

IN THE UNITED STATES DISTRICT COURT FOR THE  
MIDDLE DISTRICT OF GEORGIA  
MACON DIVISION

Filed at 12:00 P M  
2/24, 2011  
Deputy Clerk, U.S. District Court  
Middle District of Georgia

UNITED STATES OF AMERICA,

CR. NO. 5:10-CR-58-MTT

v.

GALAXY AVIATION SERVICES

**PLEA AGREEMENT**

**I. INTRODUCTION**



**A. Scope of Agreement:** The Indictment in this case charges defendant, GALAXY AVIATION SERVICES ("GALAXY"), with one count of conspiracy to violate the Arms Export Control Act ("AECA"), 22 U.S.C. § 2778, the International Traffic in Arms Regulations, 22 C.F.R. §§ 123.1 and 127.1, the International Emergency Economic Powers Act ("IEEPA"), 50 U.S.C. § 1705, and the Iranian Transactions Regulations, 31 C.F.R. §§ 560.203 and 560.204, all in violation of 18 U.S.C. § 371; four substantive violations of IEEPA, 50 USC § 1705; and one count of conspiracy to commit money laundering, in violation of Title 50, U.S.C. §§ 1702 and 1705(a), and Title 31, Code of Federal Regulations, Parts 560.203 and 560.204, all in violation of Title 18, U.S.C. §§ 1956(a)(2)(A) and (h). This document contains the complete Plea Agreement between the United States Attorney's Office for the Middle District of Georgia and Department of Justice, National Security Division (the "government") and the defendant regarding this case. This Plea Agreement is limited to the United States Attorney's Office for the Middle District of Georgia and the Department of Justice, National Security Division and cannot bind any other federal, state, or local prosecuting, administrative, or regulatory authorities.

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**B. Court Not a Party:** The Court is not a party to this Plea Agreement. Sentencing is a matter solely within the discretion of the Court, the Court is under no obligation to accept any recommendations made by the government, and the Court may in its discretion impose any sentence it deems appropriate up to and including the statutory maximum stated in this Plea Agreement. If the Court should impose any sentence up to the maximum established by the statute, the defendant cannot, for that reason alone, withdraw its guilty plea, and it will remain bound to fulfill all of the obligations under this Agreement. The defendant understands that neither the prosecutor, defense counsel, nor the Court can make a binding prediction or promise regarding the sentence it will receive.

The defendant understands that the United States Probation Office is also not a party to this agreement and will conduct an independent investigation of the defendant's activities and background and prepare a report which it will submit to the Court as its own sentencing recommendation. In addition, the government will fully apprise the Probation Office, as well as the Court, of the full and true nature, scope and extent of the defendant's criminal activities concerning the charges to which the defendant is entering a plea of guilty, including activities which may not have been charged in the Indictment, and which may or will be dismissed. Furthermore, the government will fully apprise the Probation Office, as well as the Court, of the full and true nature, scope and extent of any and all relevant conduct.

**C. Nature, Elements and Possible Defenses:** The defendant has read the charges against it contained in the Indictment in this case, and the charges have been fully explained by counsel. Further, the defendant fully understands the nature and elements of the crimes with

  
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which it has been charged, together with the possible defenses thereto, and has discussed them with counsel.

The defendant understands that in order to prove it guilty of the charge of Conspiracy to Export Defense Articles without a License in violation of the AECA and the International Traffic in Arms Regulations and to Export to an Embargoed Country in violation of the IEEPA and the Iranian Transactions Regulations, 18 U.S.C. § 371, as alleged in the Indictment, the government must prove each of the following elements beyond a reasonable doubt:

First, beginning on or about November 2008, and continuing to on or about June 2010, there was an agreement between two or more persons to commit at least one crime described in the Indictment;

Second, the defendant became a member of the conspiracy knowing of at least one of its objects and intending to help accomplish it; and,



Third, one of the members of the conspiracy performed at least one overt act for the purpose of carrying out the conspiracy.

