

SETTLING WITH IRAN: \$1.7 BILLION AND U.S. HOSTAGES

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EXECUTIVE SUMMARY

On January 17, 2016, the Obama administration announced that Washington and Tehran had reached a \$1.7-billion settlement on an outstanding claim against the United States for military equipment predating the 1979 Iranian revolution. On the same day, Iran released five American prisoners in exchange for the U.S. dropping the charges against seven Iranians and withdrawing Interpol notices for 14 others. In January, journalists and lawmakers began raising questions over the linkage between these two agreements – as well as the connection of both to the nuclear agreement. Administration officials denied any connection between the three.

In August, *The Wall Street Journal* revealed that the administration had sent \$400 million of the \$1.7-billion settlement to Iran in cash on the same day that the hostages were released, renewing questions over whether the payment was “ransom” for the hostages. The administration argued that sanctions regulations required the funds be transferred in cash via foreign banks; however, existing regulations permit all transactions related to settlement payments from the Iran-United States Claims Tribunal. Therefore, it appears that the administration’s argument is flawed.

This memo outlines the available information on the \$1.7-billion settlement and the manner and timing by which the funds were transferred to Iran.

WHERE DID THE MONEY COME FROM?

Prior to the 1979 Islamic revolution, Iran was the largest recipient of U.S. military sales.¹ As part of the U.S.-Iran Foreign Military Sales (FMS) program, Tehran deposited funds in a “Trust Fund” held by the Defense Department.² Just months after the revolution, U.S. government documents indicate that Iran had cancelled over \$7 billion “in undelivered foreign military sales orders.”³ After November 1979, when Iranian students stormed the U.S. embassy and took staff members hostage, Washington cut off military sales and froze the funds in the account.⁴

1. “U.S. Military Sales to Iran,” *A Staff Report to the Subcommittee on Foreign Assistance of the Committee on Foreign Relations United States Senate*, July 1976. (https://archive.org/stream/usmilist00unit/usmilist00unit_djvu.txt)

2. Letter to Committee on Foreign Affairs Chairman Edward R. Royce from Assistant Secretary of State for Legislative Affairs Julia Frifield, March 17, 2016. (<https://foreignaffairs.house.gov/wp-content/uploads/2016/08/03.17.16-DOS-Response-Concerns-re-1.7-Billion-Payout-to-Iran.pdf>)

3. U.S. General Accounting Office, Report by the Comptroller General of the United States, “Financial and Legal Implications of Iran’s Cancellation of Arms Purchase Agreements,” July 25, 1979, Appendix I, page 8. (<http://www.iranwatch.org/sites/default/files/us-gao-cancellationagreement-072579.pdf>)

4. Warren Christopher, Harold H. Saunders, et al, *American Hostages in Iran: The Conduct of a Crisis*, (New Haven: Yale University Press, 1985), page 94.

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The Algiers Accord of 1981 brought the hostage crisis to a close⁵ and created an Iran-United States Claims Tribunal to “resolve certain claims by nationals of one State Party against the other State Party and certain claims” between them.⁶ Throughout the 1980s and 1990s, numerous cases were settled against both parties; the Tribunal itself notes that to date it has finalized more than 3,900 cases.⁷

According to Secretary of State John Kerry, the settlement announced on January 17, 2016 addressed the final case related to foreign military sales.⁸ Cases related to other (non-military sales) issues are still pending.

WHAT DID THE UNITED STATES “OWE” IRAN?

