

U.S. Department of Justice

Washington, DC 20530

**Supplemental Statement**

**Pursuant to the Foreign Agents Registration Act of 1938, as amended**

For Six Month Period Ending January 31, 2017

(Insert date)

**I - REGISTRANT**

1. (a) Name of Registrant (b) Registration No.

King & Spalding LLP 6307

(c) Business Address(es) of Registrant  
 1700 Pennsylvania Avenue, NW  
 Suite 200  
 Washington, D.C. 20006

2. Has there been a change in the information previously furnished in connection with the following?

(a) If an individual:

- (1) Residence address(es) Yes  No
- (2) Citizenship Yes  No
- (3) Occupation Yes  No

(b) If an organization:

- (1) Name Yes  No
- (2) Ownership or control Yes  No
- (3) Branch offices Yes  No

(c) Explain fully all changes, if any, indicated in Items (a) and (b) above.

n/a

**IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, AND 5(a).**

3. If you have previously filed Exhibit C<sup>1</sup>, state whether any changes therein have occurred during this 6 month reporting period.

Yes  No

If yes, have you filed an amendment to the Exhibit C? Yes  No

If no, please attach the required amendment.

<sup>1</sup> The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, and by laws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, National Security Division, U.S. Department of Justice, Washington, DC 20530.)

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period?

Yes  No

If yes, furnish the following information:

Name	Position	Date Connection Ended
See Attachment 1.		

(b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period?

Yes  No

If yes, furnish the following information:

Name	Residence Address	Citizenship	Position	Date Assumed
See Attachment 2.				

5. (a) Has any person named in Item 4(b) rendered services directly in furtherance of the interests of any foreign principal?

Yes  No

If yes, identify each such person and describe the service rendered.

(b) During this six month reporting period, has the registrant hired as employees or in any other capacity, any persons who rendered or will render services to the registrant directly in furtherance of the interests of any foreign principal(s) in other than a clerical or secretarial, or in a related or similar capacity? Yes  No

Name	Residence Address	Citizenship	Position	Date Assumed

(c) Have any employees or individuals, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name	Position or Connection	Date Terminated

(d) Have any employees or individuals, who have filed a short form registration statement, terminated their connection with any foreign principal during this 6 month reporting period? Yes  No

If yes, furnish the following information:

Name	Position or Connection	Foreign Principal	Date Terminated

6. Have short form registration statements been filed by all of the persons named in Items 5(a) and 5(b) of the supplemental statement?

Yes  No

If no, list names of persons who have not filed the required statement.

n/a

II - FOREIGN PRINCIPAL

7. Has your connection with any foreign principal ended during this 6 month reporting period? Yes  No   
If yes, furnish the following information:

Foreign Principal Date of Termination

8. Have you acquired any new foreign principal(s)<sup>2</sup> during this 6 month reporting period? Yes  No   
If yes, furnish the following information:

Name and Address of Foreign Principal(s) Date Acquired

9. In addition to those named in Items 7 and 8, if any, list foreign principal(s)<sup>2</sup> whom you continued to represent during the 6 month reporting period.

Ministry of Commerce and Investment, Kingdom of Saudi Arabia

10. (a) Have you filed exhibits for the newly acquired foreign principal(s), if any, listed in Item 8?

Exhibit A<sup>3</sup> Yes  No

Exhibit B<sup>4</sup> Yes  No

If no, please attach the required exhibit.

(b) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period? Yes  No

If yes, have you filed an amendment to these exhibits? Yes  No

If no, please attach the required amendment.

<sup>2</sup> The term "foreign principal" includes, in addition to those defined in Section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a) (9)). A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

<sup>3</sup> The Exhibit A, which is filed on Form NSD-3, sets forth the information required to be disclosed concerning each foreign principal.

<sup>4</sup> The Exhibit B, which is filed on Form NSD-4, sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

**III - ACTIVITIES**

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11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 7, 8, or 9 of this statement? Yes  No

If yes, identify each foreign principal and describe in full detail your activities and services:

King & Spalding LLP provided the Ministry of Commerce and Investment of the Kingdom of Saudi Arabia with advocacy and legal services related to the veto override of S. 2040, the Justice Against Sponsors of Terrorism Act.

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12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity<sup>5</sup> as defined below? Yes  No

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

King & Spalding LLP's activities included communications on behalf of the Ministry with officials in U.S. Executive Branch departments and agencies, with members and staff of the U.S. Congress, and with other individuals and organizations involved in governmental and public policy matters.

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits your foreign principal(s)? Yes  No

If yes, describe fully.

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<sup>5</sup> "Political activity," as defined in Section 1(o) of the Act, means any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting or changing the domestic or foreign policies of the United States or with reference to political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

**IV - FINANCIAL INFORMATION**

**14. (a) RECEIPTS-MONIES**

During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise? Yes  No

If no, explain why.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.<sup>6</sup>

Date	From Whom	Purpose	Amount
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\_\_\_\_\_ Total

**(b) RECEIPTS - FUNDRAISING CAMPAIGN**

During this 6 month reporting period, have you received, as part of a fundraising campaign<sup>7</sup>, any money on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes  No

If yes, have you filed an Exhibit D<sup>8</sup> to your registration? Yes  No

If yes, indicate the date the Exhibit D was filed. Date \_\_\_\_\_

**(c) RECEIPTS-THINGS OF VALUE**

During this 6 month reporting period, have you received any thing of value<sup>9</sup> other than money from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal? Yes  No

If yes, furnish the following information:

Foreign Principal	Date Received	Thing of Value	Purpose
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<sup>6, 7</sup> A registrant is required to file an Exhibit D if he collects or receives contributions, loans, moneys, or other things of value for a foreign principal, as part of a fundraising campaign. (See Rule 201(e)).

<sup>8</sup> An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fundraising campaign and transmitted for a foreign principal.

<sup>9</sup> Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

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15. (a) **DISBURSEMENTS-MONIES**

During this 6 month reporting period, have you

- (1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes  No
- (2) transmitted monies to any such foreign principal? Yes  No

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

No disbursements were made by King & Spalding LLP associated with our activities on behalf of the Ministry of Commerce and Investment of the Kingdom of Saudi Arabia during the reporting period.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To Whom	Purpose	Amount
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Total

**(b) DISBURSEMENTS-THINGS OF VALUE**

During this 6 month reporting period, have you disposed of anything of value<sup>10</sup> other than money in furtherance of or in connection with activities on behalf of any foreign principal named in Items 7, 8, or 9 of this statement?

Yes  No

If yes, furnish the following information:

Date	Recipient	Foreign Principal	Thing of Value	Purpose
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**(c) DISBURSEMENTS-POLITICAL CONTRIBUTIONS**

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value<sup>11</sup> in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office?

Yes  No

If yes, furnish the following information:

Date	Amount or Thing of Value	Political Organization or Candidate	Location of Event
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See Attachment

3.

10, 11 Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

V - INFORMATIONAL MATERIALS

16. (a) During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials?<sup>12</sup>

Yes  No

If Yes, go to Item 17.

(b) If you answered No to Item 16(a), do you disseminate any material in connection with your registration?

Yes  No

If Yes, please forward the materials disseminated during the six month period to the Registration Unit for review.

17. Identify each such foreign principal.

Ministry of Commerce and Investment of the Kingdom of Saudi Arabia

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating informational materials? Yes  No

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of informational materials include the use of any of the following:

- Radio or TV broadcasts
- Magazine or newspaper
- Motion picture films
- Letters or telegrams
- Advertising campaigns
- Press releases
- Pamphlets or other publications
- Lectures or speeches
- Other (specify) Compilation of articles, letters, and other materials providing background information. See Attachment 4.

Electronic Communications

- Email
- Website URL(s): \_\_\_\_\_
- Social media websites URL(s): \_\_\_\_\_
- Other (specify) \_\_\_\_\_

20. During this 6 month reporting period, did you disseminate or cause to be disseminated informational materials among any of the following groups:

- Public officials
- Newspapers
- Libraries
- Legislators
- Editors
- Educational institutions
- Government agencies
- Civic groups or associations
- Nationality groups
- Other (specify) \_\_\_\_\_

21. What language was used in the informational materials:

- English
- Other (specify) \_\_\_\_\_

22. Did you file with the Registration Unit, U.S. Department of Justice a copy of each item of such informational materials disseminated or caused to be disseminated during this 6 month reporting period? Yes  No

23. Did you label each item of such informational materials with the statement required by Section 4(b) of the Act? Yes  No

12 The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.

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**VI - EXECUTION**

In accordance with 28 U.S.C. § 1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature)

(Print or type name under each signature or provide electronic signature<sup>13</sup>)

March 02, 2017

/s/ Thomas J. Spulak

eSigned

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<sup>13</sup> This statement shall be signed by the individual agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions, if the registrant is an organization, except that the organization can, by power of attorney, authorize one or more individuals to execute this statement on its behalf.

**KING & SPALDING LLP**

**Attachments to Supplemental Statement**

***Reporting Period: August 1, 2016 - January 31, 2017***

**Attachment 1**

4. (a) Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? If yes, furnish the following information:

<b>NAME</b>	<b>POSITION</b>	<b>DATE CONNECTION ENDED</b>
W. Todd Holleman	Member, Policy Committee	December 31, 2016
Rahul Patel	Member, Policy Committee	December 31, 2016
Elizabeth V. Tanis	Member, Policy Committee	December 31, 2016

**Attachment 2**

4. (b) Have any persons become partners, officers, directors or similar officials during this 6 month reporting period? If yes, furnish the following information:

<b>NAME</b>	<b>RESIDENCE ADDRESS</b>	<b>CITIZENSHIP</b>	<b>POSITION</b>	<b>DATE ASSUMED</b>
Carolyn Zander Alford	1180 Peachtree Street, NE Atlanta, GA 30309-3521	United States of America	Member, Policy Committee	January 1, 2017
David L. Balser	1180 Peachtree Street, NE Atlanta, GA 30309-3521	United States of America	Member, Policy Committee	January 1, 2017
John D. Wilson	1185 Avenue of the Americas New York, NY 10036-2601	United States of America	Member, Policy Committee	January 1, 2017

**Attachment 3****15. (c) DISBURSEMENTS-POLITICAL CONTRIBUTIONS**

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office? If yes, furnish the following information:

***KING & SPALDING NONPARTISAN COMMITTEE FOR GOOD GOVERNMENT (KSNCGG) - PAC CONTRIBUTIONS***

<b>DATE</b>	<b>AMOUNT OR THING OF VALUE</b>	<b>POLITICAL ORGANIZATION OR CANDIDATE</b>	<b>LOCATION OF EVENT</b>
September 9, 2016	\$1,000	David Price for Congress (Rep. David E. Price (NC-04))	Washington, D.C.
September 9, 2016	\$2,500	Kind for Congress (Rep. Ronald James Kind (WI-03))	Washington, D.C.
September 9, 2016	\$1,500	Friends of Pat Toomey (Sen. Patrick Joseph Toomey (PA))	Washington, D.C.
September 13, 2016	\$5,000	Levin for Congress (Rep. Sander M. Levin (MI-17))	Washington, D.C.
September 27, 2016	\$1,000	Jody Hice for Congress (Jody Hice (GA-07))	Washington, D.C.
September 27, 2016	\$1,000	Buddy Carter for Congress (Rep. Earl Leroy Carter (GA-01))	Washington, D.C.
September 27, 2016	\$1,000	Committee to Re-Elect Henry Hank Johnson (Rep. Henry C. Hank Johnson (GA-04))	Washington, D.C.
September 27, 2016	\$1,000	Collins for Congress (Rep. Douglas Allen Collins (GA-09))	Washington, D.C.
September 27, 2016	\$1,000	Sanford D. Bishop Jr. for Congress (Rep. Sanford D. Bishop (GA-02))	Washington, D.C.

