Iran Sanctions Case

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EXECUTIVE SUMMARY

Reza Zarrab, a businessman of Iranian descent, and Mehmet Hakan Atilla, the Deputy General Manager of Halkbank have been key figures in the case known as US vs Hakan Atilla. Zarrab was accused of violating US sanctions against Iran, and was arrested in March 2016 in Miami, Florida. And, on 27 March 2017, Hakan Atilla was taken into custody by the FBI on his way back to Turkey. As the investigations progressed, Zarrab decided to plead guilty and testify against Atilla, which brought the case to a new level whereby Atilla was found guilty by the jury.

The crisis that erupted as a result of the arrest of Zarrab has had great repercussions on both the American and Turkish public. This report provides a broad perspective on how the investigation originally focused on Zarrab and later resulted in the incrimination of Atilla, and brings insightful explanations regarding the trial.

The report describes the developments of the Iran sanctions case in chronological order and provides a timeline of what has happened before and during the case. It also compares the sanctions enforced on Iran by the United States and the United Nations, whether or not these sanctions are binding for Turkey, and remarks by Turkish and US officials.

Detailed information on the individuals in the Iran sanctions case and the extent of their involvement are presented in the report. Furthermore, in order to shed light on the network around the case, detailed information on Reza Zarrab, Hakan Atilla, the judge of the case, the prosecutor of the case, and other important names are provided. Charges against the defendants as released by the indictments of the Southern District of New York (SDNY) are elaborated and laid out alongside the counter-arguments.

The report sets out various links between the evidence that has been collected by the FBI and the evidence fabricated by FETÖ – both of which were used in court. Connections and links between FETÖ and the judges/prosecutors of the case are investigated in the report. Lastly, the position of Iran and the subject of the sanctions are detailed, in addition to the death sentence of Babak Zanjani which is affiliated to the case.

Iran sanctions case has been a judicial process with a lot of controversy. Given the suspicious links between activities of FETÖ and the trajectory of the trial raise concerns over the purpose of the case. The inclusion of the names of prominent figures who previous were targeted by the same terror organization into the court files also points at political motivations behind a professedly economic case. Whatever the decision of the judge will be, it is certain that Iran sanctions case has caused worsening of already insecure relations between Turkey and the US.

A. SANCTIONS AGAINST IRAN IMPOSED BY THE UN AND THE US

i. Sanctions by the UN

Sanctions imposed on Iran date back to 1968, when Iran signed the Non-proliferation Treaty which ensures the country will not develop nuclear weapons. Thereafter, when Iran signed the International Atomic Energy Agency Safeguards Agreement in 1974, it consented to inspections for the purpose of verification. In 2005, The International Atomic Energy Agency (IAEA) declared that Iran was non-compliant with its obligations, prompting the UN Security Council to impose sanctions on the country which are binding upon on all UN member states.

List of sanctions by the UN

Resolution 1696	July 31, 2006	- Iran to halt its uranium enrichment program - UN members to prohibit ballistic missile-related material to be sent to Iran
Resolution 1737	December 23, 2006	- Iran is demanded to suspend its proliferation-sensitive activities - Freeze on assets associated with Iran's proliferation activities
Resolution 1747	March 24, 2007	- The scope of the previous resolution is expanded
Resolution 1803	March 3, 2008	- Countries are called upon to exercise vigilance and restraint to prevent Iran from carrying out proliferation-sensitive activities or nuclear-weapon delivery mechanisms - Extra vigilance over Iranian financial institutions - Further inspection of cargo to prevent the transportation of prohibited goods to and from Iran.
Resolution 1835	September 27, 2008	- Reaffirmation of the previous resolutions -1696 (2006), 1737 (2006), 1747 (2007) and 1803 (2008)
Resolution 1929	June 9, 2010	- Iran prohibited from investing in sensitive nuclear activities abroad - States prohibited from selling Iran heavy weapons - States urged to prevent Iran from developing ballistic missile technology - Iran's smuggling to be probed further - States called to freeze Iran's assets and financial services - States called upon to exercise a national show of vigilance and restraint over their business dealings with Iran to prevent proliferation - States to prohibit new banking relationships with Iran
Resolution 1984	June 9, 2011	- Mandate of the expert panel extended
Resolution 2049	June 7, 2012	- Mandate of the expert panel extended
Resolution 2231	July 20, 2015	- JCPOA is endorsed by the UNSC - Setting out an inspection process and preparing for the removal of UN sanctions against Iran
Joint Comprehensive Plan of Action (JCPOA) – 16 January, 2016 (Implementation Day) The P5+1(China, France, Germany, Russia, the United Kingdom and the United States), the European Union and Iran agreed on the JCPOA on 14 July, 2015. It ensures that Iran's nuclear activities will be entirely peaceful. 18 October, 2015 was the adoption day of the JCPOA, and 16 January, 2016, was the implementation day.		

ii. Sanctions by the US

Presidents and Iran Sanctions

Jimmy Carter	1979	- "The situation in Iran constitutes an unusual and extraordinary threat to the national security, foreign policy and economy of the United States and declare(d) a national emergency to deal with that threat." (Executive Order 12170) - Assets freeze and trade embargo placed
Ronald Reagan	1987	- New embargo on Iranian goods with charges of supporting terrorism
Bill Clinton	1995	- Prohibition of US trade with Iran in oil industry and further prohibition of any trade (Executive Orders 12957 and 12959)
Barack Obama	2010	- Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA) is passed. Through CISADA, the US Treasury is able to enforce extraterritorial sanctions. Foreign-based financial institutions which have dealings with sanctioned banks are prohibited from using US dollars - Punishment of companies and individuals who help Iran's petroleum sector
	2012	- Blocking Property of the Government of Iran and Iranian Financial Institutions (Executive Order 13599) - Blocking the Property and Suspending Entry into the United States of Certain Persons with Respect to Grave Human Rights Abuses by the Governments of Iran and Syria via Information Technology (Executive Order 13606) - Prohibiting Certain Transactions with and Suspending Entry into the United States of Foreign Sanctions Evaders with Respect to Iran and Syria (Executive Order 13608) - Authorizing Additional Sanctions with Respect to Iran (Executive Order 13622)
	2013	- Authorizing the Implementation of Certain Sanctions Set Forth in the Iran Freedom and Counter-Proliferation Act of 2012 and Additional Sanctions With Respect To Iran (Executive Order 13645)
	2016	- Revocation of Executive Orders 13574, 13590, 13622, and 13645 With Respect to Iran, Amendment of Executive Order 13628 With Respect to Iran, and Provision of Implementation Authorities for Aspects of Certain Statutory Sanctions Outside the Scope of US Commitments Under the Joint Comprehensive Plan of Action of July 14, 2015 (Executive Order 13716)
Donald Trump	2017	- Sanctions over Iran's ballistic missile program, Islamic revolutionary Guard Corps' terrorism-related activities and human rights abuses.

iii. IEEPA & OFAC

The International Emergency Economic Powers Act (IEEPA) and Office of Foreign Assets Control (OFAC) are responsible for the implementation and enforcement of US sanctions on Iran and their regulation. IEEPA is the US law that allows US presidents to make binding declarations to use financial measures as a tool to deal with national security concerns. The sanctions imposed on Iran can be traced back to the act. OFAC, is a branch of the US Treasury which implements and enforces the economic sanctions.

International Emergency Economic Powers Act (IEEPA)

IEEPA is a law in the United States that authorises the US President to declare a national emergency in response to unusual and extraordinary threats, of foreign source, to the United States. This encompasses threats against national security, foreign policy or the economy, and giving the US President the authority to deal with the perceived threat in a manner that suits the country best, economically.

After such a declaration, the President is authorised by the law to block transactions and freeze assets to deal with the threat.

Office of Foreign Assets Control (OFAC)

"OFAC of the US Department of the Treasury administers and enforces economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under Presidential national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze assets under US jurisdiction."[1]

[1] https://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx

B. DETAILS OF THE CASE

i. TIMELINE OF EVENTS UNTIL THE TRIAL

March 6, 2016

Babak Zenjani is sentenced to death on charges of corruption in Iran.

March 19, 2016

Reza Zarrab, a Turkish and Iranian businessman/ gold trader, is arrested by FBI officials in Miami, Florida.

March 21, 2016

"An indictment is released in the Southern District of New York by Preet Bharara against Reza Zarrab, Camelia Jamshidy, an Iranian citizen and Hossein Najafzadeh, a citizen of Iran, for engaging in hundreds of millions of dollars-worth of transactions on behalf of the government of Iran and other Iranian entities, which were barred by US sanctions, laundering the proceeds of those illegal transactions and defrauding several financial institutions by concealing the true nature of these transactions."[2]

November 7, 2016

Mohammad Zarrab, Reza's brother also known as Can Sarraf, is included in the case and accused with the same charges as Reza Zarrab, Camelia Jamshidy and Hossein Najafzadeh in the superseding indictment.[3]

March 11, 2017

A US attorney, Preet Bharara, in the Southern District of New York and the prosecutor of the case is fired after refusing US attorney general Jeff Sessions' order to resign. Deputy US attorney, Joon H Kim, assumed the role of acting US attorney.[4]

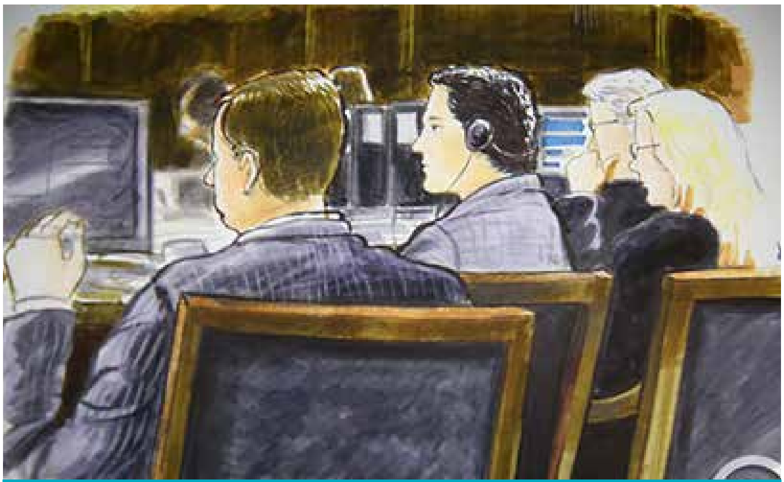
March 27, 2017

Mehmet Hakan Atilla, Deputy General Manager of Halkbank, is detained by the FBI on his way back to Turkey. He comes to join a meeting to which he is invited for.

March 28, 2017

According to an FBI complaint submitted by special agent Jennifer A. McReynolds to the court[5], Mr Atilla is charged with conspiring with others, including Reza Zarrab, to use the US financial system to conduct transactions on behalf of the government of Iran and other Iranian entities and to defraud US financial institutions by concealing the true nature of these transactions.

