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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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UNITED STATES OF AMERICA : **CRIMINAL COMPLAINT**  
v. : **MAGISTRATE NO. 12-7348**  
DAVID P. RYAN, :  
CARLOS M. QUIROLA, :  
a/k/a "Manny," :  
HOWARD BLUMENTHAL, and :  
KARL SAUER :

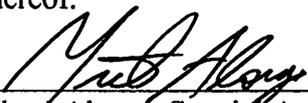
I, Michael Alongi, being duly sworn state the following is true and correct to the best of my knowledge and belief.

SEE ATTACHMENT A

I further state that I am a Special Agent with the Bureau of Alcohol Tobacco Firearms and Explosives and that this Complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.

  
\_\_\_\_\_  
Michael Alongi, Special Agent  
Bureau of Alcohol Tobacco Firearms and Explosives

Sworn to before me and subscribed in presence,

December 18, 2012, at Newark, New Jersey

HONORABLE CATHY L. WALDOR  
UNITED STATES MAGISTRATE JUDGE

  
\_\_\_\_\_  
Signature of Judicial Officer

ATTACHMENT A

Count One: Conspiracy to Transport Stolen Firearms

From in or around April 2012 through in or around August 2012, in Bergen County, in the District of New Jersey and elsewhere, defendants DAVID P. RYAN, CARLOS M. QUIROLA, HOWARD BLUMENTHAL and KARLO SAUER

conspired and agreed with each other and others to transport and ship in interstate and foreign commerce stolen firearms, knowing or having reasonable cause to believe that the firearms were stolen, contrary to Title 18, United States Code, Section 922(i).

In violation of Title 18, United States Code, Section 371.

Count Two: Conspiracy to Sell and Receive Stolen Property

From in or around April 2012 through in or around August 2012, in Bergen County, in the District of New Jersey and elsewhere, defendants DAVID P. RYAN, CARLOS M. QUIROLA, HOWARD BLUMENTHAL and KARLO SAUER

conspired and agreed with each other and others to receive, possess, conceal, store, barter, sell and dispose of goods, wares and merchandise, to wit, firearms, with a value of more than \$5000, which firearms had crossed a State and a United States boundary after being stolen, unlawfully converted and taken, knowing the same to have been stolen, unlawfully converted and taken, contrary to Title 18, United States Code, Section 2315.

In violation of Title 18, United States Code, Section 371.

Count Three: Unlawful Mailing of Firearms

On or about July 13, 2012, in Bergen County, in the District of New Jersey and elsewhere, defendant DAVID P. RYAN

knowingly deposited for mailing and delivery, and knowingly caused to be delivered by mail according to the direction thereon and at a place to which it was directed to be delivered by the person to whom it was addressed, firearms declared nonmailable under federal law.

In violation of Title 18, United States Code, Section 1715 and Section 2.

## ATTACHMENT B

I, Michael Alongi, am a Special Agent with the Bureau of Alcohol Tobacco Firearms and Explosives. I have knowledge of the following facts based upon both my own investigation, my discussions with other law enforcement officers and others, and my review of reports, documents and items of evidence. Where statements of others are related herein, they are related in substance and in part. Because the complaint is being submitted for a limited purpose, I have not set forth each and every fact that I know concerning this investigation. Where I assert that an event took place, I am asserting that it took place on or about the date alleged.

1. In or around April 2012, law enforcement received information that valuable firearms allegedly belonging to family members of former Iraqi President Saddam Hussein were available for sale (hereinafter the "Hussein Family Firearms"). The Hussein Family Firearms were believed to be kept in Florida and attempts were made to find a buyer in New Jersey for the weapons. Investigation revealed that defendants DAVID P. RYAN, CARLOS M. QUIROLA, HOWARD BLUMENTHAL and KARLO SAUER worked together to try to find a buyer for and to sell the Hussein Family Firearms in New Jersey, which firearms had been appraised at between \$250,000 and \$350,000. During the course of the conspiracy, seven firearms were shipped up to New Jersey for viewing by potential buyers.

2. In or around April and May 2012, defendant DAVID P. RYAN emailed pictures of the Hussein Family Firearms and an appraisal for the firearms to defendant KARLO SAUER. In an effort to find a buyer for the firearms, defendant SAUER provided the information to defendant HOWARD BLUMENTHAL. In turn, defendant BLUMENTHAL provided the information to defendant QUIROLA, who located potential buyers.

