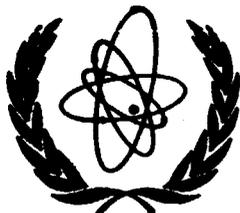


XA9026854

INF



International Atomic Energy Agency

INFORMATION CIRCULAR

DAEA-INFOCIRC/380 -
10 April 1990

GENERAL Distr.
Original: ARABIC
and ENGLISH

REQUEST BY THE RESIDENT REPRESENTATIVE OF IRAQ

The attached material is being circulated for the information of Member States pursuant to a request made by the Resident Representative of Iraq.

3315Y/224Y

* FOREIGN MINISTRY-SPOKESMAN:

- * BAGHDAD, APR. 2, INA -- AN IRAQI FOREIGN MINISTRY SPOKESMAN TODAY
- * CHARGED THE BRITISH AUTHORITIES OF ONCE MORE COOPERATING WITH
- * AMERICAN AUTHORITIES IN LAUNCHING A SUSPICIOUS DRIVE OF
- * FALSIFICATIONS WITH THE OBJECT OF DISTORTING IRAQ'S REPUTATION AND
- * PROVIDING JUSTIFICATIONS FOR AGGRESSION ON IT.

- * IN A STATEMENT HERE TODAY, THE SPOKESMAN SAID THAT WITH THIS
- * CAMPAIGN A DIRECT AND CLEAR SERVICE WAS MADE FOR THE ZIONIST DESIGNS
- * FOR AGGRESSION ON IRAQ AND THE ARAB NATION.

- * THE SPOKESMAN ADDED THAT HE PREFERRED TO WAIT FOR FEW DAYS UNTIL
- * ALL CHAPTERS OF THIS SUSPICIOUS CAMPAIGN IN THE AMERICAN AND BRITISH
- * MASS MEDIA WERE DISCLOSED SO THAT THE ARAB AND WORLD PUBLIC OPINION
- * BECOME AWARE OF ALL FACTS.

- * MORE.....

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (2) BAGHDAD:

- * THE SPOKESMAN SAID THAT THIS FABRICATED CAMPAIGN ORIGINATED FROM
- * NOTHING MORE THAN A SMALL AND NORMAL CONTRACT BETWEEN AN IRAQI
- * ESTABLISHMENT AND A BRITISH TRADE COMPANY FOR SECURING MATERIALS FOR
- * THE USES OF THE IRAQI TECHNOLOGICAL UNIVERSITY FOR PURE SCIENTIFIC
- * PURPOSES. THE CONTRACT VALUED ONLY 10500 DOLLARS.

- * THE SPOKESMAN ADDED THAT AMERICAN AUTHORITIES IN COOPERATION WITH
- * THE BRITISH ONES, AS ADMITTED BY THE SAID QUARTERS, SLIPPED ON
- * PURPOSE AN AGENT FROM THE F.B.I. IN THE AMERICAN COMPANY THAT SUPPLY
- * THOSE MATERIALS UNDER THE PRETEXT OF BEING DIRECTOR OF THE PURCHASES
- * TO MAKE THIS SMALL AND NORMAL DEAL A SUSPICIOUS INTELLIGENCE
- * MATTER AND WITH THE OBJECT OF FABRICATING AN ACCUSATION TO THE AIM
- * THAT IRAQ ENDEAVOURED TO ACQUIRE EQUIPMENT FOR NUCLEAR USE FROM THE
- * AMERICAN MARKET.

- * MORE.....

- 1 -

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (3) BAGHDAD:

* THE SPOKESMAN FURTHER SAID THAT IRAQI CONCERNED QUARTERS DID NOT
* DEAL WITH THOSE ATTEMPTS AND OBJECTED THEM BECAUSE THE IRAQI
* AUTHORITIES ORIGINALLY WERE DESIRING TO ACQUIRE MATERIALS FOR
* SCIENTIFIC USES.

