UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA	:	
- v. -	:	12 Cr. 804 (VB)
HAMID REZA HASHEMI,	:	
Defendant.	:	

GOVERNMENT'S SENTENCING MEMORANDUM

PREET BHARARA
United States Attorney for the
Southern District of New York
Attorney for the United States of America

JASON P.W. HALPERIN
ANDREA L. SURRATT
Assistant United States Attorneys
- Of Counsel -

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PRELIMINARY STATEMENT

The Government respectfully submits this Memorandum in advance of the sentencing of defendant Hamid Reza Hashemi, which the Court has set for Friday, November 15, 2013 at 3:00 p.m. The defendant pled guilty to one count of conspiracy to violate the International Emergency Economic Powers Act ("IEEPA") and two counts of substantive violations of IEEPA for his critical role in a scheme to illegally export high-grade carbon fiber from the United States into Iran. Pursuant to the plea agreement, the parties agree that the applicable Sentencing Guidelines range is 46 to 57 months' imprisonment.

In his sentencing submission, Hashemi offers a number of arguments for why he is seeking a below-Guidelines sentence of a year and a day. Among other things, Hashemi contends that he cannot stay in touch with his family as much as he would like, that he had "limited involvement" in the conspiracy and that "He only thought he was helping a friend," that he supposedly abandoned one aspect of the conspiracy at the last minute, and that a sentence that is 75 percent below the bottom of the Guidelines range sentence would serve the objective of deterrence well.

Unfortunately for Hashemi, both the facts and the law undermine his arguments. The Probation Office has recommended a Guidelines range sentence of 46 months' imprisonment in this case. In sum, based on the seriousness of the offense that clearly implicated this country's national security interests, Hashemi's role in the offense, his willingness to engage in illegal conduct involving at least three different shipments over the course of the five-year conspiracy, his willingness as a naturalized citizen to violate his loyalty oath to the United States, and the compelling need for deterrence in this case, the Government respectfully submits that a Guidelines range sentence of 46 to 57 months' imprisonment is highly appropriate in this case.

FACTUAL BACKGROUND

The Offense Conduct[1]

Carbon fiber is a product that consists of thin fibers made of carbon atoms. Carbon fiber has a wide variety of industrial uses. For example, it can be used in aerospace engineering and it can be used in gas centrifuges that enrich uranium. Since carbon fiber has both military and non-military uses, it is typically characterized as a "dual use" commodity.

During the course of the conspiracy, which ran from at least in or about 2007 through in or about 2012, defendant Hamid Reza Hashemi, 53, was a dual Iranian and United States citizen. Hashemi was born in Khonsar, Iran and lived most of his life in Iran. He lived in Iran for years before his arrest at John F. Kennedy International Airport on or about December 1, 2012. In the instant offense, Hashemi conspired with others to transship commodities from the United States to locations in Europe and then to Iran. These shipments included a successful shipment in 2008 of IM7 carbon fiber from the United States to Europe to Iran. During this shipment, Hashemi conspired not only with Murat Taskiran, a broker located in Turkey, but also

[1] A more detailed recitation of the Offense Conduct appears in the 12-page speaking Indictment 12 Cr. 804 (VB) ("the Indictment") and in Probation's Presentence Investigation Report ("PSR").

with Individual 1, who operated businesses in Europe that procured carbon fiber on behalf of various companies, including from locations in the United States.

Hashemi's criminal conduct also included his attempted shipment of T-700 carbon fiber from the United States to the United Kingdom, and ultimately to Iran. This shipment, however, was seized by authorities in the United Kingdom and never made it to Iran. The 2008 and 2009 shipments of carbon fiber were supplied by a United States supplier of carbon fiber who operated his business out of Orange County, New York, in the Southern District of New York. Neither Hashemi nor any of his co-conspirators ever obtained permission from the United States Government to send the 2008 and 2009 shipments to Iran.

Moreover, in 2012, the defendant attempted to purchase a filament winding machine from the United States. In engaging in all this conduct, Hashemi acted willfully -- he had knowledge of United States export laws and restrictions, and knew that what he was doing was wrong.

Hashemi's Post-Arrest Admissions

Hashemi was arrested on or about December 1, 2012 when he arrived at John F. Kennedy International Airport. Hashemi waived his *Miranda* rights and his right to a Speedy Presentment for several days before being presented in federal court in White Plains on or about December 4, 2012. During his post-arrest interviews, which were all conducted in English since Hashemi speaks English fluently, Hashemi made the following statements that are pertinent to this sentencing:

1. As the sole proprietor of HB Composites, he is the primary decision maker for the company regarding imports, exports, and financing, and is thus

knowledgeable about United States laws, licensing requirements, and sanctions concerning Iran.

2. Hashemi said he had regularly illegally imported United States goods such as resins into Iran. He has also illegally imported United States goods into Iran by carrying them in his luggage, and by using shipping methods involving an intermediary country. Hashemi also discussed "boat people," who can be paid to bring restricted items from Dubai to Iran on their boats.

3. Hashemi acknowledged that he knew about carbon fiber and said he had studied and worked with composites.[2] He added that carbon fiber has "good and bad" applications and he imagines that any kind of carbon fiber is restricted. In terms of the 2008 and 2009 shipments, Hashemi acknowledged that the fact that he himself knew that the carbon fiber he sought was restricted should be "common knowledge" and "obvious," since he and his co-conspirators went through the effort of "smuggling" it. Hashemi explained that the goods have to come from "the first place" to "some other place where the documents are changed" and then they are sent to "the restricted place." Hashemi pointed out that there would be no reason to go through the extra effort and expense for a legal shipment.

4. Hashemi admitted that one of his co-conspirators in Iran ("CC-1") asked Hashemi to use HB Composites as a buffer for "government" deals in

[2] Hashemi posted his resume online. *See* Ex. A attached. At the top of his resume, he wrote "Experience in Composite Industry: 20 Years." His resume also notes that he obtained a PhD in Polymer Engineering from the University of Akron, Ohio in the United States and that his post-graduate research was "funded by US Air Force at University of Dayton Research Institute" and that such research "was about Matrices used in Air Force Stealth Aircrafts (Radar Resistant Composite Airplanes)." In his post-arrest interviews, Hashemi confirmed that this document was his resume.

exchange for a financial reward, though he claimed the Hexcel IM7 carbon fiber he obtained for CC-1 was for use in the production of compressed natural gas tanks.

5. Hashemi said that for the 2009 Toray T-800 carbon fiber transaction from the United States, Hashemi called himself the "coordinator" of this transaction.
6. Hashemi said that his father had warned him that CC-1 was a dangerous person. Hashemi hoped that his work with CC-1 would result in financial gain.
7. When asked if he was ever approached by the Islamic Revolutionary Guard Corps ("IRGC") or any branch associated with Iran's military for the purpose of hiring Hashemi's company, Hashemi said that if he had been approached by the military with inquiries to produce or procure material, he would not have known it at the time since they do not announce who they are.
8. Hashemi was asked why he was listed on a business card as a Technical Manager for a company in Dubai, when he admitted that he had never worked for this company. Hashemi explained that he carried falsified business cards in order to demonstrate that he had facilities outside of Iran. Even though he did not actually have facilities outside of Iran, these business cards allowed him to initiate conversations and negotiations with suppliers who were otherwise not willing to sell to Iran due to the sanctions. Hashemi said this was another poor decision of his and something that he should not have done.
9. Hashemi admitted that he had done business with Sepanir, a commercial company in Iran that requested Glass Reinforced Epoxy from Hashemi.

