



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, MAY 23, 2016

CANADIAN-IRANIAN CITIZEN SENTENCED TO THREE YEARS IN PRISON FOR CONSPIRING TO VIOLATE IRAN SANCTIONS

WASHINGTON – Ali Reza Parsa, 45, a Canadian-Iranian dual citizen and resident of Canada, was sentenced to three years in prison for his participation in a conspiracy to violate the International Emergency Economic Powers Act (IEEPA) and the Iranian Transactions and Sanctions Regulations (ITSR).

The sentence was announced by Assistant Attorney General for National Security John P. Carlin and U.S. Attorney Preet Bharara of the Southern District of New York.

“Over the course of six years, Parsa repeatedly violated export control laws and aided Iranian entities in procuring high-tech electronic components that have both commercial and military uses,” said Assistant Attorney General Carlin. “With this sentence, he will be held accountable for circumventing important U.S. laws designed to protect our national security interests. One of our top national security priorities remains safeguarding our national assets from those who may wish to do us harm.”

“As he admitted in court, Ali Reza Parsa conspired to purchase high-tech electronic components – some used in the production of rockets and missiles – from American companies for eventual delivery to Iran through Canada,” said U.S. Attorney Bharara. “He has now been sentenced to three years in prison for his violation of federal law.”

Parsa was arrested in October 2014 following an investigation by the FBI and U.S. Department of Commerce’s Bureau of Industry and Security (BIS). He pleaded guilty on Jan. 20, 2016, before U.S. District Judge Ronnie Abrams of the Southern District of New York, who also imposed Friday’s sentence.

According to the indictment filed against Parsa and other court documents publicly filed in this case and statements made in court proceedings, including at Friday’s sentencing hearing:

Between approximately 2009 and 2015, Parsa conspired to obtain high-tech electronic components from American companies for transshipment to Iran and other countries for clients of Parsa’s procurement company in Iran, Tavan Payesh Mad, in violation of U.S. economic sanctions. To accomplish this, Parsa used his Canadian company, Metal PM, to place orders

with U.S. suppliers and typically had the parts shipped to him in Canada or to a freight forwarder located in the United Arab Emirates, and then shipped from these locations to Iran or to the location of his Iranian company's client. Parsa provided the U.S. companies with false destination and end-user information about the components in order to conceal the illegality of these transactions.

Parsa's criminal scheme targeted numerous American technology companies. The components that Parsa attempted to procure included cryogenic accelerometers, which are sensitive components that measure acceleration at very low temperatures. Cryogenic accelerators have both commercial and military uses, including in applications related to ballistic missile propellants and in aerospace components such as liquid-fuel rocket engines.

In addition, following his arrest and while incarcerated, Parsa continued to violate the IEEPA and the ITSR by conducting business for Metal PM and Tavan Payesh Mad, including by ordering parts from German and Brazilian companies for Iranian customers. Parsa subsequently directed a relative to delete email evidence of his ongoing business transactions while in jail and emphasized the need for secrecy in their dealings.

Neither Parsa nor any other individual or entity involved in transactions that gave rise to his conviction applied for or obtained a license from the U.S. Department of the Treasury's Office of Foreign Assets Control for the transactions.

Assistant Attorney General Carlin joined U.S. Attorney Bharara in praising the outstanding investigative work of the FBI and BIS.

This case was prosecuted by Assistant U.S. Attorneys Michael D. Lockard and Anna Skotko of the Southern District of New York, with assistance provided by Trial Attorney Mariclaire Rourke of the National Security Division's Counterintelligence and Export Control Section.

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