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November 5, 2007

VIA EMAIL & COURIER

**CONFIDENTIAL AND EXPEDITED TREATMENT REQUESTED
BUSINESS CONFIDENTIAL/BUSINESS PROPRIETARY INFORMATION EXEMPT FROM
DISCLOSURE UNDER FOIA PURSUANT TO 5 U.S.C. §552(b) (3) AND (4).**

Mr. Dale Thompson
Chief, General Investigations and Field Operations
Enforcement Division
Office of Foreign Assets Control
U.S. Department of the Treasury
Treasury Annex-Second Floor
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

**RESPONSE TO CEASE AND DESIST ORDER AND
REQUIREMENT TO FURNISH INFORMATION**

Re: LB-368398 – Order to Cease and Desist and Requirement to Furnish Information
(the” Order”)

Dear Mr. Thompson:

On behalf of Aventura Aviation, LLC and its representatives, Mr. Gayer and Mr. Blattner
(collectively, “Aventura”), we submit this response to the Order.

We appreciate Ms. Monica Morales' grant of an extension of time until November 5, 2007 for the submission of this response. Aventura has engaged us to ensure that Aventura and its representatives are in complete compliance with the prohibitions and requirements of Executive Order 13348 and the relevant regulations administered by OFAC, and also to ensure that Aventura responds fully to the Order.

Based on our review of relevant information and statements provided to us by Aventura and Samar Air, we, on behalf of Aventura, respond to the Order, as follows:

Compliance with Order to Cease and Desist

As soon as it received the Order, in strict compliance with the Order, as we notified you in our letter of September 28, 2007, Aventura complied with the Order and did not engage in/was not engaged in any further involvement with Mr. Richard Chichakli. In this regard, Aventura, among other things, ceased communicating with Mr. Chichakli, stopped all activities and services on behalf of Samar Air (an airline in Tajikistan), sent a copy of the Order to Samar Air, and received confirmation from Samar Air that all the funds received by Aventura in connection with the Samar Air contract came only from (or on behalf of) Samar Air.

Aventura blocked and did not use funds in Aventura's accounts consisting, in part of, funds received from Samar Air.¹ In response to their request for a meeting with Aventura (after Aventura's receipt of the Order) and in the spirit of full cooperation with them, Mr. Gayer and Mr. Blattner offered to (again) meet/speak with Mr. Ron Loecker of the IRS and Mr. Bill Hoffmann of the FBI.² This meeting, however, has not taken place due to Mr. Hoffmann's schedule and other priorities.

¹ Samar Air had enlisted Aventura's services in connection with Samar Air's procurement of certain used civilian aircraft from suppliers in the United States.

² Mr. Gayer and Mr. Blattner spoke to Mr. Loecker and Mr. Hoffmann in September of 2007 regarding Mr. Chichakli and provided information to them regarding transactions involving

After receiving the Order, Mr. Gayer spoke on the telephone with you requesting guidance on what steps Aventura should take with respect to the blocking of funds in Aventura's accounts. You advised Mr. Gayer that the bank involved would address this issue. In this conversation, in response to Mr. Gayer's offer to do anything else to comply with the Order and assist OFAC with its investigation, you directed Mr. Gayer to submit the documents requested in the Order.

After having been informed of Mr. Chichakli's appearance on OFAC's SDN List and receiving the Order, Aventura, in addition to the due diligence it conducts with respect to compliance with all other U.S. laws and regulations that it is subject to, immediately enhanced its due diligence with respect to laws and regulations administered by OFAC and also retained the services of expert OFAC legal counsel to assist it in this regard and with regard to responding to the Order.

“Funds Received from Mr. Chichakli”

The Order, among other things, directs Aventura to segregate from its bank accounts any funds received from Mr. Chichakli, or funds in which Mr. Chichakli has an interest. Although the funds that were blocked by OFAC were not received from or on behalf of Mr. Chichakli, and we do not believe that Mr. Chichakli has any legally cognizable property interest in these funds, as mentioned above, Aventura and its bank nevertheless segregated the funds in Aventura's account which were received from Samar Air. These funds were deposited into a blocked account at Israel Discount Bank, Los Angeles. We do concede, however, that these funds along with other property related to the subject of the Order may be blocked by OFAC in aid-of-investigation. After the completion of OFAC's investigation, we believe that these funds along with all other property blocked involving transactions between Aventura and Samar Air will be unblocked by OFAC.

In compliance with the Order and the relevant regulations, Aventura submitted a Blocked Property Report to OFAC covering the funds referenced above as well as all other property involved in Aventura's provision of services to Samar Air. *See*, Blocked Property Report dated September 28, 2007 (copy enclosed).