* HE FURTHER ADDED THAT WHAT CONFIRMS THE PRE-MEDITATED AND
* ILL-INTENTION OF THE DESIGN WERE THE OPEN CORRESPONDENCES ADDRESSED
* BY THE F.B.I AGENT WHO ASSUMED THE POSITION OF PURCHASES DIRECTOR IN
* THE AMERICAN SUPPLYING COMPANY TO IRAQI QUARTERS AND IN WHICH HE
* OFFERED, NOT IN RESPONSE TO IRAQI QUARTERS, THE SELLING OF MATERIALS
* FOR NUCLEAR USES IN AN OPEN METHOD THAT UNDOUBTEDLY MEANT AN
* INVOLVEMENT.

* HE FURTHER POINTED OUT THAT EVERY BODY IS AWARE THAT ALL TELEPHONE
* AND TELEX CONTACTS BETWEEN THE UNITED STATES AND ABROAD WERE SUBJECT
* TO A CONTINUED AND ADVANCED ELECTRONIC SCRUTINY FROM THE AMERICAN
* NATIONAL SECURITY AGENCY.

* MORE.....

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (4) BAGHDAD:

* THE SPOKESMAN QUESTIONED HOW COULD A PURCHASES DIRECTOR AT AN
* AMERICAN COMPANY OFFER EQUIPMENT FOR NUCLEAR USES THROUGH AN OPEN
* TELEX UNLESS THE MATTER WAS ORIGINALLY DESIGNED AND PLANNED BY
* AMERICAN SECURITY CIRCLES?.

* THE SPOKESMAN ADDED THAT AMERICAN AND BRITISH AUTHORITIES DIRECTED
* THE OPERATION THROUGH STATEMENTS ISSUED IN A MANNER OF ACCUSING
* IRAQ... THIS ACCUSATION SHOULD BE ADDRESSED TO THE AUTHORITIES
* THEMSELVES FOR THEIR PLANNING TO HATCH THIS DESIGN OF INVOLVEMENT AND
* FOR DISREPUTING IRAQ.

* MORE.....

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (5) BAGHDAD:

* THE SPOKESMAN ADDED THAT REALITIES LINKED WITH THIS OPERATION
* COULD NOT BE ISOLATED FROM THE CONTINUED AN ORGANIZED SLANDEROUS
* CAMPAIGN WHICH IS AFTER HARMING IRAQ'S REPUTATION AND PAVING THE
* WAY FOR AN AGGRESSION ON IT AN ON ITS INDUSTRIAL AND SCIENTIFIC
* ESTABLISHMENTS.

* HE FURTHER SAID THAT IT COULD NOT BE ALSO ISOLATED FROM THE CASE
* OF THE SPY BAZOFT AND THE SUSPICIOUS AND FEVERISH FABRICATED CAMPAIGN
*
* INSTIGATED BY BRITISH INFORMATION AND OFFICIAL QUARTERS AND THE
* WESTERN AND AMERICAN INFORMATION QUARTERS INSPIRED BY ZIONISM.

* MORE.....

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (6) BAGHDAD:

* THE SPOKESMAN ADDED THAT OBJECTIVE OF THIS CAMPAIGN WAS AFTER
* BESIEGING IRAQ AND BANNING IT WITH ALL MEANS FROM CARRYING ON ITS
* NATURAL RIGHT IN SCIENTIFIC PROGRESS AND ACQUIRING TECHNOLOGY AND
* CONSEQUENTLY CARRYING OUT AN AGGRESSION ON IT.... IRAQ IS NOT ONLY
* THE TARGET BUT RATHER THE ENTIRE ARAB NATION.

* THE SPOKESMAN FURTHER SAID THAT DESIGN OF ZIONIST AND IMPERIALIST
* CIRCLES WAS AFTER KEEPING THE ISRAELI SUPERIORITY ON THE ENTIRE ARAB
*
* AND THE FINAL RESULT WAE PERPETUATION OF THE ISRAELI OCCUPATION OF
* THE ARAB LAND AND THE ISRAELI WESTERN HEGEMONY ON THE REGION AND ALS
*
* LIQUIDATING RIGHYS OF THE PALESTINIAN ARAB PEOPLE AND THEIR JUST
* CAUSE.

* MORE....

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (7) BAGHDAD:

* THE SPOKESMAN FURTHER SAID THAT IRAQ HAD BEHAVED LEGITIMATELY IN
* ITS RESOLVE FOR OBTAINING TECHNOLOGICAL AND SCIENTIFIC PROGRESS IN
* ACCORDANCE WITH THE INTERNATIONAL LAW AND NORMS OF DEALING AMONG
* COUNTRIES AND WITHIN THE FRAME OF A GOOD-INTENTIONED AND AWARE
* POLICY.