3. In or around June 2012, one of the firearms, a Llama Semiautomatic .45 ACP pistol, was shipped up to a sporting goods store in Bergen County, New Jersey. That firearm was then offered for sale by defendant CARLOS M. QUIROLA, a/k/a "Manny."

4. On June 7, 2012, an undercover law enforcement officer ("UC #1") met with defendant CARLOS M. QUIROLA and another individual. These three individuals met at a location in Bergen County and traveled together to the sporting goods store, in Bergen County, New Jersey to view the firearm that had been shipped to New Jersey. Defendant QUIROLA represented that the firearms being offered for sale belonged to the family of Saddam Hussein. At that time, UC #1 was able to examine the firearm and take a photograph of it utilizing his cell phone. During the meeting, defendant CARLOS M. QUIROLA told UC#1 that if he was not interested in the gun, they were going to send it back to Florida the next day, June 8, 2012.

5. Defendant QUIROLA also told UC#1, in substance and in part, that several firearms had been smuggled out of Iraq and that the remaining guns were in Florida. Defendant QUIROLA indicated that if UC #1 wanted to purchase the firearms, UC #1 had to provide a \$20,000 deposit. After the deposit was received, the Hussein Family Firearms would be brought

up from Florida to New Jersey.

6. Further investigation and telephone analysis revealed that immediately following the June 7, 2012 meeting, defendant QUIROLA called defendant DAVID P. RYAN to inform him that the firearms deal was ready to go through.

7. Following the June 7, 2012 meeting, law enforcement agents showed the photograph of the firearm to officials at the Iraqi Embassy in Washington. Iraqi Officials confirmed that the weapons originated in Iraq and stated that official verification would be provided.

8. On or about June 26, 2012, UC #1 met with QUIROLA and informed him that UC #1 wanted to purchase the Hussein Family Firearms. At that time, he introduced a second undercover law enforcement officer (hereinafter "UC #2) to QUIROLA and they discussed traveling down to Florida to complete the purchase. During that time, the UCs also discussed the need to get an appraisal of the weapons to confirm their authenticity as belonging to the family of Saddam Hussein.

9. On or about July 12, 2012, UC#1 received a voice message from defendant QUIROLA. When UC#1 returned the call, defendant QUIROLA informed UC #1 that "his guy" [now believed to be defendant DAVID P. RYAN] would be coming to New Jersey either Tuesday or Wednesday of the following week and that he would have everything [the guns] with him.

10. On or about Tuesday, July 17, 2012, defendant DAVID P. RYAN flew from Fort Lauderdale, Florida to New York's LaGuardia airport.

11. On or about July 18, 2012, defendants DAVID P. RYAN, CARLOS M. QUIROLA, HOWARD BLUMENTHAL and KARLO SAUER met at a restaurant in Fairview, Bergen County, New Jersey to discuss the sale of the Hussein Family Firearms. Following the meeting, defendants RYAN and QUIROLA went over to the sporting goods store to view the Hussein Family Firearms.

12. On or about July 18, 2012, defendant QUIROLA called UC #1 and informed him that he had the guns and wanted to meet the following day.

13. In subsequent phone calls, which were monitored and recorded, defendant QUIROLA and UC #1 planned to meet at the sporting goods store with UC #2, on or about July 19, 2012 at 2:00 p.m., to view the Hussein Family Firearms and negotiate a later sale of the weapons. The previously agreed upon price for the weapons was \$160,000.

14. Upon arriving at the sporting goods store on July 19, 2012, defendant QUIROLA got nervous and called UC #1 to tell him that he was busy and unable to meet that day. UC# 1

and defendant QUIROLA agreed to meet at the sporting goods the following day, July 20, 2012 at 12:00 p.m.

15. On or about July 19, 2012, law enforcement agents went to the sporting goods store and viewed the Hussein Family Firearms. At that time, agents retrieved various U.S. Postal Service Priority Mail packages, post marked in an around July 13, 2012, from DAVID RYAN in Miami, Florida to the sporting goods store in Ridgefield, New Jersey, which packages had been placed aside for discarding. Investigation revealed that the Hussein Family Firearms had been shipped from Florida to New Jersey in these U.S. Postal Service Priority Mail packages.