Samar Air, including a list of wire transfers received from Samar Air, and answered all of Mr.

Background

Aventura is a U.S. company engaged in the sale and supply of aircraft, and services and expertise related to, among other things, the procurement by airlines of used aircraft.

Samar Air is a small privately-owned airline headquartered in and organized under the laws of the Republic of Tajikistan. Samar Air was established in 2004 and it is owned and controlled by Mr. Valijon Babaev, a Tajik national. Samar Air is not and has never been owned or controlled by, nor is it or has it ever acted for or on behalf of, Mr. Chichakli. According to Samar Air, Mr. Chichakli is not and has never been a shareholder, director, manager, employee, client, or partner of Samar Air. Samar Air is a licensed air operator registered in the Republic of Tajikistan. Samar Air is also registered with ICAO. OFAC's blocking of funds remitted by Samar Air to Aventura has caused Samar Air to suffer severe financial hardship.

According to Samar Air, during 2007, Samar Air developed a requirement for one Boeing 727 and one Boeing 737. Mr. Richard Chichakli was recommended to Samar Air as an aviation consultant who could assist Samar Air with introducing a company in the United States to Samar Air that could reliably assist Samar Air in the identification, purchase, reconditioning, repair, reactivation, and delivery of the 727 and the 737 that Samar Air needed.

Samar Air contacted Mr. Chichakli sometime in the late Spring of 2007 and offered to pay him a fee for his services in connection with identifying and introducing a company in the United States to Samar Air who could assist Samar Air with its aircraft requirements. As we have learned from Samar Air recently, Samar Air agreed to pay Mr. Chichakli an introduction or finder's fee of \$50,000 for his services, but only upon the successful delivery of the aircraft to Samar Air.

Mr. Chichakli introduced Aventura to Samar Air sometime in July 2007. Mr. Chichakli was known to Aventura prior to Aventura's business relationship with Samar Air. Aventura first sold

Hoffmann's and Mr. Loecker's questions regarding Mr. Chichakli and Samar Air.

an airplane to a company owned and/or controlled by/involving Mr. Chichakli in May of 2004. Mr. Chichakli was known to Aventura as a trustworthy and upright business counterpart until September 2007.

Mr. Chichakli introduced Aventura to Samar Air and facilitated the business relationship and direct dealing between Aventura and Samar Air. In embarking to do business with Samar Air and during all other relevant times, Aventura did not know of Mr. Chichakli's appearance on the OFAC SDN List or the application of the prohibitions of Executive Order 13348 to any transaction involving Mr. Chichakli.

In introducing Aventura to Samar Air, Mr. Chichakli intentionally and deliberately did not inform either Aventura or Samar Air that all transactions subject to U.S. jurisdiction involving him were prohibited even though he full-well knew this to be the case.

After Aventura and Samar Air agreed to deal with each other directly, Samar Air selected the aircraft that it wanted to purchase, and it remitted funds to Aventura therefor. The funds received by Aventura represented payment for the aircraft and aircraft engines, for the repair and reconditioning of the aircraft and engines, for Aventura's services, and for related costs and expenses. Aventura received a total of \$1,596,576 from or on behalf of Samar Air for the 727 and 737.

Mr. Chichakli's only role in the transaction and the business relationship between Aventura and Samar Air was as introducer of the parties to each other and the facilitator of initial communications between them. Mr. Chichakli's only role in the business between Aventura and Samar Air was to introduce Samar Air to Aventura and to facilitate communications between Samar Air and Aventura from July 2007 until the early part of September 2007.

Since the Order, Aventura has learned from Samar Air that Samar air had hired him and that the only remuneration or benefit that Mr. Chichakli derived for the introduction of Aventura and Samar Air to each other was a fee of \$50,000 which was, as we have learned, to be payable to him by Samar Air only upon and in the event of the successful delivery of aircraft from Aventura to Samar Air.

In light of OFAC's blocking of the transactions in question between Aventura and Samar Air and the funds associated therewith, the application of the prohibitions of Executive Order 13348, Mr. Chichakli's deceptive practices, and the costs and economic harm suffered and continued to be suffered by Samar Air and Aventura as a result of Mr. Chichakli, Aventura has learned from Samar Air that Samar Air will not honor Mr. Chichakli's request for the payment of a fee to him. We have learned that Samar Air will no longer deal with Mr. Chichakli and that Samar Air does not believe it has any legal obligation to pay a fee or any other benefit to Mr. Chichakli.