[2] https://www.justice.gov/opa/pr/turkish-national-arrested-conspiring-evade-us-sanctions-against-iran-money-laundering-and
[3] https://www.justice.gov/usao-sdny/pr/manhattan-united-states-attorney-announces-superseding-indictment-charging-turkish-and
[4] https://www.theguardian.com/us-news/2017/mar/11/preet-bharara-us-attorney-refuses-resign-jeff-sessions
[5] https://www.justice.gov/usao-sdny/pr/turkish-banker-arrested-conspiring-evade-us-sanctions-against-iran-and-other-offenses



An illustration of Atilla in the courthouse. (Necdet Yılmaz/AA)

April 5, 2017

Mr Atilla's case is combined with the case of Reza Zarrab, Camelia Jamshidy, Hossein Najafzadeh and Mohammad Zarrab in a new superseding indictment.[6]

September 6, 2017

A new superseding indictment is unsealed in the Southern District of New York,[7] which further expands the number of people accused:

- Mehmet Zafer Çağlayan, former Minister of Economy of Turkey
- Süleyman Aslan, former General Manager of Halkbank
- Levent Balkan, Assistant Deputy Manager for International Banking at Halkbank
- Abdullah Happani, associate of Reza Zarrab working at Durak Doviz and Duru Doviz

October 26, 2017

Reza Zarrab pleaded guilty to the accusations.[8]

November 27, 2017

Jury selection is finalised. The judge, Richard M. Berman tells the jury that Mehmet Hakan Atilla will be the only defendant in the court. Reza Zarrab and his brother Mohammad Zarrab's names are put on the potential witnesses list as "alleged co-conspirator".

November 28, 2017

Prosecutor reveals that Reza Zarrab is going to testify against Mehmet Hakan Atilla, the only defendant of the trial at the moment.

November 28, 2017

Trial is started at 9.15 am in US local time.

[6] https://timinhonolulu.files.wordpress.com/2017/04/20170407-212-second-superceding-indictment.pdf
[7] https://www.justice.gov/usao-sdny/pr/former-turkish-minister-economy-former-general-manager-turkish-government-owned-bank
[8] https://www.amerikaninsesi.com/a/sarraf-5-numarali-tanik/4140530.html

ii. DAILY SUMMARIES OF THE TRIAL

Iran sanctions case which started on November 28, came to a critical point with the verdict of the jury on January 3, 2018. The trial started with the claims of the prosecutor and continued with the hearing of witnesses, experts and the defence. First days of the trial laid the groundwork to inform the members of the jury about Iran, sanction, and economic details. Thus, in the first days, many details were discussed at the court and the attention of media was high. Later on, fewer surprising news came. Finally, the jury has reached a verdict and Atilla waits for the decision of the judge.

Day 1

• Zarrab has been absent from the court for months. This day, his plea of guilty has been confirmed and he pled guilty to seven charges. He was also absent at the first day of the case. The indictment was read by the prosecutor and three witnesses subsequently talked. Information on Iran's economic situation, monetary system, Iranian politicians, bureaucrats and businessmen were given.

• Atilla's attorney complained that the government has disclosed 11 thousand documents about Zarrab on the eve of the trial and the defense have little time to examine documents before cross-examination.

• Hakan Atilla's attorneys requested a two-week postponement due to the load of e-mails which are in Turkish added to documents by prosecution. Berman rejected this and indicated that the number of defence attorneys is high and some of them can go to the office to examine the files.

• Prosecutors tried to paint Atilla, instead of Zarrab, as the mastermind behind the evasion of sanctions.

• The prosecutor said that Iran had announced an economic jihad and this process was carried on by a group in a systematical manner. He emphasized Halkbank's name here.

• The prosecutor said despite several warnings Zarrab and his partners had continued to bribe government officials to keep violating the law.

• The prosecutor said that Reza Zarrab had been directed by Hakan Atilla.

• It has been revealed that Zarrab has bribed guards in US jails for alcohol, drugs and women.

• The defence presented Atilla as a civil servant who was thrown under the bus by Reza Zarrab. Atilla's defence says government will not be able to find "a scintilla" of evidence to show Atilla took bribes.

• Atilla's defence said they are only defending Hakan Atilla, not Turkey, Iran, other individuals or Halkbank.

• The judge emphasized that this is a case of economic crime. He urged the jury to not look at this as a terror issue.

• The FBI agent who detained and arrested Hakan Atilla testified,

• An expert from the US Treasury came to explain sanctions and how the sanctions were evaded.

Day 2

• Zarrab came to the trial. His attitude was untroubled when he talked about his many trades in detail: foreign exchange, shipping, furniture production, building construction and tea trade.

• Zarrab admitted that he lied during his interrogation and the reason for this was that he was scared and nervous. "I did not know what I was facing. After a long trip, I was shocked. I couldn't give the right answers. I was afraid."

• He also confirmed the accusation that he proposed bribes to guardians to bring him a phone and alcohol.

• Reza Zarrab conveyed that he is aware of the following three obligations as he cooperates with the prosecution: "To speak exactly the truth, to cooperate with the US government and never to commit any crimes after this."

• Zarrab said: "Cooperation was the fastest way to accept responsibility and to get out of jail."

• He said that he pleaded guilty to the following 7 crimes: defrauding the United States, violation of

IEEPA, money laundering, bank fraud, conspiracy to commit bank fraud, bribing a federal prison guard, conspiracy to commit money laundering.

• When he was asked the question whether he was seeing another participant in the scheme, Zarrab replied by saying that the person is at the defense table wearing a grey suit and a red tie. Hereupon, the judge said that the record will reflect that Zarrab has identified Mr. Atilla.

• Reza Zarrab said Halkbank initially did not want to work with him because of his fame in Turkey as his wife was a famous artist and he was therefore in public all the time.

• After Süleyman Aslan, the general director of Halkbank turned him down, Zarrab said he reached out to Turkish economic minister Zafer Çağlayan as he could handle this issue as Turkey's economy minister.

• Zarrab withdrew from Halkbank a few billion Euro's which he used to fulfill international money orders from Iranians and disguised that as gold trade. He conveyed that he discussed this with Aslan, Atilla and others.

• Zarrab talked about what happened in mid-2013, when the United States stopped the use of gold trade as a tool for Iran to exchange oil profit. He talked about his meeting with Halkbank and how he ordered his business associate Abdullah Happani to get started. The operations were done under the guise of humanitarian aid, such as food transport.

• Zarrab said: "Mehmet Hakan Atilla fell in line after getting a call from his boss" which was Süleyman Aslan. As Zarrab continued talking about Hakan Atilla's involvement, he explained to the Jury that Mehmet Hakan Atilla "was not open to the idea" of the food scheme. Yet, Halkbank's boss said to him "you will do this job; do you understand?".

• According to Zarrab's gold transfer system, at least about 10 financial transactions have been made in order to make oil and natural gas payments to Iran. He has aimed to avoid sanctions by applying such strategy.

• As Zarrab explained the process of his system, he spoke about the money transactions made between various organisations that opened different accounts in Halkbank.

Day 3

• Zarrab confirmed he was threatened during his federal detention period in Manhattan. He was asked "Why were you moved into the custody of the FBI?" His response was: "For security purposes, for the threats that I have received while in the detention centre".

• He described his activities in October 2012: he asked for a favour from the top policeman in Istanbul, to use the emergency lane so that he and the Iranian oil officials could avoid traffic.

• He said, he planned to move the oil money from India through Halkbank via Arab-Turk bank.

• Zarrab said he never bribed Hakan Atilla and that Atilla never asked for money from him.

• Zarrab said: "there were many times when we needed to reach out to Hakan Atilla or when he needed to reach out to us". He added, Hakan Atilla helped in verifying the official documents, in 2013 to aid in scheme.

Day 4

• Hakan Atilla's lawyers gave a letter to judge Richard Berman. In this letter, Zarrab was talking with someone named Ahad. Zarrab was alleged to have spoken in this phone conversation " to lie in order to be out of jail or to get less punishment."

• Zarrab described the "fictitious" gold and food trade he had made to Iran.

• Zarrab said he made a major error in the process. He said the error was in one incident of wheat shipment, he put the certificate of origin as Dubai but, wheat does not grow in Dubai.

• The court played a phone conversation allegedly between the witness Zarrab and the defendant Mehmet Hakan Atilla.

Day 5

• Zarrab's attorney Benjamin Brafman attended to the trial in case cross examination could took place and Zarrab could be asked questions.

• Prosecutor gave a brief of Friday and played two voice records.

• A WhatsApp message was showed. Suleyman Aslan was warning Zarrab about a transaction to Zarrab which was too much when considered as a food trade. Zarrab said that he would divide it to 5 Million dollars to not receive attention. Aslan said this would be better because the ships going to Iran were with low tonnage comparing with the amount of goods and payments on papers and this was causing a huge gap. Zarrab said they preferred smaller ships because bigger ships were being followed closer.

• In response to the prosecutor's question Zarrab said he never did real food trade and all of it was fictive.

• At the following part of the conversation between Aslan and Zarrab, Aslan asked if the ships had inspection certificate or not. Then, Aslan sent numbers of Cargill and Burge, two companies which were doing trade with Iran, and told Zarrab to look at it. These two companies were located in Dubai which are doing real food trade with Iran. Zarrab said those companies were both his competitors and not. Zarrab said they would be his competitors if he would do real food trade. On the other side they and him were both using Iranian money in Halkbank. And, it would be better for him if they would use less Iranian money, as a result they were stepping on his foot.

• There was a voice record previously played at trials that Zarrab was saying Aslan that some of the low level Halkbank administrators were suspicious. Those administrators asked questions about Zarrab's company and Zarrab complained to Aslan about that. He wanted Aslan to interfere because those administrators started investigating the reality of the trade.

• In the record it is seen that they argued the existence of the documents. In the same conversation, Zarrab asked Aslan if they can reduce the commission that Halkbank taking because it was too much. Aslan replied in a positive way and said they can decrease it. Monday morning Aslan texted to Zarrab via WhatsApp and said that Atilla would call Zarrab and fix the problems. Zarrab mentioned that the maximum commission of Halkbank from gold and food trade was 1%.

• Prosecutor asked why they divided trade into two parts. Zarrab said normally they could do it via one company but he divided it to manage it easier.

• It is claimed Atilla warned Zarrab about the tonnage of the ship because it was smaller and not able to carry the amount of goods declared on the papers.

• Zarrab showed excel files and accounting records to the court. There were two types of accounting. First one was the real accounting which was showing what would go to where. The second one was the fake accounting records which was declared to the bank. On the second one it was written that gold would go to Iran but in fact the destination was Dubai.

• Prosecutor asked Zarrab about the process after December 17. Zarrab said that he was arrested by the Financial Branch of Police Department at the time, and that he got released by paying bribes.

• To the question if he did business after this, Zarrab answered, he got in touch with Halkbank again. Zarrab said he had a meeting with some employees of Halkbank where Hakan Atilla was not present.

• Zarrab said he met with the new general manager of Halkbank and he said he started to use another company which was not owned by Zarrab. The name of the company was Mars and he replaced it with his company Volgam. The reason was they drew too much attention at December 17 and new general manager told him to using a new company would be better. But he said he used his company for the gold trade to keep the commission for him.

