

Rochester, Michigan, U.S. citizens wrongfully targeted and punished

Background

In 2001, Dawn Hanna, a 29-year-old Rochester, Mich., resident worked for Technology Integration Group Services (TIGS), a company owned by her brother Darrin Hanna, a 24-year-old Rochester resident who was also a full-time professor at Oakland University. Dawn, who had a master's degree in international marketing, had joined the company in 1998 as an international broker.

In December 2001, at the suggestion of her Iraqi-born father and uncle (now both long-term U.S. citizens), Dawn made inquiries about the possibility of brokering cigarettes, a new telecommunications system and other commodities to Iraq through the U.N. Oil for Food Program. According to Robert Werner, director of the Office of Foreign Assets Control (OFAC), U.S. Department of the Treasury, "OFAC issued approximately 1,050 specific licenses to U.S. persons for various aspects of the Oil-for-Food program." There was a process to do business with Iraq and the approved items were limited to those on the OFAC list, ranging from medicines, health supplies and foodstuffs to telecommunications equipment. However, as is often the case with brokering, Dawn's initial inquiries never came to fruition. (Ironically, the government would later point to several of these e-mails to prove the Hanna's guilt.)

In February 2002, Dawn was contacted by a U.K. citizen who told her he was partnering with a French company that needed a few pieces of used telecommunications equipment for Turkey. That deal did go through and, between 2002 and 2003, Dawn brokered 10-year-old pieces of recycled telecommunications equipment that were shipped to Turkey.

Investigation

In the meantime, an anonymous local phone call that Dawn Hanna and TIGS were involved in exported shipments of GPS, Global Systems for Mobile (GSM) and "sensitive" technologies to Iraq led the Bureau of Homeland Security in 2003 to begin what would become an exhaustive, 5½-year investigation into the Hanna family and TIGS.

The investigation included:

- Delivering a subpoena to the Hanna's brother, Dean, on Christmas Eve 2007
- Asking for Linda Buck to give a handwriting sample during Holy Week 2008
- Threatening to indict the Hanna's parents, Tobia Hanna and Linda Buck, if Dawn and Darrin did not plead guilty

From the beginning, the Hannas have maintained their innocence and instead relied on the U.S. justice system to work. Dawn maintains that she was asked to broker telecommunications equipment NOT for Iraq but for Turkey. The transactions in question were from December 2002 through February 2003, four months before the embargo with Iraq was lifted completely. The U.K. (where the government is not immune from wrongful prosecution damages) jointly investigated this case until 2006, when they closed the investigation without any charges.

Charges

In July 2007, the U.S. government indicted, arrested and charged Dawn and Darrin Hanna with:

- Conspiring to knowingly and willfully export property from the U.S. to Iraq in violation of the U.S. embargo (1990-2003)
- Exporting property to Iraq without prior authorization from the Secretary of the Treasury
- Various other criminal counts, including money laundering and making false statements

While their press releases (please see below) told a different story, as late as a week before the trial began in September 2008, the government continued to attempt to build the case, contacting business associates of TIGS and Dawn Hanna to inform them of the charges and ask if they had any information about any illegal dealings.

Media and motivations

From the beginning, it appears that the U.S. government began with a conclusion and then used any information – related to the case and, in most cases, completely unrelated to the case – that might make the Hannas appear guilty.

In addition, tried by the National Security Division of the U.S. District Court/Eastern District of Michigan, Southern Division, the government attorneys labeled the Hanna's case a "terrorism" case and the media followed without question.

Here is the headline and excerpts from the original press release (<http://www.justice.gov/usao/mie/press/July-2007.pdf> , p. 42) on July 25, 2007:

ROCHESTER BROTHER AND SISTER INDICTED FOR VIOLATING US EMBARGO ON FORMER HUSSEIN REGIME IN IRAQ

".... 'The shipments and attempted shipments came during the administration of **Saddam Hussein** in the period leading up to the 2003 invasion by coalition forces' United States Attorney Murphy said, 'Evading the US trade embargo on a **hostile regime like Saddam Hussein's** is a serious crime with punishing consequences that cannot be ignored. I applaud the excellent work by IRS, ICE and the FBI in investigating this crime' ... 'While these defendants profited handsomely from their alleged violations of the Iraq embargo, this indictment shows that there is a price to be paid for illegally trading with **outlaw regimes**,' said Assistant U.S. Attorney General Wainstein."

Between 2007-2009, the media had a field day with the Hanna story, showing pictures of Saddam Hussein next to photos of both Dawn and Darrin, along with military weapons and other war shots. Quickly, the Hannas were branded "terrorists."

The government's "terrorism" allegations are ironic, since Tobia Hanna (Dawn and Darrin's father) served as a translator for a U.S. contractor in Iraq from approximately 2004-2008, and had security clearance to work with multiple branches of the U.S. government.

In addition, neither Dawn nor Darrin have ever visited Iraq, nor do they speak the language.

Trial

During the jury trial in September and October 2008, the government presented nearly all circumstantial evidence. Evidence corroborating the government's theory was based on interpreting unrelated e-mails

(if the term “Iraq” was ever used, for example, the government claimed it made the Hannas guilty), and testimony such as, “Dawn was evasive,” “The shipping routes did not seem normal for Turkey,” and so on.