Hashemi is aware that Sepanir is controlled by the IRGC and that providing support to this company in any manner is equivalent to supporting the Government of Iran and its military.

10. Hashemi said he received an inquiry about a year earlier from someone with "nuclear ability" regarding a certain piece of pipe. The company was asking about filament winding for sensitive nuclear applications. If Hashemi's company had accepted the project, it would ultimately lead to the manufacture of a centrifuge rotor. Hashemi said he rejected the inquiry since he said it would be too dangerous and sensitive. This inquiry reminded Hashemi of another one from years earlier when he was shown a pipe approximately 12 inches long by six inches in diameter made out of carbon fiber. He recalled that the balance was very important and that the wall thickness was very thin. Hashemi later learned that this pipe was to be used for a nuclear centrifuge.
11. During his post-arrest interviews, Hashemi said he was not positive that the pipe production machine line would meet his needs. Hashemi felt badly that Individual 1 had done so much work and thought it would be impolite not to look at the machine, which was located at a company's factory in Wisconsin. Hashemi said that if, after he inspected the machine, it met his needs and the price was right, then he planned to purchase the machine and pay Individual 1 to transship it back to Iran. The machine, which he would use at his company HB Composites, would cost approximately 450,000 Euros.
12. Hashemi has supplied pipes to petrochemical and oil companies controlled by the Government of Iran. When asked about Shahid Helmat Industrial Group

(or SHIG), Hashemi said he has been contacted by the Iranian military, but has not provided them with any products. In a later interview, Hashemi admitted that in approximately 2008, SHIG contacted Hashemi with an inquiry for pre-impregnated material, "pre-preg." Hashemi was asked only to procure this material, and not to manufacture any components. Hashemi contacted his co-conspirator Murat Taskiran in Turkey to see if he could help supply this material. Hashemi became very busy, and did not follow up on this order. Hashemi did not know what SHIG would have used the pre-preg material to make, but noted that it was a much higher quality than what could be achieved with a "hand layup" method because the glass to resin reaction is much more cohesive and uniform. He added that pre-preg material would be needed to handle higher pressure applications.

13. Hashemi was contacted 8-10 years earlier and was shown a helmet, which he believed was issued by the United States military. The helmet was made out of a compression-molded composite and he was asked if he could reverse-engineer it. Hashemi was unable to meet the strength specifications.

14. Hashemi also discussed how he had once received an inquiry for a full composite sectional dome that was supposed to be about 36 to 40 feet in diameter. Hashemi believed this inquiry was for the Iranian military. In connection with this order, about 1 ½ years prior to his December 2012 post-arrest interviews, he received an inquiry for a floor-grate that could withstand nitro-chloric acid. These orders were not filled due to technical limitations.

I. SENTENCING GUIDELINES ANALYSIS

Based on the facts in this case, the Government submits that the following Guidelines calculations apply to defendant Hashemi's sentencing.

A. Offense Conduct

1. Hashemi's Base Offense Level, Pursuant to Section 2M5.1(a)(1), is 26

Pursuant to the plea agreement, the parties agreed that for convictions under IEEPA, Title 50, United States Code, Section 1705, the Sentencing Guideline applicable to Hashemi's offense conduct is U.S.S.G. § 2M5.1(a). The parties agreed that pursuant to U.S.S.G. § 2M5.1(a)(1), "since the offense conduct involved the illegal export of carbon fiber and other carbon fiber-related materials from the United States to Iran, 'national security controls or controls relating to the proliferation of nuclear, biological, or chemical weapons or materials were evaded,'" the base offense level is 26.

2. Acceptance of Responsibility

Since Hashemi timely accepted responsibility, three points are subtracted pursuant to U.S.S.G. §§ 3E1.1(a) and (b). Accordingly, Hashemi's adjusted offense level is 23. Since Hashemi is in Criminal History Category I, his Guidelines range is 46 to 57 months' imprisonment.

B. Criminal History

Hashemi, a dual Iranian and United States citizen who has lived most of his life in Iran, has no known criminal history in the United States, and thus is in Criminal History Category ("CHC") I.

C. Appropriate Guidelines Range

Based on the calculations above, with total offense level 23 and CHC I, Hashemi's Guidelines range is 46 to 57 months' imprisonment.

II. THE SECTION 3553(a) FACTORS CALL FOR A GUIDELINES SENTENCE

Defendant Hamid Reza Hashemi stands before the Court after being convicted of three counts: one count of conspiring to violate IEEPA by planning to ship goods to Iran and two substantive counts for actual shipments. As the Court examines the factors set forth in Title 18, United States Code, Section 3553(a) to determine the appropriate sentence for the defendant, the Government respectfully submits that several Section 3553(a) factors counsel strongly in favor of a sentence within the Guidelines range of 46 to 57 months' imprisonment. Specifically, the nature and circumstances of the offense, the history and characteristics of the defendant, the need for the sentence imposed to reflect the seriousness of the offense, to promote respect for the law, to provide just punishment, and to provide general deterrence, and the need to protect the public from further crimes by the defendant all militate toward the conclusion that a Guidelines range sentence would be reasonable and appropriate in this case.

A. Applicable Law

Although no longer mandatory, the Guidelines still provide strong guidance to the Court. *See United States* v. *Booker*, 543 U.S. 220 (2005); *United States* v. *Crosby*, 397 F.3d 103 (2d Cir. 2005). Indeed, as the Supreme Court explained, "a district court should begin all sentencing proceedings by correctly calculating the applicable Guidelines range" – that "should be the starting point and the initial benchmark." *Gall* v. *United States*, 552 U.S. 38, 49 (2007). The Guidelines' relevance throughout the sentencing process stems in part from the fact that,

while they are advisory, "the sentencing statutes envision both the sentencing judge and the Commission as carrying out the same basic § 3553(a) objectives." *Rita* v. *United States*, 551 U.S. 338, 348 (2007); *see also Gall*, 552 U.S. at 46 (noting that the Guidelines are "the product of careful study based on extensive empirical evidence derived from the review of thousands of individual sentencing decisions").

After making the initial Guidelines calculation, a sentencing judge must then consider the factors outlined in Title 18, United States Code, Section 3553(a), and "impose a sentence sufficient, but not greater than necessary, to comply with the purposes" of sentencing outlined in Section 3553(a)(2). Those purposes are "(A) to reflect the seriousness of the offense, to promote respect for the law, and to provide just punishment for the offense; (B) to afford adequate deterrence to criminal conduct; (C) to protect the public from further crimes of the defendant; and (D) to provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner." 18 U.S.C. § 3553(a)(2). In determining that sentence, this Court must consider "the nature and circumstances of the offense and the history and characteristics of the defendant," 18 U.S.C. § 3553(a)(1), "the kinds of sentences available," § 3553(a)(3), the Guidelines and Guideline range, § 3553(a)(4), the Guidelines' policy statements, § 3553(a)(5), "the need to avoid unwarranted sentence disparities among defendants with similar records who have been found guilty of similar conduct," § 3553(a)(6), and "the need to provide restitution to any victims of the offense," § 3553(a)(7).

B. Discussion

In this case, a sentence within the Guidelines range is supported by the Section 3553(a) factors for a number of reasons.

