

# THE ENTERPRISE REPORT

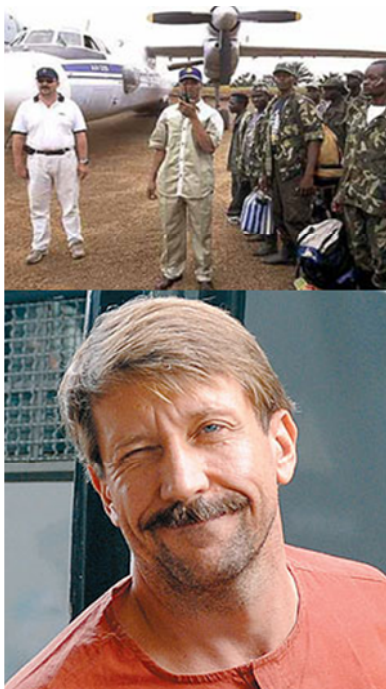
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By Eric Longabardi

## EXCLUSIVE: MERCHANT OF WAR AIRLINES: VIKTOR BOUT FAA LICENSED PILOT?

### 7 KEY ASSOCIATES HOLD FAA PILOT LICENSES



The United States Attorney in New York says Russian Viktor Bout, a former Soviet-era military officer and alleged notorious worldwide arms dealer currently under arrest in Thailand and wanted for conspiring to supply a South American terrorist organization with surface-to-air missiles among other weapons is a criminal and should be brought to justice in the United States to stand trial.

On the other hand The Enterprise Report has learned that may not have kept Bout and seven other key associates in his airborne arms and cargo supply network from maintaining FAA issued American pilot's licenses for decades. The Transportation Security Administration (TSA), the U.S. Government agency tasked with protecting aviation security since the 9/11 terrorist attacks has seemingly not been able to detect Bout and his FAA issued American pilot associates.

Based on data and analysis provided by Safe Banking Systems Inc., a small cyber-data investigative firm in Long Island New York, it has been determined that Bout may hold a private pilot's license issued to him by the FAA in 1993. The license was issued to a "Victor Bout" based in Belgium. The American pilot's license in question was obtained by using another foreign pilot license for the same named Bout in the Netherlands. It is a standard and common practice of the F.A.A. to issue an American pilot's license based on a foreign one.

Seven other key associates of Victor Bout and participants in his aviation cargo transportation businesses were also identified by Safe Banking Systems. Bout and those seven other individuals have been named by the United States or the United Nations in relation to Bout's operations. They are accused of helping Bout supply weapons for decades for everyone from The Taliban in Afghanistan, to the former Liberian dictator Charles Taylor now on trial for war crimes in the Hague and even the United States itself in Iraq, among many other war torn countries around the globe.

David Schiffer, the President of Safe Banking Systems (SBS) told TER that "despite the assurances of the TSA and FAA, nothing has changed since we first began exposing this issue last year" Schiffer went on to say that "despite the fact they we have identified over two-dozen suspect pilots with backgrounds who seem to clearly present a threat to aviation and national security, nothing seems to have changed".

One of the key Bout associates uncovered by SBS is a man named Valeriy Naydo. Naydo was put on the United States O.F.A.C. sanction list in 2005. Being put on the list makes it a crime for anyone in the U.S. to engage in any kind of business with the individual. It also according to U.S. law requires the FAA to rescind any pilot license issued to the person named. According to a 2005 U.S. Department of the Treasury press release Naydo was a key player in Bout's arm supply network. The TSA it seems has not been able to identify Mr. Nado as an FAA licensed pilot to date. His FAA pilot's license, known as an ATP, is the highest skill level a pilot can achieve. The license was issued to Naydo under a slightly different spelling in 1996.



Just how many American pilots Bout may have worked with is not fully known, but Douglas Farah, author and journalist who wrote a book 'The Merchant of Death' on Bout and his arms and aviation businesses told TER that "He was rumored to have US pilots toward the end, last couple of years of operation, but not when he was really going. Doesn't mean it wasn't so, but I never came across that."

The Enterprise Report has also learned that the Department of Homeland Security Inspector General has been conducting an ongoing investigation into the since earlier this year into the TSA, FAA and other U.S. government law enforcement agencies involved in vetting pilots who have or are issued American pilot's licenses. The IG investigation was spurred by stories by ABC News and the New York Times last year which exposed similar cases where FAA pilot's backgrounds and their potential threat to aviation security was either overlooked or went undetected. A bipartisan letter was sent by the U.S. Senate's Committee on Commerce, Science and Transportation demanding the IG conduct an investigation into TSA's and FAA's vetting system for pilot's licenses.

Prior to publication of this story TER sought comment from the TSA on Bout and the others regarding their FAA pilot licenses and their possible threat to aviation security . TSA' spokesman Greg Soule would not comment on specifics, but provided this response:

"TSA works closely with the FAA to screen more than 4 million FAA certificate holders to keep the American public safe. TSA conducts watch list matching for all of the FAA certificate holders on a daily basis. While it is not our policy to address specific individuals, TSA continuously assesses vetting performance and adjusts the process to ensure certificate holders are not potential terrorists seeking to do harm in the aviation environment."

"We cannot comment on specific cases as this may jeopardize ongoing investigations, litigation or violate the privacy rights of individuals."

Bout has maintained his innocence and claims he has been falsely accused. He is currently held in a high security prison in Bangkok awaiting possible extradition to the United States. His story has been front page news around the world as a diplomatic tug-o-war between the United States and Russia. A Thai appeals court ruled earlier this month that Bout should be extradited to the U.S within three months or he must be released. The next court hearing related to Bout's case in Thailand is scheduled for early next month.



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