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NAJI ANTOINE ABI KHALIL SENTENCED TO
60 MONTHS' IMPRISONMENT FOR ATTEMPTING TO EXPORT
MILITARY NIGHT-VISION EQUIPMENT TO HIZBALLAH

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that NAJI ANTOINE ABI KHALIL was sentenced this afternoon to 60 months' imprisonment. KHALIL pleaded guilty on August 9, 2005 to attempting to provide material support to Hizballah, a Lebanon-based terrorist organization; attempting to contribute goods in the form of military night-vision equipment and infrared aiming devices to Hizballah; and conspiring to export sensitive military equipment from the United States without first obtaining the necessary licenses from the State Department and the Commerce Department. KHALIL was indicted on these charges in Manhattan federal court on June 16, 2004, and pleaded guilty to the charges contained in the indictment in the Eastern District of Arkansas, where he has also pleaded guilty to money laundering charges and is presently detained.

At his sentencing today, KHALIL received a prison term of 57 months on the attempted material support charge and 60 months each on the attempted contribution and conspiracy to export charges. He was also sentenced to 57 months' imprisonment for the Eastern District of Arkansas money laundering charge. The terms of imprisonment are to run concurrently.

According to court documents previously filed in Manhattan federal court, on or about May 17, 2004, KHALIL – who holds dual citizenship in both Lebanon and Canada, and who was Chairman and General Manager of New Line Services, an import/export shipping company in Montreal, Canada – flew from Canada to New York to meet with a cooperating witness (the "CW") working with the Federal Bureau of Investigation ("FBI") regarding a shipment of stolen electronics that needed to be exported out of the country. KHALIL and the CW met several times

on May 17 and May 18 at the Marriott Marquis Hotel in Manhattan. Those meetings were monitored by law enforcement agents from an adjoining hotel room on a video and audio monitor. During the meetings, the CW told KHALIL that he had a customer who wanted to ship night-vision goggles to Hizballah in Athens, Greece. KHALIL responded that it was not a problem and that he had "friends." KHALIL also confirmed that he had no problem shipping the items to Hizballah.

According to court documents, during another meeting between KHALIL and the CW at the Marriot, the CW introduced KHALIL to an undercover FBI agent posing as the CW's customer. The undercover agent told KHALIL that he wanted to ship night-vision goggles and infrared aiming devices to Athens, Greece. The undercover agent provided KHALIL with the point of contact and address of individuals who would receive the shipment in Greece. KHALIL agreed to create a fictitious bill of lading so that the items being shipped and the identity of the shipper would not be revealed.

Also according to court documents, on the morning of May 19, 2004, KHALIL and TOMER GRINBERG, an Israeli citizen employed at the Tober Group, a shipping and logistics company based in Brooklyn, New York, met with the undercover agent at Manhattan Mini Storage located at 645 West 44th Street in Manhattan to pick up the night-vision equipment. The undercover agent showed KHALIL and GRINBERG a crate filled with fourteen pieces of "Generation 3" night-vision equipment, including night-vision goggles and infrared aiming devices. The infrared aiming devices were designed to be mounted on M-16 and other military rifles for target acquisition purposes when using night-vision goggles. Generation 3 is the highest level of night-vision technology and cannot be exported without a license.

As explained in court documents, KHALIL tried on the night-vision goggles. GRINBERG told the undercover agent that he did not need to try on the equipment because he had military experience and knew what the items were and that he had access to these types of night-vision goggles. KHALIL and GRINBERG then loaded the equipment inside a minivan. KHALIL also accepted a down payment of \$2,500 from the undercover agent for the shipment to Greece. KHALIL and GRINBERG were then placed under arrest.

GRINBERG pleaded guilty on July 28, 2005, in Manhattan federal court to conspiring to export sensitive military equipment without first obtaining the required licenses. He is awaiting sentencing.

MR. GARCIA praised the investigative efforts of the FBI, the United States Commerce Department, the Department of Homeland Security, and the New York City Police Department.

Assistant United States Attorney W.S. WILSON LEUNG is in charge of the prosecution.

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