1. The Nature and Circumstances of the Offense and the History and Characteristics of the Defendant

Simply put, the nature of the offense in this case was highly serious. As a citizen of both Iran and the United States, Hashemi violated his oath of loyalty to the United States to avoid placing America's interests in harm's way. By engaging in his criminal conduct, Hashemi betrayed the very country that approved his application to be naturalized as a United States citizen. Hashemi now argues unconvincingly that his conduct "had little or no appreciable bearing on the national security of the United States." Hashemi Sentencing Mem. ("Hashemi Mem.") at 3. But such a contention fails in a number of ways.

First, Hashemi's cavalier statements that his conduct had little or no bearing on the national security of the United States entirely ignore his plea agreement in which he agreed that "national security controls … were evaded." *See* Plea Ag. at 2. And indeed, there can really be no serious debate that national security controls were evaded by Hashemi's participation in a conspiracy to ship high-grade carbon fiber to Iran in violation of the United States sanctions on Iran.

The statutory language and export regulations underpinning IEEPA and the United States sanctions on Iran leave no doubt that "national security controls" are implicated by Hashemi's criminal conduct. By virtue of IEEPA, Title 50, United States Code, Sections 1701-05, the President was granted authority to deal with unusual and extraordinary threats to the national security and foreign policy of the United States. *See* 50 U.S.C. §§ 1701, 1702. On March 15, 1995, the President of the United States issued Executive Order 12957, finding that "*the actions and policies of the Government of Iran constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States,*" and accordingly, the President "*hereby declare[d] a national emergency to deal with that threat*."

See Exec. Order No. 12,957, 60 Fed. Reg. 14,615 (March 15, 1995) (emphasis added). On May 6, 1995, the President issued Executive Order 12959 to take steps with respect to Iran in addition to those set forth in Executive Order 12957. *See* Exec. Order No. 12,959, 60 Fed. Reg. 24,757 (May 6, 1995). On August 19, 1997, the President issued Executive Order 13059 to clarify the steps taken in Executive Orders 12959 and 12957. *See* Exec. Order No. 13,059, 62 Fed. Reg. 44,531 (August 19, 1997).

To implement the August 1997 Executive Order 13059, the United States Department of the Treasury, Office of Foreign Assets Control ("OFAC"), issued the Iranian Transactions Regulations ("ITR") (31 C.F.R. Part 560). In September 2012, the ITR was amended and renamed the Iranian Transactions and Sanctions Regulations ("ITSR"). Absent permission from OFAC, these regulations prohibit, among other things: (1) the exportation, reexportation, sale, or supply, directly or indirectly, from the United States, or by a United States person, wherever located, of any goods, technology, or services to Iran or the Government of Iran, including the exportation, reexportation, sale, or supply of any goods, technology, or services to a person in a third country undertaken with knowledge or reason to know that such goods, technology, or services are intended specifically for supply, transshipment, or reexportation, directly or indirectly, to Iran or the Government of Iran (31 C.F.R. Section 560.204); and (2) any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions contained in the Iranian Transactions Regulations (31 C.F.R. Section 560.203). There are limited exceptions to these statutory prohibitions; none apply here. Under IEEPA, it is a crime to violate willfully any regulation promulgated under IEEPA (such as the ITSR). *See* 50 U.S.C. § 1705(c).

Since the initial Executive Order was issued in 1995, the various Presidents of the United States have continued the national emergency with respect to Iran, and as previously articulated in Executive Orders 13059, 12959, and 12957. The most recent continuation of this "national emergency with respect to Iran" was issued by President Obama on March 12, 2013. *See* 78 Fed. Reg. 16397 (March 12, 2013), 2013 WL 958227.

Thus, based on the statutory and regulatory framework, as well as the language of the Executive Orders issued by the President of the United States finding that "*the actions and policies of the Government of Iran constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States*," *see* Exec. Order No. 12,957, 60 Fed. Reg. 14,615 (March 15, 1995) (emphasis added), there can be no dispute that unlawful shipments of goods to Iran in violation of IEEPA implicate "national security controls," pursuant to Sentencing Guidelines Section 2M5.1(a)(1). Similarly, as the Sixth Circuit has noted, "[e]very court to address the issue has held that the evasion of [IEEPA] sanctions are national security controls" for purposes of the Sentencing Guidelines, and thus that the enhanced Base Offense Level ("BOL") of 26 should apply under U.S.S.G. § 2M5.1(a)(1). *See United States* v. *Hanna*, 661 F.3d 271, 293 (6th Cir. 2011).

By now trying to claim that his criminal conduct over a five-year period "had little or no appreciable bearing on the national security of the United States," Hashemi Mem. at 3, Hashemi simply places his own view of what implicates the national security concerns of the United States above those of Presidents of the United States of both political parties who have reaffirmed year after year that it is the official position of the United States Government that "*the actions and policies of the Government of Iran constitute an unusual and extraordinary threat to*

the national security, foreign policy, and economy of the United States," *see* Exec. Order No. 12,957, 60 Fed. Reg. 14,615 (March 15, 1995) (emphasis added).

Hashemi's argument that this country's national security concerns were barely, if at all, implicated because the carbon fiber imported into Iran was supposedly used for compressed natural gas ("CNG") tanks, rather than for more nefarious applications, misses the point. The United States Government has implemented the sweeping sanctions against Iran to punish Iran for its unwillingness to behave by widely recognized international norms, like allowing weapons inspectors to examine their nuclear arsenal. The sanctions are nearly universal, in that they cover almost all exports (without prior approval from OFAC), precisely because the foreign policy of the United States seeks to exert the utmost pressure on Iran to comply with these international norms, including inspection requirements. Thus, the sanctions are intended to cover both nefarious and innocuous exports. And thus, Hashemi's claim that the exported carbon fiber was used for CNG tanks is utterly immaterial. Accordingly, multiple Courts of Appeals have found that the higher base offense level of 26 "applies to any offense that involves a shipment (or proposed shipment) that offends the embargo, *whether or not the goods actually are intended for some innocent use*.'" *United States* v. *Hanna*, 661 F.3d 271, 293 (6th Cir. 2011) (quoting *United States* v. *McKeeve*, 131 F.3d 1, 14 (1st Cir. 1997)) (emphasis added). Southern District of New York Judge Kevin T. Duffy came to the same conclusion in a case involving the shipment of goods to North Korea. *United States* v. *Min*, Dkt. No. 99 CR. 875 (KTD), 2000 WL 1576890 *2 (S.D.N.Y. Oct. 23, 2000). In *Min*, Judge Duffy noted that the critical analysis, with respect to interpreting "national security," is "whether the embargo or prohibition is based on national security concerns." *Id*. at *2 (citing *McKeeve*, 131 F.3d at 14). The court found that, "The embargo on the shipment of goods to North Korea is unquestionably

based on national security concerns." *Id.* Thus, Judge Duffy explained, "The nature of the goods, innocuous or other, is not controlling." *Id.*