* THE SPOKESMAN RECALLED THAT IRAQ WAS ONE OF THE PARTIES OF THE
* TREATY OF NON-PROLIFERATION OF NUCLEAR WEAPONS (NPT) AND WAS
* COMMITTED TO IT ADDING THAT THE ATOMIC ENERGY AGENCY MAKES REGULAR
* VISITS TO IRAQI INSTALLATIONS. ON THE CONTRARY, ISRAEL DID NOT SIGN
* THIS TREATY AND REJECTS SIGNING IT DESPITE REPEATED RESOLUTIONS OF
* THE UNITED NATIONS AND OTHERS CALLING FOR THAT. THE SPOKESMAN FURTHER
* SAID THAT ALL REPORTS INCLUDING THE AMERICAN AND WESTERN ONES CONFIRM
* THAT ISRAEL POSSESSES NUCLEAR WEAPONS WITHOUT INSTIGATING ANY ROW ON
* IT FROM THOSE WHO ARE SHEDDING TEARS ON THE SECURITY IN THE
* REGION... AND LIKE THE FURORE AROUSED AGAINST IRAQ ON AN AFFAIR
* PLANNED BY THEM.

* MORE....

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (8) BAGHDAD:

* THE SPOKESMAN STRESSED THAT IRAQ AND THE ARAB NATION WOULD NOT
* SUBMIT TO THE CONTINUED ATTEMPTS OF PRESSURE AND BLACKMAIL AND WOULD
* CONTINUE ITS NATURAL RIGHT FOR PROGRESS... IRAQ IS FULLY AWARE OF
* THE RELATIONSHIP BETWEEN THESE SUSPICIOUS INFORMATION DRIVES AND
* ATTEMPTS WITH DESIGNS AIMING AT HATCHING UP AN AGGRESSION ON IT.

* THE SPOKESMAN ADDED THAT IRAQ IS FULLY VIGILANT OF THESE ATTEMPTS
* AND THOSE WHO ARE PLANNING AGGRESSION SHOULD UNDERSTAND THAT IRAQ HAS
* THE WILL AND POSSESSES THE MEANS THAT ENABLE IT TO RETALIATE ON
* AGGRESSION AND TEACH THE AGGRESSOR A TELLING LESSON.

* MORE.....

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (9) BAGHDAD:

* AN EXPLANATION ATTACHED TO THE STATEMENT OF THE FOREIGN MINISTRY
* SPOKESMAN SAID THAT IN RESPONSE TO THE NEED OF THE TECHNOLOGICAL
* UNIVERSITY IN BAGHDAD FOR SUPPLYING THE LASER ENERGY SYSTEM (CO2),
* THE MINISTRY OF INDUSTRY CONTACTED VARIOUS COMPANIES FOR SUPPLYING 11
* WITH HIGH VOLTAGE CAPACITORS FOR THEIR USE IN THIS SYSTEM. AN OFFER
* BY THE BRITISH COMPANY EUROMAC WAS ACCEPTED IN MAY 1989 FOR
* OBTAINING 85 CAPACITORS AT A TOTAL COST OF 10500 DOLLAR.

* THESE CAPACITORS ARE OF MULTI-INDUSTRIAL AND SCIENTIFIC USES IN
* ADDITION TO THE CLAIMED POSSIBILITY OF USING THEM AS TRIGGERS AND THE
* CERTIFICATE OF THE BENEFICIARY PARTY CONFIRMED THAT USE OF THESE
* CAPACITORS WERE FOR THE LASER SYSTEM CO2.

* MORE.....

* 3/HNA

* FOREIGN MINISTRY-SPOKESMAN (10) BAGHDAD:

* THE EXPLANATION STRESSED THAT IRAQ DID NOT VIOLATE ANY CONTRACT
* OR REGULATIONS AS CONCERN THE EXPORT OF PROHIBITED COMMODITIES OR
* MATERIALS AND IT HAS MET ALL ITS OBLIGATIONS BY SIGNING THE FINAL
* USER CERTIFICATE AND PROVIDING THE SUPPLIER WITH ALL TECHNICAL
* INFORMATION.

