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March 11, 2021

The Honorable Merrick Garland
Attorney General
Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear Attorney General Garland:

I write regarding my ongoing investigation into the integrity of correspondent banking services and the application of U.S. economic sanctions, and whether political interference influenced the Department of Justice's prosecution of Turkish state-owned bank Halkbank.¹ Halkbank has been indicted in the United States as part of the largest ever scheme utilizing correspondent bank accounts to aid Iran in circumventing U.S. sanctions. Halkbank officials have admitted to conspiring to evade sanctions, and funnel Iranian oil profits back to the country through complex gold purchases disguised as money transfers.² As part of that scheme, at least \$1 billion in funds from Iranian oil proceeds were transferred through correspondent banking services at U.S. financial institutions.³

On February 3, 2020, I wrote to then-Attorney General William Barr requesting his assistance with my investigation. My request included specific questions about the troubling actions the Trump administration took with respect to Halkbank. On February 7, Attorney General Barr's Chief of Staff assured me that the Department of Justice would "work to respond to [my] letter in a timely manner."⁴ I did not receive any response to the specific requests for assistance in my

¹ *Wyden Launches Investigation Into Halkbank Scandal*, Press Release, Oct. 24, 2019;

<https://www.finance.senate.gov/ranking-members-news/wyden-launches-investigation-into-halkbank-scandal>.

² *Gold dealer turned star witness details alleged bribes to senior Turkish official*, Washington Post, Nov. 29, 2017;

https://www.washingtonpost.com/world/national-security/gold-dealer-turned-star-witness-details-alleged-bribes-to-senior-turkish-official/2017/11/29/271ebcf2-d52e-11e7-b62d-d9345ced896d_story.html.

³ *Turkey's Halkbank Urges Dismissal of Iran Sanctions Criminal Case in U.S.*, Reuters, Sep. 18, 2010;

<https://www.reuters.com/article/us-usa-turkey-halkbank/turkeys-halkbank-urges-dismissal-of-iran-sanctions-criminal-case-in-u-s-idUSKBN2692FF>.

⁴ Letter from Mary Blanche Hankey to Hon. Ron Wyden (Feb. 7, 2020).

letter or any update on the Department's work to respond to my requests. I also did not receive a substantive response to a second renewed request I sent on August 24, 2020. While the Department has failed to cooperate with my investigation, I will continue to seek answers as to why former Treasury Secretary Steven Mnuchin was directed by former President Trump to improperly intervene in a criminal investigation into the evasion of sanctions in response to a pressure campaign by the Turkish government, and whether Secretary Mnuchin sought to halt the investigation and prosecution of Halkbank or reduce any fines imposed by the Department of Justice.⁵

As noted in my August 24, 2020 letter to Attorney General Barr, former National Security Adviser John R. Bolton detailed concerns that President Trump granted personal favors to Turkish President Recep Tayyip Erdogan, and Bolton reports that Attorney General Barr shared his concerns about the appearance that the President's actions created.⁶ In particular, Bolton asserts that Trump promised to halt any further enforcement actions against the bank, and that Trump then instructed Treasury Secretary Mnuchin to interfere in the matter.⁷ Further, Bolton asserts that on more than one occasion the Department of Justice was aware of Secretary Mnuchin's efforts to intervene in the investigation and prosecution of Halkbank.⁸

A spokeswoman for Attorney General Barr refuted early reports of these Administration interactions⁹ as "gross mischaracterizations," noting in particular that Attorney General Barr never stated that he felt the "President's conversations with foreign leaders (were) improper."¹⁰ However, reports of interference by President Trump are corroborated by the facts uncovered in my own investigation. In a November 20, 2019 letter to me, Treasury Department officials confirmed the following:

As was publicly reported, when Prime Minister Erdogan [*sic*] raised concerns directly with President Trump in April 2019, the President referred the issue to the Executive Branch departments responsible by law for the investigation and enforcement of economic sanctions-the Treasury and DOJ.

⁵ Wyden Launches Investigation Into Halkbank Scandal, Press Release, Oct. 24, 2019;

<https://www.finance.senate.gov/ranking-members-news/wyden-launches-investigation-into-halkbank-scandal>

⁶ JOHN BOLTON, *THE ROOM WHERE IT HAPPENED* 412 (2020) ("Barr said he was very worried about the appearances Trump was creating, especially his remarks on Halkbank to Erdogan in Buenos Aires at the G20 meeting, what he said to Xi Jinping on ZTE, and other exchanges").