Prior to the settlement of all of the FMS cases, the United States and Iran disputed the amount of money that Washington owed Tehran. Iran claimed that it was owed the difference between the amount in the account and the value of the goods it had received (\$1.8 billion as of 2001). The U.S., however, used money in the FMS fund to pay contract-cancellation fees to American companies on Iran’s behalf – fees that Iran would have otherwise owed.⁹ By 2000, only about \$400 million remained in the FMS Trust account.¹⁰

Iran also claimed that the United States owed it interest on the funds in the account. According to former senior U.S. officials, Washington “does not pay interest on FMS funds under normal circumstances.”¹¹

The Obama administration says it was concerned that the Tribunal would reach a decision quickly, and one in which Washington would owe Iran a larger sum than the one it ended up paying. Thus, the \$1.7-billion settlement (\$400

5. Government of the Democratic and Popular Republic of Algeria, “Algiers Accords,” January 20, 1981, pages 9-11. (http://www.parstimes.com/history/algiers_accords.pdf)

6. The Iran-United States Claims Tribunal, accessed August 23, 2016. (<http://www.iusct.net/>)

7. Bridie McAsey, “The Recent Settlement at the Iran-United States Claims Tribunal: Historical Context, Implications, and the Future – Part I,” *Kluwer Arbitration Blog*, March 18, 2016. (<http://kluwarbitrationblog.com/2016/03/18/the-recent-settlement-at-the-iran-united-states-claims-tribunal-historical-context-implications-and-the-future-part-i/>); Bridie McAsey, “The Recent Settlement at the Iran-United States Claims Tribunal: Historical Context, Implications, and the Future – Part II,” *Kluwer Arbitration Blog*, March 21, 2016. (<http://kluwarbitrationblog.com/2016/03/21/the-recent-settlement-at-the-iran-united-states-claims-tribunal-historical-context-implications-and-the-future-part-ii/>);

Letter to Committee on Foreign Affairs Chairman Edward R. Royce from Assistant Secretary of State for Legislative Affairs Julia Frifield, March 17, 2016. (<https://foreignaffairs.house.gov/wp-content/uploads/2016/08/03.17.16-DOS-Response-Concerns-re-1.7-Billion-Payout-to-Iran.pdf>)

8. John Kerry, Press Statement, “Hague Claims Tribunal Settlement,” *U.S. Department of State*, January 17, 2016. (<http://www.state.gov/secretary/remarks/2016/01/251338.htm>)

9. Lee H. Hamilton, James Schlesinger, and Brent Scowcroft, “Thinking Beyond the Stalemate in U.S.-Iranian Relations,” *The Atlantic Council*, May 2001, page 17. (<https://www.ciaonet.org/attachments/5070/uploads>)

10. In a motion from 2000, the U.S. attorney general revealed that Tehran had about \$400 million remaining in its account. See: United States’ Memorandum of Points and Authorities in Support of Motion to Quash Plaintiff’s Writ Of Attachment, *Flatow v. Islamic Republic of Iran*, Civil No. 97-396 (RCL), (D.D.C. March 22, 2000). (<https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=4&cad=rja&uact=8&ved=0ahUKEwjYK1gs7OAhUEpR4KHZlaASYQFggMAM&url=http%3A%2F%2Fwww.state.gov%2Fdocuments%2Forganization%2F6643.doc&usq=AFQjCNHr1--EdS-3Z09XZ6gqpFTo2FMMyXA&sig2=53wltqEsLqVOT2AWrymAgg&bvm=bv.129759880,d.dmo>). However, as early as February 3, 1979, Iran had an estimated \$640 million in that account. See: U.S. General Accounting Office, Report by the Comptroller General of the United States, “Financial and Legal Implications of Iran’s Cancellation of Arms Purchase Agreements,” July 25, 1979, Appendix I, page 8. (<http://www.iranwatch.org/sites/default/files/us-gao-cancellationagreement-072579.pdf>). This does not imply, however, that the Iranian fund steadily decreased from 1979 to 2000 or necessarily remained static at \$400 in 2000. As noted in the motion mentioned above, since 1979, “the U.S. has continued to credit the Iran FMS program account with funds received from diversions (i.e., sales to others) and to debit it for disbursements for termination and other costs.” In 1990 and 1991, the United States settled claims for \$478 million from FMS assets. See: Letter to Committee on Foreign Affairs Chairman Edward R. Royce from Assistant Secretary of State for Legislative Affairs Julia Frifield, March 17, 2016. (<https://foreignaffairs.house.gov/wp-content/uploads/2016/08/03.17.16-DOS-Response-Concerns-re-1.7-Billion-Payout-to-Iran.pdf>)