16. The following day, on July 20, 2012, defendant QUIROLA and UCs # 1 and 2 met at the sporting goods store and viewed the six firearms listed in paragraph 17 below. Defendant QUIROLA agreed to sell the firearms to UC#2 for \$160,000.

17. Later on that same day, July 20, 2012, law enforcement seized the following items from the sporting good store:

- (i) One (1) Coonan Arms Inc, .357 semi-auto pistol, serial #B002945, nickel finish, made in St. Paul, Minnesota, with gold inlay and a medallion "QS" on left side grip [believed to be the initials of Qusay Saddam Hussein al-Tikriti, the second son of former Iraqi President Saddam Hussein];
- (ii) One (1) Korth, .357 magnum, revolver (6 shot) stamped "Made in W. Germany Waffenfabrik Koth Ratzeburg/LBG", with gold inlay, black finish, wood grips, which displays a drawing of a wild boar, and bears serial # 34446, and which bears no importer stamp;
- (iii) One Korth, .357 magnum, revolver (6 shot) stamped "Made in W. Germany Waffenfabrik Koth Ratzeburg/LBG", with gold inlay, black finish, wood grips, which displays a drawing of a moose, and bears serial # 34432, and which bears no importer stamp;
- (iv) One (1) Chinese State Factories type 64 pistol, .32 a cp caliber semi-auto pistol, black finish, with a Yemen flag icon on both sides of the grip and Arabic writing on the slide, bearing serial number 0222 and which bears no importer stamp;
- (v) One (1) Cosmi, 12 gauge shotgun, break top, single barrel, bearing serial # 1569, and which bears no importer stamp;
- (vi) One (1) Cosmi, 12 gauge shotgun, break top, single barrel, bearing serial # 5274, and which bears no importer stamp.

18. On or about July 23, 2012, defendant DAVID P. RYAN spoke with UC#1 over the phone, which conversation was recorded, and told the UC that he was "100 percent, absolutely, completely and totally positive these guns are from Iraq" and that the initial appraisal for the guns was between \$1.1 and \$1.3 million dollars.

19. On or about July 27, 2012, defendant HOWARD BLUMENTHAL went into the sporting goods store and paid to have the Hussein Family Firearms shipped back to Florida.

20. On or about August 7, 2012, law enforcement agents met with defendant DAVID P. RYAN in Miami Florida. At that time, defendant RYAN retrieved a seventh firearm from Security Arms, in Miami, Florida and turned it over to law enforcement. That firearm is described as follows: Llama Semiautomatic .45 ACP pistol with gold leaf and gold inlays, hand engraved, bearing serial number PA4030 and bearing the initials "Q.S." [believed to be the initials of Qusay Saddam Hussein al-Tikriti, the second son of former Iraqi President Saddam Hussein].

21. On or about September 5, 2012, law enforcement agents met with defendant HOWARD BLUMENTHAL. At that time, defendant BLUMENTHAL stated, in substance and in part, that he knew the firearms had been stolen and that if the firearms had been legally held, they would have been able to sell them at an auction house.

22. On or about September 13, 2012, law enforcement agents met with defendant KARLO SAUER. At that time, defendant SAUER stated, in substance and in part, that he knew the guns had been taken out of Iraq without authority, and were therefore stolen guns.

23. On or about October 17, 2012, Iraqi Ambassador to the United States Jabir Habeb confirmed that the Government of the Republic of Iraq declared that the firearms recovered by law enforcement were the property of the Republic of Iraq.

Overt Acts

The following overt acts, among others, were committed in furtherance of the conspiracies alleged above:

1. On or about June 7, 2012, June 26, 2012 and July 20, 2012, defendant QUIROLA met with UC# 1 to negotiate the sale of the Hussein Family Firearms.
2. On or about July 13, 2012, defendant DAVID P. RYAN mailed several firearms using U.S. Postal Service Priority Mail from Miami, Florida to a sporting goods store, in Bergen County, New Jersey.
3. On or about July 17, 2012, defendant DAVID P. RYAN flew to New York.
4. On or about July 18, 2011, defendants RYAN, QUIROLA, BLUMENTHAL and SAUER met at a restaurant in Fairview, Bergen County, New Jersey to discuss the sale of the firearms.
5. On or about July 27, 2012, defendant HOWARD BLUMENTHAL went to the sporting goods store in Ridgely, Bergen County, New Jersey and paid to have several firearms shipped back to Florida.