⁷ *Id.* at 177 ("Trump started by saying we were getting very close to a resolution on Halkbank. He had just spoken to Mnuchin and Pompeo, and said we would be dealing with Erdogan's great son-in-law (Turkey's Finance Minister) to get it off his shoulders. Erdogan was very grateful, speaking in English no less.").

⁸ *Id.* at 170 ("Several times, Mnuchin was exuberant he had reached a deal with Turkey's Finance Minister. [. . .] In each case, the deal fell apart when Justice tanked it, which was why trying this route to get Brunson's release was never going to work.").

⁹ *Bolton Was Concerned That Trump Did Favors for Autocratic Leaders, Book Says*, New York Times, Jan. 27, 2020; <https://www.nytimes.com/2020/01/27/us/politics/john-bolton-trump-book-barr.html>.

¹⁰ *Justice Department says Bolton 'grossly mischaracterizes' Barr's take on Trump's talks with Xi, Erdogan*, USA Today, Jan. 28, 2020; <https://www.usatoday.com/story/news/politics/2020/01/28/john-bolton-book-william-barr-denies-he-shared-concerns-trump/4595133002/>.

Treasury officials identified seven meetings held between Secretary Mnuchin and senior Turkish officials, despite the Secretary's admitted "integral" role in the enforcement of U.S. sanctions generally, and the prosecution of Halkbank specifically. Most concerning was an April 15, 2019 Oval Office meeting between President Trump, Secretary Mnuchin, Trump's son-in-law Jared Kushner and President Erdogan's son-in-law and Finance Minister, Berat Albayrak. This was the second meeting Mnuchin held with Albayrak in three days, and appears to coincide with the Trump administration's admitted intervention in the Halkbank prosecution. Even more troubling, Trump, Mnuchin, and Kushner held the April 15, 2019 White House meeting despite the fact that Albayrak and Erdogan had been personally implicated in the Halkbank scheme by federal prosecutors.¹¹

These reports are part of a larger story highlighting former President Trump's efforts to accommodate the intense pressure campaign by the Turkish government to get investigations into Halkbank dropped, including a high-priced lobbying effort by Ballard Partners on Turkey's behalf.¹² In 2017, President Trump reportedly asked Secretary of State Tillerson to pressure the Justice Department to drop the case against a co-conspirator in the Halkbank-assisted sanctions evasion schemes, Reza Zarrab, who was reported to have an office in Trump Tower Istanbul and was a client at the time of the former President's attorney, Rudy Giuliani.¹³ In a 2015 interview, then-candidate Trump stated about Turkey, "I have a little conflict of interest because I have a major, major building in Istanbul."¹⁴ According to public financial disclosure forms, Trump personally earned between \$1.2 million and \$7 million in royalties from entities affiliated with Trump Towers Istanbul-Sisli during his Presidency.¹⁵

According to Treasury officials in a November 20, 2019 letter to me, President Trump assigned Attorney General Barr to assist with President Erdogan's requests involving Halkbank, and that

¹¹ Federal prosecutors alleged the following in their indictment, "Though some at HALKBANK, the defendant, supported continuing the scheme, Halkbank General Manager-1 initially was reluctant to do so because of concern that Zarrab's arrest and notoriety would draw unnecessary attention to the scheme. At Zarrab's request, however, the then-Prime Minister of Turkey and his associates, including a relative of the then-Prime Minister who later held multiple Turkish cabinet positions, instructed HALKBANK to resume the scheme, and HALKBANK agreed." *Erdogan was prime minister during the Halkbank scheme, and Albayrak then had been the Turkish Minister of Energy. Turkish Bank Charged in Manhattan Federal Court for Its Participation in a Multibillion-dollar Iranian Sanctions Evasion Scheme*, Department of Justice Press Release, Oct. 15, 2019; <https://www.justice.gov/opa/pr/turkish-bank-charged-manhattan-federal-court-its-participation-multibillion-dollar-iranian>.

¹² *Trump-Erdogan Call Led to Lengthy Quest to Avoid Halkbank Trial*, Bloomberg, Oct. 16, 2019; <https://www.bloomberg.com/news/articles/2019-10-16/trump-erdogan-call-led-to-lengthy-push-to-avoid-halkbank-trial>.

¹³ *Trump Urged Top Aide to Help Giuliani Client Facing DOJ Charges*, Bloomberg, Oct. 9, 2019; <https://www.bloomberg.com/amp/news/articles/2019-10-09/trump-urged-top-aide-to-help-giuliani-client-facing-doj-charges>; *Trump Tower: Dictators' Home Away From Home*, Daily Best, Sep. 30, 2015 Updated April, 14, 2017; <https://www.thedailybeast.com/trump-tower-dictators-home-away-from-home>.