• Zarrab said he had three meetings with the new general manager of Halkbank, and Atilla attended one of them.

The jury has found Hakan Atilla guilty on five charges. (Volkan Furuncu/AA)

• Prosecutor brought a new black folder which was involving some emails used by FBI as evidence, swifts of banks etc. Zarrab told a money transaction from Iran to China. The money was going with a sequence of Iran-Turkey-Dubai-Usa-China.

Day 6

• In the sixth day of the Hakan Atilla trial, the defendant Reza Zarrab faced cross examination after prosecutor finished his. Cathy Fleming, Mehmet Hakan Atilla`s lawyer, made the examination.

• In the first part of the cross examination, Atilla`s lawyer Fleming examined Zarrab to reveal the nature of his relationship with the defendant Hakan Atilla and details of the Zarrab`s agreement process with the prosecutor`s office.

• It has been revealed from the cross examination that Reza for the first time contacted the FBI in August 2016 through his lawyers in order to negotiate an agreement. His first direct contact and talk with the state officials came in August 2017. And, they met 32 times since then.

• As to his relationship with Hakan Atilla, Zarrab said that they did not like each other even prior to the trial and Zarrab complained to Suleyman Aslan, the General Manager of HalkBank at that time, that Atilla was a "wrench in the gears" at Halkbank.

• Zarrab also said that he did not have Atilla`s phone number registered in his phone and that he did not have message conversation with Atilla while he had profound number of messages with Suleyman Aslan. Additionally, Zarrab confirmed that he had a close relationship with Suleyman Aslan.

• Zarrab also conceded that he did not bribe Atilla and Atilla did not ask bribe either. Zarrab also accepted that he did not have many meetings with Atilla.

• As to whether he is banned from Iran or not, Zarrab said that he is not banned, yet he continued the reason why he does not go to Iran is not related to political reasons or his business with Babek Zenjani but his lifestyle.

• In a jailhouse tape, Zarrab supposedly said that "lying is the fastest method to get out of the US prison".

• Zarrab said that upon his arrest he attempted to be released on bail and further said that he could reapply for the bail after the trial.

• Zarrab confirmed that during his agreement negotiations, FBI told him that he would face years and years in jail and if he would cooperate with them they would help him in return.

• Zarrab conceded that he would not be prosecuted for the crimes other than he pleaded guilty of seven charges in his proffers.

• Zarrab said that he made around $100M to $150M from these illegal businesses.

Day 7

• On this day, Zarrab did not answer many questions for he said he does not remember or he only partly remember.

• Defence lawyers has questioned Zarrab and used Whatsapp exchanges to shed light on issues Zarrab said he does not remember.

• Defence lawyers tried to prove Atilla has no connection to Zarrab. Lawyers asked Zarrab why he did establish his connection with Halkbank after December 17-25 over the new CEO instead of Atilla. Considering Zarrab's earlier remarks claiming that Atilla sat on top of the process, the question was important. Zarrab said he did not have to connect with Atilla because he bribed more important people.

The trial of Atilla was expected to end before 2018 but, jury could only reach a decision on January 2018. (Volkan Furuncu/AA)

Day 8

• David Cohen testified against Atilla in the court. He said he figured out, when he was Under-Secretary for Terrorism and Financial Intelligence, that Halkbank was principally used for the trade between Turkey and Iran.

• Zarrab was accused of sexual harassment done to a 62 years old citizen of Cote D'Ivoire who was cellmate of Zarrab.

• Ahmet Alacacı was introduced as the man who set up the system of gold trade in the first place.

• Atilla's lawyer Rocco said the Department of Justice is acting like the Department of the Treasury.

• Zarrab's lawyer Fleming asked various questions to Zarrab attempting at revealing lies. She tried to establish that Zarrab is a liar.

• Fleming brought the recording of a phone conversation between Zarrab and his uncle when he was in jail. Fleming argues that Zarrab, in the phone conversation, says to his uncle that "he has to admit things that he did not do in order to get out of the jail."

• Zarrab said that Atilla knew about what happens if a transaction involves National Iranian Oil Company (NIOC) but went on anyway.

• Zarrab said he got out of jail when arrested in Turkey on December 2013 by payments, some of which were bribes.

• Zarrab explained why he was removed from the federal prison. He said that he survived a knife attack by a man who, Zarrab claimed, said that he was doing it because Zarrab was cooperating.

Day 9

• David S. Cohen, a lawyer who worked with Obama's Treasury Department, said Hakan Atilla and Halkbank did not fully enclose, activities of Iran in approximately 6 face to face meetings.

• Cohen who was seen as a key witness, told things are going less dramatic with Reza Zarrab

• David Cohen claimed that Hakan Atilla and others at Halkbank wanted to know about a meeting held in Washington in 2014 whether the US was targeting Reza Zarrab's trades for possible sanctions. Cohen added to his statement, “We don’t forecast our enforcement actions”.

• Cohen said he came to Istanbul on 17 December 2013, with the purpose of having a meeting with Halkbank. Süleyman Aslan was arrested on the same day.

• During the cross examination, David Cohen pointed out that he never met with Hakan Atilla on one to one basis. In his meetings, high ranking Halkbank representatives including Süleyman Aslan and Aslan’s successor Ali Fuat Taşkesenlioğlu were present.

Day 10

• Joshua Kirschenbaum who works at FinCen (The Financial Crimes Enforcement Network) and Former Istanbul Financial Crimes Department Director Assistant Hüseyin Korkmaz were prosecuting witnesses in this session. Korkmaz, who is a member of the terrorist organization FETÖ, remained in custody for 17 months in December 17/25 process in Turkey.

• When leaving the prison in February 2016, Korkmaz said, "I never took part in this process, I had no knowledge about December 17/25 cases. I was arrested because of a case that I learned from the media like everyone else."

• Korkmaz, who said that he did not know anything about the December 17/25 process, witnessed in the Iran sanctions case by bringing the Istanbul court records of December 17/25 cases and evidences to the US through illegal ways.

• Judge Berman asked Korkmaz, "Have you got a copy of the whole investigation file of 17/25 processes?" Korkmaz said he was only able to take those who were scanned to that date. He thought he had all the sound recordings. He later realized that he only had the first CD.

• Hüseyin Korkmaz said he passed three countries illegally in order to come to the US and a fake passport was issued for him in a country. "I did not get the passport in the country I first entered. Then I moved to another country where I found a legal space to get my fake passport. Here I received a passport issued by an official agency but not of my own name.”

Day 11

• The trial on 12 December started with the testimony of Former OFAC director Adam Szubin about the rationale and implementation of U.S. sanctions against Iran.

• The prosecutor asked Szubin if he met with representatives from Halkbank. Szubin said he met with them two or three times in person. Szubin testified about the implementation of Obama's February 2012 order restricting the sale of gold to Iran. He said he reviewed these executive orders with Atilla. He also recounted some meetings with Süleyman Aslan and Hakan Atilla in Istanbul.

• Testimony then turned to Szubin's discussions with Hakan Atilla on humanitarian food and pharmaceutical aid to Iran. Szubin said he urged Halkbank to work only with "reputable" actors on humanitarian aid to Iran.

• Cross examination of Szubin kicked off with Atilla's attorney Victor Rocco. Rocco said that there were eight deputy managers at Halkbank. Szubin said he did not know this but he made sure to speak to those qualified to speak for the bank.

• Testimony turned to the arrests of Zarrab and Aslan in Turkey during the December 17/25 process. Szubin said that he learned about it from the newspapers. Szubin said he is "sure" that he discussed the events with Treasury officials, including the prior witness David Cohen.

• To the question when he first heard about Reza Zarrab, Szubin responded that he learned about him through information that he is not free to discuss.

• Rocco asked whether Halkbank was responsive to inquiries by OFAC (Office of Foreign Assets Control). Szubin said yes and then he was excused as a witness.

• Later, Witness Douglas Sloan, a Deutsche Bank employee, is called to testify. Sloan is describing "correspondent banking." "Our customers are not the average Tom, Dick and Harry," Sloan says. Rather, they're other correspondent banks. We're often talking about our customer's customer.

• After the Witness Douglas Sloan stepped down, Hüseyin Korkmaz, a FETÖ member and an ex-police chief who took part in December 17/25 Operation orchestrated by FETÖ, was brought to trial as a witness. Korkmaz noted that the charges against him are still active in Turkey.

• Prosecutor asked if Korkmaz has been employed in the United States. Korkmaz said no. He has received financial assistance from the FBI and prosecutors' office, which he says he did not ask for. The financial assistance was $50,000 from the FBI plus help with the rent from the prosecutors' office, according to the testimony.

• Afterwards, Korkmaz authenticated electronic evidence stored in a disk. Korkmaz said that he saw it was the same content as the evidence that he presented to the court. And the evidence has been entered into the record. Korkmaz described that the evidence being entered into the record seem to relate to financial transactions. He further authenticated the evidence seized in the Orient Bazaar search.

• Prosecutor asked Korkmaz about intercepted telephone communications. Korkmaz said that he reviewed transcripts of telephone calls that had been intercepted over the course of the investigation.

• Defence objected to the evidence. Judge Berman overruled with the exception of subject to connection. That was, it needed to connect to Atilla, the man on trial.

• The judge Richard Berman asked on the probe: Did it start with gold smuggling and later expand to these other topics? Korkmaz answered that this is correct.

• Korkmaz reviewed a transcript of a phone call involving Zarrab. Zarrab says in the conversation "I talked to Hakan. They're going to transfer soon," according to Korkmaz. Korkmaz testified about a cargo system described in a piece of evidence. Prosecutor asked if Korkmaz recognized the phone numbers. "What I remember would be the last four digits." He said that he recognized Zarrab's number, and also Hakan Atilla's.

Day 12

• Hüseyin Korkmaz acknowledged he never saw or met Atilla before.

• Hüseyin Korkmaz denied he is a member of Gulenists.

• Korkmaz said he left Turkey one month after the failed coup of July 15.

• Zarrab’s prior case in Turkey has been questioned in detail via Hüseyin Korkmaz. Atilla’s lawyers frequently object to Hüseyin Korkmaz’s testimony claiming that his testimony is hearsay, the chain of custody of the documents he brought questionable and his claims not directly related to Atilla’s case.

Day 13

• Tod Harrison, one of Atilla’s attorneys cross examined Korkmaz.

• Korkmaz, unpromptedly talks about millions in bribes to Suleyman Aslan. He asked Korkmaz whether Atilla was ever bribed. Korkmaz’s answer is no.

• Harrison accused Korkmaz of shredding official documents which Korkmaz denied.

• Korkmaz said he planned to send a copy to the Parliament. Atilla's attorneys said that he was not authorized to have that evidence. Korkmaz: Yes, I knew that, and I still went ahead.

• Harrison claimed that the evidence was "altered", by "removing signatures" before handing them to him.

• Harrison talked about the "armed coup attempt" in Turkey.

• Korkmaz said he is not a coup analyst and he did not take part in a coup.

