

# United States Senate

WASHINGTON, DC 20510

COMMITTEES:  
COMMERCE, SCIENCE, AND  
TRANSPORTATION  
FOREIGN RELATIONS  
SELECT COMMITTEE ON INTELLIGENCE  
SMALL BUSINESS AND  
ENTREPRENEURSHIP

September 10, 2016

The Honorable Barack Obama  
President  
The White House  
1600 Pennsylvania Avenue  
Washington, DC 20500

Dear Mr. President:

Each day brings new revelations about your Administration's efforts to deceive Congress and the American people regarding payments of billions of dollars to the world's foremost state sponsor of terrorism. The American people do not believe the story that your Administration did not provide Iran an illicit and potentially illegal ransom payment. It is astounding that your Administration would even contemplate providing almost \$2 billion in cash to a terrorist-sponsoring regime as a ransom payment. As your Administration has stated in its own hostage policy, paying hostage-takers endangers American citizens.

Iran has pocketed this money and continued to hold and take more Americans hostage. It has likely used this foreign currency to fund its military including its ballistic missile programs and to support Iran's terrorist proxies throughout the Middle East. Your actions have endangered all Americans at home and abroad and increased the threat to some of our closest allies, especially the state of Israel.

Given that each briefing provided by your Administration and each appearance of an Administration official at a congressional hearing reveals new details not previously shared with Congress or the American people, I respectfully request immediate answers to the following questions:

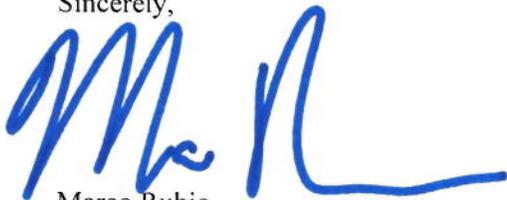
1. Title 31 Code of Federal Regulations § 208.3 requires that "all Federal payments made by an agency shall be made by electronic transfer." Title 31 Code of Federal Regulations § 208.4 provides for a waiver that must be requested by the individual receiving the payment. Did Iran apply for this waiver?
  - a. Title 31 Code of Federal Regulations § 208.4 further states "The individual shall attest to the certification before a notary public, or otherwise file the certification in such form that Treasury may prescribe." Provide a copy of this waiver.
2. Title 31 Code of Federal Regulations § 256.52 states: "Pursuant to 31 CFR part 208, Judgment Fund payments are to be made by electronic funds transfer (EFT). Fiscal Service will issue an electronic payment to the payee's account as specified on the appropriate Judgment Fund form. If a submitting agency determines that a waiver (in accordance with 31 CFR part 208) to the requirement for payment by EFT is appropriate, Fiscal Service will issue a payment by check." Provide an explanation on why your Administration did not provide this payment by check.
  - a. Title 31 Code of Federal Regulations § 256.52 further states: "The Voucher for Payment must direct payment to the payee designated in the judgment or settlement agreement." Please provide a copy of this voucher.
3. Several Administration officials at the September 8, 2016 hearing of the House Financial Services Committee stated that the January 2016 payments were converted to foreign currencies. Please

provide all documentation related to these transfers, including, but not limited to, licenses, guidance, executive actions, rules, regulations, frequently asked questions, written communications, or any other commitments.

4. At the House hearing referenced above, a Treasury official stated after a foreign financial institution converted the U.S. funds into European bank notes and cash, the money was given to an “official from the Central Bank of Iran for transfer to Tehran” and “the funds were under U.S. government control until their disbursement.” Please explain the rationale for the U.S. government retaining possession of this currency following its conversion from U.S. dollars to European bank notes and cash. Did the foreign financial institution refuse to hold the currency on behalf of the United States Government or Iran? Is this considered a direct transfer from the United States to Iran?
5. What U.S. official(s) escorted the pallets of cash to Iranian officials and what entity of the Iranian government received the funds and controlled the flight(s) that transported the cash to Iran? Please provide a list of the Iranian officials present at the exchange of cash and include the Iranian government entities that employed them, including any past or current connections to the Islamic Revolutionary Guard Corps or Iran’s Ministry of Intelligence.
6. Please provide details on any additional payments made via cash or gold and other precious metals by the U.S. government or foreign financial institutions to Iran since January 2014.
7. On July 27, 2015 the U.S. paid Iran \$848,072.15 as the result of a ruling of the U.S.-Iran Claims Tribunal. What was the method of this payment? If it was not cash, why was this not an acceptable method for the January 2016 payments?
8. In July 2016 an *Associated Press* report stated that Iran repatriated less than \$20 billion in funds released after the Joint Comprehensive Plan of Action. In an August 2016 *Wall Street Journal* report, a senior Administration official admitted that “some” of this money was sent in cash and that “We had to find all these strange ways of delivering the monthly allotment.” What was the method of this payment? How much was repatriated in cash and precious metals or in other “strange ways”? What were these “strange ways”? How much was repatriated through the formal financial system? If formal channels were used, why was the formal financial system not an acceptable method for the January 2016 payments?
9. Did the Administration approve the transfer of billions of dollars in cash to Iran because no formal financial channels existed or did U.S. officials concede to Iranian demands for this cash?

I look forward to your responses to these questions.

Sincerely,



Marco Rubio  
U.S. Senator