



SECRETARIA DE HACIENDA Y CREDITO PUBLICO
COMISION NACIONAL DE SEGUROS Y FIANZAS

México, D. F., 1 de octubre de 2004

OFICIO-CIRCULAR SF-67/04

ASUNTO: Se da a conocer pre-notificación que hiciera la Embajada de los Estados Unidos de América, con base en las Resoluciones 1373 y 1267 del Consejo de Seguridad de las Naciones Unidas.

**A LAS INSTITUCIONES Y SOCIEDADES
MUTUALISTAS DE SEGUROS E
INSTITUCIONES DE FIANZAS**

La Secretaría de Hacienda y Crédito Público, Unidad de Inteligencia Financiera, Dirección General Adjunta de Normatividad y Relaciones Nacionales e Internacionales mediante Correo Electrónico de 10 de septiembre pasado, con fundamento en el artículo 15-A fracción VII de su Reglamento Interior, solicita a esta Comisión dé a conocer a esas instituciones y sociedades, la última pre-notificación que hiciera la Embajada de los Estados Unidos de América, con base en las Resoluciones 1373 y 1267 del Consejo de Seguridad de las Naciones Unidas, relacionada con la Fundación Islámica Al Haramain y en seguimiento a los Oficios-Circulares similares que esta Comisión ha emitido con anterioridad.

Por lo expuesto, se anexa al presente la pre-notificación de que se trata, en su versión original en idioma inglés, solicitándoles reporten, por conducto de esta Comisión, a la Unidad de Inteligencia Financiera en términos de la regulación aplicable, aquellas transacciones que pudieran estar relacionadas con la entidad señalada en la pre-notificación de referencia.

Lo anterior se hace de su conocimiento con fundamento en los artículos 108 fracción IV de la Ley General de Instituciones y Sociedades Mutualistas de Seguros, 68 fracción VI de la Ley Federal de Instituciones de Fianzas y de conformidad con el Acuerdo por el que la Junta de Gobierno de la Comisión Nacional de Seguros y Fianzas delega en el presidente la facultad de emitir las disposiciones necesarias para el ejercicio de las facultades que la ley le otorga a dicha Comisión, y para el eficaz cumplimiento de la misma y de las reglas y reglamentos, emitido el 2 de diciembre de 1999 y publicado en el Diario Oficial de la Federación el 4 de enero de 1999.

Atentamente
SUFRAGIO EFECTIVO. NO REELECCION.
COMISION NACIONAL DE SEGUROS Y FIANZAS
El Presidente


LIC. MANUEL S. AGUILERA VERDUZCO


ANEXO

September 7, 2004

Lic. Carlos Provencio Muñoz
Director General Adjunto de Normatividad y Relaciones Nacionales e Internacionales
Secretaría de Hacienda y Crédito Público
Avenida Constituyentes 1001, Edificio C - 1, 1er nivel al Sur
Col. Belén de las Flores, Del. Álvaro Obregon
México, D.F. 01110

Dear Lic. Provencio:

The United States and Saudi Arabia have been working together to identify individuals and organizations providing support to terrorists. We agree there is compelling information indicating that branch offices of the Al-Haramain Islamic Foundation, headquartered in Riyadh, Saudi Arabia, and personnel located in foreign jurisdictions operating on behalf of Al-Haramain, have been corrupted to support terrorism.

The Saudi Arabian Government has sent a message asking all Al Haramain branches worldwide to shut down. We are still asking for the designation of the branches even if they are closed, because there may be open bank accounts under the names of the closed branches, which should be frozen once designation takes place.

Al-Haramain branch offices in Bosnia, Somalia, Indonesia, Kenya, Tanzania, Pakistan, Afghanistan, Albania, Bangladessh, Ethiopia, and the Netherlands are already included in the UN 1267 Committee's consolidated list, along with an a/k/a of the Bosnian office, Vazir (or "Vezir") and the former leader of the Al Haramain Foundation, Aqeel Abdul Aziz Al Aqil.

On September 9, 2004, the United States intends to designate domestically and freeze the assets of the branch offices in the U.S. and the Union of the Comoros and of a director of the U.S. branch of the Al-Haramain Islamic Foundation.

The above-mentioned entities and individual have engaged in activities on behalf of and in support of al Qaida. Therefore, on September 9, 2004 the United States intends to request that the UN 1267 Sanctions Committee add their names to its consolidated list of entities/individuals subject to sanctions (including asset freeze) that UN member states are obligated to implement pursuant to relevant UNSC Resolutions, including 1267 and subsequent resolutions.

We are seeking a joint designation with Saudi Arabia on the branch office in the Union of the Comoros only, not the U.S. branch office or its director. We do not expect any opposition from the Saudis on the designation of the U.S. branch office or its director.

