC AVIATION ordered from Rolls-Royce two (2) model 250-C20B aircraft engines and, on or about November 30, 2007, caused to be shipped from Rolls-Royce two (2) model 250-C20B engines bearing the serial numbers: CAE 837099 (hereinafter “Engine No. 16”) and CAE 837103 (hereinafter “Engine No. 17”).

(37) On or about December 6, 2007, Defendant MAC AVIATION caused materials to be presented for shipment by New York Express, located in Inwood, New York, to Penerbit Kemas Sdn Bhd in Malaysia. The accompanying invoice under MAC AVIATION letterhead stated that the shipment contained two (2) Rolls-Royce model 250-C20B engines at \$267,000.00 each, for a total of \$534,000.00, and identified the serial numbers for the two engines as those associated with Engines Nos. 14 and 15.

(38) On or about December 12, 2007, Defendant MAC AVIATION caused a wire transfer of \$501,114.00 to a Rolls-Royce account at a bank in New York by the Irish Bank, in payment for the purchase order for two (2) Rolls-Royce model 250-C20B engines that were shipped

by Rolls-Royce on or about October 26, 2007.

(39) Defendant MAC AVIATION issued invoices, dated December 22, 2007, that identified the customers for four (4) Rolls-Royce model 250-C20B engines as an Iranian company located in Tehran, Iran, and as HESA. The total amount for the transaction was listed on the Defendant MAC AVIATION invoices to the Iranian company and HESA as 1,068,000 euro and the country of origin was listed on the invoices as "USA." The invoices were signed by Sean Byrne, an alias used by one or more co-conspirators, and requested immediate payment for the engines to Defendant TOM McGUINN's account at an Iranian bank.

(40) On or about December 24, 2007, Defendant MAC AVIATION caused a wire transfer of \$501,114.00 to a Rolls-Royce account at a bank in New York by the Irish Bank in payment for the purchase order for two (2) Rolls-Royce model 250-C20B engines that were shipped by Rolls-Royce on or about November 30, 2007.

(41) On January 14, 2008, Defendant TOM McGUINN sent an e-mail to the representative of the Iranian Trading Company and informed him that four (4) engines were ready for immediate release, listing the serial numbers associated with Engines Nos. 14, 15, 16 and 17.

(42) On March 11, 2008, Defendant TOM McGUINN sent an e-mail to the representative of the Iranian Trading Company, stating: "[f]urther last - telcom standby your CFM of payment our 'four' C20B (FN) engines value eu. 1,068,000.00..to our account.. bank..Tehran..without any further delay or discussion. Note...most surprised. You not meet on last visit to 'Tehran (Feb'08). And no corr. to date."

(43) On or about March 31, 2008, Defendant MAC AVIATION requested that New York Express forward to Malaysia two (2) Rolls-Royce model 250-C20B engines that had been

stored at a New York Express facility in New York. The shipping invoice revealed that the engines were to be shipped to “Penerbit Kemas Sdn Bhd, Suite 1, Number 20, Jalan Puteri 2/2, Bandar Puteri Puchong, 47100 Puchong, Selangor Darul Ehsan, Malaysia.”

Fifty (50) U.S. Origin Vanes to Iran

(44) On or about August 10, 2005, Defendant MAC AVIATION caused United Technologies, Pratt & Whitney, to ship forty (40) 5th Stage Vanes, aircraft parts identified by part number 802755, from its East Hartford, Connecticut, facility to Defendant MAC AVIATION, under purchase order number “MA/PO/T1890/05.” On the shipping invoice for the forty (40) 5th Stage Vanes, Belgium was listed as the final destination. The shipping order contained the following warning:

These commodities, technology or software were exported from the United States in accordance with the export administration regulations destination BELGIUM. Diversion contrary to U.S. law is prohibited.