Moreover, Hashemi himself could not have known what the true end-use application was for the carbon fiber he imported and intended to import. In 2008, Hashemi imported 500 kilograms of Hexcel IM7 carbon fiber from the United States into Iran and in 2009, he tried to import 2,700 kilograms of Toray T-800 carbon fiber from the United States into Iran. Hashemi claims that "Neither of these transactions were connected to 'aerospace engineering … [or] centrifuges that enrich uranium,' as is warned in the indictment." Hashemi Mem. at 2-3. But Hashemi can hardly be confident about advancing this proposition. After all, in his post-arrest interviews, he admitted that he was acquiring the carbon fiber for his Iran-based co-conspirator CC-1. *See supra* Post-Arrest Admissions #4 and #6. All Hashemi knows is what CC-1 told him about the supposed end use of the carbon fiber. But Hashemi's own father warned Hashemi that CC-1 was dangerous and would get Hashemi into trouble. *See id.* #6. While Hashemi referred to himself as the "coordinator" for the 2008 shipment, *see id.* #5, he admitted that CC-1 was the buyer. Thus, Hashemi acknowledged that he was not the person who was importing the goods to make something from it, and thus he could not be certain what the materials would be used for or even who the ultimate end-user would be. In addition, when Hashemi was asked if he was ever approached by the Islamic Revolutionary Guard Corps ("IRGC") or any branch associated with Iran's military for the purpose of hiring Hashemi's company, Hashemi said that if he had been approached by the military with inquiries to produce or procure material, he would not have known it at the time since they do not announce who they are. *See id.* #7. Thus, how could Hashemi possibly know what the real end use was for the high-grade carbon fiber sought by the dangerous CC-1?

In addition, Hashemi's attempt to minimize the seriousness of the offense by maintaining that the carbon fiber he sought to export was readily available on the international market is simply not believable. *See, e.g.*, Hashemi Mem. at 16-17. The very fact that the co-conspirators went to the lengths they did to export the desired high-grade carbon fiber from the United States to Europe and then to Iran, that they had to deceive customs officials in a number of countries by falsifying documents – all in violation of the United States sanctions on Iran – tells the Court everything it needs to know about how badly the defendant and his cohorts wanted this specific carbon fiber that was manufactured in the United States. Indeed, Hashemi's argument here is undermined by his own post-arrest admissions. In terms of the 2008 and 2009 shipments, Hashemi acknowledged that the fact that he himself knew that the carbon fiber sought was restricted should be "common knowledge" and "obvious," since he and his co-conspirators went through the effort of "smuggling" it. *See supra* Post-Arrest Admission #3. Hashemi explained that the goods have to come from "the first place" to "some other place where the documents are changed" and then they are sent to "the restricted place." *Id.* "Hashemi pointed out that there would be no reason to go through the extra effort and expense for a legal shipment." *Id.* The Government agrees with this point made by Hashemi during his post-arrest interviews: in the same vein, if this high-grade carbon fiber from Hexcel, an American company, and Toray, were so readily available on the international market, "there would be no reason to go through the extra effort and expense" to try to acquire such high-risk, illegal, smuggled imports.[3]

[3] Similarly, Hashemi's argument that a large percentage of the carbon fiber at issue was manufactured by Toray, which is a Japanese company. *See* Hashemi Mem. at 3, 7, 16-17. The defendant has offered no support for their claim that the carbon fiber at issue was manufactured in Japan. It should be noted that Toray T-800 carbon fiber was involved only in the 2009 shipment, not the 2008 shipment, which involved Hexcel. Moreover, the defendant does not dispute that the Toray T-800 was made in the United States and was exported from the United States to the

Next, Hashemi argues for leniency because of a new era of supposed better international relations between the United States and Iran. *See* Hashemi Mem. at 24 ("Today, the situation with Iran seems to have turned a corner."). Hashemi also baldly claims, "In the context of today's foreign policy developments regarding Iran, Mr. Hashemi's violations had little or no impact on national security." *Id.* at 25. But whether or not Hashemi's assessment of international relations *today* is accurate is entirely irrelevant. Because even assuming *arguendo* that he is correct about the current state of affairs, this argument offers no solace in light of the fact that Hashemi's first illegal shipment in violation of the United States sanctions, as charged in the Indictment, occurred in 2008 and his next one took place in 2009. Judge Duffy rejected the exact same argument in relation to North Korea's relationship with the United States in *United States* v. *Min*. *See* Dkt. No. 99 CR. 875 (KTD), 2000 WL 1576890 *2 (S.D.N.Y. Oct. 23, 2000). As the court explained, "Defendant also argues that the softening relations between the United States and North Korea warrant a downward departure. I find no merit in this argument. Recent developments in international relations have no impact on sentencing for a crime committed prior to those developments." *Id.* Thus, this argument can be quickly dispatched.

So, too, Hashemi's claim that he had a "limited involvement in the conspiracy and relatively isolated conduct" or that his role in the offense was "minimal" is absurd. *See* Hashemi Mem. at 3, 9. After all, of all the conspirators who had any involvement in the criminal conduct, Hashemi was the *only one* who was involved in all three transactions described in the Indictment: *i.e.*, (1) the 2008 successful shipment of carbon fiber from the United States to Iran; (2) the 2009 unsuccessful shipment of carbon fiber from the United States that was seized in the United Kingdom and never made it to Iran; and (3) the 2012 transaction where Hashemi sought

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United Kingdom, where it was seized. Accordingly, the Government does not understand the defendant's point on this issue or what bearing it has on the issues relating to the defendant's sentencing.

to purchase the filament winding machine. Taskiran was involved only in (1) and CC-1 was involved only in (1) and (2). It was Hashemi who was at the center of all three transactions. Indeed, Hashemi called himself the "coordinator" for the 2009 Toray T-800 carbon fiber transaction from the United States. The notion that Hashemi's conduct was "minimal" or "relatively isolated" is fanciful.

In trying to claim to the Court that his role was less significant, Hashemi also makes two other arguments, both of which are highly misleading. First, Hashemi claims in his sentencing submission that "Hashemi was never the person who actually caused the U.S. Government to be defrauded," *i.e.*, it was not he who signed the false end-user certificates that told U.S. and foreign customs authorities that the carbon fiber was destined for Europe (rather than Iran). *See* Hashemi Mem. at 12-13. Hashemi notes that it was Individual 1 based in Europe and the Orange County, New York-based supplier ("New York Supplier") of the carbon fiber who signed these false certificates. This argument is meritless. As a preliminary matter, although the New York Supplier has now pled guilty to conduct relating to an illegal 2007 shipment of carbon fiber to China in a case pending before The Honorable Edgardo Ramos, the Government has no evidence that the New York Supplier knew that the 2008 and 2009 shipments he sent to Individual 1 in Europe were destined for Iran. And Hashemi's argument fails for a more fundamental reason. Whether or not he or Individual 1 actually signed the false end-user certificates is totally irrelevant since Hashemi knew that one of the co-conspirators had to do so, since this was a vital part of the smuggling process. As he himself told the agents in his post-arrest interviews, the goods have to come from "the first place" to "some other place where the documents are changed" and then they are sent to "the restricted place." *See supra* Post-

Arrest Admission #3. Hashemi also told the agents that there would be no reason to go through the extra effort and expense for a legal shipment. *See id.*

Hashemi also attempts to play down his role in the conspiracy by saying that he "was not the person that needed the carbon fiber" and that CC-1 was the more "culpable person[] coordinating the conspiracy [who] exploited Mr. Hashemi's company as a front when Mr. Hashemi only thought he was helping a friend." *See* Hashemi Mem. at 12-13. For Hashemi to make such a statement is truly jaw-dropping. First, it is worth remembering that Hashemi has already pled guilty to three counts charging him with conspiracy to violate IEEPA and two substantive violations. Second, although he now conveniently calls CC-1 the person "coordinating" the conspiracy, he admitted in his post-arrest interviews that he was the "coordinator" of the 2009 Toray T-800 carbon fiber transaction. In addition, as Hashemi acknowledged in his plea allocution and in his post-arrest interviews, he knew exactly what he was doing here. He was hardly some naïve rube who was being "exploited" by CC-1. Rather, as he told the agents, he was hoping to make a profit, like so many other criminals. Moreover, Hashemi's claim that he was merely trying to help a friend is also misleading to this Court since it ignores the fact that Hashemi and CC-1 had become business partners in or about this time period.