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
September 27, 2016	\$1,000	David Scott for Congress (Rep. David Albert Scott (GA-13))	Washington, D.C.
September 27, 2016	\$1,000	Tiberi for Congress (Rep. Patrick J. Tiberi (OH-12))	Washington, D.C.
September 27, 2016	\$3,000	Royce Campaign Committee (Rep. Ed Royce (CA-39))	Washington, D.C.
September 27, 2016	\$1,000	Price for Congress (Rep. Thomas Edmunds Price (GA-06))	Washington, D.C.
September 27, 2016	\$2,500	Hoyer for Congress (Rep. Steny Hoyer (MD-05))	Washington, D.C.
September 27, 2016	\$1,000	Tim Scott for Senate (Sen. Timothy E. Scott (SC))	Washington, D.C.
September 27, 2016	\$1,000	Blumenthal for Connecticut (Sen. Richard Blumenthal (CT))	Washington, D.C.
September 27, 2016	\$1,500	Friends of Kelly Ayotte (Sen. Kelly A. Ayotte (NH))	Washington, D.C.
September 27, 2016	\$1,000	Rob Woodall for Congress (Rep. Rob Woodall (GA-07))	Washington, D.C.

**MICHAEL A. ANDREWS - POLITICAL CONTRIBUTIONS**

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
August 15, 2016	\$100	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
September 15, 2016	\$1,000	Levin for Congress (Rep. Sander M. Levin (MI-17))	Washington, D.C.

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
September 15, 2016	\$100	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
October 15, 2016	\$100	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
November 15, 2016	\$100	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
December 15, 2016	\$100	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
January 15, 2017	\$100	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.

*J.C. BOGGS - POLITICAL CONTRIBUTIONS*

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
September 20, 2016	\$250	Wilson for Attorney General (Attorney General Alan Wilson (SC))	Washington, D.C.
September 21, 2016	\$500	The Richard Burr Committee (Sen. Richard M. Burr (NC))	Washington, D.C.
September 27, 2016	\$1,000	National Republican Senatorial Committee (NRSC)	Washington, D.C.
September 30, 2016	\$500	Sensible American Solutions Supporting Everyone PAC (Leadership PAC; Sen. Benjamin E. Sasse (NE))	Washington, D.C.

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
December 20, 2016	\$250	Leslie Rutledge for AG (Attorney General Leslie Rutledge (AR))	Washington, D.C.

*GEORGE C. CRAWFORD - POLITICAL CONTRIBUTIONS*

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
September 15, 2016	\$500	Levin for Congress (Rep. Sander M. Levin (MI-17))	Washington, D.C.

*DANIEL C. CROSBY - POLITICAL CONTRIBUTIONS*

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
August 8, 2016	\$33,400	Hillary Victory Fund (Joint Fundraiser; Hillary Clinton)	Washington, D.C.
August 8, 2016	\$2,700	Hillary for America (Hillary Clinton)	Washington, D.C.
August 8, 2016	\$30,700	DNC Services Corp/Dem. Nat'l Committee	Washington, D.C.
September 30, 2016	\$600	Democratic Party Committee Abroad	Washington, D.C.
October 24, 2016	\$20,000	Hillary Victory Fund (Joint Fundraiser; Hillary Clinton)	Washington, D.C.
October 24, 2016	\$2,700	Hillary for America (Hillary Clinton)	Washington, D.C.
October 24, 2016	\$17,300	DNC Services Corp/Dem. Nat'l Committee	Washington, D.C.

*LLOYD N. HAND - POLITICAL CONTRIBUTIONS*

<b>DATE</b>	<b>AMOUNT OR THING OF VALUE</b>	<b>POLITICAL ORGANIZATION OR CANDIDATE</b>	<b>LOCATION OF EVENT</b>
August 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
September 6, 2016	\$500	Hillary Victory Fund (Joint Fundraiser; Hillary Clinton)	Washington, D.C.
September 7, 2016	\$2,700	Hillary Victory Fund (Joint Fundraiser; Hillary Clinton)	Washington, D.C.
September 8, 2016	\$2,750	Hillary Victory Fund (Joint Fundraiser; Hillary Clinton)	Washington, D.C.
September 15, 2016	\$1,000	Levin for Congress (Rep. Sander M. Levin (MI-17))	Washington, D.C.
September 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
September 21, 2016	\$500	Murphy for Florida (Rep. Patrick E. Murphy (FL))	Washington, D.C.
September 26, 2016	\$1,000	Evan Bayh Committee (Evan Bayh (IN))	Washington, D.C.
October 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
November 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
December 8, 2016	\$1,000	Green Mountain PAC (Leadership PAC; Sen. Patrick J. Leahy (MI))	Washington, D.C.

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
December 12, 2016	\$500	Roberts for Senate (Sen. Pat Roberts (KS))	Washington D.C.
December 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
January 15, 2017	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.

*THOMAS J. SPULAK - POLITICAL CONTRIBUTIONS*

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
August 4, 2016	\$5,400	Hillary Victory Fund (Joint Fundraiser; Hillary Clinton)	Washington, D.C.
August 11, 2016	\$2,500	Democratic State Central Committee of Maryland	Washington, D.C.
August 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
August 29, 2016	\$500	Chane for Congress (Jonathan Chane (FL-18))	Washington, D.C.
September 15, 2016	\$1,000	Levin for Congress (Rep. Sander M. Levin (MI-17))	Washington, D.C.
September 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
September 19, 2016	\$1,000	Rosen for Nevada (Jacky Rosen (NV-03))	Washington, D.C.

DATE	AMOUNT OR THING OF VALUE	POLITICAL ORGANIZATION OR CANDIDATE	LOCATION OF EVENT
September 27, 2016	\$2,700	Hoyer for Congress (Rep. Steny Hoyer (MD-05))	Washington, D.C.
September 28, 2016	\$1,000	Schneider for Congress (Bradley Scott Schneider (IL-10))	Washington, D.C.
September 28, 2016	\$1,000	Hillary Victory Fund (Joint Fundraiser; Hillary Clinton)	Washington, D.C.
September 30, 2016	\$1,000	Tom O'Halleran for Congress (Tom O'Halleran (AZ-01))	Washington, D.C.
October 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
October 25, 2016	\$1,000	Hillary Victory Fund (Joint Fundraiser; Hillary Clinton)	Washington, D.C.
November 3, 2016	\$1,000	Boustany for Senate Inc. (Charles W. Boustany, Jr., MD (LA))	Washington, D.C.
November 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
December 15, 2016	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.
January 15, 2017	\$416.66	King & Spalding Nonpartisan Committee for Good Government (KSNCGG)	Washington, D.C.

**Attachment 4**

16. (a) During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any informational materials?

Following please find a compilation of articles, letters, and other materials providing background information.

**Understanding the JASTA Debate—  
Information to Help Inform Decisionmakers**

Table of Contents

1. Justice Against Sponsors of Terrorism Act (S.2040)—Harmful Effects on Interests of the United States
2. Quotations Describing JASTA's Affects Upon US and Allies' Interests
3. A Rebuttal to Key Legal Misperceptions About JASTA
4. European Union Letter Expressing Concerns About JASTA
5. The Saudi-US Trade Relationship
6. Defense Secretary Ash Carter
7. National Security Experts Regarding JASTA
8. US Military Leaders Regarding JASTA
9. CSIS Letter Regarding JASTA
10. *Wall Street Journal*—An Obama Veto Worth Backing
11. *Washington Post*—Should We Let 9/11 Victims Sue Saudi Arabia? Not So Fast.
12. *New York Times*—Don't Let Americans Sue Saudi Arabia
13. *The Insurance Journal*—What Jeff Immelt Has to Say About JASTA
14. *The Telegraph*—US Anti-Terror Law Puts British Soldiers at Risk of Prosecution
15. Aerospace Industries Association—Thinking it Through. The Alarming Consequences of Enacting JASTA

**JUSTICE AGAINST SPONSORS OF TERRORISM ACT "JASTA"**

**- HARMFUL EFFECTS ON INTERESTS OF THE UNITED STATES**

\* \* \*

**JASTA would harm U.S. interests in diplomatic, economic and even military spheres of activity. Specifically, JASTA would introduce a significant new exception to "sovereign immunity" which would undermine diplomatic and economic legal safeguards that benefit the United States**

JASTA would undermine long-standing international law and practice under which foreign sovereigns are "immune" from lawsuits in national courts. "Sovereign immunity" applies in relations among all friendly states, and the United States has benefitted from this doctrine in a great many circumstances over many years of consistent application by other countries. If the United States lifts the immunity of countries in U.S. courts as proposed by JASTA, other countries will reciprocate thereby exposing the United States Government and its personnel and entities to lawsuits by individuals in the foreign courts. In addition to the significant procedural and legal complexity, this would introduce divisive tensions between the United States and its allies and would create major challenges in diplomatic relations around the world - both when the United States is sued abroad and when cases are brought in U.S. courts. The doctrine of sovereign immunity exists exactly to avoid such tensions between countries.

**JASTA would compromise national security and impose undue and unrealistic limitations on the US military (and intelligence collections and operations) operating abroad**

JASTA would harm the interests of the U.S. military. If other governments adopt JASTA-type laws, the U.S. armed forces and military personnel could be sued in foreign courts in response to complaints by foreign nationals, including in the context of anti-terror operations. This would even include sovereign responsibility for actions that occurred in the past when sovereign immunity applied, as applied by JASTA. Such potential claims could apply even in the context of "collateral damage" caused to civilians (e.g., U.S. drone strikes in various countries, torture of persons thought to possess information or contacts with terror groups in violation of international and national laws, and imprisonment of foreign nationals for indefinite periods without trials or evidence). In defending its interests in such cases, the United States will need to decide whether and how to share sensitive intelligence or not to present available information in its defense and risk losing on related claims.

**JASTA would suppress the U.S. domestic financial sector and dampen overall U.S. national economic growth**

JASTA imperils global trade and investments, especially the role of the United States as a financial asset destination, and could reduce the benefits that the U.S. economy draws from this role. Companies and governments, especially from emerging markets that currently hold up to 40% of financial assets in the United States, could decide to reduce exposure to U.S.

jurisdiction and restructure investments for fear of assets being seized. Unwinding these positions, even if done over time, could cause significant pressure on the U.S. economy and financial system. In this connection, central banks, national banking systems, and also fiduciaries, would need to review their exposure in foreign exchange and financial assets, and make adjustments required for risk management.

**JASTA would create risks for U.S. corporations and American investments abroad**

Just as foreign companies could reduce their exposure to the financial claims arising from JASTA-enabled proceedings, U.S. companies will need to assess and limit their investments and growth in emerging markets where reciprocal law suits will be brought. Many of these markets are massive opportunities for U.S. corporations and limiting U.S. business expansion in them would have negative economic impacts back in the United States.