(45) On or about August 27, 2005, Defendant MAC AVIATION caused United Technologies, Pratt & Whitney, to ship an additional ten (10) 5th Stage Vanes, identified by part number 802755, from their East Hartford, Connecticut, facility to DEFENDANT MAC AVIATION under purchase order number “MA/PO/T1890/05.” On the shipping invoice for the ten (10) 5th Stage Vanes, Belgium was listed as the final destination. The shipping invoice listed an identical warning as set forth above in overt act number 44.

(46) Defendant MAC AVIATION issued invoice number 1982, dated December 12, 2006, which details the sale of (P/N 802755), a 5th Stage Vane, by Defendant MAC AVIATION to Iran Aircraft Industries (hereinafter “IACI”) located in Tehran, Iran. The invoice indicates that an undisclosed number of the 5th Stage Vanes would be shipped under Air Waybill number

096-9735-9216 on December 13, 2006. The total value of the sale was \$141,750.00, payable to Defendant MAC AVIATION's bank account at a bank in Ireland. The invoice also shows a Customer Purchase Order number of T1890 – the same purchase order number found on the Pratt & Whitney shipping orders described above in overt acts numbers 44 and 45.

(47) On December 12, 2006, Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, to a representative of IACI referencing “Your Purchase Order T1890,” the same purchase order number found on the Pratt & Whitney shipping orders dated August 10, 2005, and August 27, 2005; and on Defendant MAC AVIATION invoice number 1982. The subject line of the December 12, 2006, e-mail from Sean Byrne reads, “Shipment of QTY: 50 EA Vanes P/N 802755 (as per agreement).” This e-mail also identified the Air Waybill number as 096-9735-9216 and contained the following shipping detail: “Departure ETA 0300+1...KUL-THR Flight IR841 (ETD/2330).” KUL and THR correspond, respectively, to the airport codes for Kuala Lumpur International Airport, Kuala Lumpur, Malaysia, and Tehran/Mehrabad International Airport, Tehran, Iran.

(48) On December 18, 2006, an employee of Defendant MAC AVIATION confirmed the details of this transaction in an e-mail to a representative of IACI as follows:

Further to a meeting in Tehran (Participants...Mr. Tom McGUINN and others) DD 31st October 2006, it was fully agreed that the above goods be shipped to [Iran Aircraft Industries] without delay. Therefore goods were shipped on 12th December under AWB 096-9735-9216 as agreed. 50 ea VANES were then received in Tehran (PTC) 13th December 2006.

Thirty-Two (32) U.S. Origin Aircraft Bolts to Iran

(49) On or about August 23, 2006, Defendant MAC AVIATION caused Uniflight, LLC, a company located in Grand Prairie, Texas, to ship thirty-two (32) bolts, identified by part

number 20-057-4-43D, and which are used in aircrafts, to a representative of a Dubai, United Arab Emirates (“UAE”) trading company (hereinafter “UAE Trading Company”) through its designated freight forwarder. The invoice for \$1,951.04 was addressed to Defendant MAC AVIATION in Sligo, Ireland.

(50) On January 11, 2007, Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, to a representative of the UAE Trading Company referencing purchase order “09725” in the subject line and notifying the representative that “[W]e will however accept pre-payment the value of (item-value as per PO) \$2,261.76 from Dubai company and Dubai Bank ONLY (any payment from Iran will not be accepted by European banks whatsoever).” Under this entry was another e-mail from Sean Byrne dated January 5, 2007, which read in part:

PURCHASE ORDER: 09725 (ONAKISH)

and

NOTE: WE ARE SHIPPING YOUR GOODS UNDER EXTREME DIFFICULTIES AND THEREFORE NEED YOUR FULL ASSISTANCE /BEST COOPERATION.

