

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
WASHINGTON, D.C. 20230

Sayegh Group Aviation

P.O. Box 5822
Sharjah, United Arab Emirates

Aban Air

No. 1267, Vali Asr Avenue
Tehran, Iran 157177 36511

Sam Air Corporation Limited

P.O. Box 5822
Sharjah, United Arab Emirates, and

18th Hill Street
Banjul, The Gambia
West Africa

Aviation Legacy (Gambia) Limited

c/o Mahmoud Khali Hamze
Flat 2907
Almeriki Tower
Sheikh Zayed Road
Dubai, United Arab Emirates, and

G 15, Kanifing Housing Estate
The Gambia, West Africa

Abdullah Khaled Ramadan

Managing Director
Sam Air Corporation Limited
P.O. Box 5822
Sharjah, United Arab Emirates

Ali Mahdavi

Chairman
Aban Air
No. 1267, Vali Asr Avenue
Tehran, Iran 157177 36511

Mahmoud Khali Hamze (a/k/a Mahmoud Khalil)

a/k/a Mahmoud Hamza Khalil))
Managing Director)
Aviation Legacy (Gambia) Limited)
Flat 2907)
Almeriki Tower)
Sheikh Zayed Road)
Dubai, United Arab Emirates)

Everex Global Cargo and Courier)

Nos. 7 and 8, Opposite Terminal 2)
Mahrabad International Airport)
Tehran, Iran, and)
No. 1267, Vali Asr Avenue)
Tehran, Iran 157177 36511)

ORDER TEMPORARILY DENYING EXPORT PRIVILEGES

Pursuant to Section 766.24 of the Export Administration Regulations (“EAR” or the “Regulations”),¹ the Bureau of Industry and Security (“BIS”), U.S. Department of Commerce, through its Office of Export Enforcement (“OEE”), has requested that I issue an Order temporarily denying, for a period of 180 days, the export privileges under the EAR of:

Sayegh Group Aviation

P.O. Box 5822
Sharjah, United Arab Emirates

Aban Air

No. 1267, Vali Asr Avenue
Tehran, Iran 157177 36511

¹ The EAR is currently codified at 15 C.F.R. Parts 730-774 (2011). The EAR are issued under the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“EAA”). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive presidential notices, the most recent being that of August 12, 2011 (76 Fed. Reg. 50661 (Aug. 16, 2011)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, et seq.) (“IEEPA”).

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Managing Director

Sam Air Corporation Limited

P.O. Box 5822

Sharjah, United Arab Emirates

Ali Mahdavi

Chairman Aban Air

No. 1267, Vali Asr Avenue

Tehran, Iran 157177 36511

Mahmoud Khali Hamze a/k/a Mahmoud Khalil a/k/a Mahmoud Hamza Khalil

Managing Director

Aviation Legacy (Gambia) Limited

Flat 2907

Almeriki Tower

Sheikh Zayed Road

Dubai, United Arab Emirates

OEE also has requested pursuant to Sections 766.23 and 766.24 of the Regulations that the following party also be named to the TDO as a related person to Aban Air and Ali Mahdavi, in order to prevent evasion of the TDO:

Everex Global Cargo and Courier
Nos 7 and 8, Opposite Terminal 2
Mahrabad International Airport
Tehran, Iran, and

No. 1267, Vali Asr Avenue
Tehran, Iran

I. ISSUANCE OF TEMPORARY DENIAL ORDER

A. LEGAL STANDARD

Pursuant to Section 766.24(b) of the Regulations, BIS may issue a TDO upon a showing that the order is necessary in the public interest to prevent an “imminent violation” of the Regulations. 15 C.F.R. § 766.24(b)(1). “A violation may be ‘imminent’ either in time or degree of likelihood.” 15 C.F.R. § 766.24(b)(3). BIS may show “either that a violation is about to occur, or that the general circumstances of the matter under investigation or case under criminal or administrative charges demonstrate a likelihood of future violations.” Id. As to the likelihood of future violations, BIS may show that “the violation under investigation or charges is significant, deliberate, covert and/or likely to occur again, rather than technical or negligent [.]” Id. A “lack of information establishing the precise time a violation may occur does not preclude a finding that a violation is imminent, so long as there is sufficient reason to believe the likelihood of a violation.” Id.