We ask your government to support our joint action with Saudi Arabia by taking immediate and effective measures, similar to our own, to freeze the assets of the entities and individual we intend to designate on September 9, 2004.

UN Security Council resolutions on al Qaida/UBL/Taliban sanctions (e.g, UNNSCRs 1267 and subsequent resolutions) call on states to freeze the assets of designated individuals/entities. Resolution 1373 respectively calls on states to suppress terrorism financing generally.

We hope you will share with us information concerning any actions that you undertake, including the blocking of assets. In addition, we would welcome any information that you would like to share with us regarding the activities of these entities and this individual in your country.

To avoid the flight of assets that might otherwise become subject to freezing, we urge you not to disclose publicly or privately the pending designations and to carefully restrict discussion and management of this issue until the asset freeze is publicly announced by the United States.

As always, we appreciate the close cooperation between our governments in this effort and your willingness to forego any public announcement or discussions of this action until after it is announced in the United States.

Further background information on this issue follows. If I may be of any assistance on this or any other issue, please don't hesitate to contact me.

Best Regards,

Ali Jalili
Economic Section

NAMES OF ENTITIES AND INDIVIDUAL

- Al-Haramain Foundation (AHF) U.S. locations (Ashland, Oregon with assets in Springfield, Missouri)
- Al-Haramain Foundation (AHF) Union of the Comoros
- Suliman Al-Buthe

Background Information

DESIGNATION OF BRANCHES OF THE AL HARAMAIN ISLAMIC FOUNDATION AND A DIRECTOR OF THE U.S. BRANCH OF THE ORGANIZATION

Since March 2002, the United States and Saudi Arabia have jointly designated eleven branches of the Al Haramain Islamic Foundation (AHF) based on evidence of financial, material, and/or logistical support to the al Qaida network and affiliated organizations. These branches, along with the former director of the organization, Aqeel Abdul Aziz Al-Aqil, are named on the United Nations' 1267 Committee's consolidated list of terrorists associated with al-Qaida, Usama bin Laden and the Taliban and are subject to international sanctions.

The United States is now designating the U.S.-based branch of AHF, the branch located in the Union of the Comoros, and Suliman Al-Buthe, a director of the U.S. branch. The assets of the AHF branch in Oregon were blocked pending investigation on February 19, 2004. On the previous day, February 18, a federal search warrant was executed against all property purchased on behalf of AHF in Oregon. The investigation involved agents of the Internal Revenue Service-Criminal Investigation, Federal Bureau of Investigation and Department of Homeland Security/Immigration and Customs Enforcement. Individuals connected with AHF in Oregon appear to have concealed the movement of funds to Chechnya.

The U.S.-based branch of AHF was formally established by Suliman al-Buthe and Pete Seda in 1997. Documents naming al-Buthe as the organization's attorney and providing him with broad legal authority were signed by Aqeel Abdul Aziz Al-Aqil, the former director of AHF. Aqil has since been designated by the U.S. and the UN 1267 Sanctions Committee, because under his oversight, branches of AHF were being used to support al Qaida.

The "Affidavit in Support of an Application for Search Warrant" alleged criminal violations of Currency and Monetary Instrument, reporting requirements, tax laws, and other related money-laundering offenses. The allegations arose around a particular transaction in which funds were wired from a foreign country, through a bank in London, to AHF in Oregon. Documents related to this wire transfer indicate that the donor intended the funds to be used to support efforts of "Muslim brothers in Chychnia." Al-Aqil assured the donor that the money would be used to "help ending the Chechnyan crisis." Subsequent to this wire transfer, al-Buthe traveled from Saudi Arabia to the U.S. and obtained a portion of the wired funds in the form of traveler's checks and a cashier's check. The cashier's check included a notation: "Donations for Chichani Refugees." Remaining funds that had been wired were obtained by Seda in the form of a cashier's check, with the check issued to al-Buthe. There is a signed agreement between al-

Buthe and Seda stating that Seda was turning over all funds to al-Buthe for the "Brothers and Sisters in Chechnya." Al-Buthe left the country with these funds, without ever declaring he was taking out over \$100,000 in traveler's checks.

AHF employees then took steps to conceal this transaction, including omitting it from tax returns and mischaracterizing the use of the funds. Information regarding the transaction was not provided to the accountant who prepared the organization's tax returns. In fact, the accountant was told the funds were used to purchase a prayer house in Springfield, Missouri (he was provided documentation that overstated the purchase price of the property). In addition, other portions of the funds (\$21,000) were listed as reimbursements rather than as contribution income and funds distributed to Chechnya.