¹⁴ *Trump's decision on Syria crystallizes questions about his business — and his presidency*, Washington Post, Oct. 7, 2019, <https://www.washingtonpost.com/politics/2019/10/07/trumps-decision-syria-crystallizes-questions-about-his-business-his-presidency/>.

¹⁵ *Donald Trump's Longtime Business Connections in Turkey Back in the Spotlight*; NBC News, Oct. 9, 2019; <https://www.nbcnews.com/politics/trump-impeachment-inquiry/donald-trump-s-longtime-business-connections-turkey-back-spotlight-n1064011>.

Trump relayed this to Erdogan during an April 2019 phone call. Around June of 2019, Attorney General Barr also reportedly had a phone call with his Turkish counterpart, Abdulhamit Gul, where Attorney General Barr discussed Turkey accepting a deferred prosecution agreement, and that a deal would need to be made with the U.S. attorney in Manhattan.¹⁶

Although Halkbank was eventually charged in the Southern District of New York in a six-count indictment related to the bank's participation in a multibillion-dollar scheme to evade U.S. sanction on Iran on October 15, 2019,¹⁷ these charges came just days after the Turkish invasion of northern Syria and the resulting political backlash.¹⁸ I am concerned that absent these unrelated actions by the Turkish government, the Trump Administration's interference in favor of Turkey's Halkbank requests could have undermined years of effort by U.S. law enforcement.

In order to better understand how improper political interference and conflicts of interest may have undermined the enforcement of U.S. sanctions and related trade and banking laws, please provide answers to the following questions and requests for information no later than March 31, 2021:

1. Please identify any meetings or conversations Attorney General Barr or any other senior Trump Administration Justice Department officials held with President Erdogan, Finance Minister Berat Albayrak, or any other senior Turkish officials during Attorney General Barr's tenure. For the meetings identified, please provide a detailed list of the participants in those conversations and meetings, and the nature of those discussions including whether or not they included discussion of Halkbank.
2. Please identify any meetings or conversations Attorney General Barr or any other senior Justice Department officials held with Ballard Partners or any other lobbyists on behalf of the Turkish government during Attorney General Barr's tenure, identify the participants in those conversations and meetings, and the nature of those discussions including whether or not they included discussion of Halkbank.
3. Please provide all Department of Justice records relating to communications between Attorney General Barr or senior political appointees at the Department of Justice with officials at the Treasury Department regarding the U.S. government's investigations of Halkbank. This includes a list of all meetings, telephone call logs, calendar invitations, calendar entries, meeting notices, meeting agendas, informational materials, memos to file, any handwritten or electric notes taken during any oral communications, summaries of any oral communications, or other materials.

¹⁶ *Trump-Erdogan Call Led to Lengthy Quest to Avoid Halkbank Trial*, Bloomberg, Oct. 16, 2019; <https://www.bloomberg.com/news/articles/2019-10-16/trump-erdogan-call-led-to-lengthy-push-to-avoid-halkbank-trial>.

¹⁷ *Turkish Bank Charged in Manhattan Federal Court for Its Participation in a Multibillion-dollar Iranian Sanctions Evasion Scheme*, Department of Justice Press Release, Oct. 15, 2019; <https://www.justice.gov/opa/pr/turkish-bank-charged-manhattan-federal-court-its-participation-multibillion-dollar-iranian>.

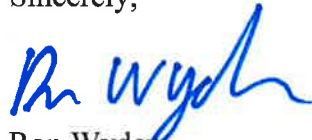
¹⁸ *Trump Defends Syria Decision Amid Republican Backlash*, CNN, Oct. 8, 2019; <https://www.cnn.com/2019/10/07/politics/mitch-mcconnell-republican-response-syria-kurds/index.html>.

4. Please provide a detailed description and accounting of Treasury Secretary Steven Mnuchin's interactions with officials at the Department of Justice regarding the U.S. government's investigation of Halkbank and whether Secretary Mnuchin at any point sought to influence the prosecution of Halkbank, including any fines or penalties on Halkbank resulting from the investigation.

5. Please provide all Department of Justice records relating to communications regarding Halkbank between individuals in the employ of the Executive Office of the President and Attorney General Barr or other senior political appointees or employees at the Department of Justice. This includes a list of all meetings, telephone call logs, calendar invitations, calendar entries, meeting notices, meeting agendas, informational materials, memos to file, any handwritten or electric notes taken during any oral communications, summaries of any oral communications, or other materials.

Thank you for your attention to this important matter.

Sincerely,



Ron Wyden
Chairman
Committee on Finance