



CENTER FOR SECURITY POLICY

Frank J. Gaffney, Jr., President & CEO

April 16, 2010

Mayor John Peyton
Council President Richard A. Clark
Council Vice President Jack Webb
Council Member Art Graham
Council Member Art Shad
Council Member Clay Yarborough
Council Member Daniel Davis
Council Member Don Redman
Council Member Dr. Johnny Gaffney
Council Member E. Denise Lee
Council Member Glorious J. Johnson
Council Member John R. Crescimbeni
Council Member Kevin Hyde
Council Member Michael Corrigan
Council Member Ray Holt
Council Member Reginald L. Brown
Council Member Ronnie Fussell
Council Member Stephen C. Joost
Council Member Warren A. Jones
Council Member William Bishop

Jacksonville City Council
117 West Duval St., Suite 425
Jacksonville, FL 32202

Dear Council Members:

I am writing to expand upon my letter of April 15, 2010 regarding Parvez Ahmed. In my previous letter I noted that on September 8, 2006 - during Parvez Ahmed's tenure as Board Chairman - national CAIR leaders hosted former Iranian President Mohamed Khatami at a private dinner in Northern Virginia.

Just two months later on November 18, 2006, CAIR held its 12th Annual Fundraising Banquet in Arlington, VA. Parvez Ahmed published a letter on the opening page of the official banquet program welcoming guests and thanking them for their support, and delivered a 20 minute speech to the crowd that evening. The proceedings that night may have been in violation of 31 CFR Part 535 (Iranian Assets Control Regulations); specifically a financial transaction may have

occurred between the Interests Section of Iran and CAIR. The Iranian Assets Control Regulations Law is a program pursuant to which International Emergency Economic Powers Act (IEEPA) civil penalties are applicable.

According to the February 2, 2010 edition of the news website Politico.com:

“A grand jury that subpoenaed documents relating to the Council on American-Islamic Relations is investigating possible violations of federal laws barring financial transactions with terrorist groups and countries subject to U.S. sanctions, according to a new court filing. The filing shows that a subpoena issued for CAIR records in November referenced possible violations of 50 U.S.C. sections 1701-1706. Those sections are part of the International Emergency Economic Powers Act, a law under which President Clinton banned dealings with groups he determined to be disrupting the Middle East Peace Process.”

The possible violation is documented in the printed program distributed by CAIR at the 2006 fundraiser, hosted by CAIR Chairman Parvez Ahmed. At the end of this publication CAIR lists a “Thanks To” section for supporters (attached below) and the Interests Section of Iran is listed on that page. We are also attaching a copy of the 2009 fundraiser’s registration page showing the cost for a foreign embassy – or possibly the Interests Section of Iran – to purchase a table at the CAIR fundraiser.

Our assessment of these documents is that they make a strong case that the Interests Section of Iran – the representative Iranian government entity and de facto embassy for Iran – may have purchased a table or provided a gift or donation of some kind at the 2006 CAIR annual fundraiser when Ahmed was Chairman, and therefore CAIR may have conducted a transaction with an Iranian government entity. That transaction may have involved their receiving a donation of financial value, in violation of 31 CFR Part 535, the Iranian Assets Control Regulations.

We suggest that 31 CFR Part 535 is applicable to CAIR’s apparent transaction with the Interests Section of Iran, given the following sections of the regulation:

Sec. 535.201 Transactions involving property in which Iran or Iranian entities have an interest. No property subject to the jurisdiction of the United States or which is in the possession of or control of persons subject to the jurisdiction of the United States in which on or after the effective date Iran has any interest of any nature whatsoever may be transferred, paid, exported, withdrawn or otherwise dealt in except as authorized.

The Interests Section of Iran would be covered by the following definition found in the Statute’s Section 535.301:

Sec. 535.301 Iran; Iranian Entity. The term Iran and Iranian Entity includes: (1) The state and the Government of Iran as well as any political subdivision, agency, or instrumentality thereof or any territory, dependency, colony, protectorate, mandate, dominion, possession or place subject to the jurisdiction thereof....

