

No New U.S. Trial for Chechen Backer

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NEW YORK — A federal judge in the northwestern state of Oregon denied a new trial for the leader of the U.S. branch of a now-defunct Islamic charity who was convicted of smuggling \$150,000 that prosecutors said was intended for Muslim fighters in Chechnya.

The ruling came late Wednesday in the case of Pete Seda, also known as Pirouz Sedaghaty, an Iranian-born tree surgeon who ran the U.S. chapter of Al-Haramain Islamic Foundation in Ashland, Oregon.

The government declared the foundation a terrorist organization, but the organization is fighting that designation.

Seda was convicted last year of tax fraud and conspiracy to defraud the government by helping smuggle money out of the country through the foundation.

"The evidence supported the government's theory in this case that the defendant and others conspired to conceal a transaction destined for the Chechen mujahedin, and the jury rationally concluded as much," U.S. District Judge Michael Hogan wrote in his ruling filed in Eugene, Oregon.

Seda's attorneys filed motions for a new trial after it was revealed that an FBI agent had failed to disclose an offer to pay hairdresser Barbara Cabral, a witness in the case whose husband had been a paid informant while they attended services at Seda's prayer house and went with him on a pilgrimage to Mecca.

Court documents state that FBI agents paid \$14,500 cash to Richard and Barbara Cabral, and were trying to pay her \$7,500 more. He died before trial, and she testified for the prosecution about their contacts with Seda.

Defense lawyers argued that having the information on the money would have allowed them to question the credibility of Cabral's testimony, which included a statement that Seda had asked her and her husband for contributions to go to mujahedin in Chechnya.

Hogan wrote that Cabral's testimony had no bearing on Seda's convictions for signing a false tax return and conspiring with Al-Haramain co-founder Soliman Al-Buthe, a Saudi Arabian who left the country with the money in 2000.

Defense attorney Steven Wax said he was disappointed with the ruling but expected to resolve the issues on appeal.

The ruling opens the way for Hogan to sentence Seda, who has been free on bail and living in Portland since the motions for a new trial were filed. Sentencing is scheduled Sept. 27.

The prosecution has been seeking the maximum eight years in prison, while the defense contends that Seda should get probation.

Hogan also denied motions to dismiss the case, to acquit Seda of the charges, a separate set of arguments for a new trial, and for more information from the government about a former Russian counter-terrorism agent who testified during a sentencing hearing.

Colonel Sergei Ignatchenko testified by video from Russia that his agents found evidence that Al-Haramain was financing Islamist fighters battling federal forces in Chechnya, but he had never heard of Seda.

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