Hashemi also offers another new argument now that he faces sentencing. That is, he claims that for the 2012 winding machine transaction, he had effectively "abandoned" his plan to buy the machine from the company in Wisconsin for illegal export to Iran. *See* Hashemi Mem. at 7, 14-15. Hashemi now claims that he had located a similar machine in China and that he no longer needed the U.S.-made machine, but "with only three days left before his scheduled travel plans to the United States, Mr. Hashemi could not bear appearing rude by informing

Individual 1" that he did not need to travel to the United States anymore. *Id.* at 14. That is a long way to travel and a serious expense to incur just to avoid being rude. More importantly, his claim of abandonment on the eve of sentencing does not hold up as a factual matter (it also has no legal bearing). Rather, as Hashemi told the FBI agents after his arrest, if, after he inspected the machine, it met his needs and the price was right, then he planned to purchase the machine and pay Individual 1 to transship it back to Iran. *See supra* Post-Arrest Admission #11.

A final consideration for the Court in analyzing the nature and circumstances of the offense is Hashemi's argument for lenient treatment since "Only 500 kgs of carbon fiber ever made it to Iran." *See* Hashemi Mem. at 29. First, 500 kilograms, or 1,102 pounds is not an insignificant shipment. Second, Hashemi's argument blatantly overlooks that he tried to illegally import more than five times that amount of high-grade carbon fiber into Iran in 2009. But for the good work of law enforcement authorities in the United Kingdom who seized the 2009 shipment, Hashemi and his co-conspirators would have succeeded in illegally importing an additional 2,700 kilograms, or 5,952 pounds, of high-grade carbon fiber into Iran. Thus, Hashemi does not get any points off since this attempted shipment did not succeed. His criminal scheme did not work because law enforcement foiled it – not because he and his co-conspirators had a change of heart. Such a claim would be akin to a bank robber's saying he should be shown leniency because the police officers apprehended him as he was running out of the bank with the bags of stolen cash. The fact that Hashemi's 2009 crime did not succeed makes the crime no less serious.

Similarly, Hashemi's history and characteristics do not provide a justification for a below-Guidelines sentence. Hashemi tries to portray himself as a businessman who tried "to utilize his technical expertise in composites and his familiarity with the English language to be a

useful 'middleman' for someone he thought was his friend." Hashemi Mem. at 9. This characterization, however, ignores the facts of this case. Hashemi's own conduct involved coordinating with co-conspirators like Individual 1 in Europe and Murat Taskiran in Turkey. Hashemi was the one who "coordinated" the transaction and was trying to arrange the imports for the ultimate end user, CC-1, in Iran. As Hashemi knew, there was also the New York Supplier, who unwittingly was obtaining the carbon fiber for a transshipment to Iran, as well as a co-conspirator based in the United Kingdom who served as the transshipper for the seized 2009 shipment.

In other words, Hashemi was hardly an unsophisticated businessman who was just doing a favor for a friend. Rather, he knew well that he was engaging in an international smuggling conspiracy that involved people in at least five different countries on three different continents. He was hardly some unsophisticated dupe who was being "exploited" by CC-1. This defendant was, in fact, a vital member of an international conspiracy. Other than in the occasional, large-scale international narcotics case or foreign terrorism case, this is likely not the typical defendant who stands before this Court for sentencing. By definition, Hashemi's conduct required him to have a profound understanding of how to evade the United States sanctions, as he admitted in post-arrest interviews.

In addition, on the one hand, it is true that as far as the Government knows, Hashemi has no criminal history points. But it is also worth noting that since Hashemi has spent most of his life in Iran prior to his arrest on December 1, 2012, there is no way for either the Government or the Probation Office to have an accurate understanding of what, if any, criminal history Hashemi may have in Iran. The Government notes that we are not asking the Court to

find a higher Criminal History Category for Hashemi, but just to point out that it is impossible for anyone else other than the defendant in this case to really know what his full background is.

One thing we do know, however, is that Hashemi has engaged in illegal imports into Iran in violation of United States law in the past that were unrelated to the conduct charged in the Indictment. As he admitted in his post-arrest interviews, Hashemi said he had regularly illegally imported United States goods such as resins into Iran. *See supra* Post-Arrest Admission #2. He has also illegally imported United States goods into Iran by carrying them in his luggage, and by using shipping methods involving an intermediary country. *See id.* Hashemi also told the agents about "boat people," who can be paid to bring restricted items from Dubai to Iran on their boats. *See id.*

Moreover, the inquiries and requests Hashemi admitted he received in Iran are telling. In his interviews with agents, Hashemi admitted that he had done business with Sepanir, a commercial company in Iran that requested Glass Reinforced Epoxy from Hashemi. Hashemi said he was aware that Sepanir is controlled by the IRGC and that providing support to this company in any manner is equivalent to supporting the Government of Iran and its military. *See supra* Post-Arrest Admission #9.[4] Hashemi also said he received an inquiry about a year earlier from someone with "nuclear ability" regarding a certain piece of pipe. If Hashemi's company had accepted the project, it would ultimately lead to the manufacture of a centrifuge rotor. Hashemi said he rejected the inquiry since he said it would be too dangerous and sensitive. This inquiry reminded Hashemi of another one from years earlier when he was shown a pipe

[4] Along these lines, in his post-arrest interviews, Hashemi admitted that he had procured Glass Reinforced Plastic ("GRP") pipes for the Kalaye Electric Company ("Kalaye") in Iran. Hashemi was told that Kalaye was a company that had very close affiliations with Iran's military and nuclear program, although Hashemi claimed to the agents that his procurement related to a water desalination plant in Southern Iran. In 2007, OFAC added Kalaye to the United States Entity List since the company had procured materials for Iran's nuclear program. *See* http://www.iranwatch.org/iranian-entities/kalaye-electric-company.

approximately 12 inches long by six inches in diameter made out of carbon fiber. *See supra* Post-Arrest Admission #10. Hashemi later learned that this pipe was to be used for a nuclear centrifuge.

Similarly, Hashemi admitted that he has supplied pipes to petrochemical and oil companies controlled by the Government of Iran. When asked about Shahid Helmat Industrial Group (or SHIG), Hashemi said he has been contacted by the Iranian military, but has not provided them with any products.[5] In a later interview, Hashemi admitted that in approximately 2008, SHIG contacted Hashemi with an inquiry for pre-impregnated material, "pre-preg." Hashemi was asked only to procure this material, and not to manufacture any components. *See supra* Post-Arrest Admission #12. Hashemi contacted his co-conspirator Murat Taskiran in Turkey to see if he could help supply this material. Hashemi became very busy, and did not follow up on this order. Hashemi did not know what SHIG would have used the pre-preg material to make, but noted that it was a much higher quality than what could be achieved with a "hand layup" method because the glass to resin reaction is much more cohesive and uniform. He added that pre-preg material would be needed to handle higher pressure applications.