If CAIR – under Ahmed’s leadership - received a donation from the Interests Section of Iran that merited being listed on the “Thanks To” page, the organization appears to have received “property in which Iran or Iranian entities have an interest” contrary to the prohibition contained in Section 535’s subparagraph 310:

Sec. 535.310 Transfer. The term transfer shall mean any actual or purported act or transaction, whether or not evidenced by writing, and whether or not done or performed within the United States, the purpose, intent or effect of which is to create, surrender, release, transfer, or alter, directly or indirectly, any right, remedy, power, privilege, or interest with respect to any property and, without limitation upon the foregoing, shall include the making, execution, or delivery of any assignment, power, conveyance, check, declaration, deed, deed of trust, power of attorney, power of appointment, bill of sale, mortgage, receipt, agreement, contract, certificate, gift, sale, affidavit, or statement; the appointment of any agent, trustee, or fiduciary; the creation or transfer of any lien; the issuance, docketing, filing, or the levy of or under any judgment, decree, attachment, execution, or other judicial or administrative process or order, or the service of any garnishment; the acquisition of any interest of any nature whatsoever by reason of a judgment or decree of any foreign country; the fulfillment of any condition, or the exercise of any power of appointment, power of attorney, or other power.

If CAIR received a donation from the Interests Section of Iran that merited being listed on the “Thanks To” page, then: the donation would constitute a “transfer” under the definition of Sec. 535.310, as evidenced in writing in the printed programs from 2006; that transfer was performed within the United States; and would constitute a “gift.” Such a transaction would, moreover, fall within the Statute’s definition of “property” found in subparagraph 311 of Section 535:

Sec. 535.311 Property; property interests. Except as defined in Sec. 535.203(f) for the purposes of that section, the terms property and property interest or property interests shall include, but not by way of limitation, money, checks, drafts, bullion, bank deposits, savings accounts, debts, indebtedness, obligations, notes, debentures, stocks, bonds, coupons, any other financial securities, bankers’ acceptances, mortgages, pledges, liens or other rights in the nature of security, warehouse receipts, bills of lading, trust receipts, bills of sale, any other evidences of title, ownership or indebtedness, powers of attorney, goods, wares, merchandise, chattels, stocks on hand, ships, goods on ships, real estate mortgages, deeds of trust, vendors’ sales agreements, land contracts, real estate and any interest therein, leaseholds, grounds rents, options, negotiable instruments, trade acceptances, royalties, book accounts, accounts payable, judgments, patents, trademarks or copyrights, insurance policies, safe deposit boxes and their contents, annuities, pooling agreements, contracts of any nature whatsoever, and any other property, real, personal, or mixed, tangible or intangible, or interest or interests therein, present, future or contingent.

We note the apparent relevance of Section 535.701(d), which defines the penalties that might be applicable to the aforementioned possible CAIR violations:

Sec. 535.701 (d) Attention is directed to 18 U.S.C. 2332d, as added by Public Law 104-132, section 321, which provides that, except as provided in regulations issued by the

Secretary of the Treasury, in consultation with the Secretary of State, a U.S. person, knowing or having reasonable cause to know that a country is designated under section 6(j) of the Export Administration Act, 50 U.S.C. App. 2405, as a country supporting international terrorism, engages in a financial transaction with the government of that country, shall be fined under title 18, United States Code, or imprisoned for not more than 10 years, or both.

We suggest there is reasonable cause to believe that there has occurred a violation of the Iranian Assets Control Regulations by the Council on American Islamic Relations in 2006, when Parvez Ahmed was CAIR Chairman and at the very event he both hosted and attended as a keynote speaker. On November 6, 2009 we wrote a letter including the above information to Mr. Adam J. Szubin, Deputy Assistant Secretary of the Office of Foreign Assets Control at the U.S. Department of the Treasury.

Sincerely,

A handwritten signature in black ink, appearing to read 'Frank Gaffney', with a long horizontal flourish extending to the right.

Frank Gaffney, President, Center for Security Policy