

ORIGINAL

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA

- v. -

ALI REZA SHOKRI,
BEHZAD POURGHANNAD, and
FARZIN FARIDMANESH,

Defendants.

INDICTMENT
UNDER SEAL

13 Cr. 507

COUNT ONE

(Conspiracy to Violate the International
Emergency Economic Powers Act ("IEEPA"))

The Grand Jury charges:

OVERVIEW

1. Carbon fiber is an industrial product that consists of thin fibers made of carbon atoms. Carbon fiber has a wide variety of uses. For example, it can be used in aircraft, missiles, and large telescopes; it can also be used in gas centrifuges for uranium enrichment. Because of this variety of uses, carbon fiber can contribute to the military potential of a given country. Indeed, carbon fiber can be used in the creation of weapons of mass destruction.

2. ALI REZA SHOKRI, BEHZAD POURGHANNAD, and FARZIN FARIDMANESH, the defendants, are based in Iran. They have worked to obtain many tons of carbon fiber from the United

States; to disguise it; and then to surreptitiously export it to Iran via third countries.

3. The carbon fiber referenced in this Indictment, at all relevant times, has been controlled by the United States Department of Commerce under Export Control Classification Numbers 1C010 (applicable prior to 2010) or 1C210 (applicable thereafter), due to the carbon fiber's particular characteristics.

THE DEFENDANTS

4. At all times relevant to this Indictment, ALI REZA SHOKRI, the defendant, has lived and worked in Iran. SHOKRI has worked to export carbon fiber from the United States.

5. At all times relevant to the Indictment, BEHZAD POURGHANNAD, the defendant, has lived and worked in Iran. POURGHANNAD has assisted ALI REZA SHOKRI, the defendant, with SHOKRI's efforts to illegally export carbon fiber from the United States for SHOKRI. Among other things, POURGHANNAD has served as a financial guarantor for large carbon fiber transactions.

6. At all times relevant to the Indictment, FARZIN FARIDMANESH, the defendant, has lived and worked in Iran or the Republic of Georgia. FARIDMANESH has agreed to serve as a trans-shipper of carbon fiber on transactions with SHOKRI and POURGHANNAD.

7. Each defendant is an Iranian citizen. No defendant has sought or been granted an export license by the United States Department of Treasury's Office of Foreign Assets Control ("OFAC") to export goods from the United States to Iran, and neither has anyone else mentioned in this Indictment.

STATUTORY ALLEGATIONS

8. From at least in or about 2008, up to and including in or about July 2013, ALI REZA SHOKRI, BEHZAD POURGHANNAD, and FARZIN FARIDMANESH, the defendants, and others, known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to violate Sections 1701 to 1706 of Title 50, United States Code, and Title 31, Code of Federal Regulations, Sections 560.203 and 560.204.

9. It was a part and an object of the conspiracy that ALI REZA SHOKRI, BEHZAD POURGHANNAD, and FARZIN FARIDMANESH, the defendants, and others known and unknown, willfully and knowingly, would and did export, cause to be exported, attempt to export, sell, and supply, directly and indirectly, from the United States to Iran, goods, technology, and services, to wit, carbon fiber, without obtaining the required approval of OFAC in violation of Sections 1701 to 1706 of Title 50, United States Code, and Title 31, Code of Federal Regulations, Sections 560.203 and 560.204.

Overt Acts

10. In furtherance of the conspiracy and to effect the illegal object thereof, ALI REZA SHOKRI, BEHZAD POURGHANNAD, and FARZIN FARIDMANESH, the defendants, and others, committed the following overt acts, among others, in the Southern District of New York and elsewhere:

The 2008 Carbon Fiber Transaction

a. On or about November 21, 2007, a Turkey-based co-conspirator not named as a defendant herein ("CC-2"), sent an e-mail to a United States-based carbon fiber broker (the "United States Supplier") seeking a type of carbon fiber known as "IM7."

b. The United States Supplier then contacted another person ("Individual-1") for assistance with this transaction. Subsequently, on or about January 24, 2008, CC-2 e-mailed Individual-1: "Our customer gave me confirmation for IM7[.] But he will re-sell to iran for cng [compressed natural gas] tank production."

c. On or about January 25, 2008, CC-2 e-mailed Individual-1. The e-mail identified CC-2's customer as a Tehran, Iran company ("Iranian-Company-1"). (Iranian Company-1 is associated both with SHOKRI and with a co-conspirator not named as a defendant herein ("CC-1").)

d. On or about February 21, 2008, CC-2 emailed Individual-1 with proof of a wire transfer and said: "This is swift from the bank. Pls proceed [with] the [carbon fiber] shipment in US."