The elements of the crime of unlawfully exporting defense articles without a license in violation of AECA, 22 U.S.C. § 2778, and the International Traffic in Arms Regulations, 22 C.F.R. §§ 123.1 and 127.1, are:

First, the defendant exported defense articles from the United States;

Second, the defendant did not obtain the necessary license or written approval for the export from the Department of State Directorate of Defense Trade Controls;

Third, the defendant did such acts knowingly and willfully.

  
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The elements of the crime of unlawfully exporting goods from the United States to an embargoed country in violation of IEEPA, 50 U.S.C. § 1705, and Iranian Transactions Regulations, 31 C.F.R. §§ 560.203 and 560.204, are:

First, the defendant exported goods from the United States to customers in Iran;


Second, the defendant did not obtain the necessary license or written approval for the exports from the Department of the Treasury; and,

Third, the defendant did such acts knowingly and willfully.

## II. DEFENDANT'S OBLIGATIONS



**A. Guilty Plea:** The defendant agrees to plead guilty to Count 1 of the Indictment charging it with Conspiracy to Violate the AECA, 22 U.S.C. § 2778, the International Traffic in Arms Regulations, 22 C.F.R. §§ 123.1 and 127.1, IEEPA, 50 U.S.C. § 1705, and the Iranian Transactions Regulations, 31 C.F.R. §§ 560.203 and 560.204, all in violation of 18 U.S.C. § 371. A condition of acceptance of its guilty plea by the government and the Court is that co-defendant HAMID SEIFI (hereinafter "SEIFI") also enters a plea of guilty to Count 1 and Count 4 of the Indictment. The defendant also agrees to forfeit to the United States, a sum of money, equal to one hundred sixty thousand, three hundred and sixty-two dollars (\$160,362.00), which represents the amount of funds constituting or derived from proceeds traceable to the commission of the aforesaid violations.

**B. Factual Stipulations:** The defendant agrees that the factual basis attached as Exhibit A fairly and accurately describes its actions and involvement in the conspiracy to which it is pleading guilty, although the defendant may present additional relevant information during the sentencing hearing for the Court's consideration.

  
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**C. Sentence:** The defendant, as a corporate violator, understands that the offense carries a maximum fine \$500,000 pursuant to 18 U.S.C. § 3571(c). The defendant stipulates and agrees that the amount of funds that constitute or were derived from proceeds traceable to the commission of the conspiracy total, at a minimum, \$160,362.00. The defendant agrees that the appropriate amount of fine that the Court should impose is \$160,362.00, in light of the forfeiture agreed to in paragraph III. The defendant also stipulates and agrees to a term of corporate probation of five years pursuant to 18 U.S.C. § 3561. In addition, pursuant to 18 U.S.C. § 3013(a)(2)(B), the defendant stipulates and agrees to pay the mandatory special assessment of \$400 to the Clerk of the United States District Court prior to or on the date of the sentencing.

**D. Cooperation Agreement:** The defendant agrees to cooperate fully, completely, and truthfully with all investigators and attorneys of the government, by truthfully providing all information in the defendant's possession relating directly or indirectly to all criminal activity and related matters which concern the subject matter of this investigation, including but not limited to the conduct set forth in the Indictment and the attached Factual Proffer. Subject to the terms of this agreement, current officers, directors, and employees will be made available for testimony; and contact information for former officers, directors, and employees will be provided. The defendant's cooperation shall include, but is not limited to, the following: volunteering and providing any information and documents to the government that come to the defendant's attention related to the subject matter of this investigation; assembling, organizing, and providing to the government documents and any other evidence in the defendant's possession related to the subject matter of this investigation, as requested; and providing testimony or information necessary to identify or establish the original location, authenticity, or other basis for admission

  
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into evidence of documents or physical evidence in any criminal or other proceeding related to the subject matter of this investigation, as requested. The parties agree that all such requests for cooperation will be made in writing directed to undersigned counsel for the company.