11. Lee H. Hamilton, James Schlesinger, and Brent Scowcroft, “Thinking Beyond the Stalemate in U.S.-Iranian Relations,” *The Atlantic Council*, May 2001, page 17. (<https://www.ciaonet.org/attachments/5070/uploads>)

million plus \$1.3 billion in interest) was framed as “a very good deal for taxpayers”¹² by White House Spokesperson Josh Earnest in a January 19 press briefing.¹³ Without knowing how the Tribunal would have calculated interest (compound or simple interest, and at what interest rate), it is impossible to confirm Earnest’s statement.

HOW WERE THE FUNDS TRANSFERRED TO IRAN?

On January 16, 2016, the U.S., European Union, and United Nations lifted or suspended sanctions against Iran under the Joint Comprehensive Plan of Action (JCPOA) nuclear deal announced the previous July. This date is known as “Implementation Day,” and followed confirmation by the International Atomic Energy Agency that the Islamic Republic had implemented certain nuclear commitments.¹⁴

On January 17, Washington also announced an agreement for the release of five American hostages held in Iran.¹⁵ In exchange for the hostages’ release, the U.S. pardoned or commuted the sentences of seven Iranians charged with sanctions evasion, attempting to violate the U.S. embargo, and/or fraud.¹⁶ Washington also dropped the charges and withdrew Interpol detention requests against 14 Iranians overseas,¹⁷ including two officials connected to U.S.-sanctioned Mahan Air.¹⁸

Simultaneously, the Obama administration announced a \$1.7-billion settlement with the Islamic Republic regarding the outstanding claim against the FMS Trust Fund.¹⁹ At the time, the mechanism of the payment was not made public.²⁰

\$400 Million in Cash

On August 3, *The Wall Street Journal* revealed that \$400 million was transferred to Iran in cash on January 17.²¹ President Obama confirmed in a press conference that this payment was made in cash.²²

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12. The White House, “Press Briefing by Press Secretary Josh Earnest, 1/19/2016,” January 19, 2016. (<https://www.whitehouse.gov/the-press-office/2016/01/19/press-briefing-press-secretary-josh-earnest-1192016>)

13. Earnest continued to push the “good deal” message, also noting: “I think that’s an indication of how the interests of taxpayers were very well served by reaching this settlement.” See: The White House, “Press Briefing by Press Secretary Josh Earnest, 1/19/2016,” January 19, 2016. (<https://www.whitehouse.gov/the-press-office/2016/01/19/press-briefing-press-secretary-josh-earnest-1192016>)

14. See reference to ‘Implementation Day,’ in: John Kerry, “Remarks on Implementation Day,” *U.S. Department of State*, January 16, 2016. (<http://www.state.gov/secretary/remarks/2016/01/251336.htm>)

15. Jay Solomon and Asa Fitch, “Iran Releases Americans in Prisoner Swap,” *The Wall Street Journal*, January 16, 2016. (<http://www.wsj.com/articles/iran-releases-four-unnamed-american-prisoners-state-tv-says-1452955793>)

16. U.S. Department of Justice, Press Release, “List of Individuals Receiving Pardons/Commutations,” January 17, 2016. (<https://www.justice.gov/opa/pr/list-individuals-receiving-pardonscommutations>)

17. Joel Schectman and Yeganeh Torbati, “Factbox - Iranians granted clemency by Obama in prisoner exchange,” *Reuters*, January 17, 2016. (<http://www.reuters.com/article/uk-iran-nuclear-prisoners-usa-idUSKCN0UV11G>)