(51) On February 2, 2007, an employee of Defendant MAC AVIATION e-mailed an individual from the UAE Trading Company requesting payment for the final balance on an attached Defendant MAC AVIATION invoice number 1987, dated January 31, 2007, for the purchase order for thirty-two (32) bolts. The attached Defendant MAC AVIATION invoice number 1987, dated January 31, 2007, shows the sale of thirty-two (32) bolts, identified by part number 20-057-4-43D. The invoice cross references an invoice identified as “MA/ETCL/UA9725/05” with a total purchase price of \$2,261.76. A portion of the invoice number – “9725” – is identical to the

purchase order number referenced in the January 5, 2007, e-mail from Defendant MAC AVIATION in the name of Sean Byrne, an alias used by one or more co-conspirators, to individuals employed by the UAE Trading Company. Further, this invoice is addressed to: "ONAKISH Co., Kish Island, I.R. of Iran." The final destination for the thirty-two (32) bolts shown on this invoice is listed as Kish Island, Iran. The invoice specifically identified the country of origin as "USA."

(52) On February 19, 2007, Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, to a representative of the UAE Trading Company conveying delivery details and notifying the representative that the name of the UAE Trading Company specifically would not be used in order to avoid having the name be associated with a direct shipment from the United States to Dubai. The e-mail chain specifically referred to delivery of the thirty-two (32) bolts and referenced purchase order number "9725."

Three (3) F-5 Fighter Canopy Panels to Iran

(53) On or about June 16, 2005, Defendant MAC AVIATION sent a revised quotation to HESA, located in Esfahan, Iran, for three F-5 forward canopy panels from Sean Byrne, an alias used by one or more co-conspirators. The quote was for a total of \$86,400.00 U.S. dollars. The reference number was MA/HTC/H70010.

(54) On or about July 13, 2005, Defendant TOM MCGUINN had a phone conversation with a sales representative at Commerce Overseas Corporation, a company located in Tustin, California, regarding the purchase of three F-5 forward canopy panels.

(55) On or about July 13, 2005, an employee of Defendant MAC AVIATION sent a purchase order via e-mail to a representative of Commerce Overseas Corporation for three F-5 forward canopy panels, part number 3-13204-01, for a total of \$44,550.00, to be delivered to a K-

Line Air Service warehouse in Belgium. The reference number for the purchase order was MA/COC/H70010.

(56) On or about July 13, 2005, an employee of Defendant MAC AVIATION sent the bank information of defendant MAC AVIATION to HESA for the opening of a letter of credit of \$86,400.00 pursuant to MA/HTC/H70010/05.

(57) On or about July 18, 2005, defendant MAC AVIATION sent a Confirmation of Purchase Order, with reference number MA/HTC/H70010/05, to the Purchasing Manager of "SASADJA" in Tehran, Iran for three F-5 forward canopy panels, Part Number 3-13204-01 for \$86,400.00 to be paid by letter of credit.

(58) On or about September 2, 2005, an employee of Defendant MAC AVIATION sent an amended purchase order to Commerce Overseas Corporation, reference number MA/COC/H70010/05 for three forward canopy panels. The purchase order listed the end user as the "Republic of Nigeria Aviation Industry."

(59) On or about September 7, 2005, an employee of Defendant MAC AVIATION caused a wire transfer of \$22, 235.87 to be made to a Commerce Overseas Corporation account at a bank in California, on behalf of Defendant MAC AVIATION, in partial pre-payment for the three F-5 forward canopy panels.

(60) On or about September 15, 2005, an employee of Defendant MAC AVIATION, in response to an e-mail from a representative of Commerce Overseas Corporation requesting an end user statement on the Republic of Nigeria Air Force letterhead, sent an End User Certificate Statement to Commerce Overseas Corporation, dated July 12, 2005. The certificate, on defendant MAC AVIATION letterhead, included reference number MA/COC/H70010/05, and stated

that defendant MAC AVIATION agreed to abide by all the laws of the United States. It also agreed that defendant MAC AVIATION and its customers would not sell parts or knowingly deliver parts to any country hostile to the United States or its trading partners.