**Quotations on How JASTA Affects U.S. and Allies' Interests**

**Barack Obama, President:**

If we open up the possibility that individuals in the United States can routinely start suing other governments, then we are also opening up the United States to being continually sued by individuals in other countries. (U.S. News, April 19, 2016)

**John Kerry, Secretary of State:**

JASTA would expose the US to lawsuits and take away our sovereign immunity and create a terrible precedent. (New York Times, April 15, 2016)

**Josh Earnest, White House spokesman:**

It's not hard to imagine other countries using this law as an excuse to haul U.S. diplomats or U.S. service members or even U.S. companies into courts all around the world. (Reuters, September 13, 2016)

**Anne W. Patterson (Assistant Secretary of State), and Andrew Exum (Pentagon official):**

American troops and civilians could be in legal jeopardy if other nations decide to retaliate and strip Americans of immunity abroad. (New York Times, September 10, 2016)

**Anne W. Patterson, Assistant Secretary of State:**

We cannot win the fight against ISIL without full international cooperation [while JASTA may discourage security cooperation such as intelligence sharing between governments]. (Reuters, July 14, 2016)

**Brian Egan, Legal Adviser, Department of State**

The principle of sovereign immunity, which restricts lawsuits against foreign governments, is well accepted in international law and was long recognized by U.S. courts as a matter of common law. The United States benefits greatly from the protection afforded by foreign sovereign immunity, and the Department of Justice regularly and vigorously defends our sovereign immunity overseas. (Statement Before the House Judiciary Committee Subcommittee on the Constitution and Civil Justice, July 14, 2016)

**Dianne Feinstein, Senator:**

I am having second thoughts about it because I think it launches a number of unforeseen happenings.... I think that moving ahead with violating a nation's autonomy in this way is a mistake.... So I hope that it can be put off, and cooler heads will prevail. (Washington Post, September 20, 2016)

**Bob Corker, Senator:**

I have tremendous empathy for the victims. At the same time, I have concerns about the precedent this bill will set and what it may mean to American servicemen and women and others. Let's face it: our alleged drone attacks have killed civilians in Pakistan. Our alleged drone attacks have killed civilians in Afghanistan. And I think once you start opening the door for these types of activities, it can be very problematic. (CNN, September 16, 2016)

**Lindsey Graham, Senator:**

I'm asking questions about what does this mean because what we do could bite us later. (U.S. News, April 19, 2016)

**John McCain, Senator:**

We need the relationship [with Saudi Arabia to find ISIS]. (U.S. News, April 19, 2016)

**Lindsey Graham, Senator:**

This is an odd situation in the sense that 9/11 families are high on everybody's list to take care of. It comes at a time when Saudi Arabia believes that America is not a reliable ally. It comes at a time when they think they're being blamed for things they didn't do. All I'm trying to find is a way to move forward with a legal process that doesn't destroy the relationship. That's worth investing some time in. (CNN, September 16, 2016)

**Jeroen Recourt, Member of Dutch House of Representatives**

Your hearing notice indicates the United States Department of State will present its views with respect to JASTA's enactment. To the extent the State Department enunciates concerns about JASTA's adverse impact upon sovereign immunity of important U.S. allies, the enclosed Binding Motion associates the Dutch Parliament with the expression of those concerns. (Letter to Subcommittee on the Constitution and Civil Justice of the House Committee on the Judiciary, July 12, 2016)

**Dutch Parliament, Binding Motion adopted by the Second Chamber:**

The Chamber, after hearing the deliberations, noting that the US House of Representatives as part of its considerations with regards to the Justice Against Sponsors of Terrorism Act (JASTA) is organizing a hearing; considering that JASTA can lead to liability in the United States for actions of the Dutch Government within the territory of the Netherlands and can subsequently lead to astronomical damages; considering that JASTA represents a gross and unwanted breach of Dutch sovereignty; declares that the entry into force of JASTA in its current form is unacceptable for the Netherlands; also declares that this position is expressed at the House of Representatives' hearing on JASTA preferably by the Dutch parliament, or alternatively on behalf of the Dutch Government, and proceeds with the order of the day, Recourt. (July 6, 2016)

**Tom Tugendhat, Member of British Parliament:**

The act would expose the British government to the possibility of revealing the secrets of intelligence operations in open court, or paying damages over alleged failures to prevent terrorist attacks. Either outcome would put the special relationship under severe strain. ...

The Obama White House and the State Department are strongly opposed to Jasta. They can see the potential for diplomatic damage. They also realise the potential for revenge prosecutions in foreign jurisdictions. The international banking system means that most of the world's financial transactions are routed through computer servers in the US. If the US allows lawsuits against foreign governments for complicity in terrorism, how long before a foreign court allows a case against the US for negligence over terrorist financing? (Telegraph, June 5, 2016)

**Curtis Bradley (Duke Law, Bush administration) and Jack Goldsmith (Harvard Law, Hoover Institution, Bush administration):**

There has been much debate about whether a bill advancing through Congress that aims to expose Saudi Arabia to lawsuits in American courts for its alleged connection to the 9/11 attacks would unduly harm diplomatic and economic relations between the two countries. But the bill's potential for harm extends far beyond bilateral relations with one ally. It would also violate a core principle of international law, and it would jeopardize the effectiveness of American foreign aid and the legitimacy of the United States' actions in the war on terrorism. (New York Times, April 22, 2016);

One important reason for granting immunity to foreign governments in American courts is, as the Supreme Court once explained, "reciprocal self-interest." If the United States reduces the immunity it accords to other nations, it exposes itself to an equivalent reduction in its own immunity abroad. (New York Times, 22 April 2016)

**John Bolton, former U.S. Ambassador to the UN:**

The Jasta bill is far more likely to harm the U.S. than bring justice against any sponsor of terrorism. The House should vote it down. (Twitter, September 8, 2016)

**John Bolton, former U.S. Ambassador to the UN, and Michael Mukasey, former Attorney General:**

JASTA shifts authority for a huge component of national security from the politically accountable branches — the president and Congress — to the judiciary, the branch least competent to deal with international matters of life and death and least politically accountable. (Wall Street Journal, September 5, 2016)

### ***A Rebuttal to Key Legal Misperceptions About JASTA***

**JASTA provides no basis for a claim against individual foreign officials, who retain immunity from suit under common law doctrines.**

JASTA's immunity provision concerns only the immunity of foreign states under the Foreign Sovereign Immunities Act (FSIA), and has nothing to do with the immunity of individual foreign officials or employees. As the Supreme Court unanimously held in *Yousef v. Samantar*, the FSIA has no bearing whatsoever on the immunity of individual foreign officials and employees from suit in U.S. courts, which is instead governed by common law immunity doctrines. Those common law doctrines provide expansive immunity to individual foreign officials and employees, with the State Department typically having complete control over such immunity determinations. JASTA does nothing whatsoever to disturb the expansive immunities foreign officials and employees enjoy from suit in U.S. courts under this common law framework.

- It is correct that, under the Supreme Court's decision in *Samantar*, the immunity of individual foreign officials is governed by common law doctrines, not the FSIA. JASTA, however, is directed at states themselves, and plainly seeks to amend the FSIA to abrogate states' immunity in a manner that would upset the careful balance between immune and non-immune acts that has been served as the foundation of the FSIA since its adoption in 1976, has been a bedrock of U.S. foreign and judicial policy since 1952, and which conforms with international norms and practice.

**In addition to the fact that they enjoy immunity under common law doctrines, JASTA's substantive cause of action is not available in a suit against an individual employee or official of a foreign government for acts undertaken in the scope of their office or employment.**

JASTA's substantive cause of action arises under the Anti-Terrorism Act (ATA). A civil action under the ATA may not be maintained against "an officer or employee of a foreign state or an agency thereof acting within his or her official capacity or under color of legal authority." 18 U.S.C. § 2337(2).

- While technically true, this is beside the point. The point of JASTA is to impose liability against the state itself (or its agencies), which likely will have the resources to pay the huge judgments that will be sought, and which may be rendered, in response to terrorist acts. It is unlikely that claims will be brought under JASTA against individual government agents, since the point of the legislation is to waive immunity for states themselves and hale them into American courts. Indeed, JASTA creates a new Section 1605B of the FSIA entitled "Responsibility of foreign states for international terrorism against the United States."

**JASTA does not apply to military activities of a foreign state.**

JASTA is expressly unavailable in relation to any "act of war" as defined under existing law. This limitation, coupled with JASTA's requirement that the claim arise from an act of international terrorism on U.S. soil, as also defined under existing law, precludes JASTA's invocation in relation to any military activities of a foreign sovereign.

- This is also beside the point. JASTA will encourage victims of terrorism – regardless of the perpetrator of the terrorist act – to bring lawsuits against foreign governments in an attempt to find a link between the perpetrator(s) and the state. Unless a particular act of terrorism is declared to be an act of war or undertaken by the armed forces of a foreign nation, the FSIA's exclusion of military activities and/or acts of war will do nothing to protect foreign states from these lawsuits, and the foreign state would then be forced to defend the case in a U.S. courtroom, something international law and practice recognizes is an affront to sovereignty.

**The enactment of reciprocal legislation poses no risk to our military personnel.**

Given the limitations described above, the enactment by a foreign government of legislation mirroring JASTA would present no risk of lawsuits against U.S. military personnel. To the extent the issue is instead the potential that a foreign government might enact different laws that allow claims against U.S. personnel, it would not be reciprocating but rather engaging in a transparent and unjustifiable act of aggression, and the U.S. would be expected to respond by making clear the economic, diplomatic, social and military consequences of such aggression, as it would in any other case. Virtually all nations would have far more to lose than to gain by doing so, and the fact of the matter is that any rogue states inclined to maliciously target U.S. interests can do so already.

- Most every state around the globe affords sovereign immunity to other nations, and does so in the same categorical manner; indeed, the "restrictive view" of sovereign immunity has become a staple of international law and foreign relations. Several nations – including some of the United States' closest allies – have objected to JASTA on the ground that it restricts and curtails sovereign immunity in a way that departs from international practice, and creates a precedent for other states to create similar exceptions to the immunity they are willing to afford the United States (and, perhaps, to other nations as well). It is highly likely that, once confronted with the prospect of being haled before U.S. courts to answer for alleged involvement in terrorist acts, foreign states will modify their own immunity laws to force the U.S. to answer in those states' courts for the alleged wrongdoing of the United States and its government. The result will be a "race to the bottom" creating a risk of private lawsuits supplanting diplomacy and negotiation as the primary method of resolving international conflicts.

**The United States has a program in place to compensate foreign citizens who suffer injuries as a result of noncombat activities of our military personnel abroad.**

The Foreign Claims Act, 10 U.S.C. § 2734, broadly authorizes foreign citizens injured as a result of the United States' non-combat military activities abroad to present claims against the United States for compensation for their injuries. The statute was enacted in 1956, and established a claims commission framework for presentation and payment of claims for such injuries. The Act expressly authorizes payments for meritorious claims for damage arising from U.S. non-combat military operations to real property, personal property, or "personal injury to, or death of, any inhabitant of a foreign country." Thus, the United States already has a mechanism in place to address injuries resulting from the activities of our military personnel abroad. Given that we already pay compensation for these claims voluntarily, there would be little to gain by authorizing suits against U.S. personnel.

- Through the Foreign Claims Act, the United States agrees to pay foreign nationals compensation for certain acts according to U.S. law – Congress has decided what the appropriate amount of compensation is, and claims are adjudicated under U.S. law. Having made a voluntary decision to subject itself to, and to pay, these claims, the U.S. has voluntarily waived its own sovereign immunity to them, and done so out of a sense of moral obligation and its responsibility to compensate foreign nationals for losses they may suffer as a result of U.S. government action. U.S. government payments to these claimants is essentially voluntary.
- JASTA, by contrast, subjects foreign states to compulsory U.S. court jurisdiction, and could result in a situation where a U.S. court – based on a lawsuit brought by a private party – can order a foreign state to pay damages in accordance with U.S. law. Under these circumstances, foreign states may well decide that they are not willing to have their citizens' claims decided under the Foreign Claims Act and on terms as dictated by the U.S. Congress, but rather in accordance with their own law. Foreign nationals would much prefer to litigate their claims against the U.S. government in their home country courts, under their home country's law, and with a fellow citizen as the factfinder, than to bring their claims against the U.S. government to a tribunal formed and controlled by the U.S. government. The U.S. may be subjected to much higher damage claims, and forced to litigate in unfamiliar courts, represented by unfamiliar counsel, and under systems that do not afford the same degree or types of due process that apply either before American courts or the claims tribunals. Simply put, foreign states may respond to JASTA by deciding that their nationals' claims against the U.S. government should not be decided by Americans, but by their own countrymen, and lead them to respond to JASTA by forcing the U.S. government to defend themselves in foreign courts, just as JASTA will require those foreign states to defend themselves in American courts.