* IT ADDED THAT IT WAS CLEAR WHEN REVIEWING CABLES OF THE AMERICAN
* SUPPLIER COMPANY CSI THAT AMERICAN OFFICIAL AUTHORITIES WERE ON
* PURPOSE CARRIED OUT AN ATTEMPT THAT WAS ABORTED BY THE IRAQI SIDE FOR
* PLACING IT IN AN ILLEGAL POSITION.

* THE EXPLANATION CITED A TELEX BY CSI AMERICAN COMPANY ON HAVING A
* MEETING WITH IRAQI SPECIALISTS IN LONDON WHERE THE SPECIALISTS
* STRESSED THE SPECIFICATIONS OF THE REQUIRED MATERIALS AND THAT MR
* SAUNDERS, WHO ASSUMED THE CAPACITY OF PURCHASES DIRECTOR OF THE
* COMPANY AND 'ENTRUSTED BY THE (FBI)'' INSISTED DURING THE MEETING
* ON ASKING ABOUT THE NEED OF OTHER MATERIALS LIKE TRIGGERS USED FOR
* NUCLEAR EXPLOSION EQUIPMENT.

* MORE
* 3/JYK

* FOREIGN MINISTRY-SPOKESMAN (11) BAGHDAD:
* THE EXPLANATION QUOTED A TELEX BY SAUNDERS AS SAYING +I
* PERSONALLY MAY OFFER IN ADDITION TO THE CSI CAPACITORS, MY OFFER
* STILL STANDS AS BEFORE, BUT I DO AGREE WITH THE PRESIDENT OF CSI THAT
*
* OUR PROTECTION AND SAFETY FROM EXPOSURE TO US AUTHORITIES IS OUR
* CONCERN.+
* THE EXPLANATION SAID THAT THE IRAQI SIDE WAS ASTONISHED OVER
* CONTENTS OF THE TELEX AND EXPRESSED ITS PROTEST TO THE SUPPLIER BY A
* TELEPHONE CONTACT. IT ADDED THAT WHEN CSI COMPANY DID NOT RECEIVE
* ANY REPLY FROM THE IRAQI SIDE AND KNEW THAT ITS ATTEMPT WAS NEGLECTED
*
* IT SENT ANOTHER CABLE ON 22ND LAST JANUARY AND WAS RELATED TO THE
* QUESTION OF THE CAPACITORS AS INCLUDED IN THE REQUEST. BUT THE
* COMPANY REFERRED THAT CABLE TO AN OFFER OF OTHER (EQUIPMENT) WITH A
* WARNING OF BEING DISCOVERED BY AMERICAN AUTHORITIES.
* 3/JYK
* NNN

- 1- To fulfill the needs of the University of Technology/Baghdad for a power supply to the CO2 laser system, different companies were contacted by the Ministry of Industry for high voltage capacitors to be used in this unit. An offer was accepted from a British-based company (Euromac) in May, 1989 and an official order was placed in June, 1989 (Annex 1) for a total of 85 of these capacitors at a total cost of U.S \$ 10,500.
- 2- These H.V capacitors, in addition to their capability to be used as detonation devices as has been alleged, have many scientific and industrial applications such as:
 - Power supply for laser systems (ground or airborne).
 - Power supply for plasma metal cutting machines.
 - Separation of missile stages for satellite launching.However, our sole purpose as has been confirmed in the end-user certificate (Annex 2) is for the CO2 laser system (ground and airborne usage).
- 3- Many open telexes were exchanged with the supplier (Euromac) and the sub-supplier (CSI) regarding technical details and follow-up of the order.
- 4- By doing so, the Iraqi side did not break any contract or regulations regarding the export of prohibited materials or goods, and has fulfilled its obligations by signing the end-user certificate and providing the supplier and his sub-supplier with all the technical information requested by them openly.