(61) On or about September 23, 2005, in response to an e-mail from a representative of Commerce Overseas Corporation stating that Commerce Overseas Corporation or any U.S. Company could not ship to Belgium without an export license, Defendant MAC AVIATION sent an e-mail from Sean Byrne, an alias used by one or more co-conspirators, instructing the representative to ship the goods to an agent of defendant MAC AVIATION in the United States.

(62) On or about September 26, 2006, an employee of defendant MAC AVIATION caused a representative of K-Line Air Service in Belgium (hereinafter “Belgian Representative”) to contact the K-Line Air Service USA agent located in El Segundo, California, in order to request that the U.S. agent accept delivery of the F-5 forward canopy panels from Commerce Overseas Corporation.

(63) On or about October 26, 2005, an employee of defendant MAC AVIATION sent an e-mail to the Belgian Representative, asking the Belgian Representative to advise the K-Line agent in California that “‘END USER CERT’ SHOULD NOT BE MENTIONED AT ANY TIME WHEN YOUR CONTACT IN K-LINE CA COMMUNICATES WITH COC”

(64) On or about October 28, 2005, in response to an e-mail from the Belgian representative to defendant TOM McGUINN asking that defendant MAC AVIATION request Commerce Overseas Corporation to apply for an export license, an employee of defendant MAC AVIATION sent an e-mail to the Belgian representative. In the e-mail, the employee of Defendant

MAC AVIATION requested that K-Line in Belgium collect the goods as soon as possible from K-Line in California and stated “[t]here is no discussion about any Export License.”

(65) On or about November 8, 2005, in response to an e-mail from a representative of Commerce Overseas Corporation refusing to ship the F-5 forward canopy panels until the receipt of an export license, defendant MAC AVIATION sent an e-mail signed by Sean Byrne, an alias used by one or more co-conspirators, requesting that Commerce Overseas Corporation hand over the goods to K-Line in California. The e-mail further stated “It is the responsibility of Mac Aviation Group to organize the EU license before goods leave USA.”

(66) On or about November 9, 2005, defendant MAC AVIATION sent an e-mail to a representative of Commerce Overseas Corporation attaching an ownership statement, signed by Sean Byrne, an alias used by one or more co-conspirators. The ownership statement stated that defendant MAC AVIATION agreed to accept ownership of the goods “F.O.B. Tustin, CA - as per our purchase order MA/COC/H70010/05 . . .” upon delivery to K-Line USA in El Segundo, California “in export packing condition.”

(67) On or about November 16, 2005, an employee of Defendant MAC AVIATION caused a wire transfer of \$22,251.20 to be made to a Commerce Overseas Corporation account at a bank in California, on behalf of Defendant MAC AVIATION, in final payment for the three F-5 forward canopy panels.

(68) On or about December 13, 2005, in response to an e-mail from a representative of K-Line USA in California (hereinafter “U.S. representative”) asking for the export license in order to pick up the goods, defendant MAC AVIATION sent an e-mail to the U.S. representative from Sean Byrne, an alias used by one or more co-conspirators, asking K-Line USA

to pick up the goods by tomorrow. The e-mail further stated that ownership of the goods had already passed on to defendant MAC AVIATION, and that it is defendant MAC AVIATION's responsibility to arrange the documents.

(69) On or about December 21, 2005, defendant MAC AVIATION caused a Belgian Representative of K-Line to contact a representative of New York Express, a freight forwarder located in Inwood, New York, to request that New York Express agree to accept the F-5 forward canopy panels. New York Express refused to accept the goods without a license from the U.S. State Department.

(70) On or about January 31, 2006, defendant MAC AVIATION caused a representative of ABL freight, located in Compton, California, to remove all attached invoices from Commerce Overseas Corporation from the F-5 forward canopy panels, and replace them with a Packing List and Proforma Invoice on defendant MAC AVIATION letterhead addressed to "Microset Systems Sdn Bhd," Free Commercial Zone, Southern Zone, Kuala Lumpur, Malaysia for three (3) Plastic Panels, Part Number 3-13204-01, Serial Numbers 2146, 2149, and 2150.