**The United States Already is Subject to Claims Abroad for Civilian Casualties of Drone Strikes and Pays Compensation to Unintended Casualties of Those Strikes.**

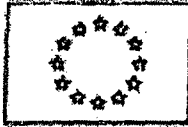
The United States already responds to claims in foreign jurisdictions for civilian casualties of drone strikes in Afghanistan, Pakistan, and Yemen, and has a program in place to pay compensation to the families of unintended casualties of those strikes. Within the last few days, reports confirmed that the United States had agreed to pay in excess of \$1 million to an Italian aid worker who was inadvertently killed, along with an American citizen, in a drone strike in Pakistan. This most recent payment is in keeping with a program that has been in place for a number of years under which the United States compensates unintended victims of drone strikes on a voluntary basis. The funding for these so-called solatia payments is authorized by Congress, via the NDAA. In July, the President issued an Executive Order which was designed to systematize and improve the compensation program, titled "United States Policy on Pre- and Post-Strike Measures to Address Civilian Casualties in U.S. Operations Involving the Use of Force." Among other things, the EO requires relevant agencies "to acknowledge U.S. Government responsibility for civilian casualties and offer condolences, including ex gratia payments, to civilians who are injured or to the families of civilians who are killed."

- Again, these are voluntary payments that the U.S. government, as a function of its moral obligation and its diplomatic standing in the world, agrees to make – these payments are not compelled or imposed on the United States by foreign courts. There will, by contrast, be nothing voluntary about JASTA – it will empower U.S. courts to compel foreign nations to appear in U.S. courts to defend themselves in response to claims brought by private claimants and lawyers, to announce judgment against those foreign nations, and to impose money judgments against them. Nations forced to defend JASTA claims will have a strong incentive to conclude that the United States' voluntary payment of certain claims is not enough, and that the U.S. should, like themselves, be forced to appear in that country's courts and account for its conduct. Diplomacy will suffer, being replaced by a proliferation of private lawsuits in response to sovereign acts.

**In the unlikely event some rogue state might authorize suits against U.S. personnel abroad, the United States is well equipped to defend them in any such action.**

There is an entire division of the DOJ known as the Office of Foreign Litigation, whose function is to protect U.S. interests in litigation pending in foreign courts. According to the office's website, the cases against the United States vary from employment disputes brought by foreign nationals working in U.S. embassies, consulates, and military bases abroad to litigation arising from U.S. agency or military activities in foreign countries." Further, "[a]t any given time, foreign lawyers under OFL's direct supervision represent the United States in approximately 1,000 lawsuits pending in the courts of over 100 countries." As these facts reflect, the United States already faces legal action in foreign courts, and has resources in place to manage such claims.

- The U.S. will almost surely face more lawsuits if and when foreign nations react to JASTA with reciprocal legislation. At present, the U.S. defends itself in foreign courts in accordance with the internationally-understood and accepted paradigm of state immunity. Once states begin to tinker with immunity and withhold it for this or that category of action, litigation against the United States and its personnel abroad will become more common, less predictable, and raise the prospect of the entry of large judgments against the United States in foreign courts. It would, as noted above, create a race to the bottom and create an incentive for private claimants and lawyers to bring litigation rather than to seek just and fair compensation through state-to-state diplomacy and negotiation.



**EUROPEAN UNION**  
DELEGATION TO THE UNITED STATES OF AMERICA

The EU Delegation to the United States of America presents its compliments to the Department of State and has the honour to refer to the adoption of the Justice Against Sponsors of Terrorism Act (JASTA).

The European Union wishes to express its concerns regarding the implications of the Justice Against Sponsors of Terrorism Act (JASTA), which was adopted by the US Senate on 17 May 2016 and passed by the US House of Representatives on 9 September 2016.

The European Union reaffirms its full commitment to continue its work with the United States to combat every form and act of terrorism. Bearing in mind the suffering of the families, relatives and friends of those who lost their lives in terrorist attacks as well as of the surviving victims, the utmost should be done to ease their pain.

However the European Union is of the view that the possible adoption and implementation of the JASTA would be in conflict with fundamental principles of international law and in particular the principle of State sovereign immunity.

State immunity is a central pillar of the international legal order. Any derogation from the principle of immunity bears the inherent danger of causing reciprocal action by other states and an erosion of the principle as such. The latter would put a burden on bilateral relations between states as well as on the international order as a whole.

The European Union considers that the adoption of the bill and its subsequent implementation might also have unwanted consequences as other States may seek to adopt similar legislation, leading to a further weakening of the principles of State sovereign immunity.

Therefore, the European Union calls upon the President of the United States to act in order to prevent the JASTA bill from becoming law.

Should the legislation come into force, the European Union would seek strong assurances from the United States that the US Administration would act to obtain the stay of proceedings as required in order to mitigate possible breaches of the principle of State sovereign immunity.

The EU Delegation avails itself of this opportunity to extend to the Department of State the assurance of its highest consideration.

U.S. Department of State  
Bureau of European & Eurasian Affairs (EUR)  
2201 C Street, NW  
Washington DC 20520

Washington, 16 September 2016





وزارة التجارة والاستثمار  
Ministry of Commerce and Investment

# Saudi-US Trade Relationship

Received by NSD/FARA Registration Unit 03/02/2017 10:52:03 PM



SaudiMCI

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# The United States enjoys a very active trade relationship with Saudi Arabia

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## US goods imports from KSA:

- \$22 Billion 2015<sup>1</sup>
- In 2013, KSA was 8th largest exporter of goods to the US<sup>2</sup>



## US goods exports to KSA:

- \$20 Billion<sup>1</sup> in 2015
- In 2013, KSA was 19th largest goods export market for the US<sup>2</sup>

## Breakdown of US exports to KSA (2013)<sup>2</sup>

### Automotive

\$5.8 Billion (29% of total)



### Machinery

\$3.6 Billion (18% of total)



### Aircraft

\$2.1 Billion (11% of total)



### Electronic machinery

\$1.4 Billion (7% of total)



### Agriculture

\$1.4 Billion (7% of total)



### Medical instruments

\$0.9 Billion (5% of total)



<sup>1</sup> 2015 figures from US Census Bureau; <sup>2</sup> Latest data available as per Office of the US Trade Representative, Executive Office of the President;

Note: Additionally, a growing sector of trade includes commercial services, which in 2012 reached \$8.1

Source: Office of the United States Trade Representative, Executive Office of the President; United States Census Bureau

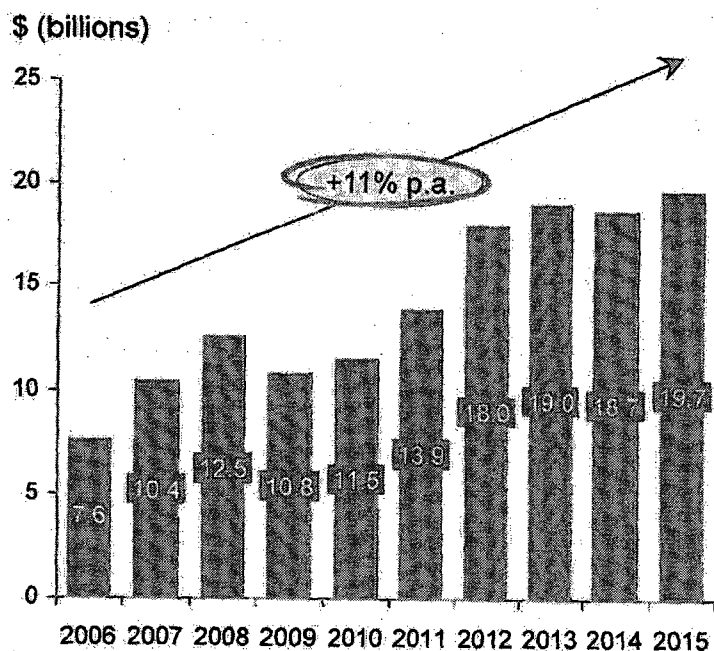
MCI - US-Saudi trade relationship fact sheet v4.pptx

# US exports to Saudi Arabia are growing fast at 11% per annum, while imports remain volatile

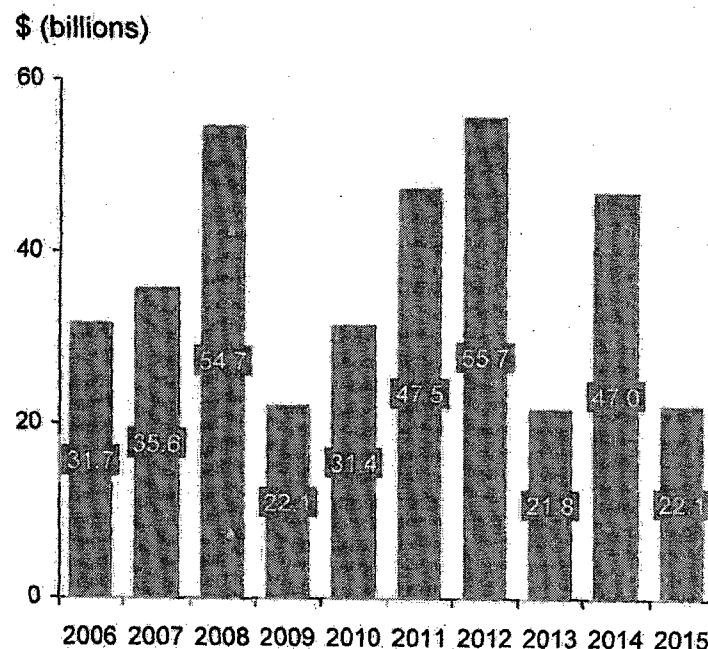
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**Value of exports to Saudi Arabia**



**Total value of imports from Saudi Arabia**



**Exports to Saudi Arabia exhibiting sustained growth, with strong potential for future increases**

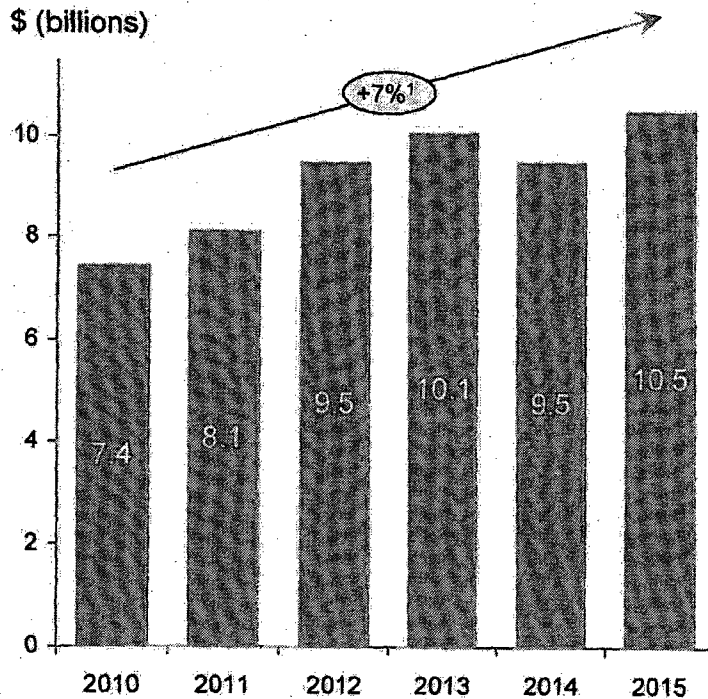
Source: United States Census Bureau  
 MCI - US-Saudi trade relationship fact sheet v4.pptx

