

Pak RG

UNCLASSIFIED

RELEASED IN FULL

L/OES:JSCHWARTZ:EDK
12/17/87 EXT. 71043 WANG 5187L
L:EGVERVILLE

NEA/PAB:MLINTON
S/NP:GSAMORE {INFO}
INR/SFA:RUPCHURCH {INFO}

P:AEASTHAM {INFO}
OES/N:RSTRATFORD {INFO}

IMMEDIATE ISLAMABAD

IMMEDIATE LAHORE, KARACHI IMMEDIATE, NEW DELHI IMMEDIATE

N/A

MNUC, PREL, PK, US

PERVEZ CASE VERDICT

1. UNCLASSIFIED - ENTIRE TEXT.

2. THE JURY IN THE ARSHAD Z. PERVEZ CASE IN PHILADELPHIA HAS RETURNED A VERDICT OF GUILTY ON FIVE OF THE EIGHT COUNTS LISTED IN THE INDICTMENT OF JULY 8, 1987. THESE ARE: CONSPIRACY TO DEFRAUD THE UNITED STATES AND ITS AGENCY, THE DEPARTMENT OF COMMERCE, BY IMPAIRING, OBSTRUCTING AND DEFEATING THE LAWFUL FUNCTIONS OF THE DEPARTMENT OF COMMERCE IN ITS IMPLEMENTATION OF THE EXPORT LAWS OF THE UNITED STATES {COUNT 1}; KNOWING ATTEMPT TO EXPORT BERYLLIUM WITHOUT THE REQUIRED EXPORT LICENSE {COUNT 5}; AND THREE COUNTS OF KNOWINGLY AND WILLFULLY SUBMITTING FALSE END USE STATEMENTS TO THE DEPARTMENT OF COMMERCE -- A STATEMENT OF NAEEM PASHA, MULTINATIONAL INC., A STATEMENT OF DR. M. KHALID MASOOD, PAKISTAN COUNCIL OF SCIENTIFIC & INDUSTRIAL RESEARCH, AND AN APPLICATION FOR AN EXPORT LICENSE -- EACH OF WHICH REPRESENTED FALSELY THAT THE MARAGING STEEL C-350 WAS TO BE USED FOR SPECIFIC PURPOSES IN PAKISTAN {COUNTS 6, 7 AND 8}. THESE COUNTS

INITIALS

EG

JES

ML

AE

ES

RS

RU

REVIEW AUTHORITY: Sharon Ahmad, Senior Reviewer

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383-00-0031
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TOGETHER CARRY A MAXIMUM PENALTY OF 25 YEARS IN PRISON AND A FINE OF \$1.25 MILLION. SENTENCING WILL PROBABLY TAKE PLACE IN 30 DAYS. THEREAFTER THE DEFENDANT WILL HAVE TEN DAYS TO APPEAL THE VERDICT.

3. PERVEZ WAS ACQUITTED ON THREE COUNTS RELATED TO BRIBERY: BRIBERY ITSELF {COUNT TWO}; INTERSTATE TRAVEL TO COMMIT BRIBERY {COUNT THREE}; AND AN EFFORT TO OBTAIN AN EXPORT LICENSE THROUGH BRIBERY {COUNT FOUR}. THE VERDICT DOES NOT GIVE A REASON FOR ACQUITTAL ON THESE COUNTS, BUT THE DEFENSE HAD ARGUED ENTRAPMENT; THAT IS, THAT THE GOVERNMENT HAD IMPROPERLY LED HIM TO COMMIT THE ACTS IN QUESTION.

4. THE INDICTMENT AGAINST PERVEZ ALSO CHARGED INAM UL-HAQ WITH THREE OF THE OFFENSES FOR WHICH PERVEZ HAS NOW BEEN CONVICTED: CONSPIRACY {COUNT ONE} AND THE FALSE STATEMENTS PERTAINING TO MULTINATIONAL AND THE PCSIR {COUNTS SIX AND SEVEN}. BECAUSE INAM UL-HAQ WAS NOT AVAILABLE FOR TRIAL, HOWEVER, THESE CHARGES REMAIN OUTSTANDING AGAINST HIM. 44

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