The government’s only direct evidence came from Dawn Hanna’s ex- best-friend, who testified that Dawn told her that she was “working on some telecom thing for Iraq.” However, this ex-friend, who had unsuccessfully tried to rekindle her close friendship with Dawn in 2006, also told the Grand Jury that Dawn was trying to sell “uranium” to Iraq during a London visit, which was later revealed to be “urea,” a type of fertilizer, to Bangladesh.

Verdict

On October 2, 2008, the jury acquitted Darrin of all counts but found Dawn guilty of all counts except one.

Sentence

On March 25, 2009, Dawn was sentenced to 72 months (6 years) in prison and fined \$1.1 million.

She is reportedly only the second person in U.S. history to be sentenced to prison time for violating the U.S. embargo on Iraq from 1990-2003. (Most cases like hers are NOT criminally prosecuted but handled administratively, with probation, fines, confiscation, etc.) Even those Iraq cases that were criminally prosecuted involved NO prison time.

Judge Marianne O. Battani concluded that Dawn’s case had nothing to do with endangering national security. However, she gave the prosecutors the National Security Enhancement stipulation they so vigorously sought to skyrocket Dawn's punishment because “one never knows what things shipped out of the country can be used for,” to paraphrase her.

In addition, while acquitted of all charges, Darrin Hanna:

- Spent his life savings defending himself
- Was forced to take a leave from Oakland University without pay
- Was forced to fold the company he started when he was 19
- Was forced off of a federal research grant he had worked on for years to identify safe havens prior to a disastrous hurricane like Katrina
- Was told by the court he was “free to go.”

What makes Dawn’s 72-month prison sentence especially harsh

Most cases like Dawn’s have been handled with administrative sanctions vs. criminal prosecutions, according to the U.S. Department of Commerce Bureau of Industry and Security (BIS), the agency charged with enforcing U.S. export control laws.

In fact, *not a single case involving shipments in violation of the Iraq embargo reported in the past five years resulted in any sentence of imprisonment whatsoever.* Here is the totality of U.S. criminal cases involving exports to Iraq:

- A criminal case involving Andrew Huang and Dr. Joseph Thomas resulted in sentences of two years probation and one year supervised release, respectively, for the “[e]xport of telecommunications equipment to Iraq via China”
- Alpine Armoring Inc. and Fred Khoroushi “attempted to export armored vehicles to Iraq without the required licenses and with knowledge that a violation would occur,” and paid a civil penalty of \$88,000 and “export privileges denied for five years, all of which is suspended”
- Dresser International Inc. “caused a re-export of various oil industry-related items to Iraq without the required U.S. Government authorization and with knowledge that a violation would occur, and reached a settlement agreement that called for a civil penalty of \$6,600
- Sharon Doe, a sales manager for Crane Pacific Valves, “was sentenced to serve three years of probation, six months of home detention, and to pay a \$5,000 criminal fine for her role in the export of petrochemical valves to Iran and Iraq through Australia in order to evade the Export Administration Regulations”

Here is a sampling of ALL U.S. criminal cases regarding ALL embargoed or rogue countries:

- Gun parts to Sudan ... 5 months in prison
- Computer/satellite communications goods to Iran ... 7 months in prison
- Aircraft parts to Libya on 30 different occasions ... 12 months and one day in prison
- Bubonic plague bacteria to Tanzania ... 24 months in prison
- Radar/electronic warfare systems to China ... 44 months in prison
- Aircraft parts to Iran ... 52 months in prison
- Night vision equipment to Hezbollah ... 60 months in prison
- Computer exports to a high-ranking member of Hamas/Libya and Syria (with prior convictions) ... 80 months in prison

After the trial ... CIA connection revealed

After Dawn’s unusually harsh sentencing, two CIA operatives came forward, risking their own safety and that of their families, to tell the truth about their involvement with the U.S. government and Dawn. One of them was the U.K. citizen who had contacted Dawn in the first place to locate and ship the used telecommunications equipment to Turkey. Unwittingly, Dawn was working with a CIA operative, who was participating in a secret U.S. government-sponsored operation involving Iraq.

The fact that this was a clandestine CIA operation makes it far less likely that Dawn would have been told about the ultimate destination of the equipment, since it would have compromised the operation and put people’s lives in danger.

Key information suppressed at trial

What makes this case especially egregious is that the government clearly knew Dawn’s contact was a CIA operative and that Dawn had unknowingly become involved in a CIA operation. *That’s why they knew what the conclusion was before they began the investigation.* The investigators and prosecution knew about the CIA connection years before the Hannas did.

In addition, prosecutors suppressed critical evidence involving the CIA asset. Instead of allowing the jury to hear the whole story, Assistant U.S. Attorney Barbara McQuade suppressed the CIA asset’s claim of

working with the U.S. government and portrayed him as a common criminal and co-conspirator, whose testimony then became virtually useless.

Although a motion was filed for a new trial where the recently revealed information could be presented to a jury, Judge Battani ruled against the motion in September 2009, and Dawn reported to the federal women's prison in Lexington, Ky., on Sept. 8, 2009.

Ironically, the lead prosecutor in the case, Barbara McQuade, was recommended for a promotion in June 2009.