# FDI inflows and outflows have both sustained significant growth rates over the past five years

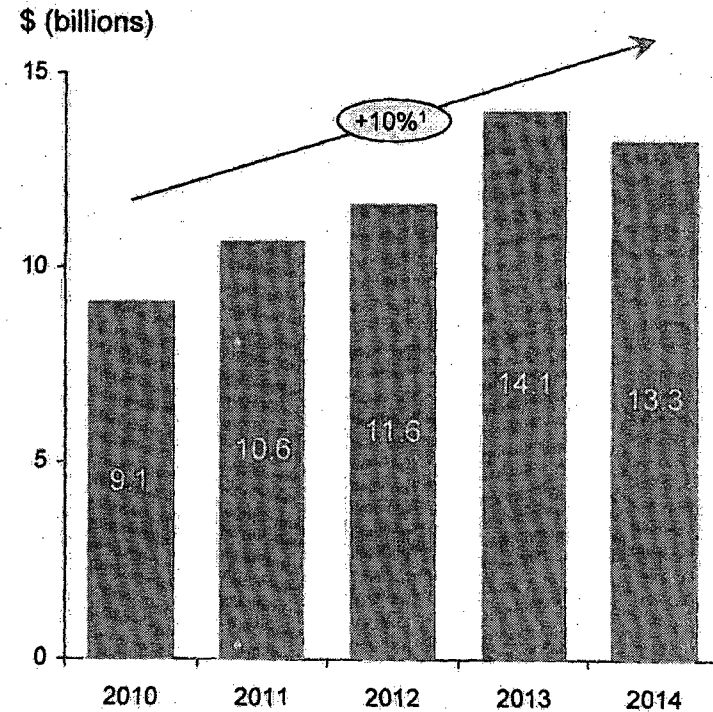
VISION 2030  
Saudi Vision 2030  
Ministry of Economy and Planning

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### US FDI in Saudi Arabia



### Saudi Arabian FDI in the US

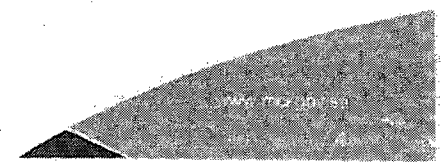


FDI: Foreign Direct Investment

1. Compound annual growth rate

Source: US Department of Commerce, Bureau of Economic Analysis; Select USA

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VS-0141-11  
2/13/30  
U.S. DEPARTMENT OF COMMERCE  
INTERNATIONAL TRADE ADMINISTRATION

# Investments by the top American companies in Saudi Arabia are worth over \$52 billion

## Major Companies Currently Investing in Saudi Arabia

Non-Exhaustive



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# Saudi Arabia and other GCC members are likewise significant investors in the United States

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	2014	2015
UAE	\$2.84bn	\$3bn
Qatar	\$2.08bn	

FDI: Foreign Direct Investment

1. Compound annual growth rate

Source: US Department of Commerce, Bureau of Economic Analysis; Select USA




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# Saudi Arabia's transformation program is expected to double its GDP and HH income and improve its fiscal balance



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**Key Potential Outcomes of KSA's Transformation Program by 2030\***

	KSA in 2014	Full Potential 2030
 <b>Real GDP</b>	\$800 billion	\$1600 billion 2x or 4.5% CAGR
 <b>Real Monthly HH Income (Saudis only)</b>	\$3,800	\$6,000
 <b>Annual fiscal balance</b> <b>Share of GDP</b>	-17 billion -2.3%	+\$40 billion <sup>2</sup> +2%

Source: McKinsey Global Institute; Saudi Arabia Beyond Oil: The Investment and Productivity Transformation. \*Assuming \$60 dollars p/b and flat production. 1) Includes interest payments if government chooses to finance deficits with debt



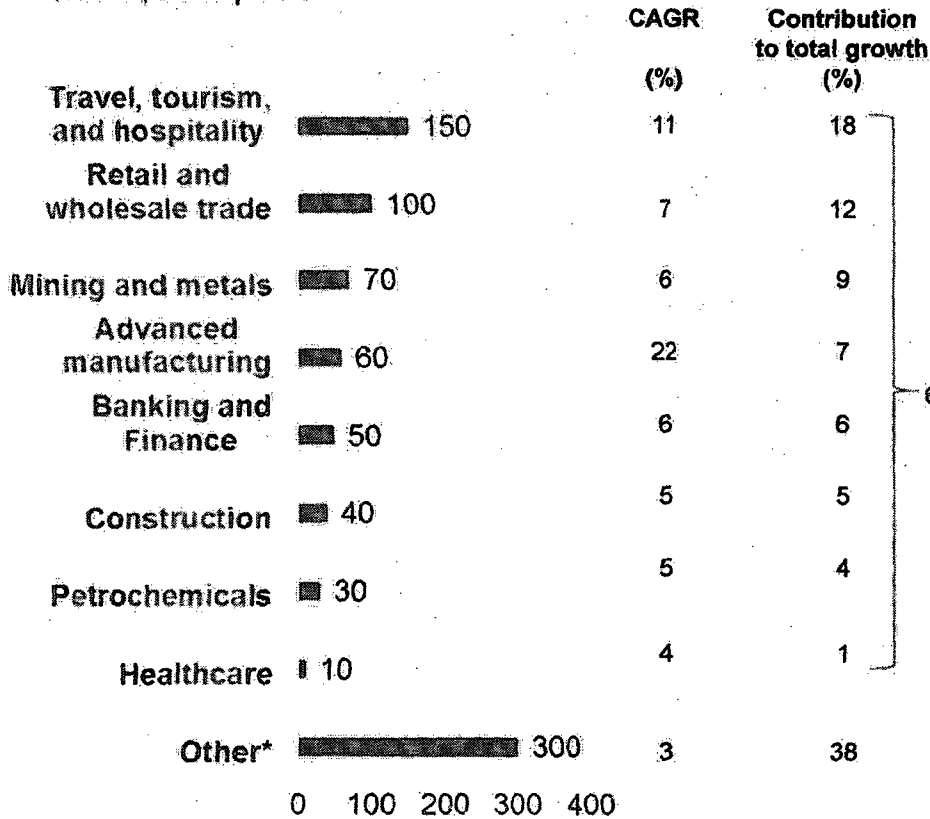
# Several sectors that will contribute to KSA's economic growth presents major opportunity for investments for US firms

VISION 2030

Non-Exhaustive

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**Potential Sector Contribution to GDP, 2014-2030**  
\$billion, 2013 prices



## Example of Saudi Sectors with Highest Growth Potential

**Tourism and Hospitality:** Leverage the country's long Red Sea coastline, wealth of archaeological treasures, and areas of natural beauty. Religious tourism can be further leveraged.

**Retail & Wholesale Trade:** Saudi Arabia's retail sector could boom as online retail and modern formats replace traditional *baqala* neighborhood "corner" stores

**Mining & Metals:** substantial deposits of metals and non metallic minerals, including major phosphate resources, gold, zinc, bauxite and high-quality silica, gypsum, limestone, kaolin, and magnesite which represent additional resource and manufacturing

**Advanced Manufacturing:** Saudi Arabia is a big market for a range of manufactured goods, including automobiles and electrical and mechanical machinery which it can produce for local market

**Banking & Finance:** There is significant potential room for growth in lending to small and medium-sized business, as well as in better provision of financial services to households, including mortgages and investment products

61%



Source: McKinsey Global Institute; Saudi Arabia Beyond Oil: The Investment and Productivity Transformation

\* Includes agriculture, other manufacturing, communications, utilities, personal services, business services, and real estate. Note: Numbers may not sum due to rounding



SECRETARY OF DEFENSE  
1000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-1000

SEP 26 2016

The Honorable William M. "Mac" Thornberry  
Chairman  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

Thank you for your letter of September 23, 2016, regarding the President's veto of S. 2040, the Justice Against Sponsors of Terrorism Act (JASTA). I support the President's position. We appreciate the opportunity to provide views on this important issue.

As I stated in my testimony before the Senate Armed Services Committee on September 22, 2016, I agree with the intent of the bill, which is to honor the families of 9/11 victims. While we are sympathetic to the intent of JASTA, its potential second- and third-order consequences could be devastating to the Department and its Service members and could undermine our important counterterrorism efforts abroad.

In general terms, JASTA would allow lawsuits in U.S. Federal Courts against foreign states for actions taken abroad that are alleged to have contributed to acts of terrorism in the United States, notwithstanding long-standing principles of sovereign immunity. Under existing law, similar lawsuits are available for actions taken abroad only by designated state sponsors of terrorism. JASTA extends the stripping of immunity to states that are not designated sponsors of terrorism, potentially subjecting many of the United States' allies and partner nations to litigation in U.S. courts.

JASTA has potentially harmful consequences for the Department of Defense and its personnel. Adoption of JASTA might result in reciprocal treatment of the United States and other countries could create exceptions to immunity that do not directly mirror those created by JASTA. This is likely to increase our country's vulnerability to lawsuits overseas and to encourage foreign governments or their courts to exercise jurisdiction over the United States or U.S. officials in situations in which we believe the United States is entitled of sovereign immunity. U.S. Service members stationed here and overseas, and especially those supporting our counterterrorism efforts, would be vulnerable to private individuals' accusations that their activities contributed to acts alleged to violate a foreign state's law. Such lawsuits could relate to actions taken by members of armed groups that received U.S. assistance or training, or misuse of U.S. military equipment by foreign forces.

First, whether the United States or our Service members have *in fact* provided support for terrorist acts or aided organizations that later commit such acts in violation of foreign laws is irrelevant to whether we would be forced to defend against lawsuits by private litigants in foreign courts. Instead, the mere allegation of their involvement could subject them to a foreign court's jurisdiction and the accompanying litigation and intrusive discovery process that goes

along with defending against such lawsuits. This could result in significant consequences even if the United States or our personnel were ultimately found not to be responsible for the alleged acts.

Second, there would be a risk of sizeable monetary damage awards in such cases, which could lead to efforts to attach U.S. Government property to satisfy those awards. Given the broad range of U.S. activities and robust presence around the world, including our Department's foreign bases and facilities abroad, we would have numerous assets vulnerable to such attempts.

Third, it is likely that litigants will seek sensitive government information in order to establish their case against either a foreign state under JASTA in U.S. courts or against the United States in a foreign court. This could include classified intelligence data and analysis, as well as sensitive operational information. While in the United States classified information could potentially be withheld in certain narrow circumstances in civil lawsuits brought by private litigants against our allies and partners, no legislation specifically protects classified information in civil actions (unlike protections afforded in criminal prosecutions) or under JASTA. Furthermore, if the United States were to be sued in foreign courts, such information would likely be sought by foreign plaintiffs, and it would be up to the foreign court whether classified or sensitive U.S. Government information sought by the litigants would be protected from disclosure. Moreover, the classified information could well be vital for our defense against the accusations. Disclosure could put the United States in the difficult position of choosing between disclosing classified or otherwise sensitive information or suffering adverse rulings and potentially large damage awards for our refusal to do so.

Relatedly, foreign lawsuits will divert resources from mission crucial tasks; they could subject our Service members and civilians, as well as contractor personnel, to depositions, subpoenas for trial testimony, and other compulsory processes both here and abroad. Indeed, such personnel might be held in civil or even criminal contempt if they refused to appear or to divulge classified or other sensitive information at the direction of a foreign court.

Finally, allowing our partners and allies – not just designated state sponsors of terrorism – to be subject to lawsuits inside the United States will inevitably undermine the trust and cooperation our forces need to accomplish their important missions. By damaging our close and effective cooperation with other countries, this could ultimately have a chilling effect on our own counterterrorism efforts.

Please let me know if there is any additional information the Department can provide.

Sincerely,



cc:

The Honorable Adam Smith  
Ranking Member

## Open Letter to the President of the United States and Members of Congress:

We are writing today to express our deep concerns about the Justice Against Sponsors of Terrorism Act (JASTA), now awaiting a veto by the President and, as a result, due to soon return to the Congress. The effect of this legislation on our national security interests, as well as the unintended consequences it would inevitably have on our relationships in the Middle East and Europe and our standing throughout the world, are very troublesome.