18. Josh Rogin, “Prisoner Swap May Help Iran Arm Assad,” *Bloomberg*, January 17, 2016. (<http://www.bloombergview.com/articles/2016-01-17/prisoner-swap-may-help-iran-arm-assad>). For more on Mahan Air, see: Sam Jones, Erika Solomon, and Najmeh Bozorgmehr, “Iran’s Mahan airline defies sanctions in shadowy aircraft deal,” *Financial Times* (UK), May 11, 2015. (<http://www.ft.com/cms/s/0/b84920ce-f7d1-11e4-9beb-00144feab7de.html?siteedition=intl#axzz4ILpbn1SE>)

19. John Kerry, Press Statement, “Hague Claims Tribunal Settlement,” *U.S. Department of State*, January 17, 2016. (<http://www.state.gov/secretary/remarks/2016/01/251338.htm>)

20. Shawn Tully, “5 Things You Need to Know About the \$400 Million America Sent to Iran,” *Fortune*, August 5, 2016. (<http://fortune.com/2016/08/05/money-america-iran/>)

21. Jay Solomon and Carol E. Lee, “U.S. Sent Cash to Iran as Americans Were Freed,” *The Wall Street Journal*, August 3, 2016. (<http://www.wsj.com/articles/u-s-sent-cash-to-iran-as-americans-were-freed-1470181874?mod=ST1>)

22. Barack Obama, “Press Conference by the President After Meeting with National Security Officials,” *The White House*, August 4, 2016. (<https://www.whitehouse.gov/the-press-office/2016/08/04/press-conference-president-after-meeting-national-security-officials>)

According to that report, Washington procured the funds from Swiss and Dutch central banks, and pallets of cash (in euros, Swiss francs, and other currencies) were flown to Iran.²³ An Iran Air cargo plane departed Geneva with the cash only after the Swiss Air Force plane carrying the American hostages was “wheels up.”²⁴

The administration continues to deny any connection between this cash settlement and the release of the American hostages. After persistent questioning by the press, State Department Spokesman John Kirby admitted on August 18, “It would have been foolish, imprudent, irresponsible, for us not to try to maintain maximum leverage. So if you’re asking me was there a connection in that regard at the endgame, I’m not going to deny that.”²⁵

Others in Iran saw greater linkage. On January 20, the commander of the Islamic Revolutionary Guard Corps (IRGC) paramilitary Basij unit said the reclaiming of \$1.7 billion in blocked Iranian assets “had nothing to do the [nuclear] negotiations and was the ... price that America paid to free its spies.”²⁶ Moreover, a video produced on February 16 by Iran’s *Tasnim News Agency* – an outlet close to the IRGC – claimed that U.S. diplomats had allegedly “insisted” on secrecy over the prisoner swap.²⁷ As analysts from the Foundation for Defense of Democracies have noted, the video claimed the Iranian side had set “a ‘steep price’” for the trade.²⁸

\$1.3 Billion in Interest

In January, National Security Council Spokesman Ned Price confirmed on Twitter that the \$1.3 billion in interest would come from the Judgment Fund.²⁹ This mechanism is a “permanent, indefinite appropriation” created by Congress in 1956 to pay judgments against the U.S. which are not otherwise provided for by another funding source, and to obviate the need for congressional appropriation for each judgment. The fund is administered by the U.S. Treasury Department.³⁰ The *Associated Press* reported that in 1991, Washington paid Iran \$278 million from the Judgment Fund to settle another case before the Iran-United States Claims Tribunal.³¹

How the \$1.3-billion transfer took place has not been confirmed. Journalist Claudia Rosett reported on August 22 that the Judgment Fund’s online database revealed no results for a search for “Iran.” However, 13 payments were made to the State Department on January 19, each reportedly for approximately \$100 million, totaling \$1.3 billion. Rosett notes that a 14th payment was made for just over \$10 million to the State Department on the same

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23. Jay Solomon and Carol E. Lee, “U.S. Sent Cash to Iran as Americans Were Freed,” *The Wall Street Journal*, August 3, 2016. (<http://www.wsj.com/articles/u-s-sent-cash-to-iran-as-americans-were-freed-1470181874?mod=ST1>)

