

United States Senate

June 21, 2011

Mr. Adam Szubin
Director, Office of Foreign Assets Control
U.S. Department of Treasury
1500 Pennsylvania Ave., NW
Washington, DC 20220

Dear Mr. Szubin:

I am writing to request that your office investigate the activity of a Department of Defense contractor, Kuwait & Gulf Link Transport Company (KGL) for possible violation of Executive Order 13382 and the Comprehensive Iran Sanctions Accountability and Divestment Act of 2010 (CISADA).

Based on publicly available information as well as investigative information provided to my office, KGL may have financial relationships with the Islamic Republic of Iran Shipping Lines (IRISL), Hafiz Darya Shipping, Oasis and Valfajr – entities banned by your office for illegal business conducted for Iran. I am certain you agree that a prompt investigation is warranted due to the sensitive nature of the contracting work conducted by KGL for our men and women in uniform.

KGL supplies thousands of trucks, cars, global freight management, and supply chain management for U.S. forces and diplomats in the Middle East, particularly Iraq and Afghanistan. In fact, KGL was recently awarded a \$42 million solesource contract by the Defense Logistics Agency and a \$750 million contract by the Army.

According to information provided to my office, in 2008, IRISL loaned money to RAK Shipping, a company owned by KGL, to purchase two vessels, the Merjan and Awafi. These vessels are chartered by, used by and or managed by another banned IRISL related entity, Hafiz Darya, and the ships are, as recently as March 2011, chartered to Valfajr, another banned IRISL subsidiary. On its face, the information provided to my office suggests these vessels may have been moved to KGL by designated entities in order to facilitate the continued shipment of contraband to Iran.

I am attaching to this letter the information we received. I urge your office to move quickly to determine whether KGL may be in violation of Executive Order 13382 or CISADA to ensure America's logistics services in combat areas are not compromised by Iranian influence. Thank you for your prompt review of this matter.

Sincerely,



Mark Kirk
United States Senator