(71) On or about February 5, 2006, Defendant MAC AVIATION caused a shipment of three (3) forward canopy panels to be made from ABL Freight, also known as Witech International, located in Compton, California, directly to "Microset Systems Sdn Bhd," Free Commercial Zone, Southern Zone, Kuala Lumpur, Malaysia.

(72) On or about February 25, 2006, Defendant MAC AVIATION caused a shipment to be made from "Microset Systems Sdn Bhd" in Kuala Lumpur, Malaysia, to Sasadja Moavanate Bazargani in Tehran, Iran. The packing list listed three (3) Forward Canopies, Part Number 3-13204-01, Serial Numbers 2146, 2149, and 2150, priced at \$28,800.00 each, for a

combined cost of \$86,400.00. The country of origin for the canopies was listed as "USA."

(73) On or about April 24, 2006, an employee of Defendant MAC AVIATION sent an e-mail to Bank Sepah-Iran confirming receipt of payment of \$85,328.20, and demanding that Bank Sepah-Iran pay the additional \$1,071.80 owed pursuant to the \$86,400.00 letter of credit.

COUNT TWO

(Conspiracy to Export to Embargoed Country)

25. The allegations in Paragraphs 1 through 19 and 22 through 24 are incorporated and re-alleged by reference in this Count.

26. Beginning as early as in or about August 2005, the exact date being unknown to the Grand Jury, and continuing through in or about July 2008, beginning outside of the jurisdiction of any particular State or district, and later within the District of Columbia and elsewhere, the defendants,

**MAC AVIATION ,
TOM McGUINN,
and
SEAN McGUINN,**

did knowingly and willfully combine, conspire, confederate, and agree with each other, and with others known and unknown to the Grand Jury, to commit offenses against the United States, that is, to export and cause the exportation of aircraft engines and parts, and to attempt to export and cause the exportation of aircraft engines and parts, from the United States to Iran in violation of the embargo imposed upon that country by the United States, without having first obtained the required licenses or authorizations from the Office of Foreign Assets Control, United States Department of the Treasury, located in the District of Columbia, in violation of Title 50, United States Code, Sections 1702 and 1705, and Title 31, Code of Federal Regulations, Parts 560.203 and 560.204.

COUNTS THREE THROUGH NINETEEN**(Exports to Embargoed Country)**

27. The allegations in Paragraphs 1 through 19 are incorporated and re-alleged by reference in this Count.

28. On or about the dates listed as to each count below, beginning outside of the jurisdiction of any particular State or district, and later within the District of Columbia, and elsewhere, the defendants,

**MAC AVIATION,
TOM McGUINN,
and
SEAN McGUINN,**

did knowingly and willfully violate the embargo against Iran by exporting and causing to export aircraft parts, and attempting to export and causing to be exported aircraft parts, as described more fully below in Counts Three through Nineteen from the United States to Iran, without having first obtained the required authorizations from the Office of Foreign Assets Control, United States Department of the Treasury, located in the District of Columbia.

<u>COUNT</u>	<u>APPROX. DATE OF EXPORT</u>	<u>MODEL NUMBER</u>	<u>SERIAL NUMBER</u>	<u>PURCHASE ORDER</u>
3	1/17/2007	C20B(BX)	CAE 837076	MAG/R-R-C2OB/10072/06
4	1/17/2007	C20B(BX)	CAE 837078	MAG/R-R-C2OB/10072/06
5	1/17/2007	C20B(BX)	CAE 837079	MAG/R-R-C2OB/10072/06
6	1/17/2007	C20B(BX)	CAE 837080	MAG/R-R-C2OB/10072/06
7	1/17/2007	C20B(BX)	CAE 837082	MAG/R-R-C2OB/10072/06