• Harrison asked Korkmaz questions about Gülenists and the coup. Korkmaz kept replying that he knows nothing about it.

• The judge told Atilla's attorney that the questioning is getting far afield, essentially turning into a discussion of Turkish politics rather than topics relevant to his client.

• Harrison claimed that Gülen requested Korkmaz's release. Korkmaz said he did not know Fethullah Gülen in reply. Harrison claimed that this request came from a letter by Gülen.

Day 14

• Fleming asked Atilla about Halkbank's sanctions team: "Did they report to Atilla?" Atilla said he needs to make an explanation here, because there are two different structures one of them being compliance department. Atilla gave general information about Halkbank. The approximate figure of people work at Halkbank is 17,000 and it has around 1,000 branches.

• Atilla also expressed that there had been a mistake in the complaint attributing a wiretap to him, which actually belonged to Hakan Aydoğan. He then spoke about his career path and development.

• The chain of command for Halkbank was described, such as who holds which position. Testimony then turned to the relation between Halkbank and other banks, both within and outside of Turkey. The connection and trade completed between these banks were discussed.

Day 15

• Preet Bharara, who had prepared the indictment of Reza Zarrab and then removed from his post by Trump, came to the courtroom and followed the session. Bhrara replied, "I will not comment on this issue" in response to the question, "What will you say, that there are allegations that you are a Gülenist?"

• Bharara later held a secret meeting with judge Berman and his team. No information was given about the meeting and the visit of Bharara.

• Hakan Atilla's lawyers made a long presentation to inform the jury about Atilla's past, business life and family.

• Hakan Atilla was asked, "Did you like Zarrab?" He said that he did not like him, that he was not in social surroundings with him, did not drink tea, coffee, and did not eat with him.

Day 16

• There is no estimation or deadline for jury's verdict.

• Berman wanted jury to start the judgement from the point of "defendant is innocent" and requested them to choose a foreperson. He thanked to jury for their presence for 3 weeks. Jury had a meeting for 4 hours but could not come up with a verdict.

Day 17

• After four days of deliberation, Jury has reached to a mixed verdict on 3 January 2018.

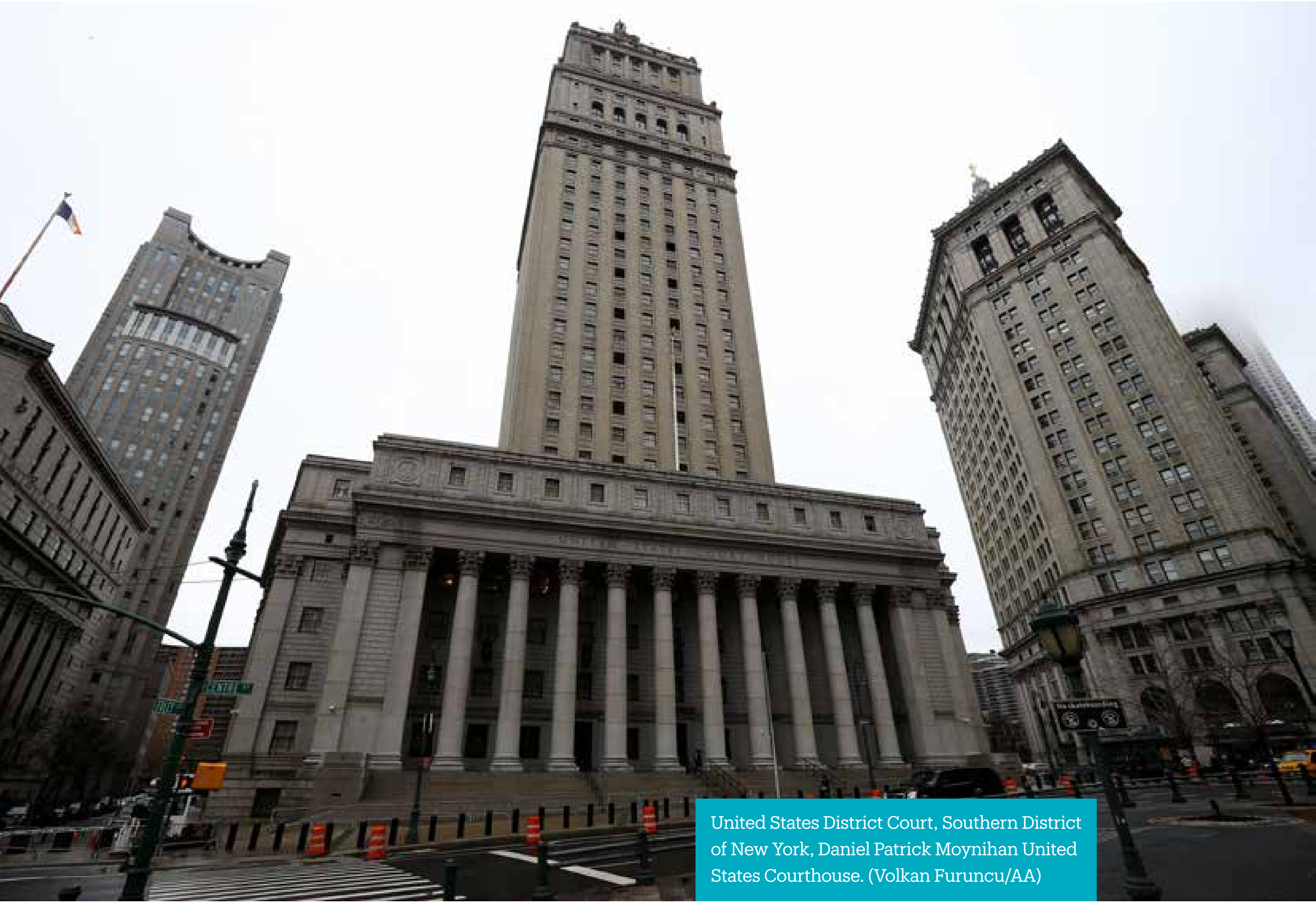
• Jury send a note to Judge Berman asking, "what happens if we have agreement on some of the accounts but not all of them?" To which Judge Berman responds, after discussing with prosecutors and defence lawyers, "keep deliberating".

• Judge Berman reads another note and tells Jury reached to a verdict on all counts.

• The jury finds Hakan Atilla guilty on 5 five counts of conspiracy and bank fraud but not guilty on 1 account of money laundering.

• Judge Berman will announce his sentence on 11 April 2018.

iii. DETAILS OF INDICTMENTS



United States District Court, Southern District of New York, Daniel Patrick Moynihan United States Courthouse. (Volkan Furuncu/AA)

1. The References Given in the Cases that Associate with American Law and Institutions

• In the indictments, the priority reference is given to the International Emergency Economic Powers Act (IEEPA). The cases are in accordance with the "War and National Security" (Title 50) and "Money and Finance" (Title 31) of the US Code.

• Indictments give reference to sanctions starting in: 1979, 1995 and 2013.

• The sanctions against Iran were imposed by the Office of Foreign Assets Control (OFAC). The international transfers that are not supervised by this institution are being investigated.

• The FBI, Department of Defense, Counter Intelligence and Export Control Department, US Customs and Border Protection, International Office of the Department of Justice and International Relations, and the Terrorist and International Narcotics Department are all involved in the case.

2. The Allegations of the Cases on the Basis of Announced Indictments

• Up until December 2017, there have been four separate indictments involving Zarrab and Halkbank. These indictments were announced and expanded after the arrest of Reza Zarrab[9] and have continued until the publication of this report (Dec 2017) with the inclusion of names such as his brother Mohammad Zarrab[10], Mehmet Hakan Atilla[11], the former Deputy General Manager of Halkbank and later Mehmet Zafer Çağlayan[12], the former Turkish Minister of Economy. The case appears to continue to involve others as there are people and institutions involved in the case, however their names have not been made public.

• Defendant names in the indictments: Reza Zarrab, Camelia Jamshidy, Hossein Najafzadeh, Mohammad Zarrab, Mehmet Hakan Atilla, Mehmet Zafer Çağlayan, Süleyman Aslan, Levent Balkan and Abdullah Happani.

• On 27 November 2017, the US Department of Justice announced that Mehmet Hakan Atilla will be the only defendant and Reza Zarrab will be the witness in the upcoming trial.

• The location of the companies involved in the case and the countries where the money transfers were made are: Turkey, United Arab Emirates, Turkmenistan, China, Hong Kong, Switzerland, United Kingdom, Canada, USA.

• The institutions and companies mentioned in the case are: Bank Mellat, Mahan Air, Royal Holding Inc, Durak Exchange Exchange, Al Nafees Exchange, Royal Emerald Investments, Asi Precious Metals Tourism Automotive, Flash Exchange, ECB Jewelery Domestic and Foreign Industry Trade Limited Company, Sun General Trading LLC, Dynasty General Trading LLC.

• Institutions that are considered a threat to US National Security are: Bank Mellat, Mahan Air, as well as some Iranian natural gas companies that provide support to strengthen Iran's nuclear power, in addition to the Iranian Revolutionary Guards Corps (IRGC) and Hezbollah, which are regarded as terrorist organisations by the US.

• **Accusation:** The financial transfers made between Turkey and Iran between 2010-2015 violated the US sanctions imposed on Iran.

• **Accusation:** Reza Zarrab works for the Iranian government and he has transferred money to Iran through his dummy companies and relationships, using bribery.

• **Accusation:** Defendants are on trial and face 5 years in prison for attempted fraud of monetary transfers, 20 years for not abiding by the International Emergency Economic Powers Act and money laundering, and 30 years for bank fraud.

• **Accusation:** Large amounts of money transfers were conducted in US dollars. The use of dollars in the transactions is considered a crime.

• **Accusation:** American associated banks, institutions and companies were used during the money transfers.

• **Accusation:** Mehmet Hakan Atilla transferred money under the pretence of them being for food and humanitarian aid purposes.

[9] https://www.justice.gov/opa/pr/turkish-national-arrested-conspiring-evade-us-sanctions-against-iran-money-laundering-and
[10] https://www.justice.gov/usao-sdny/pr/manhattan-united-states-attorney-announces-superseding-indictment-charging-turkish-and
[11] hhttps://www.justice.gov/usao-sdny/pr/turkish-banker-arrested-conspiring-evade-us-sanctions-against-iran-and-other-offenses
[12] https://www.justice.gov/usao-sdny/pr/former-turkish-minister-economy-former-general-manager-turkish-government-owned-bank

• **Accusation:** Phone calls of Mehmet Hakan Atilla and Reza Zarrab appear in the indictments. It is alleged that Zarrab and Atilla were aware of the American sanctions and had purposely manipulated the banking system.

• **Accusation:** It is claimed that Mehmet Zafer Çağlayan and Süleyman Aslan used their positions of influence to manipulate the system during the money transfers. They are also accused of receiving bribes of millions of dollars.

3. Indictment of the Mehmet Hakan Atilla's Case

• On 27 November, 2017, Judge Richard M. Berman announced that Mehmet Hakan Atilla will face the jury as the only defendant.

• Reza Zarrab is among the witnesses of the case against Mehmet Hakan Atilla.