- 5- It is also well-known that it is the supplier's responsibility (in accordance with the 1980 Incoterm as amended and issued by the I.C.C of Paris) to provide the export license and perform all the formalities required for the shipment of goods to their destination.
- 6- However, it would seem clear from the review of some of the telexes by (CSI) that a deliberate attempt was made by official American authorities to frame the Iraqi side in an illegal position, as is explained below:
- A request by (CSI) to meet our specialists in London where the specifications of the items were agreed upon, and later confirmed by us in a telex upon CSI request (Annex 3), but approaches were made by Mr. Saunders (allegedly from CSI who appears to be an F.B.I agent as the American sources confirmed) to enquire about the need for other materials such as switches and special triggering devices which relate to nuclear detonation devices
 - A telex dating January 11, 1990 stating the possibility to offer EBW's and neutron generators (allegedly in response to a request from the supplier on our behalf) with reference to problems of exposure to U.S authorities and the necessity for protection and safety in handling these materials and asking for U.S delivery point which was in fact overstressed (Annex 4).
 - The Iraqi side was shocked by the contents of the above telex and and protested to the supplier by the telephone. When (CSI) received no answer, another telex was followed by (CSI) to the Iraqi side which dealt on the 23rd of January 1990 (Annex 5), with the subject of capacitors as in the order this time but referring at the end to an offer (of other equipment) and warning exposure to U.S authorities.

- This telex was answered routinely regarding the capacitors, but it was also stated "if we are going to buy anything from you, we will do so according to your ordinary formalities" (Annex 6).

(1) سادق رستم

ALBAQA STATE ESTABLISHMENT
D.O. BOX 5134 BAGHDAD IRAQ

COMMERCIAL DEPARTMENT
CABLE ADDRESS: BASTEX - BAGHDAD TELEX NO: 21327 IR

OUR REF: 10865/ 189;

DATE: 19/6/1969

ORDER NO: 226/ 55/ 1969

MESSEERS: ENROMAC CO. (ENGLAND)

DEAR SIR

WE HAVE THE PLEASURE TO INFORM YOU THAT YOUR OFFER BY TELE
1273 DATED 3 / 1/1969 IS HEREBY ACCEPTED FOR THE
TERMS INDICATED IN THE ATTACHED LIST ON THE FOLLOWING CONDITIONS:

- 1. ORDER VALUE: USD 10,000
 - 2. PRICES: A- C.I.F. BAGHDAD BY TRUCK VIA TURKEY: FIXED AND NOT SUBJECT TO FLUCTUATION.
B- F.O.B. SUPPLIER AIRPORT AND DISPATCH BY IRAQI AIRWAYS AND NOT SUBJECT TO FLUCTUATION.
 - 3. DELIVERY PERIOD: IMMEDIATELY AFTER RECEIPT OF AMOUNT
 - 4. PAYMENT: A. 100 % BY REMITTANCE IN ADVANCE FROM OUR HEADOFFICE IN LONDON.
B. 100% BY REMITTANCE AFTER RECEIVING THE GOODS IN OUR STORES WITH IN 60 DAYS FROM THE DATE OF B/L.
 - 5. INSPECTION: TESTING OF GOODS WILL BE DONE IN OUR EST. IF THEY ARE FOUND NOT ACCORDING TO OUR SPECIFICATION THEY WILL BE REJECTED AND THE SUPPLIER MUST REPLACE WITH THE ACCEPTED ONES... WE REMAIN.
- ENCL. B. GENERAL CONDITIONS
LIST. C. SPECIAL TERMS FOR SHIPMENT

[Signature]
YOURS FAITHFULLY
19.6 FOR THE D - S
THE COMMERCIAL MANAGER

تابع حالت رقم (1)

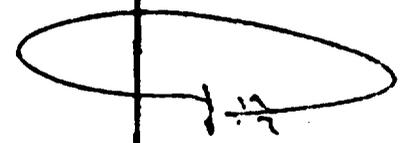
AL QAQAA STATE ESTABLISHMENT

ORDER No 198 9 / 55 / 226

DATE : / / 198

SUPPLIER : EURCHAC CO. ENGLAND

ITEM No	DESCRIPTION	UNIT	QTY	UNIT PRICE	TOTAL PRICE	REMARKS
	HIGH VOLTAGE CAPACITORS TOTAL FOB LONDON AIRPORT USD 10500	PCS	100	USD 105	USD 10500	



School of Applied Sciences
University of Technology
Baghdad - IRAQ



مكتبة
رقم (٢)