The defendant shall use its reasonable best efforts to make available its present and former officers, directors, and employees to provide information and or testimony as requested, including sworn testimony before a grand jury or in court proceedings, as well as interviews with law enforcement authorities, and to identify witnesses who, to the defendant's knowledge and information, may have material information related to the subject matter of this investigation.

The defendant shall not, in relation to this investigation and any criminal prosecution arising therefrom, assert any claim of privilege (including, but not limited to, attorney-client and work product) as to any documents, records, information, or testimony related to the subject matter of this investigation.

The defendant shall promptly turn over to the government or other law enforcement authorities or direct such law enforcement authorities to any and all evidence of criminal activity and related matters which concern the subject matter of this investigation, including but not limited to the conduct set forth in the Information.

The defendant agrees not to commit any criminal violation of federal, state, or local law during the period of the defendant's cooperation with law enforcement authorities pursuant to this agreement or at any time prior to the sentencing in this case. The commission of a criminal offense during the period of the defendant's cooperation or at any time prior to sentencing will constitute a breach of this plea agreement and will relieve the government of all of its obligations

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under this agreement. However, the defendant acknowledges and agrees that such a breach of this agreement will not entitle the defendant to withdraw its plea of guilty.



### III. FORFEITURE PROVISION

It is further stipulated and agreed that during the time of the offense stated in Count 1 of the Indictment, the defendant obtained a substantial amount of money, and will forfeit a sum, equal to one hundred sixty thousand, three hundred and sixty-two dollars (\$160,362.00), representing the amount of funds that constitute or were derived from proceeds traceable to the commission of the aforesaid violations of Title 18, United States Code, Section 371, Title 22, United States Code, Section 2778, and Title 50, United States Code, Section 1705(a), (hereinafter "subject property").

(A) The defendant hereby forfeits to the United States voluntarily and immediately all of defendant's right, title, and interest in the subject property which is subject to forfeiture pursuant to Title 18, United States Code, Section 981 (a)(1)(C) and Title 28, United States Code, Section 2461, or which are substitute assets thereof.

(B) The Defendant hereby agrees that the subject property shall be paid by cashier's check or certified check made payable to: "United States Department of Homeland Security" and must be paid thirty (30) days prior to sentencing.



(C) Defendant agrees that the subject property reflects a reasonable compromise between the parties for forfeiture purposes concerning the proceeds the defendant and co-defendant SEIFI obtained, directly or indirectly, as the result of aforesaid violations of Title 18, United States Code, Section 371, Title 22, United States Code, Section 2778, and Title 50, United States Code, Section 1705(a).

  
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(D) Defendant agrees to the entry of forfeiture orders of the above-described subject property pursuant to Federal Rules of Criminal Procedure 32.2 upon acceptance of defendant's plea of guilty by the United States District Court, and waives the requirements of Federal Rules of Criminal Procedure 32.2 and 43(a) regarding notice of the forfeiture in the charging instrument, announcement of the forfeiture at sentencing, and incorporation of the forfeiture in the judgment. Defendant acknowledges that it understands that the forfeiture of the subject property is part of the sentence that may be imposed in this case and waives any failure by the court to advise it of this, pursuant to 11(b)(1)(J) at the time of his guilty plea is accepted.

(E) The defendant agrees that the subject property constitutes or was derived from proceeds traceable to violations of Title 18, United States Code, Section 371, Title 22, United States Code, Section 2778, and Title 50, United States Code, Section 1705(a), and is subject to forfeiture under Title 18, United States Code, Section 981 (a)(1)(C) and Title 28, United States Code, Section 2461.