If JASTA is allowed to become law, it will completely undercut sovereign immunity protections upon which the United States and all sovereign nations have relied for centuries, and our troops, our diplomats and all U.S. government personnel working overseas could very well find themselves subject to lawsuits in other countries. This must not happen.

The safety and security of our diplomats, intelligence offices, military and other senior officials of the US Government, and their ability to perform their duties without foreign influence or intervention would be seriously imperiled by a process intent on denying them the international immunities that have been accepted by all civilized nations since the 16th century and earlier. We would be unable to protect them, and they would be subject to significant pressures in their reporting and operational duties and service and keep them free from all kinds of intervention from the trivial to the retributive. Our national security interests, our capacity to fight terrorism and our leadership role in the world would be put in serious jeopardy. Beyond the predictable endangerment of our official representatives, the chilling effect this legislation would have on U.S. officials overseas would undermine our ability to coordinate and consult with other nations to fight terrorism and therefore would endanger the American people and all those who interact with them.

We all, of course, sympathize with the victims of 9-11 and their families. However, this legislation will not help them. There has never been any credible evidence that has pointed to the involvement of Saudi Arabia in the tragedy of 9/11, and the only effect of this legislation will be to encourage the trial bar to extract settlements from sovereign nations based on the possible public disclosure of otherwise secret diplomatic and national security communications.

On the other hand, the harm this legislation will cause the United States will be both dramatic and long-lasting. The perpetrators of terrorism should and will continue to be pursued through our vast military, law enforcement and intelligence capabilities, but to dismantle the internationally accepted principles of sovereign immunity that have benefited the United States more than any other nation for so long will put our government officials and military personnel

at extreme risk and impede the ability of the community of nations to work together at a time when global cooperation in the war on terrorism is essential.

Further, the enactment of JASTA will most certainly undermine our relationship with one of our most important allies, Saudi Arabia, and damage our relationship with the entire Middle East. Our strategic alliance with Saudi Arabia has formed the core element of the geopolitical architecture of the modern Middle East. Over time, the Kingdom has evolved into one of Washington's most important and reliable partners in counterterrorism, both globally and within the region, including sustained pursuit and prosecution of private entities that fund sponsors of terrorism.

Saudi Arabia and the GCC countries are simultaneously major economic partners for the United States. This partnership extends well beyond energy and encompasses hundreds of billions of dollars of investment both in the Middle East and in the United States. Enactment of JASTA will send a disturbing signal to Saudi Arabia and to the entire Gulf region that we no longer value the relationships we have historically had, and it would encourage those governments and their private sectors to seek other relationships.

The Saudis for years have pegged the riyal to the dollar, at a significant cost to themselves. They have been willing to pay a steep price in the form of declining dollar reserves for the sake of their alliance with the United States. If, on the other hand, they perceive that we no longer value the alliance as much as they do, they could rightly conclude that the peg no longer serves a strategic purpose. Such a development would, of course, directly undermine the dollar in global currency markets.

JASTA's disproportionately harmful impact on the United States will inevitably extend to other vital U.S. relationships well beyond the Middle East. Critical European partners in the war on terrorism have registered their concerns in recent weeks. JASTA will expose European states, for the first time, to treble-damage terrorism class-action lawsuits in U.S. courts – without the protections provided for more than 40 years by the Foreign Sovereign Immunities Act. Some European governments have already expressed their intent to enact their own versions of JASTA if the U.S. bill becomes law, subjecting U.S. officials to legal exposure in their courts. If our government precipitates a competition among foreign states to enact their own versions of JASTA, the United States will be operating in the world with its hands tied.

These scenarios are speculative at this point. Indeed, they can become reality only if the U.S. unilaterally decides to alter its relationship with Saudi Arabia, the other GCC nations and our European allies. The enactment of JASTA will most certainly push some of these relationships to the brink. We strongly encourage the President and the Congress to seriously consider the potential geopolitical and economic consequences of an excessive weakening of the U.S.-Saudi relationship and other vital international partnerships. Despite disagreements and differences that

occur from time to time, these strategic relationships are a powerful factor operating in favor of the United States' global interests. If our relationships in the Middle East are weakened beyond a certain point, other powers with opposing agendas will benefit, and the U.S. will suffer the consequences for many decades into the future.

Sincerely,

**William S. Cohen**  
Former Secretary of Defense

**Michael B. Mukasey**  
Former Attorney General of  
the United States and Former  
U.S. District Judge, Southern  
District of New York

**Stephen J. Hadley**  
Former National Security  
Advisor to President George  
W. Bush

**Michael Morell**  
Former Acting Director of the  
Central Intelligence Agency

**Richard A. Clarke**  
Former National Coordinator  
for Security, Infrastructure  
Protection and Counter-  
terrorism for the United  
States

**Rand Beers**  
Former Acting Secretary of  
Homeland Security and  
Former Deputy Homeland  
Security Advisor to President  
Barack Obama

**Thomas R. Pickering**  
Former Under Secretary of  
State for Political Affairs and  
former Career Ambassador  
(the United Nations, the  
Russian Federation, India,  
Israel, El Salvador, Nigeria  
and Jordan)

**Frank G. Wisner II**  
Former Under Secretary of  
Defense for Policy and  
Former Ambassador to India,  
the Philippines, Egypt and  
Zambia

**Daniel C. Kurtzer**  
Former Ambassador to Israel  
and Egypt

September 22, 2016

**Open Letter to the U.S. Congress:**

We are writing today with great concern about the potential impact the Justice Against Sponsors of Terrorism Act (JASTA) could have on our military personnel around the world. The unintended consequences of this legislation could bring about a chain reaction around the world, giving other countries license to target the U.S. military and enable foreign courts to bring suits against American servicemen and women for actions taken in the line of duty. While politics and emotions can be powerful forces, it is important that the Congress provide the wisdom and leadership necessary to make the necessary corrections of legislation that was quickly passed without due deliberation in order to ensure that our military is properly protected.

As many of us who have served in the military know, it is not unusual to see legal actions taken against military personnel serving overseas. But it has been the principles of sovereign immunity, which have governed the community of nations for hundreds of years, which provide the protections to prevent our military personnel from being subject to the rules and actions of foreign courts. If sovereign immunity is degraded, as JASTA would certainly begin to do, then those protections will also go away.

Many countries have already raised their deep concerns about JASTA with the United States government, including Great Britain, France, Germany, the Netherlands, UAE, Egypt, Kuwait, Oman, and Pakistan – countries where many thousands of U.S. servicemen and women are or have been present. A number of these countries have already said that, if JASTA becomes U.S. law, their countries will move quickly to pass their own versions. This is not good policy.

The safety and security of our military and other government officials is a critical responsibility of the U.S. government. The Congress must take great care to ensure that soldiers must be able to do their jobs without threat of foreign influence or repercussion. We must do all we can to protect them from possible legal action in far-away lands.

Despite the intentions to help the victims of 9-11 and their families, with whom we all share great sympathy, JASTA as a solution could inadvertently harm our national security, our ongoing war on terrorism and our standing in the world. We urge the Congress to find a better way.

Sincerely,

Lieutenant General Claudius E. Watts, III  
U.S. Air Force, Ret.

Major General James H. Garner  
U.S. Army, Ret.

Major General Richard S. Siegfried  
U.S. Army, Ret.

Major General William Cotney  
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U.S. Air Force, Ret.

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U.S. Army (SCARNG), Ret.

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Colonel David Alcon  
U.S. Air Force, Ret.

Lieutenant Colonel David Testerman

Lieutenant Colonel Terry Thrall

## Saudi Arabia and the Justice Against Sponsors of Terrorism Act

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[csis.org/analysis/saudi-arabia-and-justice-against-sponsors-terrorism-act](https://www.csis.org/analysis/saudi-arabia-and-justice-against-sponsors-terrorism-act)

September 14, 2016

President Obama has made it clear that he intends to veto the legislation the House passed on September 9, 2016 that would allow families of those killed in the Sept. 11, 2001 attacks to sue Saudi Arabia for any role its officials played in the terrorist attack. He should veto the bill and the Congress should pause and not override that veto.

It is all too easy to understand anger the families and survivors of those who were victims on 9/11 feel, and the desire they have to find someone to punish and blame and for some compensation for their losses. It is equally easy to understand the mixed motives of a Congress caught up in the politics of fifteenth anniversary of the attack, an election year, and the desire not to seem soft on terrorism.

Saudi Arabia is also one of America's most difficult strategic partners for Americans to understand, and its progress, reforms, and strategic importance are often badly understated. It is easier to focus on the fact it is an Islamic state at a time when extremist threats like ISIS, Al Qaida, and the Taliban are at top of mind, than to focus on the complicated security issues in the Gulf region and the fact the U.S. is critically dependent on Saudi Arabia both in dealing with Iran and in fighting terrorism in the region from which it draws most of its strength.

This may help explain why the Congress passed a bill based so loosely on some 28 pages in a report that does not find the Saudi government to be guilty of anything, ignored the extent to which the legislation raised major issues international law and potentially opened the U.S up to suits against America, and did so without ever debating the bill on the floor of the Senate—which originally passed the bill in May—or in the House which passed it on September 9<sup>th</sup>.

It is also why the Congress is also considering blocking major arms transfers to Saudi Arabia after the United States had already made Saudi Arabia both a key regional military power and a key U.S. strategic partner in the Gulf by selling it over \$152 billion worth of advanced U.S. arms between 2001 and 2015.

There may well be a good reason for the Congress and the Administration to publically reexamine U.S. strategy in the Gulf and the Middle East. The strategic value of the region is changing. The nuclear agreement with Iran has not moderated the threat it poses in the Gulf; its growing missile forces pose to the entire region, or the growth of its military influence in Iraq, Syria, Lebanon, Yemen and the region.

The "war" against ISIS may win some important victories in Iraq and Syria, but it is all too clear that the threat posed by violent Islamic extremism and terrorism will continue and grow in spite of such victories. We need clearer strategies, we need more transparency, we need clear plans to deal with our strategic partners, and we need a bipartisan consensus our regional allies can trust.

These efforts cannot, however, be based on empty conspiracy theories, domestic political posturing, and a failure to honestly establish the facts. They cannot be based on making the worst-case interpretation of the suspicions set forth in 28 pages of redacted Congressional reporting provided in the *Congressional Joint*

*Inquiry into Intelligence Activities Before and After the Terrorist Attacks of September 11, 2001*—a report issued in December 2002 with only limited staff resources and long before the full facts were available.

The Congress and the Administration need to fully and openly examine:

- The growing dependence of the global and U.S. economies on the stable flow of petroleum exports from the Gulf, their impact on key U.S. trading partner in Asia, and their impact on the U.S. economy in spite of the steady reductions in direct U.S. petroleum imports.
- The full historical record of what happened in 9/11 and the fact that later FBI and U.S. intelligence investigations never found any meaningful Saudi official participation in 9/11.
- The emergence of Saudi Arabia and other Arab allies as key partners in the broader struggle against terrorism and Islamic extremism.
- The role that Saudi Arabia plays in leading the Gulf Cooperation Council and regional security effort in the Gulf and the Middle East, and in deterring and countering Iran.

This scarcely means that the United States should not encourage reform in Saudi Arabia – reforms which its government has already begun to undertake. It does not mean that the United States should not ask Saudi Arabia and its other regional allies to do more to fight violent extremism and provide for their own defense where this is possible. The last thing on earth the United States needs, however, is to “fight” terrorism by alienating a key partner in that fight as well as the equally important effort to contain and deter Iran.

These issues are addressed in detail in a revised Burke Chair report entitled ***Saudi Arabia and 9/11: Establishing the Truth Behind the Release of the 28 Pages and the “Justice Against Sponsors of Terrorism Act.”*** This report is available on the CSIS web site at [https://csis-prod.s3.amazonaws.com/s3fs-public/publication/160914\\_Saudi%20\\_28\\_pages\\_911\\_Report.pdf](https://csis-prod.s3.amazonaws.com/s3fs-public/publication/160914_Saudi%20_28_pages_911_Report.pdf).