INFCIRC/380
Attachment 3
page 3

الجمهورية العراقية
بغداد
الجامعة التكنولوجية
قسم العلوم التطبيقية

الرقم : Refs التاريخ : Date : المرفقات : Pch

THE USER UNDERSIGNED
TO/ WHOM IT MAY CONCERN

THIS IS TO CERTIFY THAT ((H.V CAPACITORS)) PURCHASED
FROM ((OSI CAPACITORS)) LOCATED IN USA IS FOR THE
SOLE USE OF ((CO2 LASER SYSTEM)) FOR UNIVERSITY OF
TECHNOLOGY, DEP.OF APPLIED PHYSICS, BAGHDAD, IRAQ.

YOURS FAITHFULLY
Ala Al Shaini
DR. ALA. AL SHAINI

CHAIRMAN

School of Applied Sciences
University of Technology
P. O. Box: 31010
BAGHDAD - IRAQ.

Tel: 7180188 - P.O. Box (30010) Telen (2149)
T: 718022 (30)

في جمهورية العراق (٢٥٠١٠) لكسر (٢١٤٩)
خط ١ - ٧١٩٦٠٢١ (٢٨)
٧١٩٢٥٩ - ٧١٩٢٥٩ - ٧١٩٢٥٩ (٢٧٨)

Direct: 7180188

INFCIRC/380
Attachment 3
page 4

01521

19148 OCT 04 1989 PTS

(Y) for each

051913258
918268 ATLAS G
=213127 QAWAA IK
TLX NO. 5560 DTD 4/10
ATT. ALI DAGHIR

SUB/ORDER NO. 484/55/226

PLS BE INFORMED THAT WE CONFIRM THE FOLLOWING NEW ITEMS AND SPECIFICATIONS ACCORDING TO THE MINUTE SIGNED BY OUR REPRESENTATIVE WITH CSI CO. ON 11TH OF SEP.

ITEM	COST/UNIT	QTY	DESC.	TOTAL COST U.S.D
1	55.-	15	3UF-3.5 KV (LESS OR) 30 X 63.5 X 108MM	825.-
2	55.-	15	3.5UF-5.0 KV (LESS OR) 30 X 63.5 X 95.3MM	825.-
3	55.	15	1.0UF-3.5 KV (LESS OR) 33 X 55 X 64 MM	825.-
4	200	40	1.0UF- 5.0 KV (LESS OR 51 X 76 MM	8,000.-
			TOTAL NID.SHIPMENT	10,475
				10,500.-

TERMS: 25% DOWN
75% UPON SHIPMENT

ITEMS 1-3

LOW INDUCTANCE (BELOW 40NH DESIRABLE), 25,000 AMPS PEAK,
BUSHING, GROUND LUG/STUD.

ITEM 4

AS LOW INDUCTANCE AS POSSIBLE, CO-AXIAL
CONNECTORS, CSI TO
SUPPLY MALE AND FEMALE
CONNECTORS, 25,000 AMPS PEAK,
HIGH RELIABILITY SINGLE SHOT
APPLICATION, 10KM ALTITUDE, 25 GVIJRATION.

ALL CAPACITORS TO MEET
MILITARY SPECIFICATIONS FOR HUMIDITY, SHOCK AND VIBRATION.
FOB: SAN DIEGO, CA TO EUROMAC (LONDON)
DELIVERY : 6-8 WEEKS ARO

BEST REGARDS
AL-QAWAA ST. EST

918268 ATLAS G
=213127 QAWAA IK
TIME 004.9 MINS

-0-05131-2116A-H111146-RFD:OK 0

JAN 13 1990 07:20 +
=213127 040AA IK+
=213127 040AA IK
CSI CAP ESCD
ZCZC 5560:61W10401701

(ع) دافير

11 JAN 90
CSI REF: 5560

AL0A0AA
ATTN: DAFIR AL-AZAWI/ENGINEER WALLID

++ PERSONAL AND CONFIDENTIAL ++

THANKS FOR YOUR INVITATION AND QUICK RESPONSE. ALI DAGHIR HAS INSTRUCTED US TO EXPORT CAPACITOR ORDER TO EUROMAC WHICH WE WILL DO.

