

Congress of the United States

Washington, DC 20515

March 14, 2024

Office of the Honorable Brian Nelson
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Under Secretary Nelson:

I write to you today as a Member of the United States Congress, an Air Force veteran, a former intelligence community member, and a concerned American to request information regarding the New York-based American Club insuring tankers involved in the illicit sale of Iranian oil. On three separate occasions, I have asked about the current status of American Club, and I am still waiting to receive a satisfactory response.

As you know, in response to the United States imposing sanctions on Iranian oil, Iran and its buyers have used a “ghost fleet” of vessels to conceal the origin of Iranian oil, allowing Iran to continue to export oil that ultimately funds acts of terrorism. While sanctions are a tool to restrict access to the U.S. for companies that engage in certain commercial activities in Iran, we must also hold U.S. entities indirectly involved in sanctioned activity, like American Club, accountable for profiting from their involvement in sanctioned activities.

It is concerning and unacceptable for an American company to provide insurance for tankers that transport sanctioned Iranian oil that ultimately help to fund international terrorist activity. In August 2023, United Against Nuclear Iran (UANI) reported that a ship insured by American Club, the Sincere02, was involved in transporting Iranian oil.¹ Subsequently, a Bloomberg analysis using the UANI report confirmed that American Club provided insurance for 21 vessels suspected of moving Iranian oil – insuring more than its peers.²

Following a House Financial Services Committee hearing on April 23, 2023, where I asked you about Sincere02, American Club stopped insuring this tanker and 18 additional vessels. During the most recent Committee hearing on February 15, you confirmed that the Department of Treasury imposed sanctions on Sincere02.

While we appreciate Treasury confirming it imposed sanctions on Sincere02, your Department has failed to fully address my expressed concerns about American Club aside from acknowledging an investigation that occurred ten years ago.

The facts are simple – Iran is the world’s largest state sponsor of terrorism and consistently works in opposition to fundamental American values, including peace, stability, and democracy.

¹ https://www.unitedagainstnucleariran.com/uani_in_news/american-club-culls-15-tankers-accused-of-shipping-iranian-oil-from-insured-fleet

² <https://www.bloomberg.com/news/features/2024-02-08/us-insurer-covers-oil-tankers-suspected-of-violating-iran-russia-sanctions>

Hamas – with the material and financial support of Iran – perpetrated an unprecedented and brutal attack on Israel on October 7, 2023, highlighting the urgent need to cut off Iran’s ability to fund illicit terrorist activity. Any American company that is helping – directly or indirectly – to finance Iran is complicit in its acts of global terrorism.

As a former member of the National Security Council, I understand there are limitations on your ability to publicly comment on information, especially when it involves an American entity. Nevertheless, an American company reaping a profit from its involvement in insuring tankers that are transporting illicit Iranian oil to finance terrorism demand answers from this Administration.

I would, therefore, like to request the following information from the Treasury Department no later than April 14, 2024:

- Can you confirm when American Club first insured the Sincere02?
- Can you confirm American Club stopped insuring Sincere02? And if so, what prompted them to do so?
- Based off the United Against Nuclear Iran report that American Club insured 21 vessels and dropped 19 vessels after the April 23, 2023, hearing, is American Club still insuring the 3 vessels involved in the sale of Iranian oil?
- What steps is the Department taking to fully investigate American Club and its involvement in the sale of illicit Iranian oil?
- What evidence has American Club provided to prove they are not aiding the sale of illicit Iranian oil?
- What steps does the Department take when investigating claims that a domestic company is involved in sanctioned-related activities?
- Given that American Club is an American entity, what is the Department’s domestic branch doing? Are you working with another agency to investigate claims of insuring tankers involved in the transport and sale of Iranian oil?
- Has the Department investigated American Club since its investigation ten years ago?
- Can you detail with specificity the next steps the Department plans to take to address American business entities involved in sanctioned activity and what protocols has Treasury put in place to detect future involvement of American entities?

Should you have any questions about this request, please contact Caroline Sayers or Andrew Bohn at 202-225-5476.

Thank you in advance for your prompt response.

Sincerely,

A handwritten signature in blue ink that reads "Zach Nunn". The "Z" is large and loops around, and the "Nunn" is written in a cursive style.

Zach Nunn

Member of Congress