Information Regarding Transactions With or Involving Aventura and Mr. Chichakli Since September 15, 2002

Enclosed are copies of contracts and communications which respond to your request for information regarding transactions since September 15, 2002 with or involving Aventura and Mr. Chichakli.

There were a total of 3 completed aircraft sales to companies owned and controlled Mr. Chichakli during this time period. Information is also provided regarding Aventura's pending sales to Samar Air, noting, however, that Samar air is not and has never been owned or controlled by Mr. Chichakli, and moreover that the contemplated sales have not been completed.

Aventura sold two aircraft to Trans Aviation Global Group (Mr. Chichakli's company) during May 2004 and February 2005. Mr. Chichakli was designated as an SDN under the Liberia sanctions program on April 22, 2005. A copy of the contract of May 24, 2004 pertaining to the first of these sales is enclosed. Aventura and its lawyers are continuing their search for a copy of the contract pertaining to the second sale of aircraft during this period. A copy of this contract has been previously provided to Mr. Loecker of the IRS. A copy of this contract will be provided to OFAC if still necessary and OFAC has not obtained the same from Mr. Ron Loecker,³

³ Aventura's attorney, Mr. Bill Hoffman turned over the sales contracts related to the sales of aircraft mentioned above to Mr. Ron Loecker of the IRS at Mr. Henry Gayer's instruction.

or in any event. The terms of this latter contract are identical to the May 24, 2004 contract. Both contracts were prepared by the law firm of Hoffman and Hoffman in Miami.⁴ Also enclosed is information regarding the sale of a third airplane in 2006 and delivered in January of 2007. To the best of Aventura's knowledge, this sale was documented simply by a bill of sale and there was no formal contract for it. Aventura is in the process of gathering copies of further documentation about this third contract from its lawyers in the United Kingdom. Aventura will continue its search for additional documents that may be responsive to the Order and provide copies of these documents to OFAC once they are located.

Also enclosed are copies of relevant emails and other documents, including those related to transactions between or involving Aventura and Samar Air. A formal contract documenting the relationship between Aventura and Samar Air does not exist and was in the process of being developed prior to the Order. The copies of emails correspond to those saved on and available from Mr. Gayer's computer. There could have been other emails. Also enclosed are copies of emails that were provided to Mr. Loecker at his request.

* * *

Aventura's transactions with or involving Mr. Chichakli were engaged in either prior to Mr. Chichakli's designation as an OFAC sanctions target, or without Aventura's knowledge of Mr. Chichakli's designation. Given their satisfactory dealings with Mr. Chichakli since 2004, Aventura never suspected or had reason to suspect that Mr. Chichakli was an individual of the sort that would be designated as an SDN by OFAC.

Aventura Aviation, LLC, and Mr. Gayer and Mr. Blattner personally, believe that they were unsuspectingly brought into a prohibited transaction by Mr. Chichakli. Mr. Gayer and Mr. Blattner are upstanding citizens who are deeply committed to observing and complying with the letter and spirit of all applicable laws and regulations, and also to always doing the right thing, whether legally required to or not. They are well-established businessmen with sterling

⁴ The name of the attorney at Hoffman and Hoffman in Miami is Bill Hoffman, who is not to be confused with Bill Hoffmann, the FBI agent.

reputations who are shocked to their core to find themselves in the current situation involving Mr. Chichakli.

Mr. Gayer and Mr. Blattner continue to stand ready to do whatever they can to assist OFAC and other agencies of the U.S. Government with respect to the matter which is the subject of the Order and other matters involving Mr. Chichakli. Mr. Chichakli is a desperate man who will take all risks and betray all friendships and trust to make money. Mr. Gayer and Mr. Blattner want to assist the U.S. Government to ensure that Mr. Chichakli does not put others in the position that he has put Aventura and Samar Air.

* * *

This letter and its enclosures and communications with OFAC regarding the subject of this letter contain confidential commercial and/or financial information, the disclosure of which would cause substantial economic and competitive harm to Aventura and Samar Air and their shareholders, principals, and representatives. Accordingly, Aventura respectfully requests that this letter and all related submissions to and communications with OFAC be afforded confidential treatment and that this letter, its enclosures, and all related communications not be made available to the public pursuant to 5 U.S.C. § 522(b) (4) and 31 C.F.R. Part 1.

Please do not hesitate to contact the undersigned at the direct telephone number and e-mail address on the first page of this letter if you have any questions or require any additional information regarding this submission.

Sincerely,



Hal Eren

Enclosures