B. BACKGROUND AND FINDINGS

OEE submits that three U.S.-origin Boeing 747 planes, Manufacturer Serial Number (“MSN”) 23408 (Tail Number C5-SAM), MSN 23224 (Tail Number C5-AKR), and MSN 23823 (Tail Number C5-SAG), items subject to the Regulations, classified under Export Control Classification Number 9A991.b, and controlled for Anti-Terrorism reasons, have been

reexported or are intended for reexport to Iran, without the required U.S. Government authorization, as a result of a series of related transactions involving Sayegh Group Aviation, Sam Air Corporation Limited (“Sam Air”), Aviation Legacy (Gambia) Limited (“Aviation Legacy”), and Aban Air. Sayegh Group Aviation and Sam Air are located in the United Arab Emirates (“U.A.E.”), and are subsidiaries or affiliates of National Paints Factories Company Limited and the Sayegh Group, also located in the U.A.E. Aviation Legacy has addresses in the U.A.E. and Gambia, West Africa, and was, as discussed further below, created as a “clean” company for the purpose of facilitating the lease of the 747s to an Iranian airline or airlines. Aban Air is based in and operates out of Tehran, Iran.

On April 16, 2012, Abdullah Khaled Ramadan (“Ramadan”), Managing Director of both Sayegh Group Aviation and Sam Air, informed BIS and provided transaction documents indicating that three 747s at issue were obtained by Sayegh Group Aviation from Qantas Airlines in the United States in August 2010, sold to Sam Air in July 2011, and then sold yet again to Aviation Legacy on December 20, 2011. Less than ten days later, on or about December 29, 2011, Aviation Legacy leased one of the 747s for reexport to Aban Air in Iran. Ramadan also stated that this 747 aircraft, MSN 23408, is currently in Iran and is scheduled to be reexported again on or about April 30, 2012.

The lease was signed for Aviation Legacy by its chairman, Mahmoud Khalil Hamze (a/k/a Mahmoud Khalil, a/k/a Mahmoud Hamza Khalil), and for Aban Air by its chairman, Ali Mahdavi. Hamze was present when Ramadan made these statements to BIS, and did not contradict or seek to contradict any statements made by Ramadan.

Ramadan provided details about the transactions and the parties and aircraft involved. He was in possession of all of the pertinent Bills of Sale for the three aircraft as well as the subsequent leasing agreement to Aban Air. He admitted that the transactions were structured so that the lease to Aban Air would appear to be through a “clean” company, Aviation Legacy, created for reasons he vaguely described as having to do with an administrative dispute. He also indicated that Sam Air had been created at the order of Saleem Al Sayegh, the chief executive officer of Sam Air’s parent company, the National Paints Factories Company Limited, but declined to explain the reasons why that had been necessary.

Under the terms of the lease, Aban Air’s operations under the lease began on or about March 15, 2012, with the leased 747 (MSN 23408) to be reexported back and forth between Tehran, Iran, and Bangkok, Thailand. Ramadan denied that any of the Tehran-Bangkok flights had occurred, but indicated that this aircraft currently is located in Iran with Aban Air, and is expected to be flown out of Iran by on or about April 30, 2012.

Ramadan also indicated that the other two 747s have been flown in and out of various countries in the Middle East, including Syria, and that at least one of these 747s is currently located in the U.A.E.

