

Newly Unsealed Federal Indictment Charges Iranian Businessman with Illegally Exporting Nuclear Nonproliferation-Controlled Materials from Illinois

U.S. Attorney's Office, Northern District of Illinois

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CHICAGO — An Iranian businessman schemed with the owner of a European company to illegally export nuclear nonproliferation-controlled materials to Iran from Illinois, according to a newly unsealed federal indictment.

SAEED VALADBAIGI, also known as “Saeed Valad” and “Saeed Baigi,” plotted in 2011 to illegally export U.S.-origin 7075 T6 Aluminum tubing from Illinois to Iran by way of Belgium and Malaysia, the indictment states. The size and type of the aluminum was used in the missile and aerospace industry and was subject to U.S. regulations for nuclear nonproliferation purposes, the indictment states. Valadbaigi's smuggling plan was part of an effort to evade U.S. laws and export-control regulations, according to the charges.

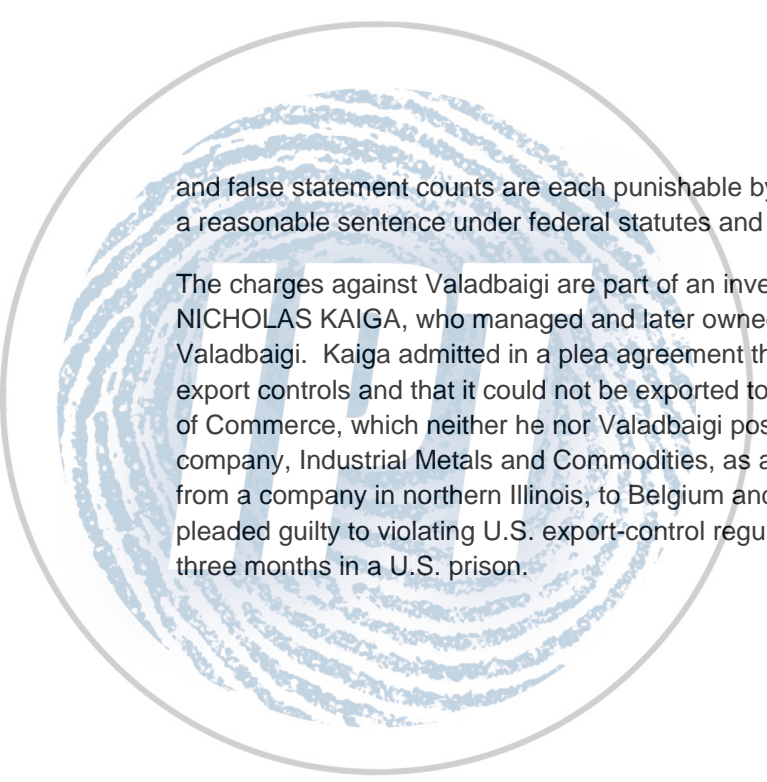
The eight-count indictment was returned in 2016 in U.S. District Court in Chicago and ordered unsealed Wednesday. It charges Valadbaigi with three counts of wire fraud, two counts of attempting to violate the International Emergency Economic Powers Act, one count of conspiracy to defraud the United States, one count of illegally exporting articles from the United States, and one count of making false statements on a U.S. export form.

Valadbaigi, 56, of Iran, is considered a fugitive. A warrant for his arrest was issued in 2016 and remains outstanding.

The indictment was announced by John R. Lausch, Jr., United States Attorney for the Northern District of Illinois; Jeffrey S. Sallet, Special Agent-in-Charge of the Chicago office of the Federal Bureau of Investigation; James M. Gibbons, Special Agent-in-Charge of the Chicago office of the U.S. Immigration and Customs Enforcement's Homeland Security Investigations; and Dan Clutch, Special Agent-in-Charge of the U.S. Department of Commerce, Bureau of Industry and Security, Office of Export Enforcement, Chicago Field Office. The government is represented by Assistant U.S. Attorney Rajnath Laud.

In addition to the 7075 Aluminum tubing, the newly unsealed indictment accuses Valadbaigi of illegally exporting titanium sheets from a company in northern Illinois, to Iran, by way of the Republic of Georgia, the United Arab Emirates and Malaysia. At the time of that deal in 2009, Valadbaigi controlled various companies in all three of those countries, the indictment states. The charges further allege that Valadbaigi in 2012 ordered acrylic sheets from a company in Connecticut, and falsely claimed that the sheets would be used only in Hong Kong. He later allegedly arranged for the acrylic sheets to be transshipped to Iran.

The public is reminded that an indictment is not evidence of guilt. The defendant is presumed innocent and entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt. Each count of wire fraud and attempting to violate the IEEPA carries a maximum sentence of 20 years in prison. The illegal export charge is punishable by up to ten years in prison, while the conspiracy



and false statement counts are each punishable by up to five years. If convicted, the Court must impose a reasonable sentence under federal statutes and the advisory U.S. Sentencing Guidelines.

The charges against Valadbaigi are part of an investigation that previously resulted in the conviction of NICHOLAS KAIGA, who managed and later owned the Belgium company that did business with Valadbaigi. Kaiga admitted in a plea agreement that he knew the 7075 Aluminum was subject to U.S. export controls and that it could not be exported to Malaysia without a license from the U.S. Department of Commerce, which neither he nor Valadbaigi possessed. Kaiga admitted that he nonetheless used his company, Industrial Metals and Commodities, as an intermediary to export the 7075 Aluminum tubing from a company in northern Illinois, to Belgium and then to Malaysia, on behalf of Valadbaigi. Kaiga pleaded guilty to violating U.S. export-control regulations and was sentenced in 2015 to two years and three months in a U.S. prison.