(F) The defendant agrees to identify all assets over which the defendant exercises or exercised control, directly or indirectly, within the past five (5) years, or in which the defendant has or had during that time any financial interest. The defendant agrees to take all steps as requested by the United States to obtain from any other parties by any lawful means any records of assets owned at any time by the defendant. The defendant agrees to undergo any polygraph examination the United States may choose to administer concerning such assets and to provide and/or consent to the release of the defendant's tax returns for the previous five years. Defendant agrees to forfeit to the United States all of defendant's interests in any substitute asset of a value of more than \$1,000.00 that, within the last five years, the defendant owned, or in

  
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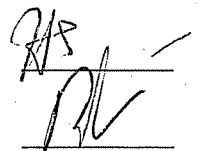
which the defendant maintained an interest, the ownership of which the defendant fails to disclose to the United States in accordance with this agreement.

(G) The defendant agrees to forfeit all interests in any asset that the defendant currently owns, has previously owned or over which the defendant currently, or has in the past, exercised control, directly or indirectly, and any property the defendant has transferred, as well as any property that is traceable to, derived from, fungible with, or a substitute for property that constitutes the proceeds involved in the aforementioned offense.

(H) Defendant agrees fully to assist the United States in the forfeiture of the subject property and to take whatever steps are necessary to pass clear title to that property to the United States, including but not limited to, surrendering the subject property to the United States prior to sentencing, as specified above in Section III, paragraph B, surrender title and execution of any documents necessary to transfer defendant's interest in any of the above property to the United States, assisting in bringing any assets located outside the United States within the jurisdiction of the United States, and taking whatever steps are necessary to ensure that the property subject to forfeiture is not sold, disbursed, wasted, hidden, or otherwise made unavailable for forfeiture.

(I) Defendant agrees to waive all interest and not file a claim to the subject property in any administrative or judicial forfeiture proceeding, whether criminal or civil, state or federal, which may be or has been initiated.

(J) Defendant agrees to waive defendant's right to notice of any forfeiture proceeding involving the subject property, and agrees not to file a claim or assist others in filing a claim in any such forfeiture proceeding.

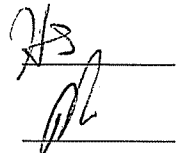
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(K) Defendant knowingly and voluntarily waives defendant's right to a jury trial on the forfeiture of the subject property. Defendant knowingly and voluntarily waives all constitutional, legal, and equitable defenses to the forfeiture of the subject property in any proceeding. Defendant agrees to waive any jeopardy defense or claim of double jeopardy, whether constitutional or statutory, and agrees to waive any claim or defense under the Eighth Amendment to the United States Constitution, including any claim of excessive fine, to the forfeiture of the subject property by the United States, the State of Georgia, or its subdivisions.

(L) Defendant agrees to make a full and complete disclosure of all assets in which defendant has any interest or over which defendant exercises control and those which are held or controlled by a nominee(s). Defendant represents and warrants to the government that defendant has no direct or indirect interest, whether held in Defendant's name, or in the name of another, in any property or asset that would be subject to forfeiture on the basis of the violations covered by this plea agreement, other than the subject property listed above. Defendant understands and acknowledges that the government is relying upon defendant's representation in entering into this plea agreement. If those representations are false or inaccurate in any way, the government may pursue all forfeiture remedies available.

(M) Defendant agrees that forfeiture of substitute assets, as authorized herein, shall not be deemed an alteration of the defendant's sentence. Forfeiture of the defendant's assets shall not be treated as satisfaction of any fine, restitution, cost of imprisonment, or any other penalty this court may impose upon the defendant in addition to forfeiture.

(N) Defendant agrees to hold harmless, release, and forever discharge the United States, its officers, agents, attorneys, servants, and employees, from any and all actions, causes

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of actions, suits, proceedings, debts, dues, contracts, judgments, damages, claims, or demands whatsoever in law or equity which the defendant, his successors, or assigns, ever had, now have, or may have, whether known or unknown, in connection with the seizure and forfeiture of the subject property.