• **Accusation:** Mehmet Hakan Atilla is accused of abusing the American financial system, by using his position in Halkbank and violating the sanctions against Iran through international money transfers.

• **Accusation:** William F. Sweeney Jr., Assistant Director of the New York Division of the Federal Bureau of Investigation (FBI), claims that Mehmet Hakan Atilla conducted international money transfers to Iran.

• **Accusation:** Telephone records of Mehmet Hakan Atilla and Reza Zarrab were put on the 18th clause of the indictment of the case against Mehmet Hakan Atilla; based on these phone calls, Mehmet Hakan Atilla led the process of money transfers and violated America's sanctions on Iran.

* The source of the record has not been mentioned in the indictment.

C. TURKEY AND THE CASE

i.CONTROVERSIES REGARDING THE CASE

• In a statement, Halkbank claimed that none of the acts carried out by Halkbank violated the resolutions of the United Nations. In addition, Halkbank has not engaged in any transactions with other countries on the basis of illegal foundations and has not made any money transfers without knowing its source.

• The United Nations' decisions are binding upon all member states, whilst US presidential declarations are not binding for other countries.

• Turkey's trade with Iran has always been in accordance with the sanctions drafted by United Nations' resolutions. Turkey imports petroleum and gas from abroad and Iran being their most significant energy supplier has great potential to negatively affect Turkey's energy policies. Halkbank is only used as an intermediary in order to realize and maintain this trade.

• Prosecutors who are members of the Fetullahist Terrorist Organization (FETÖ) have unlawfully listened to the phone calls of more than half a million people in Turkey to use them during the judicial coup attempt, that was carried out between December 17-25, 2013. By law, it is not permissible for prosecutors in the US to use these recordings in the court, yet they are still allowed access. Questions have risen regarding the motivation of this, as there is a possibility this access can be used to sabotage the case.

• This case is misused and purposely misconstrued by FETÖ members to place the Turkish government under pressure. A former police officer, Hüseyin Korkmaz, known also to be a member of FETÖ, who fled Turkey after the judicial coup attempt on December 17, 2013, witnessed during the trial. Korkmaz is the person who handed in the tapes that are being used as evidence [for the judicial coup attempt]. His involvement in the gathering of evidence indicates to the connection of FETÖ in this specific case.

• The judge of the case, Richard Berman, joined an international symposium in Istanbul in 2014 which was organized by FETÖ members. During his opening speech he conveyed the following: "it is no secret that state of law is under threat in Turkey." This statement about Turkey and the government overshadows the judge's impartiality principle.

• After the July 15 coup attempt, Bhahara tweeted the following about Erdoğan: "Erdoğan's regime arrested the wives of the police" who are related to Zarrab's case. Bharara's tweet indicates to his lack of objectivity about Turkey's position. He also tweeted the following unfounded statements, which further reiterates his inauspicious views about Turkey: "Horrifying if this is true. Erdoğan's jailing of wives of Turkish police chiefs is cowardly and despicable. Period."

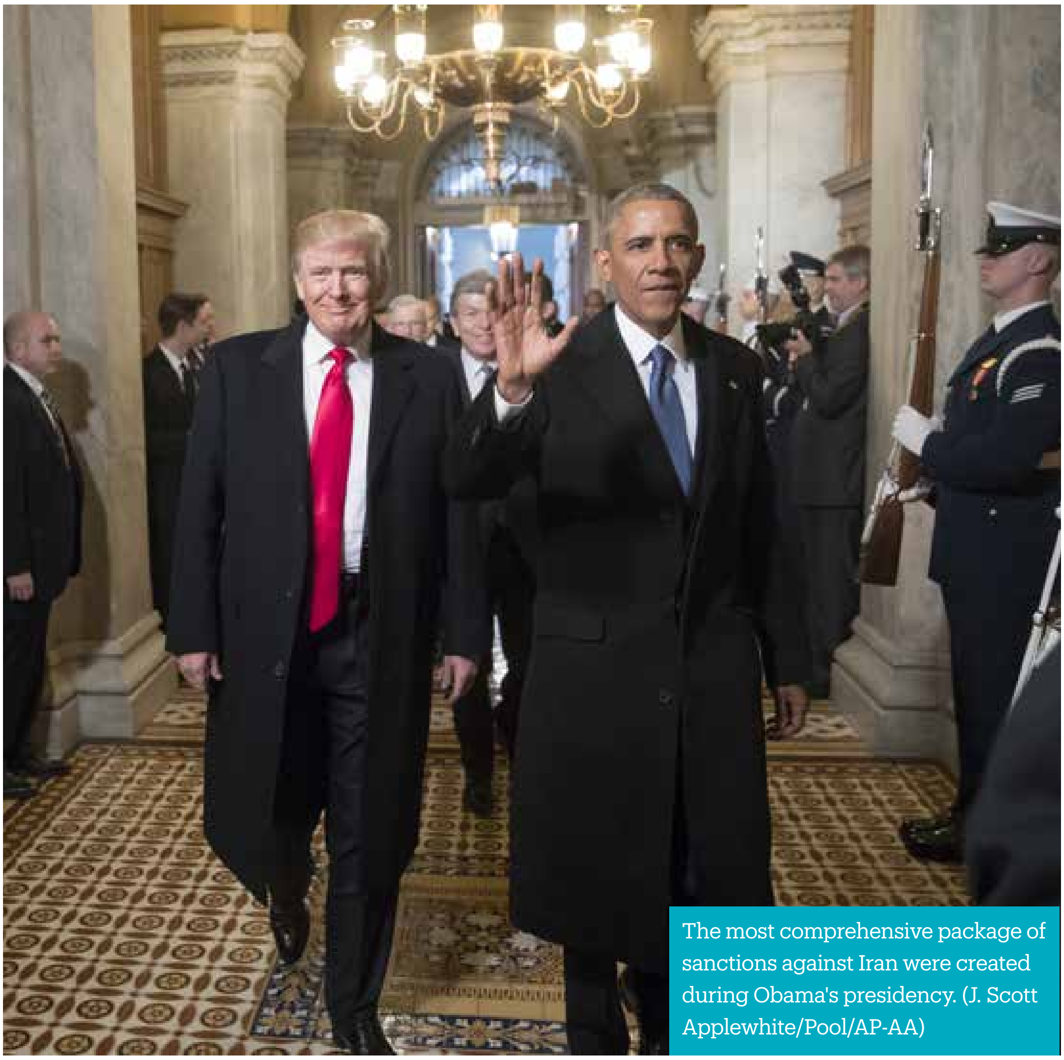
• German and French companies bought tenders for infrastructure projects in Iran during the period in which sanctions were in place upon Iran.

• European banks, such as HSBC and BNP Paris have also violated the sanctions by carrying out transactions with Iran. These banks were punished with pecuniary penalties. However, none of the employees at these banks were punished with imprisonment, which is a possibility in the case of the Deputy General Manager of Halkbank, Mehmet Hakan Atilla. This, again, indicates that the prosecutors of the case are driven by political motivations.

Despite Reza Zarrab being treated as the main suspect in four different indictments, his change of circumstances from defendant to witness during the trial has instead made Hakan Atilla the main suspect. Despite it being Zarrab who used the term 'economic Jihad', the accusation was levelled against Atilla.

• Whilst certain Iranian names are mentioned as suspects in the indictments, Babak Zanjani's name not being mentioned as a suspect raises questions, as he is sentenced to death in Iran for crimes including corruption. Furthermore, Babak Zanjani's relation with Reza Zarrab is clear, to exclude his name from the indictments indicate that the case is politically motivated.

• Whilst the judge has continuously stated that this trial is not a terror based trial but an economic one, prosecutors still attempt to relate it to terrorism-based activities. Additionally, despite the Iran sanctions case being portrayed as a trial primarily concerning the breach of US sanctions, it can be interpreted as the US imposing global dominance.



The most comprehensive package of sanctions against Iran were created during Obama's presidency. (J. Scott Applewhite/Pool/AP-AA)

Table: Banks fined by the US for violating sanctions[13]

FINED BANK	ORIGIN COUNTRY	VIOLATED SANCTION	AGREED FINE	YEAR
Lloyds TSB Bank	UK	Iran , Sudan and Libya	$ 217,000,000	2009
Credit Suisse AG	SWITZERLAND	Burma , Sudan , Libya , Cuba and Liberia	$ 536,000,000	2009
Australia and New Zealand Bank Group, Ltd	AUSTRALIA	Sudan and Cuba	$ 5,750,000	2009
Barclays Bank PLC	UK	Sudan , Iran , Cuba and Burma	$ 176,000,000	2010
HSBC	UK	Cuba , Iran , Sudan , Libya and Burma	$ 375,000,000	2012
Standard Chartered Bank	UK	Iran , Sudan , Libya and Burma	$ 132,000,000	2012
ING Bank N.V	NETHERLANDS	Cuba , Iran , Sudan , Libya and Burma	$ 619,000,000	2012
Bank of Tokyo	JAPAN	Iran , Sudan , Cuba and Burma	$ 8,571,634	2012
Royal Bank of Scotland plc	SCOTLAND	Cuba , Iran and Burma	$ 33,122,307	2013
Intesa Sanpaolo S.p.A.	ITALY	Cuba , Sudan and Iran	$ 2,949,030	2013
BNP Paribas SA	FRANCE	Sudan , Iran , Burma and Cuba	$ 963,619,900	2014
Clearstream Banking, S.A	LUXEMBOURG	Iran	$ 151,902,000	2014
Crédit Agricole Corporate and Investment Bank	FRANCE	Sudan , Cuba, Burma and Iran	$ 329,593,585	2015
Commerzbank AG	GERMANY	Iran , Sudan , Burma and Cuba	$ 258,660,796	2015
Barclays Bank PLC	UK	Zimbabwe	$ 2,485,890	2016

[13] https://www.treasury.gov/resource-center/sanctions/CivPen/Pages/2016.aspx

ii. TURKEY'S OFFICIAL STATEMENTS

The trial which was started with the arrest of Reza Zarrab has been at the top of Turkey's agenda. While the case is being portrayed as an economiccase, it will certainly have serious ramifications for Turkey. This section is about Turkey's official stance and arguments on this specific case.

Bekir Bozdağ – September 28, 2016

On September 2016 28, Bekir Bozdağ made the following statement when asked about Turkey's inclusion in the Reza Zarrab trial:

"Reza Zarrab's case has become a complex trial that has attracted widespread contemplation. When Zarrab travels from Turkey to the United States, did he go there, or was he brought? This is a major discussion point. There he is taken into custody and subsequently gets arrested. Now there is an indictment about him, and there is the demand for him to be freed in return of a bail. I have investigated this trial and have considered that the evidence does not have any legal basis. The suspect is Reza Zarrab, however Preet Bharara by including references of our President Erdoğan and his wife in court papers, raises questions about who they are trying to frame as the actual suspect. Who is the suspect? Is it Reza Zarrab, Turkey, or Turkey's President? It is easy to get confused when you read this."