24. Jay Solomon and Carol E. Lee, “U.S. Held Cash Until Iran Freed Prisoners,” *The Wall Street Journal*, August 18, 2016. (<http://www.wsj.com/articles/u-s-held-cash-until-iran-freed-prisoners-1471469256?mod=ST1>)

25. John Kirby, “Daily Press Briefing,” *U.S. Department of State*, August 18, 2016. (<http://www.state.gov/r/pa/prs/dpb/2016/08/261128.htm>)

26. It is assumed that he meant nuclear negotiations here.

27. بازپس‌گیری ۷.۱ میلیارد دلار از اموال ایران در قبال آزادی جاسوس آمریکایی بود و ربطی به مذاکرات ندارد. (The Reclaiming of \$1.7 Billion of Iran’s Assets was for the Release of American Spies and has Nothing to Do With Negotiations), *Fars News Agency* (Iran), January 20, 2016. (<http://www.farsnews.com/newstext.php?nn=13941030000900>)

28. Amir Toumaj, “The Iran Money Transfer: Unanswered Questions,” *Foundation for Defense of Democracies*, August 5, 2015. (<http://www.defenddemocracy.org/media-hit/amir-toumaj-the-iran-money-transfer-unanswered-questions/>)

29. @Price44, “@Kredo0 @sremkusrenner The payment was provided out of the Judgment Fund, which previous Administrations have used for similar settlements,” *Twitter*, January 20, 2016. (<https://twitter.com/Price44/status/689859745088278529>)

30. U.S. Department of the Treasury, Bureau of Fiscal Service, “Judgment Fund: Background,” accessed August 23, 2016. (<https://www.fiscal.treasury.gov/fsservices/gov/pmt/jdgFund/background.htm>)

31. Bradley Klapper, “Lost Amid the U.S.-Iran News, \$1.7B Deal Now Raising Questions,” *Associated Press*, January 22, 2016. (<http://www.usnews.com/news/politics/articles/2016-01-22/lost-amid-the-us-iran-news-17b-deal-now-raising-questions>)

day.³² The State Department has since confirmed that these payments from the Judgment Fund were part of the \$1.7-billion settlement with Iran.³³

Senior administration officials told the press that the remaining roughly \$1.3 billion was transferred to Iran in an “above-board way” through an unnamed foreign bank.³⁴ According to the Judgment Fund website, the preferred method of payment is electronic fund transfer,³⁵ but it is possible that the administration also transferred the \$1.3 billion in cash.

DID THE \$400 MILLION HAVE TO BE TRANSFERRED IN CASH?

President Obama and other administration officials have said that because of U.S. sanctions prohibiting banking relations between Iranian and American banks, Washington needed to transfer the \$400 million to Iran in cash in non-U.S. currencies.³⁶

The administration’s argument is undercut by the sanctions regulations it supposedly relies upon. Individuals and entities (including U.S. and foreign banks) involved in facilitating these transfers are likely not exposed to sanctions-violation risks because all transactions necessary for settling claims under the Iran-United States Claims Tribunal are permitted according to the Iranian Transactions and Sanctions Regulations.³⁷ In fact, this license allows direct transactions between the U.S. and Iranian financial systems for the purposes of Claims Tribunal settlements. Under this provision, Washington did not need to transfer the funds to Iran via a foreign bank, nor did the funds need to be transferred in cash. Washington can legally execute the payment without needing to circumvent the sanctions architecture, as administration officials implied was necessary.