In addition, Hashemi said he was contacted 8-10 years earlier and was shown a helmet, which he believed was issued by the United States military. The helmet was made out of a compression-molded composite and he was asked if he could reverse-engineer it. Hashemi was unable to meet the strength specifications. Lastly, Hashemi also discussed how he had once received an inquiry for a full composite sectional dome that was supposed to be about 36 to 40 feet in diameter. Hashemi believed this inquiry was for the Iranian military. In connection with this order, about 1 ½ years prior to his December 2012 post-arrest interviews, he received an

[5] According to open source information, SHIG is the entity responsible for Iran's ballistic missile program. *See* http://www.iranwatch.org/iranian-entities/shahid-hemat-industrial-group-shig.

inquiry for a floor-grate that could withstand nitro-chloric acid. He could not fill the order due to technical limitations. *See supra* Post-Arrest Admission #15.

All of these points speak volumes about Hashemi's expertise in his field, his connections with the Government of Iran and the Iranian military, and his experience in working around the sanctions against Iran. Moreover, these factors undercut Hashemi's claim discussed above that the carbon fiber wanted by CC-1 was for compressed natural gas tanks, rather than for a more nefarious purpose. Hashemi would have known that the technical specifications of the carbon fiber requested by CC-1 were so high-grade that this would be akin to someone ordering a Lamborghini engine for use in a golf cart. While it could theoretically be possible to use a good with such high specifications for a more ordinary use, it would be overkill and unduly expensive to order something on a level that was much more than what would be needed for a more mundane end-use.

Furthermore, Hashemi's resume itself is highly important. Under his "Experience" bullet points, he writes, "General Manager at HB Composites in Iran since 1374 [1994], which manufactures products used in petroleum, gas, petrochemical and *military industries*." *See* Hashemi's Resume, Ex. A attached (emphasis added).

In his submission, Hashemi argues for leniency based on the facts that he cannot stay in touch with his family as much as he would like, that his sons are now struggling in school, and that his elderly father has taken sick and Hashemi would like to be with him in his final years. *See* Hashemi Mem. at 1-2, 19. While unfortunate for the family members, it is often the case that a defendant's criminal conduct (and subsequent incarceration) will have a negative effect on the lives of his family members. If that is the case here, Hashemi has nobody to blame

but himself for his predicament. Accordingly, while the Government has sympathy for the family members, this defense argument is not at all compelling.

For all these reasons, both the nature and circumstances of Hashemi's offense in illegally importing high-grade carbon fiber from the United States into Iran as well as his history and characteristics argue compellingly for a Guidelines range sentence. In recommending a Guidelines range sentence of 46 months' imprisonment, the Probation Office cited the fact that the import of carbon fiber into Iran was "particularly alarming given that carbon fiber has military uses as well as non-military uses." *See* PSR at 27.

2. Deterrence and the Need for the Sentence to Reflect the Seriousness of the Offense, to Promote Respect for the Law, and to Provide Just Punishment

Two other highly significant factors under Section 3553(a) in a case involving violations of the United States sanctions on Iran are the need for the sentence "to reflect the seriousness of the offense, to promote respect for the law, and to provide just punishment for the offense," and to create general deterrence. 18 U.S.C. §§ 3553(a)(2)(A) and (a)(2)(B).

These factors also strongly suggest a Guidelines-range sentence. From 1995 to the present, it has been the official foreign policy of the United States of America that "*the actions and policies of the Government of Iran constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States*." *See* Exec. Order No. 12,957, 60 Fed. Reg. 14,615 (March 15, 1995) (emphasis added). Accordingly, Presidents of both political parties have "declare[d] a national emergency to deal with that threat." *See id.* Thus, by definition, Hashemi's conduct violated the national security of the United States. By conspiring to evade and defeat the United States sanctions on Iran, Hashemi and his co-conspirators sought to undermine the foreign policy of the United States. Thus, his crime was

very serious and the need for general deterrence to help prevent this type of conduct is extremely high.

Moreover, in this case, Hashemi's conduct was particularly harmful since it involved the import of a material with highly dangerous applications into Iran. This fact significantly ratchets up the degree of seriousness of his conduct and the need for future deterrence. Thus, this factor cuts very strongly in favor of a Guidelines range sentence for Hashemi both "to reflect the seriousness of the offense, to promote respect for the law, and to provide just punishment for the offense," and in order "to afford adequate deterrence to criminal conduct" by others. 18 U.S.C. §§ 3553(a)(2)(A) and (B).

In his submission, Hashemi also contends that he is not a threat to be a recidivist, and thus there is little need to protect the public from further crimes of the defendant, pursuant to 18 U.S.C. § 3553(a)(2)(C). *See* Hashemi Mem. at 32. But this claim overlooks the facts of this case. Hashemi's criminal conduct included a conspiracy spanning from 2007 through 2012. It included specific actual shipments in 2008 and 2009 and an attempted shipment in 2012. Thus, Hashemi has engaged in three distinct criminal transactions over the past five years alone. In addition, Hashemi admitted that he has regularly violated the United States sanctions against Iran by illegally importing goods into Iran in other conduct unrelated to this case.

Moreover, Hashemi was the subject of a 2003 investigation into illegal exports to Iran by Immigration and Customs Enforcement ("ICE"). As part of the 2003 investigation, ICE had an undercover agent ("UC") call Hashemi to discuss possible illegal transactions. During this recorded call, which was produced in discovery in the instant case, Hashemi discusses his experience in conducting illegal transactions and repeatedly indicates his willingness to engage in illegal exports of United States goods to Iran in violation of the sanctions. In this call, which

was in English, Hashemi, who was in Iran at the time, said, "I'm a U.S. citizen myself … I do know the restrictions on these types of things so you need not explain this to me. I know exactly what the story is there." When the UC expressed a concern to Hashemi about paperwork that indicated the end-user was located in Iran, Hashemi replied, "No. We've done this … like I said for several years … you will not be able to find a single paper between us and the U.S. companies. Everything is done through false, there is not an e-mail exchange, there is no fax or no letters." Hashemi added that if products are small enough to be carried into Iran, he usually does so, but if the goods are too big, then we "have our friends in U.S. who send it to our friends in Europe or in UAE [United Arab Emirates] and then we in the end get the products from our friends in one of these two areas of the world." Finally, Hashemi reassured the UC by saying, "It is something we have done for the past few years, and I do not think there would be any problem."

During his post-arrest interviews, the agents played this recording for Hashemi and he confirmed its authenticity. Thus, the facts underscore that Hashemi has been engaging in illegal exports to Iran in violation of the United States sanctions for at least a decade, and likely several years more. Accordingly, his argument that he is no threat to keep committing these crimes is entirely unconvincing.

For all these reasons, based on the great need for the sentence to reflect the seriousness of the offense against United States foreign policy, to promote respect for the law, to provide just punishment for the offense, and to afford adequate deterrence to future conduct, a Guidelines range sentence in this case is highly appropriate.