BASED ON INFO PROVIDED ME BY ALI I HAVE OBTAINED SEVERAL HIGH SPEED SWITCHES AS DESCRIBED IN LITERATURE PROVIDED TO YOU EARLIER. I HAVE ALSO MADE INQUIRIES AND COULD OFFER OTHER SIMILAR/RELATED DEVICES TO YOU SUCH AS EBW'S, HV CABLES AND NEUTRON GENERATORS IF OUR PRICES ARE OK. HOWEVER, I WOULD NEED A U.S. BASED DELIVERY METHOD TO DO BUSINESS SAFELY. AS I EXPLAINED TO ALI I MUST RETURN THE SWITCHES ETC

TO MY SOURCE BY JAN 25 AS HE HAS ANOTHER CUSTOMER ASKING FOR THEM. AS I HAVE ALREADY EXPENDED MUCH TIME AND MONEY ON THIS PROJECT OBVIOUSLY I WOULD PREFER TO FINALIZE THE DEAL WITH YOU.

MY TRAVEL TO IRAQ IS TENTATIVELY SCHEDULED FOR LATE FEB. MANY RECENT NEWSPAPER AND PRESS STORIES HAVE APPEARED IN THE U.S. WHICH ARE OF CONCERN TO ME. PROTECTING MYSELF FROM ANY UNDUE EXPOSURE TO PROBLEMS HERE IS MY MAIN CONCERN AND IS TO OUR MUTUAL BENEFIT. THUS, SINCE

I HAVE MADE GREAT EFFORTS TO SAFELY OBTAIN THE EQUIPMENT, IN TURN I WOULD ASK THAT YOU MEET ME HALF WAY BY PROVIDING A SAFE AND ACCEPTABLE

METHOD OF DELIVERING THESE ITEMS TO YOU VIA A U.S. DELIVERY POINT. ALI HAS INFORMED US THAT YOU CAN MAKE SUCH ARRANGEMENTS. I AM WILLING TO ASSIST IN ANY MANNER THAT WOULD MINIMIZE RISKS TO ME AND MY BUSINESS.

I DO HOPE TO BE OF FURTHER ASSISTANCE AND SERVICE IN THE FUTURE AND AWAIT YOUR REPLY.

BEST REGS
DAN SAUNDERS
CSI CAPACITORS
NNNN

=213127 040AA IK12/20/27 PST
VIA GATEWAY NETWORK - (213) 553-1605

INFCIRC/380

Attachment 3

PARIS 27 0600A JF
CSI CAP E500
ICZC 5562:GTW10242903

23 JAN 1950

ATTN: AL-QAGAA

ATTN: DAHFIR AL AZAW) AND ENGINEER WALLEB

THE PRESIDENT OF CSI HAS JUST RETURNED FROM A LONG BUSINESS TRIP AND I HAVE JUST BEEN ABLE TO DISCUSS IN PERSON WITH HIM THE CHANGES IN SHIPPING INSTRUCTIONS FOR YOUR CAPACITOR ORDER WHICH WERE PROVIDED TO US BY MR. ALI DAGHIR.

MR. DAGHIR HAD PREVIOUSLY ASSURED CSI THAT AN ACCEPTABLE U.S. DELIVERY CONTACT AND MEANS OF EXPORT WOULD BE ARRANGED BY YOU. HE PROMISED US THAT ALL THE REQUIRED SHIPPING DIRECTIONS AND AN ACCEPTABLE U. S. DELIVERY CONTACT WOULD BE PROVIDED BY YOUR REPRESENTATIVES WHEN THEY VISITED OUR FACTORY. CSI HAS ALREADY INCURRED 2,000 USD IN EXCESS CHARGES AND COSTS BECAUSE OF THE DELAYS IN WAITING FOR YOUR ENGINEERS' VISIT. BASED UPON MR. DAGHIR'S SUGGESTION, THE PRESIDENT OF CSI HAS AGREED TO STORE YOUR ORDER IN A SAFE WAREHOUSE HERE UNTIL YOU PROVIDE US WITH A U.S. DELIVERY CONTACT.

