

MEMORANDUM

TO: EDS vs. Iran File
FROM: John E. Howell
DATE: October 26, 1981
RE: Events during the week of February 11, 1979 through February 16, 1979

After Paul Chiapparone and Bill Gaylord showed up at the hotel on the afternoon of Sunday, February 11, 1979, and the original excitement subsided somewhat, we called Colonel Simons at the house where they had been staying and they came over to the hotel. We initially reserved rooms there for Paul and Bill and Colonel Simons, Jay Coburn and Joe Poche, but after a couple of hours, Colonel Simons decided to go back to Bill Dvoranchik's house where they had been staying. Colonel Simons left with Jay Coburn, Joe Poche, Paul Chiapparone and Bill Gaylord, and instructed the rest of us to spend the night at the hotel, get up the next morning and leave as if we were going to the office for business as usual, but instead go to Dvoranchik's house. We would then have someone else check us out of the hotel later.

After Colonel Simons and the others left, we spent the rest of the night watching the activity around the hotel. There was a good bit of activity around the neighboring Evin Hotel, which primarily housed American servicemen, and some discussions between revolutionary Iranians and the management of our hotel. Off and on during the night, there was gunfire and other activity around the Evin prison which was just to the north of our hotel.

The next morning we packed and left our suitcases in our rooms and left in our cars as if we were going to the office but instead, with an inconspicuous escort provided by Joe

Poche and Jay Coburn, drove instead to Bill Dvoranchik's house. That morning we heard through military friends of the Gallagher's that the revolutionaries had taken over the Hyatt Crown hotel where we had been staying and that some revolutionaries had come around to both the Evin Hotel and the Hyatt Crown with pictures of two Americans for whom they were looking. Therefore, we decided that it would be too dangerous to go back and check out ourselves, and decided to have [REDACTED] an Iranian employee of EDS, check out for us. *Gholam* *Buffy* *Buffly*

Colonel Simons originally thought about having all eleven of us go overland to Turkey, but had not made preparations for taking that large of a group. In particular, the "Sunshine Boys" had obtained only two four-wheel drive vehicles suitable for driving to the Turkish border. There was some discussion about trying to have another Iranian employee of EDS attempt to obtain a third vehicle, but we were not sure if that would be possible.

How?
After we had received some information from the United States that evacuation flights would be initiated in the reasonably near future, Bill Gayden went to the home of Lou Goeltz, the U.S. Consul General in Iran, to tell him that part of our group would remain in Iran waiting to make contact with Paul and Bill while the rest of our group was interested in leaving on the evacuation flights. Lou said that would be fine and that we would be welcome to stay either at his house or at the Embassy until the evacuation flights started. *Feb 12*

On Tuesday morning, Colonel Simons decided to divide the group. Rich and Kathy Gallagher, Bob Young, Joe Poche and I would stay in Tehran and go to the Embassy to await evacuation flights. The other six, consisting of Colonel Simons, Jay Coburn, Bill Gayden, Keane Taylor, Paul Chiapparone and Bill Gaylord, along with two Iranian drivers, would leave as soon as feasible to go overland to Turkey and try to cross the Turkish border. While both courses of action were pretty uncertain, both Bob Young and I later

agreed that at that point in time we would have much rather started driving to Turkey than remaining in Tehran to see what would happen.

That afternoon, after some discussions about the story we would tell if we were picked up and questioned by Dadger, the five of us who were going to wait in Tehran drove to Lou Goeltz's house to tell him that we were going to go to the Embassy. Because it was getting late that afternoon and the Embassy was already crowded, Lou suggested that we spent the night at his house and told us that he would check on the accommodations at the Embassy in the morning and let us know. We decided to do that.

Kathy Gallagher had been having female problems and we decided that it was important that she get medical attention. After some discussion as to whether there was any safer or more inconspicuous way to do it, we called an ambulance from the military hospital which showed up in front of Lou Goeltz's house with lights flashing and a revolutionary guard on board. However, the ambulance took Kathy to the hospital with no problem.

Feb 14

Fairly early on Wednesday morning, we received a telephone call from Dallas and informed Tom Walter that the five of us were at Lou Goeltz's house and planned to move to the Embassy later that day after Lou had arranged accommodations there. We did not know at that time whether the other group had been able to depart for the Turkish border that morning as they had intended.

Approximately mid-morning on Wednesday we began hearing a good many shots from the direction of the U.S. Embassy, which was just a couple of blocks away. We heard reports, primarily through Lou's houseman, that revolutionary elements had attacked and taken the Embassy. Later we heard that another group of revolutionaries had retaken the Embassy and remained in control of it. When Lou got home that evening, he confirmed that both stories were true and told us that he had spent most of the day flopping down on his fairly ample belly as rifle shots ricocheted around the various portions of the Embassy compound.

Also on Wednesday, Kathy Gallagher called from the hospital to say she was ready to come back to Lou's house. After some discussion, we decided that Kathy should call Gholam ██████████ to pick her up and bring her to a street corner near Lou's house where Rich Gallagher would meet her and bring her back to Lou's house. When Kathy got back she told us that ██████████ had been to the hotel to check us out and had discovered that when the revolutionaries took over the hotel they went through and searched the rooms and got very angry in our rooms, evidently ripping open luggage and scattering the contents about and shooting up at least one of the rooms. They had questioned the hotel manager pretty intensely about who we were. The manager had similarly questioned ██████████, asking if we were CIA, why we had gotten so many rooms in so many names, why we had weapons and electronic gear in our rooms, etc. ██████████ had told him that as far as he knew we were just American businessmen.

Abolhasan

We had tried to keep track of what Dadgar was doing, primarily through ██████████ ██████████. Evidently, Dadgar was continuing to look for Chiapparone and Gaylord. He told ██████████ that he (Dadgar) was now willing to negotiate a lower bail and that if we located Paul and Bill, we should turn them in and post the lower bail. He told ██████████ that the Americans should realize that it would be hopeless for Chiapparone and Gaylord to leave Iran by the regular means and would be very dangerous to try to leave otherwise.

By Thursday afternoon, it had become fairly certain that U.S. evacuation flights would begin on Saturday. We discussed whether we should attempt to get on the first evacuation flight when the confusion and disorganization factors would be greatest or whether we should attempt to monitor the first few evacuation flights to discover what search procedure was being used and then get on a later evacuation flight. We decided to go ahead and try to get on the first evacuation flight.

After the phone call from Dallas on Wednesday morning, we had lost contact with both Dallas and with the group that had been planning to go to Turkey overland. We found

out later that when the revolutionaries had taken the Embassy on Wednesday morning, the communications gear in the Embassy had been destroyed and subsequently the U.S. State Department and Department of Defense had taken over all the telephone lines from the United States to Iran for official communication. Finally, in the early morning hours of Friday morning, we got a call through from Dallas and, although it was interrupted several times, we were able to inform them of our plans to attempt to leave on Saturday. (Evidently, EDS was able to get this call through only by having somebody within the Southwestern Bell organization patch the call through as if it were originating from London.)

On Friday morning Bob Young and Rich Gallagher went to the Gallagher's house to pick up the luggage which [redacted] had managed to salvage from the hotel and also met [redacted] near the EDS office to get some documentation necessary for Rich Gallagher to leave the country. That evening we went through all the documents in our possession and destroyed any references to Chiapparone and Gaylord and then drove to the U.S. Embassy, which was still controlled by revolutionaries, and checked into the evacuation processing area. We decided to try to get on the flight to Frankfurt with the Embassy staff and to keep a low profile during the processing, avoiding references to our EDS affiliation as much as possible.