<u>COUNT</u>	<u>APPROX. DATE OF EXPORT</u>	<u>MODEL NUMBER</u>	<u>SERIAL NUMBER</u>	<u>PURCHASE ORDER</u>
8	1/17/2007	C20B(BX)	CAE 837083	MAG/R-R-C2OB/10072/06
9	9/13/2007	C20B(BX)	CAE 837087	MAG/R-R-C2OB/374300/0
10	9/13/2007	C20B(BX)	CAE 837089	MAG/R-R-C2OB/374300/0
11	9/14/2007	C20R2SP	CAE 295902	MAG/R-R-C2OR/2/37400
12	9/14/2007	C20R2SP	CAE 295903	MAG/R-R-C2OR/2/37400
13	9/14/2007	C20R2SP	CAE 295906	MAG/R-R-C2OR/2/37400
14	9/14/2007	C20R2SP	CAE 295907	MAG/R-R-C2OR/2/37400
15	9/14/2007	C20R2SP	CAE 295908	MAG/R-R-C2OR/2/37400
16	12/6/2007	C20B(BX)	CAE 837094	MAG/R-R-C2OB/374300/0
17	12/6/2007	C20B(BX)	CAE 837095	MAG/R-R-C2OB/374300/0
18	ATTEMPT	C20B(BX)	CAE 837099	MAG/R-R-C2OB
19	ATTEMPT	C20B(BX)	CAE 837103	MAG/R-R-C2OB

All in violation of Title 50, United States Code, Sections 1702 and 1705, Executive Orders 12957, 12959, and 13059, Title 31, Code of Federal Regulations, Parts 560.203 and 560.204, and Title 18, United States Code, Section 2.

COUNTS TWENTY THROUGH TWENTY-ONE

(Exports to Embargoed Country)

29. The allegations in Paragraphs 1 through 19 are incorporated and re-alleged by reference in this Count.

30. On or about the dates listed as to each count below, beginning outside of the

jurisdiction of any particular State or district, and later within the District of Columbia, and elsewhere, the defendants,

**MAC AVIATION
and
TOM McGUINN,**

did knowingly and willfully violate the embargo against Iran by exporting and causing to export aircraft parts, and attempting to export and causing to be exported aircraft parts, as described more fully below in Counts Twenty through Twenty-One, from the United States to Iran, without having first obtained the required authorizations from the Office of Foreign Assets Control, United States Department of the Treasury, located in the District of Columbia.

<u>COUNT</u>	<u>APPROX. DATE OF EXPORT</u>	<u>MODEL NUMBER</u>	<u>SERIAL NUMBER</u>	<u>PURCHASE ORDER</u>
20	8/10/05 & 8/27/05	5 th Stage Vanes	802755	MA/PO/T1890/05
21	12/13/06	Bolts	20-057-4-43D	MA/ETCL/UA9725/05

All in violation of Title 50, United States Code, Sections 1702 and 1705, Executive Orders 12957, 12959, and 13059, Title 31, Code of Federal Regulations, Parts 560.203 and 560.204, and Title 18, United States Code, Section 2.

COUNT TWENTY -TWO

(Export of Defense Articles)

31. The allegations in Paragraphs 1 through 19 are incorporated and re-alleged by reference in this Count.

32. On or about February 5, 2006, beginning outside of the jurisdiction of any particular

State or district, and later within the District of Columbia, and elsewhere, the defendants,

**MAC AVIATION
and
TOM McGUINN,**

willfully exported and caused to be exported defense articles on the Munitions List, that is, three (3) F-5 forward canopy panels, to Iran, without having first obtained the required licenses or authorizations from the DDTC, United States Department of State, located in the District of Columbia, in violation of Title 22, United States Code, Section 2778(b)(2), Title 22, Code of Federal Regulations, Part 127.1, and Title 18, United States Code, Section 2.