Instead, a likely explanation could be that the Islamic Republic insisted that the payment be made in cash. *The Wall Street Journal* quoted a “senior U.S. official briefed on the January cash delivery” as saying, “Sometimes the Iranians want cash because it’s so hard for them to access things in the international financial system. They know it can take months just to figure out how to wire money from one place to another.”³⁸

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32. Claudia Rosett, “Riddle of \$1.3 Billion for Iran Might Relate to 13 Outlays Of Exactly \$99,999,999.99,” *The New York Sun*, August 22, 2016. (<http://www.nysun.com/foreign/riddle-of-13-billion-for-iran-might-be-solved-by/89692/>)

33. @APDiploWriter, “@statedept confirms 13 Judgment Fund payments of \$99,999,999.99 & 1 of \$10.4M on Jan 19 were for interest on Hague settlement with #Iran.” *Twitter*, August 24, 2016. (<https://twitter.com/APDiploWriter/status/768483956736000004>); Bradley Klapper, “2 days after cash delivery, US paid \$1.3 billion to Iran,” *Associated Press*, August 24, 2016. (<http://bigstory.ap.org/article/360619286aeb4e3dbafd5eb29388d93a/2-days-after-cash-delivery-us-paid-13-billion-iran>)

34. @bklapperAP, “sr admin officials - can’t say how many payments \$1.3B spread over or how; through an unnamed foreign central bank (22),” *Twitter*, August 19, 2016. (<https://twitter.com/bklapperAP/status/766761272595677184>); @bklapper, “sr admin officials - remaining \$1.3B paid subsequently through Treasury in ‘above-board way’ (21),” *Twitter*, August 19, 2016. (<https://twitter.com/bklapperAP/status/766761097814835200>); Bradley Klapper, “U.S. Paid \$1.3 Billion to Iran,” *Associated Press*, August 24, 2016. (<http://www.usnews.com/news/politics/articles/2016-08-24/2-days-after-cash-delivery-us-paid-13-billion-to-iran>)

35. U.S. Department of the Treasury, Bureau of Fiscal Service, “Judgment Fund: Frequently Asked Questions,” accessed August 23, 2016. (<https://www.fiscal.treasury.gov/fsservices/gov/pmt/jdgFund/questions.htm>)

36. President Obama sought to emphasize the restrictive power of sanctions on Iran when he said, “The reason that we had to give them cash is precisely because we are so strict in maintaining sanctions and we do not have a banking relationship with Iran that we couldn’t send them a check and we could not wire the money. And it is not at all clear to me why it is that cash, as opposed to a check or a wire transfer, has made this into a new story.” See: Barack Obama, “Press Conference by the President After Meeting with National Security Officials,” *The White House*, August 4, 2016. (<https://www.whitehouse.gov/the-press-office/2016/08/04/press-conference-president-after-meeting-national-security-officials>). Earnest also alluded to this: “the reason is simple. The United States does not have a banking relationship with Iran.” See: The White House, “Press Briefing by Press Secretary Josh Earnest, 8/3/2016,” August 3, 2016. (<https://www.whitehouse.gov/the-press-office/2016/08/03/press-briefing-press-secretary-josh-earnest-832016>)

37. Iranian Transactions and Sanctions Regulations, U.S. Department of the Treasury, 31 e-C.F.R. §560.510, December 26, 2012. (http://www.ecfr.gov/cgi-bin/text-idx?SID=24bdea2a7649db1dbe5efd2933b250a5&mc=true&node=se31.3.560_1510&rgn=div8)

38. Jay Solomon and Carol E. Lee, “U.S. Sent Cash to Iran as Americans Were Freed,” *The Wall Street Journal*, August 3, 2016. (<http://www.wsj.com/articles/u-s-sent-cash-to-iran-as-americans-were-freed-1470181874?mod=ST1>)

WHAT IS IRAN DOING WITH THE MONEY?

In mid-May, Tehran finalized its annual military budget for the new year (2016-2017) – an estimated \$19 billion. In addition to factoring in a major increase from the previous (2015-2016) year, the budget allows for the provision of \$1.7 billion dollars to the military establishment to spend as it wishes.³⁹ This sum also happens to be a new legal cap established by parliament for forwarding along money obtained from any “legal settlement of Iran’s pre-and post-revolutionary arms sales.”⁴⁰ The linkage between Iran’s intended leap in military spending and settlements from arms sales was further established by a *Fars News* interview with an Iranian parliamentarian on July 8.