THE PRESIDENT OF CSI IS SOMEWHAT DISCOURAGED BECAUSE WE HAVE DELAYED OTHER BUSINESS AWAITING YOUR ENGINEERS' VISIT TO OBSERVE A TEST OF THE CAPACITORS AS YOU REQUIRED. ADDITIONAL DELAYS HAVE BEEN INCURRED WHILE WE WAITED FOR THE U. S. DELIVERY INSTRUCTIONS. TO DATE WE HAVE DONE EVERYTHING THAT MR. DAGHIR, YOUR REPRESENTATIVE, HAS REQUESTED AND REQUIRED. CSI'S PRESIDENT DEEMS THIS TO BE A VERY SENSITIVE ORDER AND INSISTS THAT IT BE HANDLED IN A CONFIDENTIAL AND DELICATE MANNER AS WE ARE SURE YOU UNDERSTAND.

BASED ON HIS MANY YEARS OF EXPERIENCE IN ELECTRONICS, YOU MAY BE ASSURED THAT THE PRESIDENT OF CSI AND I TOO, UNDERSTAND THE SPECIFIC APPLICATION FOR THESE CAPACITORS IN YOUR PROGRAM (AND WE ARE MOST WILLING TO ASSIST YOU IN YOUR ENDEAVORS, TO ACHIEVE THIS, THOUGH, WE DO NEED YOUR COOPERATION AND ASSISTANCE FOR OUR MUTUAL PROTECTION AND SUCCESS.

WITH REGARDS TO THE OTHER EQUIPMENT WHICH I PERSONALLY MAY OFFER IN ADDITION TO THE CSI CAPACITORS, MY OFFER STILL STANDS AS BEFORE - BUT I DO AGREE WITH THE PRESIDENT OF CSI THAT OUR PROTECTION AND SAFETY FROM EXPOSURE TO U.S. AUTHORITIES IS OUR CONCERN, WE WOULD LIKE TO BELIEVE THAT THAT CONCERN IS SHARED BY YOU. THE PRESIDENT OF CSI BELIEVES THAT THIS REQUIREMENT NECESSITATES SHIPMENT OF THIS ORDER (DUE TO LICENSING RESTRICTIONS) TO A SAFE U.S. CONTACT WHO CAN BE TRUSTED BY US ALL AND WHO, IN TURN, COULD BE TRUSTED TO SAFELY DELIVER THE PARTS TO YOU. WHILE THE PRESIDENT OF CSI HAS TAKEN THIS POSITION, LETS TALK IF IT PRESENTS INSURMOUNTABLE PROBLEMS TO YOU.

DAN SAUNDERS

NNNN
CSI CAP E500

ساخت رقم (5)

الجمهورية العراقية - المؤسسة العامة للبريد والبرق والهاتف - الجمهورية العراقية - المؤسسة

34500
1999 JAN 26 1990 010

(7) *ف. ع. د.*

0252954JJ+
CSI CAP ESCO

*213127 QABAA JA
TLX NO. 454 DTG 00.3
SUBJ: CAPACITOR ORDER.
ATTN: DAN SAUNDERS.

MANY THS FOR YR TLX 5252 DTG 23/1/990.

SORRY FOR WHAT HAPPENED WITH THE SHIPMENT INSTRUCTIONS, BUT IT WAS NOT OUR FAULT AS YOU MAY BE KNOW THAT WE NEED SUCH CAPACITORS TO BE USED IN A 'CO2 LASER SYSTEM' PROJECT WHICH WE CONSTRUCT FOR THE BENEFIT OF UNIVERSITY OF TECHNOLOGY IN BAGHDAD, SO WE ASKED EUROMAC CO. TO PROVIDE US THE MATERIALS NEEDED TO COMPLETE THIS PROJECT, AND WE TOLD MR. ALI THAT IF HE NEED AN END USER CERTIFICATE WE CAN PROVIDE HIM DIRECTLY. IF HE INTEND TO BUY ANYTHING FROM YOU, WE WILL DO THAT ACCORDING TO YOUR ORDINARY FORMALITIES.

APPRECIATING YR. CO.OP.

WITH BEST REGARDS.
AL-QABAA.

•
CSI CAP ESCO

*213127 QABAA JA
TIME 002.3 MINS

•
-0-03:17-E:16A-M:16:50-RFD:OK 0