Recep Tayyip Erdoğan –April 24, 2017

On April 24, 2017, before President Erdoğan's visit to the United States in May, the following statement was made by the President during an interview with Reuters:

"The Deputy Director General of Halkbank is arrested after having entered the United States seven times. His arrest during his last trip indicates that there are malicious intentions. Our determinations indicate that the arrest of the Deputy Director General of Halkbank has to do with the Fethullah Terrorist Organisation's operations. We will ask President Trump why steps on an administrative level have not yet been taken."

Recep Tayyip Erdoğan – September 8, 2017

On September 7, 2017, the US attorney in the Southern District of New York revealed via twitter that Turkey's former finance minister, Zafer Çağlayan, will be included as a suspect in the Iran sanctions case. President Erdoğan gave a press release on September 8, 2017:

"I consider this measure taken against our former finance minister as a measure taken against Turkey. We are being accused of dismissing sanctions against Iran despite never taking the decision to apply sanctions against Iran. We maintain bilateral and delicate relations with Iran. We import a significant proportion of our gas and petroleum from Iran. I have told this to Obama. All the steps that are taken [regarding the Iran Sanction's Case] are politically motivated. Zarrab's case as well as the Deputy Director General's case of Halkbank are politically motivated."

Bekir Bozdağ – November 16, 2017

During the second week of November 2017, when media outlets released reports that they had not heard any news from Reza Zarrab lately, the Turkish Republic sent a diplomatic note to the United States. The government's spokesman, Bekir Bozdağ, made the following statement on November 16, 2017:

"As you know, Reza Zarrab is a citizen of the Turkish Republic. American, Turkish and International media outlets have reported that they have not heard any news from Reza Zarrab lately. His lawyer has confirmed the reports. Subsequently, the Turkish Republic sent a diplomatic note to the United States. The aim of this note was to request information about Zarrab's most recent situation, however some instances are warping this act of Turkey and are attempting to present it differently.

Bekir Bozdağ, Deputy Prime Minister and the Government Spokesperson. (Emre Şenoğlu/AA)

We know exactly who they are, the specified note is in fact a diplomatic correspondence method. States who want to be informed about their citizens in Turkey do exactly the same by sending a diplomatic note to us. Whenever they want to speak to one of our ministers, they do this through a diplomatic note as well. The United States informed our ministry of foreign affairs about the current situation of Reza Zerrab, his state of health is positive."

Bekir Bozdağ –November 20, 2017

A couple of days later, Bekir Bozdağ spoke again on November 20, 2017:

"We want to be very clear about this - the case of Reza Zarrab is a clear plot against Turkey that lacks any legal basis. What is taking place in the United States is nothing less than the continuation of the judicial coup attempt carried out by the Fethullah Terrorist Organization through its members who infiltrated the Turkish military, police and judiciary. Moreover, none of the evidence in this case are lawful or legally obtained. They are judging on the basis of evidence they do not possess. I would like to reiterate that the economic relations between Turkey and Iran are in accordance with our national laws as well as with international law. There are no economic processes between Turkey and Iran which are in conflict with national and international law. There is no such possibility that Turkey would engage in economic activities that would defy international law, as Turkey is a state of law. It is very clear that this case aims to harm the economic relations between Turkey and Iran or Russia or any other state. Judges place high pressure on the suspects. In fact, the suspects are treated as hostages. They are told that they will be freed if they confirm statements that are presented to them. These statements include accusations against the Turkish Republic, its government and institutions. Therefore, the suspects are forced to testify against our country with slanders which will lead to negative decisions for Turkey. All this is as clear as light because they do not have any judicial evidence."

İbrahim Kalın –November 20, 2017

On the same day, İbrahim Kalın, the Presidential Spokesperson gave an interview on France 24. In response to the question of Reza Zarrab, he said the following:

"Gulenists have used the US system as they previously used Turkey's system to their advantage through charter schools, visa fraud, money laundering and many other things. Now they are using the US system to launch attacks against Turkey and the Reza Zarrab case or the case of Halkbank (which is one of the public banks of Turkey). If you allow such a group of people to function in your

country against a key ally, how are we supposed to respond to that? What is done with the Zarrab case is that they are trying to create reputational damage for our President. This is a political case. We depend on energy sourced from outside, we had to do this trade with Iran. During the sanctions, we said we will have to try other means to do it, our banks are involved, our economy ministry is involved and the Americans knew this all. Now, three to four years later, we end up with this court case which was brought up in the first place by Gulenists in Turkey and was dismissed. Now they have picked up the exact same indictment and are doing the same trial in the US. If you look at what the goal and what the implications are - and what they are trying to do with this court case, this is apparently what they tried to do before in Turkey and failed. I want to repeat that we have never asked for something outside the legal framework, but unfortunately both the Obama administration and Trump administration have failed to deliver on this key issue. This is having an impact on the relation between two key allies."

Bekir Bozdağ – November 30, 2017

A statement from the Turkish government just came before the trial began:

"Zarrab became a witness as a result of high pressure. A theatre is set up in the United States by the hand of the judiciary. The witnesses in this case are members of FETÖ, the judge is someone who participated to an organization of FETÖ and has defended FETÖ's arguments during the judicial coup attempt between 17-25 December 2013. In New York, a smear campaign is set up against Turkey."

Fikri Işık – November 30, 2017

On the same day, another government statement came from deputy prime minister Fikri Işık:

"The fact that Zarrab was talking at ease and not as a culprit caught everybody's attention. We hope that nobody, not Zarrab neither anyone else organizes a conspiracy against Turkey. It should be known that Turkey will never accept a plot organized against its reputation and economy. This case had from the very beginning mounting evidences that it would transform into a campaign of abuse. Especially, the indications came from the very beginning due to the fact that Turkey is being economically constrained and our President has been conspired."

Turkey's Foreign Ministry – January 4, 2018

On the 4th of January, Turkey's foreign ministry reacted to the final decisions by stating the following:

The Foreign Ministry stated that it perceives the decision of the jury to find Hakan Atilla guilty for 5 of the 6 crimes as unjust and misfortunate. The US court has unprecedentedly infiltrated in Turkey's domestic issues by using evidences which are open for political exploitation. In addition, FETÖ members have received financial and logistic support and have been provided the opportunity to show evidences and convey allegations that have affected the trial, therefore this has resulted in deceiving the seriousness and credibility of the process of the trial.

Bekir Bozdağ – January 4, 2018

"Zarrab case is a political conspiracy. In the Zarrab case; law, court and trial have been blatantly manipulated for political expediency. In this case, judgment preceded investigation. Investigation and the prosecution process are mere formality to be able to announce the decision... The jury's verdict and the decision that the judge will make have no judicial value for Turkey. The Zarrab case is a concrete evidence of the collusion of FETÖ and the CIA/FBI/US judiciary in Turkey and in the US. Just as Turkey has knuckled under no terror organization including FETÖ; it has not knuckled under powers who pull these organizations' strings. Neither it will knuckle under henceforth. Turkey is a fully sovereign and independent country. Another country cannot judge Turkey and Turkey's institutions. This verdict is in contradiction with international law."

D. THE FETÖ LINK

The Process of December 17-25 and FETÖ

The FETÖ, which surreptitiously infiltrated into all bodies of the state, including political, civil, judiciary, financial, military and security systems, revealed its true face on December 2013. The process during December 17-25, 2013, which is one of the most significant incidents in contemporary Turkish history, started with an instruction from prosecutor Celal Kara, who later on turned out to be a FETÖ member. It was alleged in the indictment that many people including Reza Zarrab, 4 ministers, 3 sons of ministers, bureaucrats, a general manager of a bank and businessmen, committed the crimes of "bribery, misconduct in office, collusive tendering and smuggling." In this context, 66 people including Reza Zarrab were detained and 14 people were arrested on December 17, 2013. On December 25, 2013, prosecutor Muammer Akkaş, who has since been charged with being a FETÖ member, gave orders for a further 96 people to be detained. However, police officers who were not FETÖ members did not follow this order. Later, it was revealed that the prosecutors, police chiefs and police officers who were working on the December 17-25 cases, were members of FETÖ whose leader is currently living in the US. Members of FETÖ have infiltrated strategic government offices over the course of years and appointed their members to significant positions.

Fethullah Gülen. (Basri Şahin/AA)

The main focus of the investigation was the gold trade of Reza Zarrab who holds a dual Iranian and Turkish citizenship. The alleged evidence used in the investigation were phone calls that were obtained illegally. Those records were obtained through illegal means without a warrant and most of them were changed and modified. Once the prosecutor of the case changed, the illegal voice records were removed as evidence from the cases. Subsequently, Reza Zarrab was released on February 28, 2014.

Illegal Wiretapping Activities of FETÖ

After the FETÖ-member prosecutors were removed from their offices for misconduct, the secret activities of the organisation were revealed. In March 2014, it was determined that 509.516 people were illegally wiretapped, and other illegal recordings belonging to the pre-2012 period were deleted from the archives - according to the investigations carried out by the Turkish Information and Communication Technologies Authority. It was also revealed that some of those records were edited and sabotaged.

Iran Sanctions case in the US and the ties to FETÖ

Businessman Reza Zarrab who acquitted all charges against him in Turkey, was later arrested by the FBI police at Miami Airport upon his entry to the US. New York District federal prosecutor, Preet Bharara, carried out the process of arrest and trial of Zarrab. The indictment prepared for Reza Zarrab in the US was an obvious evidence of collusion between prosecutor Preet Bharara and FETÖ. Bharara included the summary of the December 17-25 proceedings, which were prepared by FETÖ member police officers and were dismissed by Turkish courts. This scandal caused allegations of collusion between Bharara and FETÖ.

Soruşturma No : İstanbul CBS 2012/120653
Tarih : 18.12.2013

İlgi : a) Muh. Elk. Şube Müd.'nün 07.05.2010 tarihli ve İhbar No:6484 sayılı e-posta ihbar formu.
b) Kapatılan Şişli C.Başsavcılığı'nın 08.10.2008 tarihli ve 2004/46272 sayılı yazısı.
c) Kaç. ve Org. Suç. Müc. Dai. Başk.'nın 06.06.2011 tarihli ve 298907 sayılı yazısı.
d) 18.07.2012 tarihli bila sayılı isimsiz faks ihbarı.
e) 13.09.2012 tarihli ve 2012/1958 sayılı yazımız.

SORUŞTURMA KAPSAMINDA SİYASİ DOKUNULMAZLIĞI BULUNAN ŞÜPHELİLER İLE İLGİLİ EYLEMLER

(A)
SORUŞTURMAYA BAŞLANGIÇ

Mali Suçlarla Mücadele Şube Müdürlüğümüze gönderilen ilgi (a) sayılı ihbarda özetle; İranlı **Rıza ZARRAP** isimli şahsın kendisinin İstanbul'da, babasının ise Dubai'de olduğu, yurtdışından milyonlarca doları Türkiye'ye soktukları, bu işi İstanbul Beyazıt Kapalı çarşıda faaliyet gösteren **Durak Döviz** isimli işyerinde farklı kişileri kullanarak yaptıkları ve bunun gibi birçok kişinin bulunduğu iddia edilmiştir.

