



U.S. Department of Justice

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NEWS RELEASE

**SCHUYLKILL COUNTY FIRM AND CHIEF OFFICER CHARGED WITH SHIPPING
MACHINERY TO IRAN IN VIOLATION OF U.S. EXPORT LICENSE
REQUIREMENTS**

The United States Attorney's Office for the Middle District of Pennsylvania, today announced that a Criminal Information has been filed against a Schuylkill County firm and its Chief Officer, charging them with conspiracy to evade export reporting requirements and with attempting to smuggle to Iran a lathe machine in violation of U.S. export regulations.

Charged in the Criminal Information were Hetran, Inc., an engineering and manufacturing plant in Orwigsburg, Pennsylvania and its Chief Executive Officer, Helmut Oertmann. At the same time, an indictment was unsealed that had previously been voted by a federal grand jury in Harrisburg in December 2012 against three Iranians and two Iranian firms connected with the criminal scheme:

Mujahid Ali
Khosrow Kasraei
Reza Ghoreishi
FIMCO FZE

Crescent International Trade and Services FZE

Also charged was Suniel Malhotra, an Indian national, an overseas sales representative for Hetran, Inc.

According to U.S. Attorney Peter Smith, Hetran allegedly manufactured a horizontal lathe, also described as a bar peeling machine ("peeler"), valued at more than \$800,000 and weighing in excess of 50,000 pounds. A horizontal lathe, or peeling machine, is used in the production of high grade steel or "bright steel", a product used, among other things, in the manufacture of automobile and aircraft parts.

On or about June 2009, Hetran was allegedly contacted by representatives of FIMCO, an Iranian company with offices in Iran and the United Arab Emirates, and Crescent International, an affiliated company based in Dubai in the United Arab Emirates. FIMCO allegedly wanted to purchase the peeler. During negotiations, it became apparent that the peeler was intended for shipment to Iran. American companies are forbidden to ship "dual use" items (such as the peeler) to Iran without first obtaining a license from the U.S. Department of Commerce. Aware that it was unlikely that such a license would be granted, Hetran, Helmut Oertmann and other co-conspirators agreed to falsely state on the shipping documents that the end-user of the peeler was Crescent International in Dubai.

On June 17, 2012, Hetran allegedly caused the peeling machine to be shipped to Dubai in the United Arab Emirates, fraudulently listing Crescent International in Dubai as the end-user, knowing that the shipment was ultimately being sent to Iran in violation of federal law.

Hetran is charged with conspiring to violate the export laws of the United States, and is subject to a sentence of up to \$1,000,000. Helmut Oertmann, charged with attempting to smuggle goods from the United States to Iran, faces a potential penalty of up to 10 years imprisonment, a fine of up to \$250,000 and up to 5 years supervised release. The Iranian and Indian defendants are charged with conspiring to violate and with attempting to violate the export laws of the United States, each carrying potential penalties of up to 10 years imprisonment, a fine of up to \$250,000 and up to 5 years supervised release for the individual defendants and a \$1,000,000 fine for each corporate defendant.

The case was investigated by the Office of Export Enforcement of the U.S. Department of Commerce. The prosecution is being coordinated by Assistant U.S. Attorney Christy Fawcett and Senior Litigation Counsel Gordon Zubrod and is being overseen by the National Security Division of the U.S. Department of Justice.

Indictments and Criminal Informations are only allegations. All persons charged are presumed to be innocent unless and until found guilty in court.

A sentence following a finding of guilty is imposed by the Judge after consideration of the applicable federal sentencing statutes and the Federal Sentencing Guidelines.

In this case, the maximum penalty under the federal statute is 10 years imprisonment, a term of supervised release following imprisonment, and a fine. Under the Federal Sentencing Guidelines, the Judge is also required to consider and weigh a number of factors, including the nature, circumstances and seriousness of the offense; the history and characteristics of the defendant; and the need to punish the defendant, protect the public and provide for the defendant's educational, vocational and medical needs. For these reasons, the statutory maximum penalty for the offense is not an accurate indicator of the potential sentence for a specific defendant.
