



# Department of Justice

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Eastern District of Tennessee

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## **FORMER TVA VICE PRESIDENT INDICTED FOR UNLAWFUL FINANCIAL INVESTMENTS IN IRAN**

KNOXVILLE, Tenn. – Federal agents arrested a former TVA vice president, Masoud Bajestani, 57, formerly of Chattanooga, TN, as he arrived at the Atlanta international airport on a flight from Dubai Sunday morning. Bajestani was indicted on four felony charges by a federal grand jury in Knoxville on December 4, 2012, for allegedly violating the International Emergency Economic Powers Act, and making false statements to the Tennessee Valley Authority.

Bajestani appeared in court on February 4, 2013, before U.S. Magistrate Judge C. Clifford Shirley, Jr., and pleaded not guilty. The United States made a motion for Bajestani to be detained pending trial and a detention hearing is scheduled for Wednesday, February 6, 2013, in U.S. District Court, in Knoxville, Tenn.

According to the indictment on file with the U.S. District Court, Bajestani filed a false document with TVA in order to withdraw \$1,500,000 from his deferred compensation account when he was employed as a vice president at the Watts Bar Unit II nuclear power plant during its construction phase. The indictment alleges that Bajestani then conspired with others and sent \$600,000 of those funds to Iran for financial investment purposes. Economic sanctions have been imposed against Iran and it is unlawful to make financial investments in Iran without authorization from the United States Office of Foreign Assets Control.

The maximum possible penalty for each of Counts 2-3 of the indictment, which charge violations of the International Emergency Economic Powers Act in violation of Title 50, United States Code, Sections 1701-1706, is 20 years in prison and a \$1,000,000 fine. The maximum possible penalties for Count 1 of the indictment, which charges conspiracy in violation of Title 18, United States Code, Section 1001, and Count 4 of the indictment, which charges false statements in violation of Title 18, United States Code, Section 1001, is 5 years in prison and a \$250,000 fine.

This indictment is the result of an investigation by Homeland Security Investigations, the Internal Revenue Service, Tennessee Valley Authority – Office of Inspector General, and the Federal Bureau of Investigation. Assistant U.S. Attorney Jeffrey Theodore is representing the United States.

Members of the public are reminded that an indictment constitutes only charges and that every person is presumed innocent until their guilt has been proven beyond a reasonable doubt.