COUNTS TWENTY-THREE THROUGH TWENTY-SEVEN

(False Statements)

33. Paragraphs 1 through 19 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

34. On or about the dates set forth below, beginning outside of the jurisdiction of any particular State or district, and later within the District of Columbia and elsewhere, defendants,

**MAC AVIATION
and
TOM McGUINN,**

in a matter within the jurisdiction of the United States Department of Homeland Security, Bureau of Customs and Border Protection; the United States Census Bureau; and the United States Department of Commerce, Bureau of Industry and Security, which are located in the District of Columbia, did knowingly and willfully falsify, conceal, and cover up and cause to be falsified, concealed, and covered up, by a trick, scheme, and device, material facts and made and caused to be made false, fictitious and fraudulent statements and representations as to a material fact, and made

and used a false writing and document knowing the same to contain a false, fictitious and fraudulent entry, by creating and causing the maintenance for inspection by the Bureau of Customs and Border Protection, United States Census Bureau, and Bureau of Industry and Security, United States Department of Commerce, false and fictitious shipping documents, including air waybills, Automated Export System records, and Shipper's Export Declarations, which stated that 1) the license classification for the goods was "C33," which indicates that no license is required, and 2) the ultimate consignee was an entity located in Malaysia, as described more fully below in Counts Twenty-Three through Twenty-Seven, when the defendants there and then knew well that these statements were false and the ultimate destination for said goods was Iran:

<u>COUNT</u>	<u>APPROX. DATE OF FALSE STATEMENT</u>	<u>FALSE LICENSE CODE</u>	<u>FALSE ULTIMATE CONSIGNEE</u>
23	1/17/2007	C33	Mac Aviation Group Co KS Global Logisitics (M) Sdn Bhd, No20-1, Jalan Puteri 2/2, Bandar, Selangot Darul Ehsan, MY Malaysia
24	9/13/2007	C33	Penerbit Kemas Sdn Bhd Suite 1, No. 2, Jalan Puteri 2/2/, Bandar Puteri Puchong, Puchong, Selanfor Darul Ehsan [Malaysia]
25	9/14/2007	C33	Penerbit Kemas Sdn Bhd Suite 1, No. 2, Jalan Puteri 2/2/, Bandar Puteri Puchong, Puchong, Selanfor Darul Ehsan [Malaysia]

26	12/6/2007	C33	Penerbit Kemas Sdn Bhd Suite 1, No. 2, Jalan Puteri 2/2/ Bandar Puteri Puchong, Puchong, Selanfor Darul Ehsan [Malaysia]
27	2/5/2006	C33	Microset Systems Sdn Bhd Lot D22 Malaysia Airlines Freight Free Commercial Zone Southern Zone, KLIA Kuala Lumpur, 43900 MY [Malaysia]

In violation of 18 United States Code, Sections 1001 and 2.

FORFEITURE ALLEGATIONS

(As to Counts One through Twenty-Two)

35. As a result of committing one or more of the offenses alleged in Counts One through Twenty-Two of this Indictment, in violation of Title 18, United States Code, Section 371, and Title 50, United States Code, Sections 1702 and 1705, Title 31, Code of Federal Regulations, Parts 560.203 and 560.204, and Title 22, United States Code, Section 2778, and Title 22, Code of Federal Regulations, Part 127.1, defendants

**MAC AVIATION,
TOM McGUINN,
and
SEAN McGUINN,**

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981 (a)(1)(C) and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses alleged in Counts One through Twenty-Two of this Indictment, including, but not limited to, a sum of money representing the

amount of proceeds obtained as a result of the offenses.

Substitute Assets Provision

36. If any of the above-described forfeitable property, as a result of any act or omission of a defendant:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third party;
- (3) has been placed beyond the jurisdiction of the court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of said defendant up to the value of the above forfeitable property.

A TRUE BILL

FOREPERSON

Attorney of the United States in
and for the District of Columbia