Kapatılan Şişli Cumhuriyet Başsavcılığı'nın ilgi (b) sayılı yazı... ...ine Şube Müdürlüğümüze gönderilen Mali Suçları A...

Investigation No. ; İstanbul CBS 2012/120653

Date ; 12.18.2013

Subject: a) Electronics Communications Branch Office's e-mail notification form dated 05/07/2010 and Notification Number: 6484.

b) The closed Sisli Public Prosecutor's Office's letter dated 10/08/2008 and numbered 2004/46272.

c). Department of Anti-Smuggling and Organized Crimes' letter dated 06/06/2011 and numbered 298907.

d) Fax notification dated 07/18/2012 and without a number.

e) Our letter dated 09/13/2012 and numbered 2012/1958.

ACTIONS RELATING TO THE SUSPECTS WITH POLITICAL IMMUNITY WITHIN THE SCOPE OF THE INVESTIGATION

(A)

THE INITIAL INVESTIGATION

The notice numbered (a) which was sent to the Organized Crimes Agency Branch Office says the following in summary: It has been alleged that An Iranian named **Riza ZARRAP** residing in Istanbul whose father resides in Dubai have snuck millions of dollars into Turkey from abroad; this ploy was accomplished through a business place called **Durak Doviz (Durak Currency Exchange)** which operates out of Istanbul Beyazit Kapali Carsi (Istanbul Beyazit Covered Bazaar) using various different individuals and it has been alleged that several people like these can be found.

In the addendum of the closed Sisli Public Prosecutor's letter numbered (b) as well as the addendum of the Financial Crimes Investigation Board's letter dated 06/10/2008 numbered 6517

Another connection is revealed through Judge Richard M. Berman's decision to allow jury members to listen to the voice recordings, despite the fact that the voice recordings were obtained illegally by FETÖ-members during the December 17-25 period. Moreover, the "technical surveillance" conducted by the FBI since 2014, with permission received from the court, using the December 17-25 files will be added to the file as evidence. The person who conducted the technical surveillance will also be heard in court as a witness. In opposition to this, the Public Prosecutor of Istanbul has initiated an investigation against the US prosecutors Preet Bharara and Joon H. Kim, who are working on the case of Reza Zarrab, due to their actions which defy international and domestic law.

The affidavit given at the court in New York where Reza Zarrab was judged, was shown as evidence by American lawyer Cathy Fleming. In the affidavit, he said that the evidence presented in the cases are fabricated and illegally obtained. As this was determined, an investigation was initiated on the methods used to obtain these tapes and by whom.

The use of illegal tapping that were used in a trial abated in terms of procedure and principle demonstrates that the case started to evolve into a political matter. The judge of the case had been to Istanbul in 2014 to attend a symposium organized by FETÖ entitled "International Symposium of Justice and State of Law" and was the moderator of the session "Independent and Efficient Jurisdiction." In his opening speech Berman said: "it is not a secret that the state of law in Turkey is under threat."[14] Judge Berman's subjective and biased views on Turkey demonstrates that the case initiated against Reza Zarrab, former Minister Zafer Çağlayan and Halkbank, has legal flaws.

The indictment for Reza Zarrab was prepared by the Attorney of Southern District of New York, Preet Bharara, who was fired by Donald Trump. Bharara has shared the tweet of a web site, Turkish Minute, that was re-launched instead of Today's Zaman – a daily newspaper in Turkey that was run by FETÖ and shut down after the July 15 coup attempt. The news states, "the policemen of the Erdoğan regime have detained the wives of the policemen that initiated the corruption and Zarrab probe in 2013." The sharing of news that refers to a democratically elected president of a country as "Erdoğan regime" demonstrates that the attorney who initiated such a case has anti-Turkey and anti-Erdoğan views.

Judge of the case Berman, in an event organized with support of FETÖ. (Open Source)


Preet Bharara
@PreetBharara

Rayiha @HedefDunya
Erdoğan regime's police, detain wives of police chiefs who led 2013 corruption and Zarrab operations

@PreetBharara @nytimesworld @bbcworld @cnni turkishminute.com/2017/11/16/pol...

16.11.2017 18:34

Preet Bharara continued to share the tweet of another FETÖ member, Mahir Zeynalov, and added: "Horrifying if this is true. Erdoğan's jailing of wives of Turkish


Preet Bharara
@PreetBharara

Horrifying if this is true. Erdogan's jailing of wives of Turkish police chiefs is cowardly and despicable. Period.

İngilizce dilinden çevir

Mahir Zeynalov @MahirZeynalov
@MahirZeynalov ve @PreetBharara adlı kullanıcılara yanıt olarak
Erdogan's police arrested wives of imprisoned police chiefs who carried out the probe against Zarrab in 2013. As the police chiefs are being forced to make false confessions to de-legitimize the Zarrab case in the U.S., their wives are now facing the threat of torture as well.

05:54 - 22 Kas 17

[14] http://www.bbc.com/turkce/haberler/2016/04/160427_zarrab_hakim_berman

police chiefs is cowardly and despicable. Period."

Atilla's lawyers have stated that they are against the use of evidence included in the indictments which are related to the judicial coup attempt of December 17-25. Their main argument states the fact that the source of the evidence and how they were obtained is unknown. It has subsequently been revealed the that tapes were brought to the US by a former-police officer who has been charged with being a member of FETÖ. Eventually it was revealed that the former police officer was Hüseyin Korkmaz who is a FETÖ member and took part in orchestrated operations on 17-25 December. Korkmaz left the country in 2016 and made it to the United States carrying a trove of classified documents belonging to the Turkish State. These documents that were illegally obtained were used in the prosecution of Mehmet Hakan Atilla.

Moreover, the prosecutor made a claim about the attempted judicial coup of December 2013, where he conveyed that corrupted authorities covered the Iran sanctions case in Turkey. This indicated that he believes FETÖ is behind the judicial coup and has based his indictments on what occurred in Turkey in December 2013.

Interesting things happened during Mehmet Hakan Atilla's trial.
The prosecutor laid claim to the operation of 17 December and said that corrupted authorities concealed the case in Turkey.
The prosecutor said that an ex police officer, who is a member of FETÖ and fled Turkey after 17 December, will bear testimony to the judge.

Another important name in the arrest of Zarrab is Metin Topuz. It has been revealed that Adil Oksuz was phoned by the US General Consulate in Istanbul after the July 15 coup attempt, on July 21. It was determined that the consulate employee, Metin Topuz, had been in touch with former police chiefs, Yakup Saygili, Mahir Cakalli, and Mehmet Akif Uner who had been involved in the December 17-25 operations and are now under arrest. On October 1, 2017, Topuz was arrested for spying on the Turkish government. US Consulate declared that visa transactions were to be suspended on October 8, 2017, right after the arrest of Metin Topuz. It is claimed that what makes Metin Topuz, who is not diplomatically immune, important - are the Whatsapp dialogues in his phone:

Metin Topuz: According to Hurriyet Newspaper, Reza Zarrab was arrested in Miami.

Metin Topuz: I hope Obama will not accuse the attorney.

American Diplomat, Staff of the Consulate K.: Wow Zarrab... FBI or DEA file? Did they say anything?

Metin Topuz: FBI...

American Diplomat K.: Man. Big shot...

Metin Topuz: Good luck to FBI in Turkey. They will try to hear about his companies in Turkey.

American Diplomat K.: Hahahahaha yeah. It won't be fun because of his political links. I am sure that has a hold in Dubai. Good luck for that too.

Metin Topuz: That Iranian. Soon he will start speaking.

American Diplomat K: Inshallah.[15]

[15] http://www.hurriyet.com.tr/yazarlar/abdulkadir-selvi/zarrabin-konusacagini-nereden-biliyordu-40653609

E. KEY ACTORS OF THE CASE

Reza Zarrab

• Reza Zarrab is the key figure in the trial.

• As a Turkey-based businessman, he is involved in gold trade and holds Turkish, Iranian and Macedonian citizenships.

• He was detained in Turkey on December 17 2013 by the FETÖ orchestrated attempt to overthrow the government. On 28 February 2014, Zarrab was released.

• On 19 March 2016 he was detained in the United States on his way to Miami for a holiday and later arrested with the charges of violating the International Emergency Economic Powers Act, by evading the US sanctions on Iran and helping Iran bypass the sanctions through money laundering.

Mehmet Hakan Atilla

• Mehmet Hakan Atilla is the Deputy General Manager of Halkbank, which is a state owned bank.

• After being detained on 27 March 2017, in New York John F. Kennedy Airport, he was arrested and put on trial together with Reza Zarrab on charges of using his position in the bank for helping Zarrab. Atilla had been in New York for a series of investor meetings ahead of a planned Halkbank dollar-denominated subordinated bond issue.

• The Turkish Prime Minister Binali Yıldırım, said, "The move against Halkbank's Atilla, is another plan and trick of the Gülen movement."

• In his affidavit, Mr. Attila stated that documents and evidence used against him are illegally obtained and fabricated.

• His demand for the dismissal of charges was rejected by the court. However, on 20 November 2017, the judge of the trial Richard Berman said that Turkish authorities can present evidence to the court that would be beneficial on behalf of Mr. Attila.

Preet Bharara

• Preet Bharara served as US Attorney for the Southern District of New York from 2009 to 2017.

• He prepared the first bill of indictment for Reza Zarrab, accusing him of violating the International Emergency Economic Powers Act by evading the US sanctions on Iran and helping Iran bypass the sanctions through money laundering.

• Later he was fired from his position by Donald Trump.

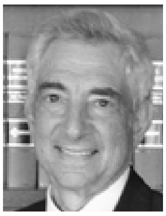
• The Istanbul prosecutor's office launched an investigation on Preet Bharara together with other Turkish and American nationals in Turkey, on 15 July 2016.

Süleyman Aslan

• Süleyman Aslan was the General Manager of Halkbank.

• He was detained and arrested by FETÖ members during the judicial coup attempt on 17th December 2013, and was released on 14th February 2014.

• Federal prosecutors in New York filed an indictment, charging him with "participating in a broad conspiracy to violate the United States' sanctions against Iran."



Richard Berman

• Richard Berman was appointed as the judge for the Iran sanctions case, in April 2016.

• He rejected the demands for dismissal and release on bail delivered for Reza Zarrab and Mehmet Hakan Attila.

• Mr. Berman aroused suspicions on his impartiality as he attended an international symposium organised by FETÖ in Istanbul in May 2014 where he criticized the Turkish government.

• He said: "it is not a secret that the constitutional state character of the Turkish State is under threat" and "there have been interventions to the operations on 17 December. The messages given by Erdoğan damage Turkish society."

• Later on he openly admitted his attendance to the event, further reinforcing the suspicions regarding his impartiality.

Joon H Kim

• Joon Kim was appointed as the acting US attorney for the Southern District of New York after Preet Bharara was removed from his position by President Trump.

• Mehmet Hakan Attila was detained and arrested during the term of Joon Kim.