OEE submits, in sum, that future violations of the EAR are imminent as defined in Section 766.24 of the Regulations. I agree. As provided in Section 746.7 of the Regulations, no person may export or reexport any item that is subject to the EAR, if such transaction is prohibited by the Iranian Transactions Regulations (31 C.F.R. Part 560) and has not been authorized by the Treasury Department’s Office of Foreign Assets Control (“OFAC”). The evidence shows that the respondents have already reexported one Boeing 747 aircraft (MSN

23408) to Iran without having received the required OFAC authorization. Ramadan, Managing Director of both Sayegh Group Aviation and Sam Air, admitted this unauthorized reexport and admitted another such reexport of this aircraft was imminent in time. As noted above, these statements were made in the presence of Hamze, Aviation Legacy's chairman, who did not contradict the statements in any way. Moreover, Aviation Legacy was created by Sam Air/Ramadan in an attempt to make the lease to Aban Air appear to be by a "clean" company, and as discussed above, two other 747 aircraft are owned and intended for lease through Aviation Legacy.

Thus, the conduct in this case is deliberate, significant, and likely to occur again absent the issuance of a TDO. Therefore, I find that a TDO naming Sayegh Group Aviation Sam Air Corporation Limited, Abdullah Khaled Ramadan, Aviation Legacy (Gambia) Limited, Mahmoud Khali Hamze (a/k/a Mahmoud Khalil a/k/a Mahmoud Hamza Khalil), Aban Air, and Ali Mahdavi is necessary, in the public interest, to prevent an imminent violation of the EAR.

This Order is being issued on an ex parte basis without a hearing based upon BIS's showing of an imminent violation.

II. RELATED PERSON

A. LEGAL STANDARD

Section 766.24(c) of the Regulations provides that a temporary denial order may be made applicable to related persons in accordance with Section 766.23. 15 C.F.R. § 766.24(c). Section 766.23 provides, in turn, that "[i]n order to prevent evasion, [temporary denial orders] under this part may be made applicable not only to the respondent, but also to other persons then or thereafter related to the respondent by ownership, control, position of responsibility, affiliation,

or other connection in the conduct of trade or business.” 15 C.F.R. § 766.23(a). Pursuant to Section 766.23(b), a temporary denial order may be made applicable to a related person on an *ex parte* basis under Section 766.24(a) without need to provide prior notice. 15 C.F.R. § 766.23(a).

B. ANALYSIS AND FINDINGS

Everex Global Cargo and Courier (“Everex”) has a significant corporate relationship with Aban Air and Ali Mahdavi. OEE has presented evidence that Ali Mahdavi, who is chairman of Aban Air and signed the lease discussed above that resulted in the unlawful reexport of a 747, also is the chairman of Everex. The two entities have the same offices at the Tehran, Iran Airport. Everex also lists its branch office in Tehran as the same location as Aban Air’s Iranian headquarters. Finally, according to open source information obtained by OEE, Everex acts as the General Sales Agent for Aban Air in several countries, including Iran and the U.A.E.

I find pursuant to Section 766.23 that Everex Global Cargo and Courier is a related person to Aban Air and Ali Mahdavi, and that adding Everex Global Cargo and Courier to the TDO is necessary to prevent evasion of the TDO.

III. ORDER

IT IS THEREFORE ORDERED:

FIRST, that the Respondents, SAYEGH GROUP AVIATION, P.O. Box 5822, Sharjah, United Arab Emirates; ABAN AIR, No. 1267, Vali Asr Avenue, Tehran, Iran 157177 36511; SAM AIR CORPORATION LIMITED, P.O. Box 5822, Sharjah, United Arab Emirates, and 18th Hill Street, Banjul, The Gambia, West Africa; AVIATION LEGACY (GAMBIA) LIMITED, c/o Mahmoud Khali Hamze, Flat 2907, Almeriki Tower, Sheikh Zayed Road, Dubai, United Arab Emirates, and G 15, Kanifing Housing Estate, The Gambia, West Africa; ABDULLAH