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# THE WALL STREET JOURNAL.

## An Obama Veto Worth Backing

A bill targeting Saudi Arabia will boomerang on American interests.

Sept. 20, 2016

Legislation rushed through Congress with unanimous support often spells trouble, and so it is with the Justice Against Sponsors of Terrorism Act (Jasta) that President Obama is expected to veto this week.

The bill, which passed both houses of Congress on a voice vote, would create a new exception to sovereign immunity, the doctrine that protects foreign countries and their diplomats from lawsuits in U.S. courts. The bill is designed to let families of victims sue Saudi Arabia and its citizens for alleged complicity in 9/11.

The plaintiffs bar is salivating as it eyes Saudi-owned U.S. assets, and the Saudis would be foolish to keep assets in the U.S. where they could be confiscated. Their emergency sale would have hard-to-predict impact on asset prices, harm the reputation of the U.S. as a destination for foreign capital, and perhaps cause the Saudis to drop their currency peg to the dollar.

As dangerous would be the impact on American assets abroad as other countries play copycat and carve their own exceptions to sovereign immunity. The U.S. has far more assets overseas to seize, and foreign courts offer far less legal protection against frivolous lawsuits than American courts do.

Supporters say Jasta targets only the Saudis, but other countries will notice that the U.S. has abandoned sovereign immunity when it suits. In July the Dutch parliament said it considers Jasta a “gross and unwarranted breach of Dutch sovereignty,” so don’t be surprised if other countries retaliate.

Jasta lawsuits would also unleash much mischief in the U.S. What happens when plaintiffs or defendants use discovery—the pre-trial process that allows parties to demand documents—as a judicial WikiLeaks to force disclosure of U.S. intelligence and other sensitive information? If Jasta becomes law, crucial decisions affecting U.S. foreign policy will be influenced by judges and tort lawyers, instead of the U.S. President and diplomats.

Driving Jasta is the belief among 9/11 families that Saudi Arabia was behind the attacks and must pay. Certainly *individual* Saudis were complicit: 15 of the 19 hijackers were Saudi. And the Saudis have not always been helpful partners against radical Islamic terror.

But there is no hard evidence that Riyadh financed al Qaeda. The 9/11 Commission concluded that "we have found no evidence that the Saudi government as an institution or senior Saudi officials individually funded the organization." Some have pointed to the 28 pages from a Congressional report that were withheld from public view, but they were declassified this summer and provided no proof of official Saudi involvement.

This anti-Saudi posturing is building at the moment the Saudis are showing a greater commitment to domestic reform and the antiterror effort. Younger leaders are emerging who want a more diversified economy, more liberal domestic politics and a better relationship with the U.S. in resisting Sunni and Shiite terrorism. Other countries will also notice this slap at a Mideast ally.

The U.S. already has a law that lets Americans sue any country that the U.S. government has designated as a state-sponsor of terrorism. That 2008 statute targeted Iran, and George W. Bush threatened a veto unless the bill created an exception for Iraq. Several lawsuits have since been filed against Iran, but Iran has frustrated verdicts by removing most of its assets from U.S. jurisdiction.

Mr. Obama has until Friday to veto, and liberals like Senate Minority Leader Harry Reid are insisting on a quick override vote. Democrats want to look tough on terror in an election year despite their support for the Iran nuclear deal that has delivered tens of billions to that terror-supported regime.

Mr. Obama failed to speak up against the bill before it whisked through Congress, and now he's scrambling to find support to avoid another foreign-policy embarrassment. The lack of a recorded vote gives Members who care about more than politics the room to sustain his veto. Opposition to this self-defeating bill should be bipartisan.

# The Washington Post

## Should we let 9/11 victims sue Saudi Arabia? Not so fast.

By Editorial Board

September 15

A BASIC precept of international law is that sovereign nations, or their government officials, should not be liable for official actions in the civil courts of other sovereign nations. Sovereign immunity has stood the test of time because it makes practical sense. And it makes practical sense because the international deeds and misdeeds of governments are more equitably dealt with through state-to-state negotiations than by hauling one country's officials in front of the judges and juries of another.

Alas, the Senate and the House have unanimously voted to weaken this principle in the noble-sounding cause of justice for American victims of alleged state-sponsored acts of terrorism. The legislation, sparked by much-ballyhooed but so-far-unsubstantiated claims of official Saudi collusion in the Sept. 11, 2001, attacks, would permit victims of acts of terrorism in the United States to sue alleged state sponsors for monetary damages in federal court. Under current law, such suits are permissible only against governments that the State Department has already designated as sponsors of terrorism: Iran, Syria and Sudan. The bill would enable private individuals and their lawyers to add oil-rich Saudi Arabia, perhaps the ultimate deep-pocketed defendant, to that list. Someday, other countries could find themselves in the dock, too.

Proponents describe the bill as a "narrow" adjustment to existing law, and, to be sure, they have watered down more sweeping earlier versions in the face of veto threats from President Obama and criticism from international-law and national-security experts. The revised bill allows the executive branch to freeze any given suit for 180 days, by certifying to a court that it is engaged in good-faith negotiations to resolve the plaintiff's claims with the defendant nation. Such a stay could be extended for as long as the State Department certifies that the negotiations are still ongoing. As long as an administration is willing to jump through these hoops, it could probably block an objectionable lawsuit indefinitely, which makes one wonder what the point of the bill is anymore.

Note, however, that this would require the executive branch to conduct negotiations so it could make the certification, even if it didn't think such talks were warranted. And the bill leaves it up to a court whether to grant the initial stay. This is still too much power to give unelected, inexpert judges over a core function of the political branches.

In short, to the extent the revised bill isn't merely symbolic, it's mischievous. Mr. Obama has repeatedly called it a precedent other countries could easily turn against the United States. It is not a far-fetched concern, given this country's global use of intelligence agents, Special Operations forces and drones, all of which could be construed as state-sponsored "terrorism" when convenient. Even if a future administration did succeed in blocking a lawsuit, the mere filing of it could irritate the target country or countries. Members of Congress have repeatedly claimed enough votes to override Mr. Obama's veto threat, and they may be right. Mr. Obama should carry it out anyway. If long-standing principles of law and policy are to be discarded so lightly, at least let it be done without his approval.

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## Opinion

OP-ED CONTRIBUTORS

# Don't Let Americans Sue Saudi Arabia

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By CURTIS BRADLEY and JACK GOLDSMITH  
APRIL 22, 2016

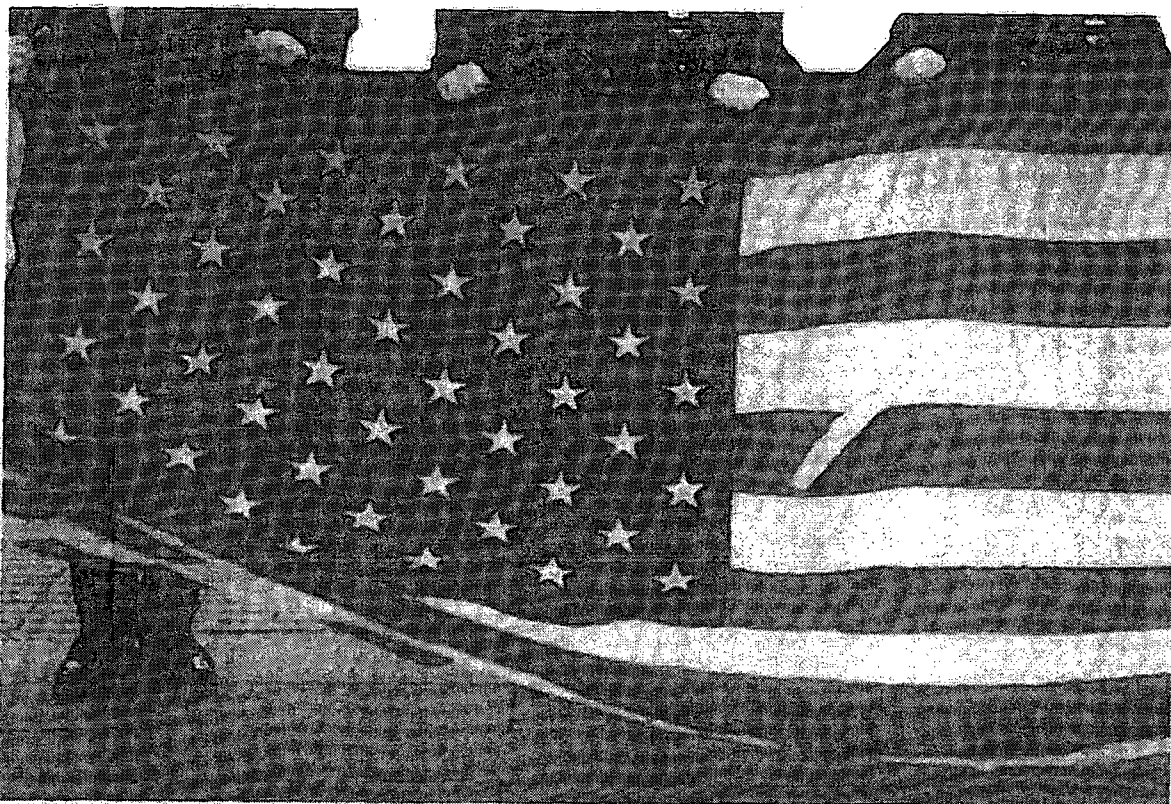
THERE has been much debate about whether a bill advancing through Congress that aims to expose Saudi Arabia to lawsuits in American courts for its alleged connection to the 9/11 attacks would unduly harm diplomatic and economic relations between the two countries. But the bill's potential for harm extends far beyond bilateral relations with one ally. It would also violate a core principle of international law, and it would jeopardize the effectiveness of American foreign aid and the legitimacy of the United States' actions in the war on terrorism.

A nation's immunity from lawsuits in the courts of another nation is a fundamental tenet of international law. This tenet is based on the idea that equal sovereigns should not use their courts to sit in judgment of one another. Many nations have tacitly agreed to limit immunity in specified contexts, such as when they engage in certain commercial activities. But apart from those exceptions (or where a binding treaty or Security Council resolution otherwise dictates), international law continues to guarantee immunity, even for alleged egregious crimes.

No nation benefits more from this arrangement than the United States. It conducts far more diplomatic, economic and military activities abroad than any other nation. Were the sovereign immunity rule to weaken, the United States would be subject to many more lawsuits in foreign courts than any other nation and would become an attractive and high-profile target for politicized litigation designed to contest its foreign policy. For this reason, the United States has long resisted actions by other nations that would erode the international law of immunity.

Yet now Congress is considering doing just that. Although the precise wording is still being negotiated, the bill in question would create an exception to immunity

from civil lawsuits for foreign nations accused of facilitating terrorist attacks in the United States. This would substantially narrow the immunity of foreign governments under American law, which currently allows for personal injury lawsuits against foreign governments only when the entire wrong of which they are accused occurs in the United States, and only when the act does not involve sensitive policy-oriented decisions. (A New Yorker can sue a foreign nation, for example, if one of its employees injures him in a traffic accident in Manhattan.)



Firefighters with a flag that was flying at the World Trade Center on September 11, 2001.  
DAMON WINTER / THE NEW YORK TIMES

To be sure, Congress has previously created exceptions to sovereign immunity from civil lawsuits for a small number of “state sponsors of terrorism.” (The Supreme Court on Wednesday upheld efforts to enforce large judgments against Iran under this exception.) The exception has been controversial and is almost certainly contrary to international law. The controversy has been muted, however, because the exception applies to only a few nations designated as bad actors by the executive branch, which takes into account foreign policy and related considerations in making the designations. (Tellingly, the list does not include Saudi Arabia.) The current proposed legislation, by contrast, would create a broad general exception to immunity, potentially applicable to any nation, which private plaintiffs could exploit without any filtering by the executive branch.