e. In March 2008, carbon fiber was caused to be sent from the United States to Europe and from Europe to Dubai, United Arab Emirates. From there, the carbon fiber was caused to be sent to Iranian-Company-1 in Iran.

f. On or about June 5, 2008, CC-2 forwarded an e-mail to Individual-1, explaining that CC-1 and SHOKRI "are two partners. Alireza [referring to SHOKRI] has the money and he take care financial issues and [CC-1] has knowledge and experince about composites and he take care of technical issues."

g. On or about June 9, 2008, CC-2 emailed CC-1 and SHOKRI: "Dear [CC-1] and Dear Alireza [SHOKRI] . . . due to restrictions i sent the fiber through Europe And we bring the fiber up to Tehran." The e-mail continued: "make payment . . . very PROMTLY."

h. On or about June 10, 2008, CC-1 e-mailed CC-2 and copied SHOKRI: "Now, to keep matters moving, I will ask Alireza [SHOKRI] to send you the remaining balance . . . so as to settle the account and KEEP YOU HAPPY!!! Please verify your

bank account/reception details so we can take care of it immediately."

The 2009 Carbon Fiber Transaction

i. On or about May 6, 2009, Individual-1 e-mailed CC-1 with the price for a quantity of carbon fiber.

j. On or about May 19, 2009, CC-1 e-mailed Individual-1: "[CC-1 would like to] proceed with ordering the 1500 kg of goods to be delivered perhaps by the time you arrive here [in Tehran, Iran]."

k. On or about May 27, 2009, CC-1 sent an e-mail to Individual-1 that attached a proposed contract for the carbon fiber transaction and stated, "if acceptable to you sign and fax it back to our office no. [fax number]." The contract sent by CC-1 listed SHOKRI as the buyer of the carbon fiber.

l. Later on or about May 27, 2009, Individual-1 e-mailed POURGHANNAD attaching a document labeled "Final Contract for Mr. shokri.doc." The e-mail stated: "Please ignore the contract if Mr. shokri starts to bargain!"

m. Later that same day, Individual-1 sent another email to POURGHANNAD, which included an attachment labeled "Final-Contract-for-Mr.-shokri.signed.jpg" and stated, "with signature."

n. In or about the summer of 2009, this shipment of carbon fiber was caused to be sent from the United

States to another country ("Country-1"). The shipment was destined for Iran, but it was interdicted by Country-1 authorities and the carbon fiber never made it to Iran.

The 2013 Carbon Fiber Transactions

o. On or about January 2, 2013, SHOKRI and Individual-1 discussed by means of voice-over-internet-protocol ("VOIP") the price at which Individual-1 could provide SHOKRI with "T-700," a particular type of carbon fiber.

p. On or about January 14, 2013, SHOKRI and Individual-1 had a VOIP conversation during which SHOKRI stated that he wanted 500 kilograms of T-700 carbon fiber per week, up to five tons total, and asked Individual-1 to send him an invoice.

q. On or about January 21, 2013, POURGHANNAD and Individual-1 had a VOIP conversation during which they discussed the cost of transporting into Iran the carbon fiber that is discussed above, in paragraph 10.p.

r. On or about March 12, 2013, SHOKRI and Individual-1 had a VOIP conversation during which SHOKRI suggested a second carbon fiber deal, this time for "T-800" and "T-1000" carbon fiber.

s. On or about April 8, 2013, POURGHANNAD e-mailed Individual-1 a contract ("Contract-1") for five tons of T-700 carbon fiber, with delivery to Tehran; Contract-1 listed

SHOKRI as the buyer of the carbon fiber and Individual-1 as the seller.

t. On or about April 11, 2013, SHOKRI e-mailed Individual-1 (1) a copy of Contract-1 that he (SHOKRI) had signed, and (2) a second contract for, among other things, thousands of kilograms of T-800 and T-1000 carbon fiber, discussed in paragraph 10.r above, for delivery to Tehran ("Contract-2").

u. On or about April 16, 2013, FARIDMANESH, POURGHANNAD, and Individual-1 had a VOIP conversation during which FARIDMANESH indicated that the T-700 carbon fiber, discussed in paragraph 10.p above, would be trans-shipped through Tbilisi, Georgia.

v. On or about April 21, 2013, SHOKRI e-mailed Individual-1 (1) a copy of Contract-1, and (2) a copy of Contract-2, each of which he (SHOKRI) had signed.

w. On or about May 3, 2013, FARIDMANESH and Individual-1 had a VOIP conversation about changing the shipping labels on the carbon fiber to say something other than "carbon fiber."