KHALED RAMADAN, Managing Director, Sam Air Corporation Limited, P.O. Box 5822, Sharjah, United Arab Emirates; ALI MAHDAVI, Chairman Aban Air, No. 1267, Vali Asr Avenue, Tehran, Iran 157177 36511; MAHMOUD KHALI HAMZE (a/k/a MAHMOUD KHALIL a/k/a MAHMOUD HAMZA KHALIL), Managing Director, Aviation Legacy (Gambia) Limited, Flat 2907, Almeriki Tower, Sheikh Zayed Road, Dubai, United Arab Emirates; and EVEREX GLOBAL CARGO AND COURIER, Nos. 7 and 8, Opposite Terminal 2, Mahrabad International Airport, Tehran, Iran, and No. 1267, Vali Asr Avenue, Tehran, Iran 157177 36511, and each of their successors or assigns and, when acting for or on behalf of any of the foregoing, each of their officers, representatives, agents or employees (each a "Denied Person" and collectively the "Denied Persons") may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Export Administration Regulations ("EAR"), or in any other activity subject to the EAR including, but not limited to:

A. Applying for, obtaining, or using any license, License Exception, or export control document;

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR; or

C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR.

SECOND, that no person may, directly or indirectly, do any of the following:

- A. Export or reexport to or on behalf of a Denied Person any item subject to the EAR;
- B. Take any action that facilitates the acquisition or attempted acquisition by a Denied Person of the ownership, possession, or control of any item subject to the EAR that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby a Denied Person acquires or attempts to acquire such ownership, possession or control;
- C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from a Denied Person of any item subject to the EAR that has been exported from the United States;
- D. Obtain from a Denied Person in the United States any item subject to the EAR with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or
- E. Engage in any transaction to service any item subject to the EAR that has been or will be exported from the United States and which is owned, possessed or controlled by a Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by a Denied Person if such service involves the use of any item subject to the EAR that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

THIRD, that, after notice and opportunity for comment as provided in section 766.23 of the EAR, any other person, firm, corporation, or business organization related to a Denied Person by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of this Order.

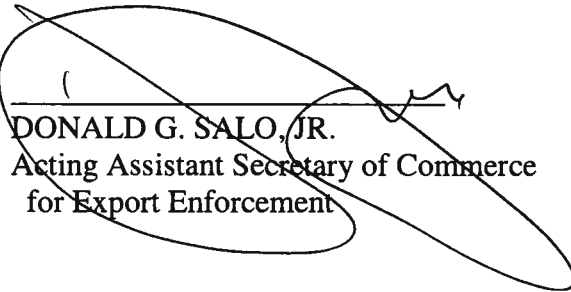
FOURTH, that this Order does not prohibit any export, reexport, or other transaction subject to the EAR where the only items involved that are subject to the EAR are the foreign-produced direct product of U.S.-origin technology.

In accordance with the provisions of Section 766.24(e) of the EAR, the Respondents may, at any time, appeal this Order by filing a full written statement in support of the appeal with the Office of the Administrative Law Judge, U.S. Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022.

BIS may seek renewal of this Order by filing a written request with the Assistant Secretary of Commerce for Export Enforcement in accordance with the provisions of Section 766.24(d) of the EAR, which currently provides that such a written request must be submitted not later than 20 days before the expiration date. A Respondent may oppose a request to renew this Order in accordance with Section 766.24(d), including by filing a written submission with the Assistant Secretary of Commerce for Export Enforcement, supported by appropriate evidence. Any opposition ordinarily must be received not later than seven days before the expiration date of the Order.

Notice of the issuance of this Order shall be given to Respondents in accordance with Sections 766.5(b) and 766.24(b)(5) of the Regulations. This Order also shall be published in the Federal Register.

This Order is effective immediately and shall remain in effect for 180 days.



DONALD G. SALO, JR.
Acting Assistant Secretary of Commerce
for Export Enforcement

Issued this 23rd day of April 2012.