



Department of Justice

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IRISH TRADING FIRM AND ITS OFFICERS CHARGED IN SCHEME

TO SUPPLY IRAN WITH SENSITIVE U.S. TECHNOLOGY

WASHINGTON – An Irish trading company and three of its officers have been charged with purchasing helicopter engines and other aircraft components from U.S. firms and illegally exporting them to Iran using companies in Malaysia and the United Arab Emirates. Among the alleged recipients of these U.S. goods was an Iranian military firm that has since been designated by the United States for being owned or controlled by entities involved in Iran's nuclear and ballistic missile program.

The 25-count indictment, which was filed under seal in federal court in the District of Columbia in July 2008 and unsealed today, was announced by Matthew G. Olsen, Acting Assistant Attorney General for National Security; Jeffrey A Taylor, U.S. Attorney for the District of Columbia; Miguel Unzueta, Special Agent in Charge of the San Diego Office of Investigations, U.S. Immigration and Customs Enforcement, Department of Homeland Security; and Richard W. Gwin, Special Agent in Charge for the Defense Criminal Investigative Service, Western Field Office.

The defendants charged in the indictment include Mac Aviation Group, doing business as Mac Aviation Limited and Mac Aviation Nigeria (collectively "Mac Aviation"), which is a company registered in Ireland that brokers aircraft parts and related goods for foreign customers. The remaining defendants are Thomas McGuinn, also known as Tom McGuinn, a 72-year-old citizen and resident of Ireland who is the owner, director and principal officer of Mac Aviation; as well as his son, Sean McGuinn, a 40-year-old citizen and resident of Ireland, who serves as sales/procurement director of Mac Aviation; and Sean Byrne, who serves as the commercial manager of Mac Aviation.

The indictment charges each of the defendants with two counts of conspiracy, 19 counts of violating the International Emergency Economic Powers Act (IEEPA) and Iranian Transactions Regulations, four counts of false statements, and forfeiture allegations. If convicted, the defendants face a maximum sentence of 10-20 years in prison for each of the IEEPA counts, 5-20 years in prison for each of the conspiracy counts, and five years in prison for each of the false statement counts.

According to the indictment, beginning as early as August 2005 and continuing through July 2008, the defendants solicited purchase orders from customers in Iran for U.S.-origin aircraft engines and parts and then sent requests for aircraft components to U.S. companies. The defendants wired money to banks in the U.S. as payment for these parts and concealed from U.S. sellers the ultimate end-use and end-users of the purchased parts. The defendants caused these parts to be exported from the United States to third countries like Malaysia before causing them to be transshipped to Iran.

The object of the conspiracy, according to the indictment, was to make money for Mac Aviation and its employees; supply Iran with U.S. aircraft parts and engines; evade U.S. licensing requirements; and conceal these prohibited transactions from detection.

According to the indictment, the defendants purchased 17 model 250 turbo-shaft helicopter engines from Rolls-Royce Corp. in Indiana for \$4.27 million on behalf of an Iranian trading company. The model 250 engine was originally designed for a U.S. Army light observation helicopter and has since been installed in numerous civil and military helicopters. The defendants concealed from Rolls-Royce the ultimate end-use and end-user of the helicopters engines. In one exchange, one defendant declared that Mac Aviation was not selling the engines to any military organization or government.

The indictment alleges that the engines were exported from the United States to third countries, including Malaysia, and later shipped to Iran. Among the recipients in Iran was the Iran Aircraft Manufacturing Industrial Company, known by its Iranian acronym as HESA. On Sept. 17, 2008, the Treasury Department designated several Iranian weapons of mass destruction proliferators and members of their support networks pursuant to Executive Order 13382. Among the entities designated was HESA, which the Treasury Department determined was controlled by Iran's Ministry of Defense and Armed Forces Logistics and has provided support to the Iranian Revolutionary Guard Corps.

The indictment further alleges that the defendants caused aircraft components known as vanes to be exported from the United States to Iran. According to the indictment, the defendants caused United Technologies, Pratt & Whitney to export 50 "5th stage vanes" valued at approximately \$141,750 from its Connecticut facility to Mac Aviation. The defendants falsely stated that final destination of the components was Belgium. Instead, these components were routed to Iran Aircraft Industries, known by its Iranian acronym as IACI, in Tehran.

The indictment alleges that the defendants also caused aircraft bolts valued at approximately \$2,261 to be exported from the United States to Iran. According to the indictment, the defendants caused Uniflight LLC, a company in Texas, to ship 32 aircraft bolts to a representative of a trading company in Dubai, United Arab Emirates. Invoices referenced in the indictment indicate that the final destination of the aircraft bolts was Kish Island, Iran.

This investigation was conducted by special agents from the Department of Homeland Security's U.S. Immigration and Customs Enforcement and the Department of Defense's Defense Criminal Investigative Service. Special agents from the U.S. Department of Commerce, Office of Export Enforcement, also assisted in the investigation.

The case is being prosecuted by Assistant U.S. Attorneys Denise Cheung and Ann Petalas of the U.S. Attorney's Office for the District of Columbia, and Trial Attorneys Jonathan Poling and Ryan Fayhee of the Counterespionage Section of the Justice Department's National Security Division.

The details contained in an indictment are mere allegations. All defendants are presumed innocent unless and until proven guilty in a court of law.

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