Information available to the U.S. provides reason to believe that support efforts provided by AHF as a worldwide organization in Chechnya were directed towards mujahideen, as well as Chechen leaders affiliated with the al Qaida network. Additional information shows that some funds sent by AHF as a worldwide organization may have been used to purchase weapons and military equipment.

Other investigations have shown direct ties between the U.S. branch and senior officials of al Qaida; Usama bin Laden; and other individuals or entities designated by the U.S. and/or the 1267 Committee. Following the dual U.S. Embassy bombing attacks in East Africa in August 1998, investigations revealed that Seda indicated he received funding from Usama bin Laden. Information available to the U.S. also shows that AHF in the U.S. provided funding to a U.S.-based Imam who attended a Lashkar e-Tayyiba (LET)-run terrorist training camp. The Imam is an American convert to Islam who studied Islam at the University of Medina in Saudi Arabia. The LET organization has been designated as a Specially Designated Global Terrorist pursuant to the authorities of E.O. 13224 and as a Foreign Terrorist Organization in accordance with section 219 of the Immigration and Naturalization Act.

The AHF branch in Iran, following the 9-11 attacks, was linked to efforts by the Wafa Humanitarian Organization, a Specially Designated Global Terrorist, to move weapons-related items through Pakistan into Afghanistan during the conflict in Afghanistan in 2001. Following the freezing of Wafa's assets, Wafa associates were reportedly heavily involved in what at the time was believed to be a continuing effort to establish an AHF branch in Iran that would avoid U.S. efforts to cut off funds to al Qaida by switching their focus to AHF instead of Wafa.

Meanwhile, also in late 2001, an AHF official who reportedly coordinated arms deals with the Iraq-based terrorist Abu Musab al-Zarqawi (designated as a Specially Designated Global Terrorist and in the UN 1267 Sanctions Committee) was instrumental in establishing a branch of AHF in Iran. It was during this same period that Seda sought a license from Office of Foreign Assets Control to purportedly assist Afghan refugees in border camps in Iran on the Iranian/Afghanistan border. As part of Seda's request to OFAC in November 2001, he reported that Shaykh Al-Aqil agreed to Seda's proposal to fund \$500,000 for assistance to Afghan refugees in border camps in Iran.

Union of the Comoros

AHF has operations throughout the Union of the Comoros -- a country identified by sources such as the International Narcotics and Control Strategy Report as having significant problems regulating legitimate activities. Absent adequate laws and oversight, it is incapable of identifying illegitimate activities, such as preventing the clandestine diversion of funds to support terrorism. For example, a Comoros-flagged vessel was recently seized by Greek authorities. The vessel contained 680 tons of explosives destined for a company in Sudan that existed only as a post-office box.

In 1998 the U.S. received a list of seven suspected al Qaida members in the Comoros, two of who were associated with AHF. According to the transcript from U.S. v. Bin Laden, the Union of the Comoros was used as a staging area and exfiltration route for the perpetrators of the 1998 bombings of the U.S. embassies in Kenya and Tanzania. As previously noted, the AHF branches in Kenya and Tanzania provided financial and other operational support to these terrorist attacks.

These entities and this individual are subject to designation under Executive Order 13224 pursuant to sections 1(c), (d)(i), and (d)(ii) based on a determination that:

- they are owned or controlled by, or act for or on behalf of, those persons listed in the Annex to E.O. 13224;
- they assist in, sponsor or provide financial, material, or technological support for; or financial or other services to or in support of; such acts of terrorism or those persons listed in the Annex to E.O. 13224; or
- they are otherwise associated with, persons listed as subject to E.O. 13224.

Because these targets provided support to (and thus are associated with) UBL, al Qaida, and/or the Taliban, they also meet the standard for inclusion in the United Nations' 1267 Sanctions Committee's consolidated list. Inclusion on the 1267 Committee's list triggers international obligations on all member countries, requiring them to freeze the assets of these offices, which have been used to provide material, financial, or technological support for designated terrorists, and prevent funds being made available to them, in effect forcing the offices to cease operations. Publicly identifying these supporters of terrorism is a critical part of the international campaign to counter terrorism. Additionally, other organizations and individuals are put on notice they are prohibited from doing business with them.

Identifying Information Al-Haramain Foundation (AHF) U.S. locations:

1257 Siskiyou Blvd. Ashland, OR 97520

3800 Highway 99 S, Ashland, OR 97520

2151 E Division St., Springfield, MO 65803

AHF Union of the Comoros location: B/P: 1652 Moroni Union of the Comoros

Suliman Al-Buthe DOB: 12/8/1961 POB: Egypt Nationality: Saudi Arabia Passport#: B049614