



THE UNITED STATES ATTORNEY'S OFFICE
DISTRICT OF CONNECTICUT

FOR IMMEDIATE RELEASE

January 10, 2014

Former Connecticut Resident Arrested after Attempting to Ship Sensitive Military Documents to Iran

Deirdre M. Daly, United States Attorney for the District of Connecticut, today announced that MOZAFFAR KHAZAEI, also known as "Arash Khazaie," 59, formerly of Manchester, Conn., has been arrested on a federal criminal complaint after he attempted to ship to Iran proprietary material relating to the U.S. Air Force's F35 Joint Strike Fighter program and military jet engines that he had stolen from defense contractors where he had been employed. KHAZAEI was arrested yesterday at Newark Liberty International Airport in New Jersey, and the complaint was ordered unsealed this morning by a U.S. magistrate judge in Bridgeport, Conn.

As alleged in the criminal complaint, federal law enforcement agents began investigating KHAZAEI in November 2013 when officers with U.S. Customs and Border Protection Service ("CBP"), assisted by Homeland Security Investigations ("HSI") special agents, inspected a shipment that KHAZAEI sent by truck from Connecticut to a freight forwarder located in Long Beach, Calif., which was intended for shipment from the U.S. to Iran. The documentation for KHAZAEI's shipment indicated that it contained household goods. Upon inspecting the shipment, however, CBP officers and HSI personnel discovered that the content of the shipment primarily contained numerous boxes of documents consisting of sensitive technical manuals, specification sheets, and other proprietary material relating to the U.S. Air Force's F35 Joint Strike Fighter program and military jet engines. Upon further investigation, law enforcement learned that KHAZAEI holds Iranian and U.S. citizenship and, as recently as August 2013, worked as an engineer for defense contractors, including firms that are the actual owners of the technical and proprietary documents and materials in KHAZAEI's shipment.

KHAZAEI, who became a naturalized U.S. citizen in 1991 and holds a valid U.S. passport, recently moved from Connecticut to Indianapolis. He was arrested after flying from Indianapolis to Newark, before he was able to board a connecting flight to Frankfurt, Germany. KHAZAEI's ticketed destination was Tehran, Iran.

KHAZAEI appeared today before U.S. Magistrate Judge James B. Clark III in Newark and is detained pending his transport to Connecticut for further proceedings.

The complaint charges KHAZAEI with transporting, transmitting and transferring in interstate or foreign commerce goods obtained by theft, conversion, or fraud. The charge carries a maximum term of imprisonment of 10 years and a fine of up to \$250,000.

This matter is being investigated by Homeland Security Investigations in New Haven and Los Angeles, U.S. Customs and Border Protection Service in Los Angeles, the U.S. Air Force's Office of Special Investigations in Los Angeles and Boston, the Defense Criminal Investigative Service, and the Federal Bureau of Investigation, with the critical assistance of the U.S. Attorney's Offices for the Central District of California, Southern District of Indiana and the District of New Jersey, as well as HSI, CBP, and FBI in New Jersey, and HSI, FBI and DCIS in Indianapolis.

This case is being prosecuted by Assistant U.S. Attorney Stephen Reynolds of the District of Connecticut, Trial Attorney Brian Fleming of the Justice Department's Counterespionage Section (CES), and Assistant U.S. Attorney Christopher Grigg of the U.S. Attorney's Office for the Central District of California. PUBLIC AFFAIRS CONTACT: U.S. ATTORNEY'S OFFICE, Tom Carson, (203) 821-3722, thomas.carson@usdoj.gov