(O) Defendant freely, voluntarily, knowingly, and intelligently waives any right to appeal or collaterally attack any matter in connection with the forfeiture of assets pursuant to this plea agreement.

(P) Defendant agrees that the forfeiture provisions of this plea agreement are intended to, and will, survive him, notwithstanding the abatement of any underlying criminal conviction after the execution of this agreement. The forfeitability of any particular property pursuant to this agreement shall be determined as if defendant had survived, and that determination shall be binding upon defendant's heirs, successors, and assigns until the agreed forfeiture, including any agreed money judgment amount, is collected in full.

#### IV. THE GOVERNMENT'S OBLIGATIONS

**A. Sentence Recommendation:** The government stipulates and agrees that \$160,362.00 represents the amount of funds that constitute or were derived from proceeds traceable to the commission of the aforesaid violations of Title 18, United States Code, Section 371. The government agrees that the appropriate amount of fine that the Court should impose is \$160,362.00, in light of the forfeiture agreed to in paragraph III. The government also agrees that the defendant should be sentenced to a term of corporate probation of five years pursuant to 18 U.S.C. § 3561, and agrees that the mandatory special assessment of \$400 should be imposed by the Court pursuant to 18 U.S.C. § 3013(a)(2)(B).

  
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**B. Charges Not Filed:** As to defendant GALAXY only, the government agrees not to prosecute GALAXY for any additional criminal offenses committed by it before the execution of this agreement arising out of its transactions with and on behalf of Iranian customers and its communications with U.S. government officials regarding these transactions.

**C. Additional Charges:** In consideration of a guilty plea to the above offense, the defendant will not be further prosecuted criminally by the government, as defined above, for any other criminal offenses committed before execution of this agreement arising out of transactions with or on behalf of Iranian customers and future communications with U.S. government officials regarding these transactions.

**V. MAXIMUM SENTENCE**

**A. Maximum Penalty:** As to defendant GALAXY only, the maximum sentence in this case is a fine of \$500,000, a \$400 special assessment, and a five (5) year term of corporate probation.

The following is the minimum and maximum potential sentence in this case for Conspiracy to Violate the AECA, 22 U.S.C. § 2778, the International Traffic in Arms Regulations, 22 C.F.R. §§ 123.1 and 127.1, IEEPA, 50 U.S.C. § 1705, and the Iranian Transactions Regulations, 31 C.F.R. §§ 560.203 and 560.204, all in violation of 18 U.S.C. § 371.

(a) Fine.

Mandatory Minimum: None.



Maximum: Five Hundred Thousand Dollars (\$500,000).

(b) Term of Probation.

Maximum: Five (5) years.

(c) Penalty Assessment.

Mandatory: Four Hundred Dollars (\$400).

  
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**VI. SENTENCING DETERMINATION**

**A. Sentencing Guidelines:** The parties to this agreement agree that the defendant's sentence is not governed by the United States Sentencing Guidelines, because, although the offense to which the defendant is pleading guilty is covered by § 2M5.1(a), that section is not listed under § 8C2.1 which governs fines for organizations. Accordingly, pursuant to § 8C2.10, the sentence is to be determined by applying 18 U.S.C. §§ 3553 and 3572.

**B. Reservation of Sentencing Allocation:** The defendant understands that the government reserves its full right of allocation for purposes of sentencing in the event the Court rejects the plea agreement or defendant withdraws its plea. In such an event, the government reserves its right to recommend a fine up to the maximum fine allowable by law. The government reserves the right to describe fully, both orally and in writing, to the sentencing judge the nature and seriousness of the defendant's misconduct, including misconduct not described in the charge to which the defendant is pleading guilty. Both parties reserve the right to inform the pre-sentence report writer and the Court of any relevant facts, to dispute any factual inaccuracies in the pre-sentence report, and to contest any matters not provided for in this plea agreement.