3. The Need to Avoid Unwarranted Sentencing Disparities

Finally, imposition of a sentence within the advisory Guidelines range best serves "the need to avoid unwarranted sentencing disparities among defendants with similar records who have been found guilty of similar conduct." 18 U.S.C. § 3553(a)(6).

a. Applicable Law

In creating the Guidelines, "Congress sought uniformity in sentencing by narrowing the wide disparity in sentences imposed by different federal courts for similar criminal conduct." *Rita*, 551 U.S. at 349 (internal quotation omitted). Even after *Booker*, "uniformity remains an important goal of sentencing." *Kimbrough*, 552 U.S. at 107. The Guidelines "help to avoid excessive sentencing disparities," *id*. (internal quotation omitted), because "avoidance of unwarranted disparities was clearly considered by the Sentencing Commission when setting the Guidelines ranges," *Gall*, 552 U.S. at 54, and because most defendants are sentenced within the Guidelines Range. As the Supreme Court stated in *Gall*, "[a]s a matter of administration and to secure nationwide consistency, the Guidelines should be the starting point and the initial benchmark." *Gall*, 552 U.S. at 49. A sister court in the Southern District of New York observed that a "sentencing judge's decision to place special weight on the recommended guidelines range will often be appropriate, because the Sentencing Guidelines reflect the considered judgment of the Sentencing Commission, are the only integration of multiple [3553(a)] factors, and, with important exceptions ... were based upon the actual sentences of many judges." *Arakelian* v. *United States*, Nos. 08 Cv. 3224 (RPP), 04 Cr. 447 (RPP), 2009 WL 211486 (S.D.N.Y. Jan. 28, 2009). Thus, the Second Circuit has instructed district judges to consider the Guidelines "faithfully" in sentencing. *United States* v. *Crosby*, 397 F.3d 103, 114 (2d Cir. 2005). As the Supreme Court noted, "if judges are obligated to do no more than consult the Guidelines before

deciding upon the sentence that is, in their independent judgment, sufficient to serve the other § 3553(a) factors, federal sentencing will not move ... in Congress' preferred direction… On the contrary, sentencing disparities will gradually increase." *Gall*, 552 U.S. at 63-64.

b. Discussion

In his brief, Hashemi argues for a non-Guidelines sentence on the ground that a within-Guidelines sentence in his case would create a sentencing disparity with other IEEPA cases. Hashemi cites a number of cases where defendants received below-Guidelines sentences or sentences of less than the 46 to 57 month Guidelines range that the parties stipulated to in this case. *See* Hashemi Mem. at 23-30.

As a preliminary matter, the Government views the whole exercise of providing other supposedly comparable cases to the sentencing Judge is not particularly helpful since no two cases really involve very similar fact patterns with very similar defendants and with Section 3553(a) factors that stack up in precisely the same way. For every case Hashemi cites where a defendant received a sentence lower than the 46 to 57 months' range in this case, the Government will be able to cite a different case in which a defendant received a higher sentence. That is why there is really no logical, thorough approach to applying this factor – unless a party can really show a sentencing judge that the fact pattern, the Guidelines range, and the analysis of the other Section 3553(a) factors makes a defendant "similarly situated" to the defendant at bar. Thus, Hashemi's incomplete survey is meaningless without a careful comparison of the offense conduct, the actual Guidelines ranges applicable in those cases, and all facts relevant to the Section 3553(a) factors contained in the PSR and presented to the various sentencing courts to the facts of this case. Because Hashemi makes no such comparison, his argument should be ignored. The limited case summaries provided by Hashemi do not provide enough details for the

Court to determine whether the defendants in these cases are "similarly situated" at all. In similar circumstances, courts have observed that comparing a defendant's sentence to those imposed in other specific cases is a weak argument. *See, e.g.*, *United States* v. *Saez*, 444 F.3d 15, 19 (1st Cir. 2006) (noting that such tenuous comparisons "open the door to endless rummaging by lawyers through sentences in other cases, each side finding random examples to support a higher or lower sentence, as their clients' interest dictate.").

Nevertheless, the Government attaches a chart showing eight relatively similar cases – seven of which involved illegal exports to Iran – and where the sentences imposed ranged from 35 months' imprisonment to 56 months' imprisonment. *See* Ex. B. Moreover, numerous defendants in IEEPA cases have received within-Guidelines sentences. For example, in *United States* v. *Phillips*, 11 Cr. 757 (EDNY), the defendant, who had the same offense level as Hashemi, but who was in Criminal History Category IV, received a within-Guidelines sentence of 92 months' imprisonment for his role in conspiring to export carbon fiber to Iran.

Accordingly, Hashemi's argument that a sentence within the Guidelines range would create an unwarranted disparity among defendants with similar records who have been found guilty of similar conduct, *see* 18 U.S.C. § 3553(a)(6), is unpersuasive. If anything, Congress implemented the Sentencing Guidelines and in *Booker*, the Supreme Court upheld at least the continuing need for the advisory Guidelines to remain intact, in order to ensure that there were, in fact, guidelines for judges when sentencing defendants across the country with similar records who had been convicted of similar conduct. Thus, sentencing a defendant to a Guidelines-range sentence is the best way for courts to ensure that unwarranted disparities in sentencing do not take root. Accordingly, the Government respectfully submits that a within-Guidelines sentence is sufficient, but not greater than necessary, to serve the ends of sentencing.

ADDITIONAL ISSUES

Because Hashemi is a dual United States and Iranian citizen, his conviction will not result in his deportation. Accordingly, assuming he goes back to Iran right after his release from prison, the Government agrees with the defense that supervised release need not be imposed. If, however, Hashemi stays in the United States, then the Government would ask the Court to impose a term of supervised release (Probation recommends one year).

In addition, although there is a forfeiture count in the Indictment, the Government will not attempt to seek forfeiture since as far as we know, the defendant's assets are all located in Iran and thus it would be singularly difficult to locate and seize said assets.

CONCLUSION

For the reasons set forth above, the Government respectfully requests that the Court sentence the defendant to a sentence within the applicable Sentencing Guidelines range of 46 to 57 months' imprisonment. Such a sentence will not only reflect the seriousness of the offense, promote respect for the law, and provide just punishment for Hashemi, but it will send an unmistakable message of deterrence to people anywhere in the world who seek to jeopardize the national security interests of the United States.

Dated: White Plains, New York
November 13, 2013

Respectfully submitted,

PREET BHARARA
United States Attorney

By: _____
Jason P.W. Halperin / Andrea L. Surratt
Assistant United States Attorneys
(914) 993-1933 / (212) 637-2493

AFFIRMATION OF SERVICE

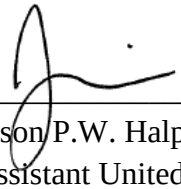
Jason P.W. Halperin, pursuant to Title 28, United States Code, Section 1746, hereby declares under the penalty of perjury:

That I am an Assistant United States Attorney in the Office of the United States Attorney for the Southern District of New York.

That on November 13, 2013, I caused one copy of the within Government's Sentencing Memorandum to be filed on ECF and thereby to be delivered by electronic mail to:

Erich C. Ferrari, Esq. *Counsel for Defendant Hashemi*

I declare under penalty of perjury that the foregoing is true and correct. 28 U.S.C. § 1746.

