

OFFICE OF THE UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF CALIFORNIA  
SAN DIEGO, CALIFORNIA

N E W S R E L E A S E  
July 25, 1985

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News Release  
Summary

The United States Attorney, Peter K. Nunez, announced today the unsealing of a sixty-one count federal grand jury indictment against seven individuals for their participation in a scheme to smuggle sophisticated combat weaponry from the United States to Iran. Nunez stated that Saeid Asefi Inanlou, Edgardo Pangilinan Agustin, Franklin Pangilinan Agustin, Julie Rogue Agustin, Pedro Manasala Quito, Antonio Gatdula Rodriguez, Primitivo Baluyat Cayabyab are charged with conspiracy to defraud the United States, exportation of defense articles, theft of government property, interstate transportation of stolen property, false declarations and wire fraud in the grand jury's Indictment that was issued late yesterday.

According to the Indictment, the defendants orchestrated a scheme to steal and ship combat aircraft equipment out of the United States. The Indictment charges that the defendants utilized two fictitious companies, Pierre Walter, Ltd., and Ward International, as fronts for their clandestine activities. These companies obtained fighter aircraft equipment through the use of military and civilian personnel who had access to government facilities. The armaments were typically shipped from San Diego to New York for transshipment to London, England. The final destination for these materials was the Islamic Republic of Iran.

According to the Indictment, since December 1984, federal investigators have intercepted over a dozen cartons containing hundreds of pounds and over two dozen separate parts for the F-14 fighter aircraft used by the United States Navy. In addition, authorities have seized some parts valued in excess of \$450,000.00 apiece (Signal Data Computer); others comprise some of the most sophisticated combat weaponry known to the free

world (Parametric Amplifiers for directing the Phoenix Missile System; and sections of the Tactical Air Reconnaissance Pods System, "Tarps"). Several of the stolen aircraft parts have been tentatively traced by federal authorities to various locations, including: Naval Air Rework Facilities in California, Virginia, and the Phillipines; and two West Coast based attack aircraft carriers--the USS CARL VINSON, homeported near San Francisco, and the USS Ranger, homeported in San Diego.

The indictment charges that three of the defendants arrested in both San Diego and Seattle utilized their positions to penetrate Naval security. These defendants had direct access to F-14 fighter armaments by the nature of their specific positions: Primo Cayabyab is an aviation storekeeper on the USS KITTY HAWK, another attack carrier homeported in San Diego; Pedro Quito is a civilian warehouse worker assigned to the Fleet Avionics Logistics Support Center in San Diego; and Antonio Rodriguez had positions aboard the helicopter landing ship USS BELLEAU WOOD and the KITTY HAWK.

The Indictment also charges that the defendants obtained Defense Logistic Agency microfiche control Indices of the Naval inventory system to further their scheme. Further, it charges the defendants with falsifying shipper's export declarations and utilizing secret codes and terminology when discussing their scheme. The Indictment charges that defendant Saeid Asefi Inanlou, a citizen of the Islamic Republic of Iran residing in the United Kingdom, utilized his position as the corporate director of Security Aids International to illegally obtain the naval armaments and to export them to Iran.

Mr. Nunez stated that the Indictment stems from a joint investigation involving the United States Customs Service, the Federal Bureau of Investigation, and the Naval Investigation Service in conjunction with the U.S. Attorney's Office. He praised the efforts of the three agencies for their support in bringing about today's charges.

According to Mr. Nunez, the defendants face substantial prison terms if convicted of all charges. He noted that the investigation into

this arms smuggling is continuing with the added support of the Internal Revenue Service. The case is being handled by Assistant U.S. Attorneys Phillip L. B. Halpern and Charles S. Crandall.

1. Name: SAEID ASEFI INANLOU. Age 47  
Address: Little Manor. The Common,  
33 Snaresbrook,  
Stanmore, Middlesex  
Bail Status: Released on bond by British  
Authorities. No-bail warrant issued by  
Southern District of California.
2. Name: EDGARDO PANGILINAN AGUSTIN. Age 45  
Address: 18327 Dalney Road,  
Jamaica, New York  
Bail Status: Custody (New York)  
Bond Amount: Detained without bond
3. Name: FRANKLIN PANGILINAN AGUSTIN Age 47  
Address: 10730 Gabacho Drive, San Diego  
Bail Status: Custody, detained without bond
4. Name: JULIE ROQUE AGUSTIN Age 47  
Address: 10730 Gabacho Drive, San Diego  
Bail Status: Custody, detained without bond
5. Name: PEDRO MANANSALA QUITO Age 60  
Address: 355 Dalegrove Lane, San Diego  
Bail Status: Custody, detained without bond
6. Name: ANTONIO GATDULA RODRIGUEZ Age 37  
Address: 2241 Barney, San Diego  
Bail Status: Custody, no bond set
7. Name: PRIMITIVO BALUYAT CAYABYAB Age 36  
Address: 7832 Paradise Valley Road, #B  
San Diego, CA  
Bail Status: Custody, detained without bond

Summary of  
Charges

Indictment.

Number of Defendants: 7.

Number of Counts: 61

Violations:

Count 1

Conspiracy to Defraud United States

Maximum Penalty: 5 years, \$250,000.00 fine.

Counts 2, 3, 6, 7, 8, 11, 12, 13, 17, 18, 19, 22,  
23, 24, 25, 26, 29, 30, 31, 34, 35, 36, 39, 40, 41,  
44, 45, 46, 47, 48 and 49.

Theft of Government Property

Maximum Penalty: 10 years, \$250,000.00 fine as to each count.

Counts 4, 9, 15, 20, 27, 32, 37 and 42.

Interstate Transportation of Stolen Property

Maximum Penalty: 10 years, \$250,000 fine as to each count.

Counts 5, 10, 16, 21, 28, 33, 38 and 43.

Exportation of Defense Articles

Maximum Penalty: 2 years, \$100,000 fine as to each count.

Counts 50, 51 and 52.

False Declarations

Maximum Penalty: 5 years, \$250,000 fine as to each count.

Counts 53, 54, 55, 56, 57, 58, 59, 60, and 61.

Wire Fraud

Maximum Penalty: 5 years, \$250,000 fine as to each count.