**VII. WAIVERS**

**A. Waiver of Constitutional Rights:** The defendant understands that by pleading guilty it is waiving the following constitutional rights: (a) to plead not guilty and to persist in that plea if already made; (b) to be tried by a jury; (c) to be assisted at trial by an attorney, who would be appointed if necessary; and (d) to confront and cross-examine witnesses against it.

  
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**B. Waiver of Appeal and Collateral Attack:** The defendant understands that ordinarily Title 18, United States Code, Section 3742, will in certain cases allow for a direct appeal after sentencing followed by the Court of Appeals' limited review of a defendant's sentence. But once this agreement is accepted and sentence is imposed by the Court, defendant by this agreement forever waives any right to an appeal or any other court review of defendant's sentence, and the defendant's waiver includes any collateral attack on the Court's sentence. However, in the event that the Court imposes a sentence that exceeds the advisory guideline range as determined by the Court, then the defendant shall retain the right to pursue a timely appeal of the sentence directly to the Court of Appeals after the Court imposes its sentence. The defendant and the government agree that nothing in this plea agreement shall affect the government's opportunity to appeal as set forth in Title 18, United States Code, Section 3742(b). If, however, the government notices an appeal of the defendant's sentence, then the defendant shall have the right to cross-appeal from the sentence.

**C. Waiver of Statute of Limitations:** It is further agreed that if the defendant's conviction is vacated for any reason, the defendant may be prosecuted for any charges that are not time-barred by the applicable statute of limitations on the date of the signing of this Agreement, including any charges that the government had not filed, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement of such prosecution. In particular, the defendant agrees not to raise any objections based on the passage of time with respect to such charges including, but not limited to, any statutes of limitation or any objections based on the Speedy Trial Act or the Speedy Trial Clause of the Sixth Amendment. It is the intent of this Agreement that the defendant has hereby

  
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waived all defenses based on any statutes of limitation, the Speedy Trial Act, and the Speedy Trial Clause of the Sixth Amendment with respect to any prosecution that is not time-barred on the date that this Agreement is signed.



**D. Admissibility of Statements Made in Conjunction with Plea:** The defendant understands that Federal Rules of Criminal Procedure, Rule 11(f) and Federal Rules of Evidence, Rule 410 ordinarily limit the admissibility of statements made by a defendant during the course of plea discussions or plea proceedings if a guilty plea is later withdrawn. The defendant knowingly and voluntarily waives the rights which arise under these rules.

**E. Waiver of Attorneys' Fees and Costs:** The defendant agrees to waive all rights under the Hyde Amendment, Section 617, P.L. 105-119 (Nov. 26, 1997), to recover attorneys' fees or other litigation expenses in connection with the investigation and prosecution of all charges in the above-captioned matter and of any related allegations.

### **VIII. ENTIRE PLEA AGREEMENT**

Other than this Plea Agreement, no agreement, understanding, promise, or condition between the government and the defendant exists, nor will such agreement, understanding, promise, or condition exist unless it is committed to writing and signed by the defendant, counsel for the defendant, and counsel for the United States.

Nothing in this Agreement shall be construed to permit the defendant to commit perjury, to make false statements or declarations, to obstruct justice, or to protect the defendant from prosecution for any crimes not included within this Agreement or committed by the defendant after the execution of this Agreement. The defendant understands and agrees that the government reserves the right to prosecute the defendant for any such offenses. The defendant

  
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further understands that any perjury, false statements or declarations, or obstruction of justice relating to the defendant's obligations under this Agreement shall constitute a breach of this Agreement. However, in the event of such a breach, the defendant will not be allowed to withdraw this guilty plea.

The defendant further understands that this Agreement is binding only upon the United States Attorney's Office for the Middle District of Georgia and the Justice Department, National Security Division. This Agreement does not bind the Civil Division of the United States Attorney's Office or any other United States Attorney's Office, nor does it bind any other state, local, or federal prosecutor, or the Office of Foreign Asset Controls, U.S. Department the of Treasury, or the Bureau of Industry and Security, U.S. Department of Commerce, or the Directorate of Defense Trade Controls, U.S. Department of State. It also does not bar or compromise any civil, tax, or administrative claim pending or that may be made against the defendant.