x. On or about May 9, 2013 and May 12, 2013, FARIDMANESH sent text messages to Individual-1 in which FARIDMANESH suggested that the description of the carbon fiber on the shipping labels be changed to "acrylic" or "polyester."

y. On or about May 17, 2013, POURGHANNAD e-mailed Individual-1 attaching the bank guarantee that was to serve as surety for Contract-1.

z. On or about May 30, 2013, FARIDMANESH e-mailed Individual-1: "[W]hen carbon fiber be ready for shipping to [G]eorgia[?]" .

aa. On or about June 26, 2013, SHOKRI and Individual-1 had a VOIP conversation. Individual-1, in the Southern District of New York, told SHOKRI that the carbon fiber set forth in Contract-1 and Contract-2 would be "shipped from Manhattan Port in approximately 10 days" and that Individual-1 would "remove all of the labels, the labels for T-700, 800, 300, IM7, 1000" and instead "put acrylic on it." Individual-1 told SHOKRI that "[a]crylic is something that does not require a permit, an export license" and that export permits are not available for shipping carbon fiber to Iran because of the "U.S. sanctions."

bb. On or about June 26, 2013, POURGHANNAD and Individual-1 had a VOIP conversation. Individual-1, in the Southern District of New York, told POURGHANNAD that the carbon fiber set forth in Contract-1 and Contract-2 would be shipped from "Manhattan Port." Individual-1 told POURGHANNAD that because of the "U.S. sanctions," Individual-1 had to "remove all the labels T-700, T-800, 300, IM7, 1000" and instead "put

acrylic on the shipping box." Individual-1 told POURGHANNAD that "export licenses" are not available for Iran.

cc. On or about June 26, 2013, FARIDMANESH and Individual-1 had a VOIP conversation. Individual-1, in the Southern District of New York, told FARIDMANESH that the carbon fiber set forth in Contract-1 and Contract-2 would be shipping "from New York, Manhattan." Individual-1 told FARIDMANESH that because of the "U.S. sanctions" and because an "export license" is not available for carbon fiber, Individual-1 had to "remove the labels" for the T-300, T-700, T-800, and IM7 carbon fiber, and affixed to the shipping box a label that reads "acrylic."

(Title 50, United States Code, Section 1705.)

COUNT TWO

(IEEPA)

The Grand Jury further charges:

11. The allegations set forth in paragraphs 1 through 7 and 10 are repeated and realleged as if set forth fully herein.

12. From in or about 2009 to in or about the summer of 2009, ALI REZA SHOKRI and BEHZAD POURGHANNAD, the defendants, in the Southern District of New York and elsewhere, willfully and knowingly, did export, cause to be exported, attempt to export, sell, and supply, directly and indirectly, from the United States,

goods, technology, and services, to wit, carbon fiber, to Iran, without obtaining the required approval from OFAC.

(Title 18, United States Code, Section 2;
Title 50, United States Code, Section 1705; Title 31, Code of
Federal Regulations, Sections 560.203, 560.204.)

COUNT THREE

(IEEPA)

The Grand Jury further charges:

13. The allegations set forth in paragraphs 1 through 7 and 10 are repeated and realleged as if set forth fully herein.

14. From in or about January 2013 up to and including in or about July 2013, ALI REZA SHOKRI, BEHZAD POURGHANNAD, and FARZIN FARIDMANESH, the defendants, in the Southern District of New York and elsewhere, willfully and knowingly, did export, cause to be exported, attempt to export, sell, and supply, directly and indirectly, from the United States, goods, technology, and services, to wit, carbon fiber, to Iran, without obtaining the required approval from OFAC.

(Title 18, United States Code, Section 2;
Title 50, United States Code, Section 1705; Title 31, Code of
Federal Regulations, Sections 560.203, 560.204.)

Forfeiture Allegation

15. As a result of committing one or more of the offenses alleged in Counts One through Three of this Indictment,

ALI REZA SHOKRI, BEHZAD POURGHANNAD, and FARZIN FARIDMANESH, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses alleged in Counts One through Three, including but not limited to a sum of money representing the amount of proceeds obtained as a result of the offenses.

Substitute Assets Provision

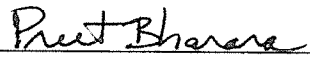
16. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property that cannot be subdivided without difficulty; it is the intent of the United States, pursuant to Title 21, United States Code, Section

853(p), to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

(Title 18, United States Code, Section 981;
Title 28, United States Code, Section 2461.)


FOREPERSON


PREET BHARARA
United States Attorney

United States District Court

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INDICTMENT

13 Cr.

(In Violation of Title 50, United States Code, Section 1705)

PREET BHARARA

United States Attorney.

A TRUE BILL


Foreperson.