In that interview, the parliamentarian reportedly confirmed that the sum was converted into Iranian currency, and had been accounted for when drafting the budget for the armed forces.⁴¹ Moreover, the parliamentarian claimed that the money was from a settlement reached with “one Western country” and “was naturally belonging to the armed forces” of Iran,⁴² given that it was destined to be used to procure/purchase arms in the first place.⁴³

CONCLUSION: THE TIMING AND METHOD OF PAYMENT IS THE CONCERN

Without passing judgment on whether reaching the \$1.7-billion settlement was an appropriate conclusion to the outstanding Claims Tribunal case, the settlement’s appearance as “ransom” because of the timing of the payment perhaps matters more than whether there was any technical linkage between the settlement and the release of the hostages. Senior U.S. officials including John Carlin, the head of Justice Department’s national security division, reportedly raised objections to the payment’s timing,⁴⁴ concerned that Iran would perceive the \$400-million payment as a bribe.⁴⁵

Furthermore, the Obama administration’s arguments regarding the method of payment warrant greater scrutiny. There appears to be no legal or regulatory reason that the \$400 million needed to be paid in cash and in non-U.S. currency. The administration has also yet to clarify to Congress or the public the method of transfer for the \$1.3 billion in interest.

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39. Saeed Ghasseminejad, “Iran Doubles Down on its Military Budget,” *Foundation for Defense of Democracies*, June 3, 2016. (<http://www.defenddemocracy.org/media-hit/saeed-ghasseminejad-iran-doubles-down-on-its-military-budget/>); Eli Lake, “U.S. Taxpayers are Funding Iran’s Military Expansion,” *Bloomberg*, June 9, 2016. (<https://www.bloomberg.com/view/articles/2016-06-09/u-s-taxpayers-are-funding-iran-s-military-expansion>)

40. Eli Lake, “U.S. Taxpayers are Funding Iran’s Military Expansion,” *Bloomberg*, June 9, 2016. (<https://www.bloomberg.com/view/articles/2016-06-09/u-s-taxpayers-are-funding-iran-s-military-expansion>)

41. بودجه ۵ هزار میلیاردی متعلق به نیروهای مسلح است/ ماجرای گزارش به رهبری درباره بودجه دفاعی/ دولت چه برداشتی از فضای مجلس دهم دارد که به دنبال؟ حذف بودجه دفاعی است؟ (The 5 Thousand Billion [Toumans] Belongs to the Armed Forces / The Story Behind Informing the Leader About the Defense Budget / What Takeaway Does the Government Have from the Tenth Parliament That it Seeks to Slice the Defense Budget?),” *Fars News Agency* (Iran), July 8, 2016. (<http://www.farsnews.com/13950417000304>)

42. بودجه ۵ هزار میلیاردی متعلق به نیروهای مسلح است/ ماجرای گزارش به رهبری درباره بودجه دفاعی/ دولت چه برداشتی از فضای مجلس دهم دارد که به دنبال؟ حذف بودجه دفاعی است؟ (The 5 Thousand Billion [Toumans] Belongs to the Armed Forces / The Story Behind Informing the Leader About the Defense Budget / What Takeaway Does the Government Have of the Environment of the Tenth Parliament That it Seeks to Slice the Defense Budget?),” *Fars News Agency* (Iran), July 8, 2016. (<http://www.farsnews.com/13950417000304>)

43. This will also be noted in a forthcoming piece by Saeed Ghasseminejad of the Foundation for Defense of Democracies.

44. Devlin Barrett, “Senior Justice Official Raised Objections to Iran Cash Payment,” *The Wall Street Journal*, August 12, 2016. (<http://www.wsj.com/articles/senior-justice-official-raised-objections-to-iran-cash-payment-1470994380>)

45. “Spokesman: American Prisoners Released Only after US Accepted Conditions,” *Fars News Agency* (Iran), February 7, 2016. (<http://en.farsnews.com/newstext.aspx?nn=13941118000369>)

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