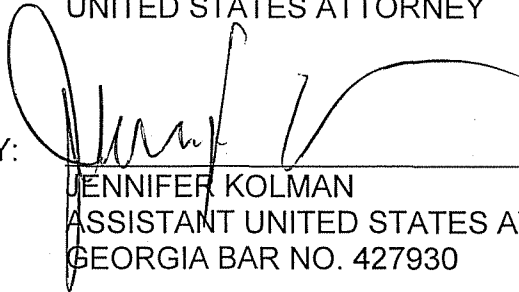
**IX. ACCEPTANCE OF PLEA AGREEMENT**



Defendant understands and has fully discussed with defendant's attorney that this agreement shall become effective only upon the Court's acceptance of this agreement and the Court's acceptance of the plea of guilty by the defendant.

SO AGREED, this 24<sup>th</sup> day of February 2011.

MICHAEL J. MOORE  
UNITED STATES ATTORNEY

BY:

  
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JENNIFER KOLMAN  
ASSISTANT UNITED STATES ATTORNEY  
GEORGIA BAR NO. 427930

  
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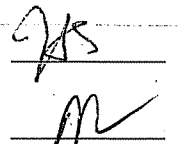




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RYAN P. FAYHEE  
BRANDON L. VAN GRACK  
TRIAL ATTORNEYS  
NATIONAL SECURITY DIVISION  
UNITED STATES DEPARTMENT OF JUSTICE

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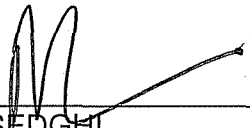


I, HAMID SEIFI, have read this agreement and had this agreement read to me by my attorney, REZA SEDGHI. I have discussed this agreement with my attorney and I fully understand it and agree to its terms.

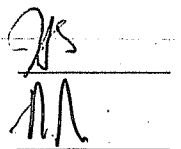


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HAMID SEIFI, President  
GALAXY AVIATION SERVICES  
DEFENDANT

I, REZA SEDGHI, attorney for defendant HAMID SEIFI, have explained the information and the government's evidence received through discovery and my investigation of the charge to defendant. I believe defendant understands the charge against defendant and the evidence that would be presented against defendant at a trial. I have read this agreement, have been given a copy of it for my file, and have explained it to defendant. To the best of my knowledge and belief, defendant understands this agreement.



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REZA SEDGHI  
ATTORNEY FOR DEFENDANT



**EXHIBIT "A"**

**Factual Basis for Plea**


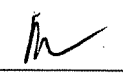
During all relevant times, GALAXY AVIATION was a company located in St. Charles, Illinois. HAMID SEIFI was the President of GALAXY AVIATION.

**Nozzles, Bearing Rollers, and Transmitters for Military Aircraft Engines**

(1) On or about March 2009, TODD received a purchase order from HAMID SEIFI (hereinafter "HANK"), President of GALAXY, on behalf of his brother HASSAN SEIFI (hereinafter "HASSAN"), President of the Iranian company SABANICAN, for twenty (20) aircraft parts with applications for the J85 military aircraft engine and the T53 military helicopter engine, with an overall value of \$138,940. The parts were to be shipped from MICHAEL TODD (hereinafter "TODD"), President of THE PARTS GUYS,LLC (hereinafter "THE PARTS GUYS") to AEROTECHNIC, a trading company in France, and then from AEROTECHNIC to SABANICAN in Iran. TODD was aware that the end user of the aircraft parts was located in Iran.

(2) On or about March 3, 2009, HANK emailed TODD and requested that TODD create a pro forma invoice for \$138,940, obtain the parts, and arrange for shipment to AEROTECHNIC.