• Former Turkish Minister Zafer Çağlayan and General Manager of Halkbank Süleyman Aslan were also included in indictment by him.

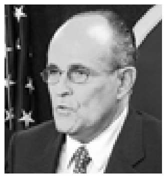
Mark Dubowitz and Jonathan Schanzer

• Mark Dubowitz and Jonathan Schanzer were appointed as experts by attorney Joon Kim for their expertise on Turkish-Iranian relations and technical details of the case.

• Mark Dubowitz is executive director of the Foundation for Defense of Democracies, where he focuses on Iran and directs its center on sanctions and illicit finance.

• Jonathan Schanzer is an American author and scholar in Middle Eastern studies, and vice president of research at the Foundation for Defense of Democracies.

Rudolph Giuliani and Michael B. Mukasey



• Rudolph Giuliani, the former Mayor of New York, and Michael Mukasey, the attorney general during the Bush administration, are part of the legal team advocating Reza Zarrab before the court.

• Giuliani defined his role as determining "whether this case can be resolved as part of an agreement between the United States and Turkey that will promote the national security interests of the United States and redound to the benefit of Mr. Zarrab."

• Judge of the case, Richard M. Berman, has noted potential conflicts of interest in Reza Zarrab's representation by these two lawyers, as Mr. Giuliani's firm, Greenberg Traurig, and Mr. Mukasey's firm, Debevoise & Plimpton, both have represented banks that were situated as victims in the case. The lead lawyer of Reza Zarrab, Benjamin Brafman, said that no lawyers from either firm will have any involvement in the trial preparation process and neither will appear before the judge.

Aykan Erdemir

• Aykan Erdemir is a CHP member and former member of Turkish Parliament between 2011 and 2015.

• He is a senior fellow in the Forum for Defense of Democracies, where Mark Dubowitz serves as CEO of the Forum and an expert on Iran in the Iran sanctions case.

• Erdemir was issued an arrest warrant in Turkey for providing forged evidence and falsifying the documents for a court case.

Mehmet Zafer Çağlayan

• Mehmet Zafer Çağlayan was an MP for the ruling Justice and Development Party (AK Party) and former Minister of Economic Affairs.

• The charges in the Iran sanctions case were expanded to include Zafer Çağlayan, on 6 September 2017, as per the orders of Joon Kim.

Benjamin Brafman

• Benjamin Brafman is Reza Zarrab's lead lawyer.

• He has previously been the lawyer of figures such as Dominique Strauss-Kahn and Michael Jackson.

• According to Brafman, Halkbank is at the center of the accusations.

Babak Zanjani

• Babak Morteza Zanjani is an Iranian billionaire and business magnate. He was the managing director of the UAE-based Sorinet group.

• He was arrested and blamed for withholding $2.7 billion government money owned by the Ministry of Petroleum, in late 2013.

• He was also accused of attempting to facilitate Iran`s oil revenue which was hindered by the sanctions against Iran.

• Zanjani was named as the 'fall guy' for corruption scandals involving powerful figures and institutions during the Ahmadinejad era.

Hüseyin Korkmaz

• Hüseyin Korkmaz is a former Turkish police supervisor who took part in orchestrated 17-25 December operations and a FETÖ member.

• After been released following his arrest, Korkmaz left the country and made it to the United States with his family, carrying a big amount of classified documents belonging to the Turkish state.

• Hüseyin Korkmaz gave the documents he smuggled from Turkey to US law enforcement authorities. They were used in the prosecution of Reza Zarrab and Mehmet Hakan Atilla. Korkmaz himself testified in the federal court.

• Korkmaz confessed that he received 50.000 USD financial aid from FBI after he arrived at the United States.

• A defense lawyer, Todd Harrison, noted that back in 2016 Korkmaz was released from prison after a Judge linked to FETÖ received a letter from US-based cleric Fethullah Gülen, the head of Gülenist terror organization.

Muhammad Zarrab, Camelia Jamshidy and Hossein Najafzadeh

• Muhammad (Can) Zarrab, Camelia Jamshidy and Hossein Najafzadeh were included in the case by Preet Bharara.

• Muhammad Zarrab is the brother of Reza Zarrab.

• Muhammad Zarrab, Camelia Jamshidy and Hossein Najafzadeh are accused of cooperating with Muhammad Zarrab in evading sanctions against Iran via transactions in the American financial system.

• Camelia Jamshidy is claimed to be the closest aide of Reza Zarrab, carrying out various financial transactions on behalf of Zarrab together with Hossein Najafzadeh.

F. IRAN'S POSITION IN THE CASE

Due to the sanctions imposed on Iran by the United Nations, Turkey could not transfer the cost of the gas it had purchased from Iran directly to the country. In order to pay for the gas, Iran had to open a bank account in Turkey for Turkey to be able to deposit the costs into Iranian accounts. The reason why Halkbank is the subject of this case is due to Iran opening a Halkbank account and keeping the cost of the gas it sold to Turkey inside the account. It is alleged that the money in Iran's Halkbank account was transferred to private companies in Iran managed by Babak Zanjani - through Reza Zarrab. The context that brought Zarrab to the position of the defendant, thereafter witness, in the Iran Sanction's case is the gold and precious stones trade that Zarrab made with Iranian companies. However, Zarrab's partner in Iran, Zanjani, is not suspected in the Iran sanctions case.

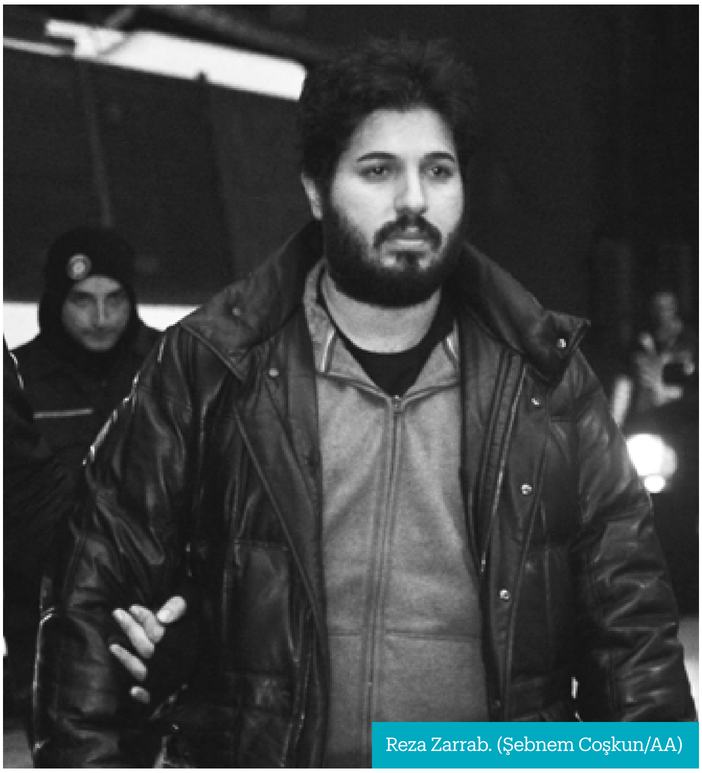
Babak Zanjani and Reza Zarrab

Iran's position is determined by Babak Zanjani's relation to the indictment of Reza Zarrab. Iranian public institutions and media believe that Reza Zarrab is a partner of Babak Zanjani, who was convicted with charges of economic corruption - among others - and consequently sentenced to death. Iran has accused Zanjani of swindling government agencies through embezzlement. Furthermore, the former President of Iran, Mahmoud Ahmadinejad was questioned on his involvement with the embezzlement scheme, but no connection has been proven. It was said that Zanjani had played a key role in helping Iran get around the sanctions to sell oil abroad during the presidency of Mahmoud Ahmadinejad. In this regard, it has been claimed that government agencies at the time made lawless concessions for Zanjani.

Abbas Sultani, who is member of the corruption investigation commission at the Assembly of Iran, said that Zarrab is an important figure in Zanjani's case. He added that Zarrab thought that if he stayed in Turkey he would be arrested by Iran. Therefore, he consciously went to America. Moreover, Sultani asserted that Zanjani's companies had been managed by Zarrab - who is his confidant and senior manager.

Negotiations for the JCPOA at Vienna. (POOL/Siamek Ebrahimi/AA)

G. CONCLUSION



Reza Zarrab. (Şebnem Coşkun/AA)

The Iran sanctions case has undergone many changes since the arrest of Reza Zarrab in 2016, and has turned into a case where Halkbank's former Deputy General Director, Mehmet Hakan Atilla, has become the only defendant. Reza Zarrab reaching an agreement with the court to become a witness and all the charges he faced being transferred directly onto Hakan Atilla, have been a major turning point in the direction of the case. Finally, Atilla was found guilty on five charges related to conspiracy and bank fraud.

The subject and the process of the case have been contested for several reasons. The violations that are subject of the case are not accepted to be in violations under the United Nations legal framework as they are decisions taken only by the United States based on its own legal system. Therefore, they are not binding upon other states. This also means that the transactions made by Halkbank are not in violation of international law.

Another issue is many banks have been accused, investigated or punished due to violating the sanctions that the US has placed on Iran before, however, on these occasions the banks were given the chance of reconciliation and no bank executive or employee were tried by US criminal courts. The fact that the Deputy General Director of Halkbank was tried in this case raises the question of whether the treatment of this case is political.

Emre Uslu, another well-known FETÖ member, was following the case at the courthouse. (Mohammed Elshamy/AA)

Furthermore, Reza Zarrab, during his time in prison and potential collaboration with the prosecutor, he explicitly says that "in America, in order to make it out of prison

Adem Yavuz Arslan, a well-known FETÖ member, was following the case at the courthouse. (Mohamed Elshamy/AA)

you need to admit to something you haven't committed." Subsequently, Reza Zarrab mentioned and accused several leading figures from Turkey without providing any concrete evidence.

The main reason why Turkey sees the case as a politically motivated attack on Turkey rather than a case of violating economic sanctions has to do with FETÖ. This is particularly due to the strong resemblance between the indictments made during the judicial coup attempt by FETÖ members on December 17 – 25, 2013 and the indictments made throughout the Iran sanctions case. A key witness of the prosecutor of the Iran sanctions case, Hüseyin Korkmaz, is a former Turkish officer who took part in 17-15 December operations of FETÖ. Korkmaz confessed that he smuggled documents from Turkey to the US and he received 50, 000 USD from the FBI.

In the 2013 judicial coup attemp, police officers in collusion with prosecutors (both of whom had been found to be members of FETÖ) unlawfully wiretapped more than half a million people in Turkey. Another reason casting doubt on the intentions of the case is those recordings, which are of questionable authenticity, were used as evidence in the court.

The fact that members of FETÖ are witnesses in the trial and that people who handed the documents to the prosecutor's office are also members of the FETÖ, shows that the group is deeply involved in the Iran sanctions case. As such, they are utilising this case as a political opportunity to create a negative perception of Turkey in the international arena. Therefore, the involvement of FETÖ members in the case strengthens the argument that this case has been conducted with the political intent of damaging Turkey's global reputation through the US court system.

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