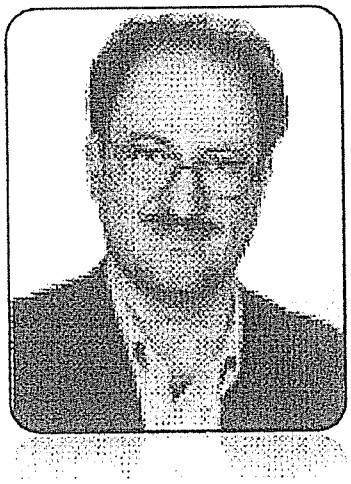


Jason P.W. Halperin
Assistant United States Attorney
(914) 993-1933

Dated: White Plains, New York
November 13, 2013

EXHIBIT A

Seyed Hamid Reza Hashemi



Date of Birth: 1339 [1960]
Membership No.: 5025
Experience in Composite Industry: 20 Years

Education:

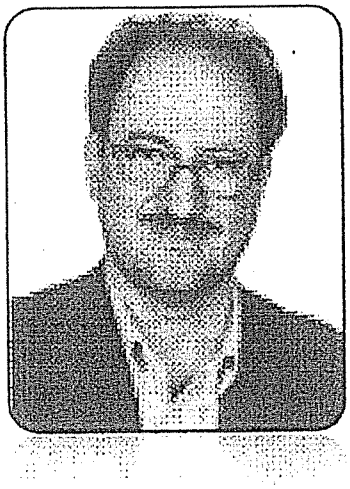
- Finished high school sophomore year in Tehran and then abroad.
- Bachelor degree: Chemical Engineering – Ohio State University, Ohio, USA.
- Masters Degree: Chemical Engineering – University of Dayton, Ohio, USA.
- PhD: Polymer Engineering – University of Akron, Ohio, USA.

His post graduate research, funded by US Air Force at University of Dayton Research Institute, was about Matrices used in Air Force Stealth Aircrafts (Radar Resistant Composite Airplanes).

Experience:

- Operational Manager at IFS (located in Dayton, Ohio). This company is a subsidiary of Ameron International which mainly manufactures pipes and GRE fittings for American based oil and gas companies.
- General Manager at HB Composites in Iran since 1373 [1994], which manufactures products used in petroleum, gas, petrochemical and military industries.
- Founder and a member of the Board of Directors and Chairman of the Technical Committee at Iran Composites Society.

سید حمیدرضا هاشمی



متولد سال ۱۳۳۹

شماره عضویت: ۵۰۲۵

سابقه فعالیت در صنعت کامپوزیت: ۲۰ سال

سوابق تحصیلی:

– تا سال دوم دبیرستان در تهران بعد از آن در خارج از کشور

– لیسانس: مهندسی شیمی– دانشگاه ایالتی اوهایو– ایالت اوهایو– آمریکا

– فوق لیسانس: مهندسی شیمی– دانشگاه دیتون– ایالت اوهایو– آمریکا

– دکتری: مهندسی پلیمر – دانشگاه اکرون– ایالت اوهایو– آمریکا

پروژه دوره فوق لیسانس که بودجه تحقیقاتی آن توسط نیروی هوائی آمریکا در اختیار موسسه تحقیقاتی دانشگاه دیتون قرار گرفته بود، ساخت ماتریسهای مورد استفاده در هواپیماهای استلث (هواپیمای رادار گریز کامپوزیتی) نیروی هوائی بود.

سوابق کاری:

– مدیر عملیات در شرکت **IFS** (در شهر دیتون ایالت اوهایو) که این شرکت از زیرمجموعه های شرکت **Ameron International** تولیدکننده عمده لوله و اتصالات **GRE** جهت صنایع نفت و گاز آمریکا میباشد.

– مدیر عامل مجموعه اچ بی کامپوزیت در ایران از سال ۱۳۷۳ تاکنون در زمینه تامین محصولات مورد نیاز صنایع نفت، گاز و پتروشیمی و صنایع نظامی فعالیت مینماید.

– از اعضا، موسس و عضو فعلی هیئت مدیره و مدیر کمیته فنی انجمن کامپوزیت ایران

EXHIBIT B

DEFENDANT	DATE	ORIGINAL CHARGES	MATERIALS	COUNTRY	CONVICTION	FINAL DISPOSITION	FINAL CHARGES
U.S. v. Arsalan Shemirani Cr. No. 12-cr-00075 District of Columbia	10/4/12 (Ind.)	18 U.S.C. 371; 50 U.S.C. 1705; 31 C.F.R. 560; 18 U.S.C. 1001	Electronic parts and components	Iran	Plea (1/25/13)	8/15/13: 48 months Imprisonment. 3 yrs SR	18 U.S.C. 371
U.S. v. Mohammad Reza Hajian Cr. No. 8:12-cr-00177 Middle District of Fla.	5/2/12 (Info.)	18 U.S.C. 371; 50 U.S.C. 1705	Computer & related equipment	Iran	Plea (7/18/12)	10/24/12: 48 months imprisonment, 3 yrs SR, $100 SA	18 U.S.C. 371
U.S. v. Michael Edward Todd Cr. No. 5:10-cr-00058 Middle District of Ga.	9/30/10 (Ind.)	18 U.S.C. 371; 22 U.S.C. 2778; 50 U.S.C. 1705; 18 U.S.C. 1001; 18 U.S.C. 1956	Components of attack helicopters & fighter jets	Iran	Plea (5/9/11)	10/31/12: 35 months imprisonment, 3 yrs SR, $100 MAF, $10,000 Fine	18 U.S.C. 371
U.S. v. Hamid Seifi Cr. No. 5:10-cr-00058 Middle District of Ga.	9/30/10 (Ind.)	18 U.S.C. 371; 22 U.S.C. 2778; 50 U.S.C. 1705; 18 U.S.C. 1956; 50 U.S.C. 1702; 31 C.F.R. 560.203	Components of attack helicopters & fighter jets	Iran	Plea (2/24/11)	7/5/11: 56 months imprisonment	18 U.S.C. 371; 50 U.S.C. 1705
U.S. v. Amirhossein Sairafi Cr. No. 2:09-cr-01344 Central District of Cal.	1/20/10 (S. Ind.)	18 U.S.C. 371; 50 U.S.C. 1701-06; 18 U.S.C. 1956(a)(2)(A)	Vacuum pumps and vacuum pump-related equipment	Iran	Plea (11/30/10)	3/7/11: 41 months imprisonment, 3 yrs SR, $300 SA	18 U.S.C. 371; 50 U.S.C. 1701-06; 18 U.S.C. 1956(a)(2)(A)
U.S. v. Laura Wang-Woodford Cr. No. 03-0070 Eastern District of N.Y.	5/22/08 (S. Ind.)	18 U.S.C. 371; 18 U.S.C. 1956(h); 18 U.S.C. 3551; 21 U.S.C. 853; 22 U.S.C. 2778; 28 U.S.C. 2461(c); 22 C.F.R 121; 50 U.S.C. 1705; 31 C.F.R. 560.203, 560.204, 560.206 and 560.701	Aircraft component	Iran	Plea (3/13/09)	46 months imprisonment, 3 yrs SR, $100 SA, $500,000 Forfeiture Order, $12,500 Fine	18 U.S.C. 371 and 3551
U.S. v. David McKeeve 1:95-cr-10357 District of Mass.	4/24/96 (S. Ind.)	18 U.S.C. 371; 50 U.S.C. 1705; 18 U.S.C. 1001	Computer Products	Libya	Jury Verdict (5/30/96)	51 months imprisonment, 36 mos SR, $150 SA	18 U.S.C. 371; 50 U.S.C. 1705; 18 U.S.C. 1001
U.S. v. Behzad Karimian 3:11-cr-00107-2 Western District of KY.	8/2/11 (S. Ind.)	50 U.S.C. 1705; 18 U.S.C. 2	Aircraft engines and helicopters	Iran	Plea (12/3/12)	3/4/13: 46 months imprisonment, 3yrs SR, $200 SA	50 U.S.C. 1705