(3) On or about March 3, 2009, TODD sent HANK an email that contained several attachments. The first attachment contained TODD's banking information for the incoming wire transfer from overseas. The second attachment contained the agreement requested by HANK which stated, among other things, that the balance of the money will be sent to vendors for purchase of additional parts per an instruction from GALAXY and shall remain available until such time that the instructions were received. The third attachment was an invoice which listed

  
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the twenty (20) aircraft parts valued at \$138,940 sold, purportedly, to AEROTECHNIC. The parts requested were six (6) bearing rollers (Part Number 5020T26P03), four (4) bearing rollers, annular (Part Number 5040T17P01), seven (7) transmitters (Part Number 4010T15P01), and three (3) nozzles (Part Number 1-110-520-19).

(4) On or about March 9, 2009, HANK emailed TODD a message that contained detailed instructions on which companies in the United States to contact for certain parts, and the target prices for each of those parts. Based on the quotes provided in the email and the shipment invoice valued at \$138,940, the remaining available funds totaled \$78,077.



(5) On or about March 12, 2009, TODD received a wire transfer from AEROTECHNIC for \$138,940 into his bank account.

(6) On or about March 13, 2009, TODD emailed HANK a finance report, which recorded the wire transfer from AEROTECHNIC for \$138,940, and calculated a total commission of \$15,000 that was to be set aside for GALAXY.

(7) On or about March 17, 2009, HANK emailed TODD and requested that TODD transfer the \$15,000 commission to a named person in Canada.

(8) On or about March 17, 2009, TODD sent a \$15,000 wire transfer from his account to the identified person in Canada.

(9) On or about March 17, 2009, TODD emailed AEROTECHNIC to provide an update on the order and reported that certain units had already been shipped from the United States companies to THE PARTS GUYS, but that some of the items must first go to TODD's warehouse to be readied for export.

  
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(10) On or about March 23, 2009, LUC TEULY (hereinafter "TEULY"), sales manager for AEROTECHNIC, emailed TODD and HASSAN and requested a further update on the shipment. Therein, TEULY stated that his Iranian customer had called him three times that day and had requested the same update.



(11) On or about March 25, 2009, an SED was filed with the Automated Export System that recorded a Federal Express shipment from THE PARTS GUYS in Georgia to AEROTECHNIC in France valued at \$138,000. The shipment description listed as "other parts of military airplanes/helicopters" and falsely indicated that there was no license required.

(12) Federal Express records reveal that the shipment left the United States on or about March 26, 2009, and arrived in France on or about March 30, 2009.

(13) On or about March 31, 2009, TEULY emailed TODD in order to inform him that the first shipment was sent to the Iranian customer and requested that TODD keep him informed of the other pending purchase orders.

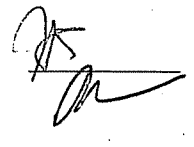
(14) On or about June 11, 2009, PHILIPPE SANCHEZ, the President of AEROTECHNIC, emailed TODD, HASSAN, TEULY, and REZA SEIFI, the Managing Director of SABANICAN, and stated that AEROTECHNIC would transfer \$60,000 to TODD's account immediately. Thereafter, AEROTECHNIC would transfer another \$50,000 to TODD's account as soon as there was proof of a wire transfer in the same amount from SABANICAN to AEROTECHNIC.

(15) On or about June 11, 2009, PHILIPPE SANCHEZ instructed TODD to prepare a statement that would falsely claim that all parts delivered by TODD were for civilian aircraft.

(16) On or about August 16, 2009, HASSAN sent TODD an email, copying REZA SEIFI, and HANK, implicitly acknowledging receipt of the three (3) nozzles (Part Number 1-110-520-19).

(17) A sum of money, in the amount of one hundred sixty thousand, three hundred and sixty-two dollars (\$160,362.00), was obtained by the defendant during the commission of the aforesaid violations, and is forfeitable to the United States.



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