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One important reason for granting immunity to foreign governments in American courts is, as the Supreme Court once explained, “reciprocal self-interest.” If the United States reduces the immunity it accords to other nations, it exposes itself to an equivalent reduction in its own immunity abroad.

It might appear that the United States has little to fear in lawsuits abroad for acts of terrorism akin to 9/11. But terrorism is often in the eye of the beholder, and reciprocity need not be precise. It is easy to imagine the United States being sued abroad as a result of the military and other foreign aid it gives to many nations. A great deal of behavior traceable to American financial and material support — for example, aid to Israel that is said to result in displacements or killings in the West Bank, or to United States-backed rebels who are accused of attacking civilians in Syria — might result in a lawsuit abroad for aiding and abetting terrorism.

The lawsuits would not end there. American airstrikes against Al Qaeda and associates, and against the Islamic State, are legally controversial abroad. Many see the targeting practices of the United States (especially those that result in civilian casualties) as a form of terrorism, or as violating equally important norms of international humanitarian law. Lawsuits about such matters by foreign plaintiffs in foreign courts would be politically and financially damaging, and could produce legal rulings about appropriate military action that are far different from the principles that the United States and its allies now embrace.

Some people may view heightened accountability for America’s controversial actions abroad as a benefit of the bill rather than a flaw. We doubt the bill’s sponsors see things that way. But in any event, civil lawsuits directed by plaintiffs’ lawyers in foreign courts will inevitably be politicized. Such private-controlled lawsuits are not the right forum — abroad or in the United States — for the development of international norms and accountability for actions by nations related to military and criminal affairs. Deliberations and scrutiny through international diplomacy and by international organizations better serve this role.

Congress has many options for increasing accountability for 9/11. It could directly provide additional compensation for the families of those killed and injured on 9/11, and it could investigate lingering questions about the attack itself. Delegating these important tasks to private plaintiffs and unelected federal courts is an all-too-

familiar eschewal of congressional responsibility that will do significant harm to the United States in its many activities abroad.

Curtis Bradley is a law professor at Duke. Jack Goldsmith is a law professor at Harvard and a senior fellow at the Hoover Institution.

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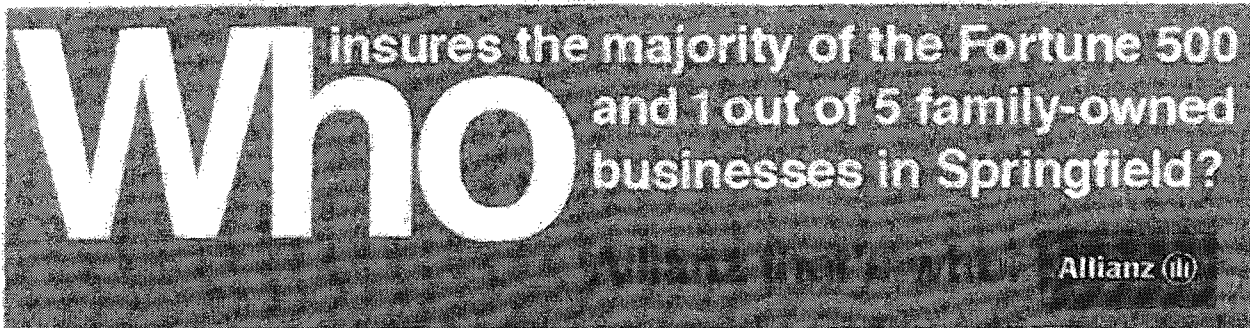
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## Presidential Veto of 9/11 Saudi Arabia Lawsuit Bill Faces Possible Override

President Barack Obama on Friday vetoed legislation allowing families of victims of the Sept. 11 attacks to sue Saudi Arabia, which could prompt Congress to overturn his decision with a rare veto override, the first of his presidency.

Obama said the Justice Against Sponsors of Terrorism Act would hurt U.S. national security and harm important alliances, while shifting crucial terrorism-related issues from policy officials into the hands of the courts.

The bill passed the Senate and House of Representatives in reaction to long-running suspicions, denied by Saudi Arabia, that hijackers of the four U.S. jetliners that attacked the United States in 2001 were backed by the Saudi government.

Fifteen of the 19 hijackers were Saudi nationals.

Obama said other countries could use the law, known as JASTA, as an excuse to sue U.S. diplomats, members of the military or companies – even for actions of foreign organizations that had received U.S. aid, equipment or training.

"Removing sovereign immunity in U.S. courts from foreign governments that are not designated as state sponsors of terrorism, based solely on allegations that such foreign governments' actions abroad had a connection to terrorism-related injuries on U.S. soil, threatens to undermine these longstanding principles that protect the United States, our forces, and our personnel," Obama said in a statement.

Senator Chuck Schumer, who co-wrote the legislation and has championed it, immediately made clear how difficult it will be for Obama to sustain the veto.

Schumer, the No. 3 Democrat in the Senate, issued a statement within moments of receiving the veto, promising that it would be "swiftly and soundly overturned." He represents New York, home of most of the Sept. 11 victims.

Both the Democratic and Republican candidates for president, Hillary Clinton and Donald Trump, said they would have signed the bill into law if they were in the White House.

### Some Doubts

If two-thirds of the lawmakers in both the Senate and House vote to override, the law would stand, the first such override since he became president in 2009, and possibly the last.

Obama leaves office in January. Friday's veto was the twelfth of his presidency.

An override has been expected, despite some lawmakers saying they had doubts about the measure.

In a letter seen by Reuters on Friday, Republican Rep. Mac Thornberry, chairman of the powerful House Armed Services Committee, said he would oppose the override.

"My primary concern is that this bill increases the risk posed to American military and intelligence personnel, diplomats and others serving our country around the world," Thornberry wrote in a letter encouraging his fellow Republicans to sustain the veto.

House Speaker Paul Ryan said Wednesday he thought there were enough votes to override a veto, but had concerns. "I worry about trial lawyers trying to get rich off of this. And I do worry about the precedent," he told reporters.

The "9/11 Families & Survivors United for Justice Against Terrorism" group, which has pressed Congress to uphold the legislation, called Obama's veto explanation "unconvincing and unsupportable."

The Saudi government has lobbied heavily to stop the bill, the European Union has formally opposed it and Gulf States have condemned it.

Major U.S. corporations such as General Electric and Dow Chemical have also pressed lawmakers to reconsider.

"The bill is not balanced, sets a dangerous precedent, and has real potential to destabilize vital bilateral relationships and the global economy," GE Chief Executive Jeffrey Immelt said in a letter to Senate Majority Leader Mitch McConnell, who supports the bill.

*(Reporting by Roberta Rampton and Patricia Zengerle; Editing by Grant McCool)*

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**The Telegraph**

US anti-terror law puts British soldiers at risk of prosecution

By Con Coughlin, DEFENCE EDITOR

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Britain has raised fears with the U.S. over proposed anti-terror legislation that could lead to British military and intelligence personnel being prosecuted in American courts, as well as by hostile regimes.

Whitehall security officials are concerned about recent legislation passed by Congress that would allow the families of victims of the September 11 attacks to take legal action against foreign governments.

The original intention was for the Justice Against Sponsors of Terrorism Act (JASTA) to enable the victims' families to sue countries like Saudi Arabia.

But fears the legislation could allow hostile states to take legal action against the U.S. and allies such as Britain have prompted U.S. President Barack Obama to issue a last-minute veto to block the legislation. Congress is now planning a vote later this week to override the presidential veto.

Critics of the legislation argue it undermines the long-established principle in international law concerning state sovereign immunity, where government officials and military personnel working overseas are protected from prosecution by foreign states.

This poses a significant risk for the U.S. which has the largest number of diplomats, military personnel and intelligence officers operating overseas.

A White House spokesman said Mr Obama had vetoed the bill because it "potentially opens up U.S. service members and diplomats and even companies to spurious lawsuits." Mr Obama was also worried about "the impact this could have on the United States' relationship with countries around the world."

Britain's intelligence and security agencies, MI6 and MI5, have also warned about the implications of the proposed legislation, as it could make them vulnerable to hostile lawsuits by American lawyers attempting to prove that British-based jihadists have been involved in terror plots against U.S. targets.

If sovereign immunity is no longer recognised, it could also result in military and intelligence personnel facing legal action from hostile states.

"No matter how well-intentioned this legislation might be, if it goes ahead it could pose a real threat to British personnel working in the military and the intelligence and security services," said a senior Whitehall security official.

"Any attempt to interfere with the internationally-recognised laws concerning sovereign immunity could result in the military and intelligence services receiving an avalanche of vexatious litigation from hostile regimes."

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But with the bill attracting strong support from both Democrats and Republicans, Congress is now planning a vote to override the presidential veto later this week.

The EU has already lodged a formal complaint with the State Department over the proposed legislation, and Downing Street officials have been lobbying hard behind the scenes with the Obama administration to get the legislation shelved.

Last night a Downing Street official said the government had "shared our concerns with them over the potential implications of the JASTA bill for international law, specifically the principles of state sovereignty and immunity."

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THINKING IT THROUGH: THE ALARMING CONSEQUENCES OF ENACTING THE JUSTICE AGAINST SPONSORS OF TERRORISM ACT

President Obama's veto today of the Justice Against Sponsors of Terrorism Act (JASTA) comes during the month of September when, for the 15th consecutive year, Americans were painfully reminded of the terrorist attacks of 9-11. That horrific event not only changed our collective psyche but left behind American families who are living every day with consequences so dramatic that they never fade. Our search for justice and their search for strategies to cope continue. That's why it's so unfortunate that the JASTA will likely fail to help them realize that justice. We must however make sure that the unintended consequences of JASTA do not put our nation at significant risk: to American lives, to our national interests and partnerships, to America's leadership in the world economy, and to our international credibility within the established rule of law.

By setting an American precedent of overturning sovereign immunity that the rest of the world can follow, our country and our people will be put at risk as other countries retaliate, or worse, follow our example. In the process, the efforts of our Administration, Congress, and the U.S. military to bolster our national security, can be swiftly undone through this flawed legislation.

Numerous legal and international affairs experts have spoken on this matter. JASTA would be, "almost certain to invite retaliation against our own government officials, soldiers, and diplomats and to be used to justify proceedings against our allies including but certainly not limited to Israel... This bill would invite retaliation by countries around the world, whether Turkey because of our support for the Kurds or Afghanistan because of death, or injury or property damage caused by drone strikes," according to former Attorney General of the United States Michael Mukasey in testimony before the House Judiciary Committee.

In the same hearing, Assistant Secretary of State for Near Eastern Affairs Ambassador Anne W. Patterson stated, "The passage of JASTA could undermine our critical fight against terrorism and particularly against ISIL by limiting our flexibility in operating overseas. It could potentially expose the U.S. government to billions of dollars in claims...As the world's largest economy, the United States has extensive operations overseas, including property ownership, and thus is particularly vulnerable to asset seizures abroad...JASTA may cause foreign governments to hesitate to invest or maintain their funds in the United States...Foreign governments may simply decide to avoid this risk by keeping their assets outside of the U.S. financial system or avoiding dollar denominated transactions." This legislation impacts all our trading partners and alliances – those who choose to align themselves with American leadership when building coalitions and strategic partnerships will be forced to reconsider putting billions in defense exports at added risk.

By passing JASTA, America would be damaging one of the core principles of international law – sovereign immunity. Our record is one of supporting international laws and norms, imposing the rule of law on rogue nations, and setting a positive example for the world to follow. While our grief over the losses caused by 9-11 continues, we cannot ignore that JASTA would set decades of precedent and policy protecting America's vital interests aside with the stroke of a pen.

Congress should find another way to address this matter and President Obama's veto should stand. The damage this piece of legislation would do in the name of a worthy goal is too high a price to pay for our nation's security and economic well-being.