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WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

- O - OUTGOING
- H - INTERNAL
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Date Correspondence Received (YY/MM/DD) / /

Name of Correspondent: Robert Damus

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Proposed E.O. entitled "Transfer of certain Iraqi Government assets held by domestic banks"

ROUTE TO:	ACTION	DISPOSITION
Office/Agency (Staff Name)	Action Code Tracking Date YY/MM/DD	Type of Response Code Completion Date YY/MM/DD
<u>CUOFC</u>	ORIGINATOR <u>921013</u>	<u>C921016</u>
<u>CUAT 33</u>	I <u>921013</u>	<u>@921013</u> <u>COB</u>
<u>CUAT 07</u>	I <u>9211013</u>	<u>C921013</u>
<u>CUAT 14</u>	A <u>9211016</u>	<u>C9211016</u>
<u>CUAT 02</u>	I <u>9211013</u>	<u>C9211013</u>

ACTION CODES:

- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet
to be used as Enclosure

- I - Info Copy Only/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: _____

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THE WHITE HOUSE

WASHINGTON

October 16, 1992

MEMORANDUM FOR ROBERT DANUS

FROM:

STEPHEN G. RADEMAKER *SR*
ASSOCIATE COUNSEL TO THE PRESIDENT

SUBJECT:

Proposed Executive Order Entitled "Transfer of
Certain Iraqi Government Assets Held by Domestic
Banks"

Pursuant to your request, Counsel's Office has reviewed the above-referenced matter and has no objection, subject to concurrence by the Department of Justice and the changes indicated on the attached text.

Thank you for bringing this matter to our attention.

Attachment



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

October 13, 1992

MEMORANDUM FOR DESIGNATED AGENCY HEADS
(SEE ATTACHED DISTRIBUTION LIST)

FROM: Robert G. Damus (RGD)
Acting General Counsel

SUBJECT: Proposed Executive Order Entitled "Transfer of
Certain Iraqi Government Assets Held by Domestic
Banks"

Attached is a proposed Executive order entitled "Transfer of
Certain Iraqi Government Assets Held by Domestic Banks."

It was prepared by the Department of State, in accordance
with the provisions of Executive Order No. 11030, as amended.

On behalf of the Director of the Office of Management and
Budget, I would appreciate receiving any comments you may have
concerning this proposal. If you have any comments or
objections, they should be received no later than close of
business Tuesday, October 13, 1992. Please be advised that
agencies that do not respond by the October 13, 1992 deadline
will be recorded as not objecting to the proposal.

Comments or inquiries may be submitted by telephone to
Mr. Mac Reed or Ms. Bess Weaver of this office (Phone: 395-5600;
Fax: 395-7294).

Thank you.

Attachments - Distribution List
Proposed Executive Order

cc: Bob Grady
Kim Gibson
Paul Gilman
Janet Hale
Jim Murr
Frank Hodson
Bob Howard
Jim MacRae
Tom Scully

DISTRIBUTION LIST

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Deputy Assistant to the President
for Domestic Policy**

**Honorable C. Boyden Gray
Counsel to the President**

TRANSFER OF CERTAIN IRAQI GOVERNMENT ASSETS

HELD BY DOMESTIC BANKS

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By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.), section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c), and section 301 of title 3 of the United States Code, in order to apply in the United States measures adopted in United Nations Security Council Resolution No. 778 of October 2, 1992, and in order to take additional steps with respect to the actions and policies of the Government of Iraq and the national emergency described and declared in Executive Order No. 12722,

I, GEORGE BUSH, President of the United States of America, hereby order:

Section 1. The Secretary of the Treasury is authorized and directed to take all actions necessary to carry out the provisions of United Nations Security Council Resolution 778 with respect to blocked funds - and other assets described in Section 2 of this order, or received from the United Nations in repayment of funds and other assets transferred pursuant to Section 2 of this order. For this purpose, the Secretary of the Treasury is

delegated and authorized to exercise all authorities vested in
the President by ^{sections 203 and 205 of} the International Emergency Economic Powers Act
(50 U.S.C. 1702 and 1704) and the United Nations Participation Act (22 U.S.C. 287c).
^ section 5 of

SEC. 2. Upon a determination by the Secretary of the Treasury that funds - or other assets in which the Government of Iraq or its agencies, instrumentalities, or controlled entities have an interest represent the proceeds of the sale of Iraqi petroleum or petroleum products, paid for by or on behalf of the purchaser on or after August 6, 1990, any United States financial institution is directed and compelled to transfer such funds - or other assets held by it or carried on its books to - the Federal Reserve Bank of New York, when, to the extent, and in the manner required by the Secretary of the Treasury --

SEC. 3. The Federal Reserve Bank of New York, as fiscal agent of the United States, is hereby authorized, directed and compelled to receive certain funds and other assets in which the Government of Iraq or its agencies, instrumentalities, or controlled entities have an interest, and to hold, invest, or transfer such funds and other assets, and any earnings thereon, when, to the extent, and in the manner required by the Secretary of the Treasury in order to fulfill the rights and obligations of the United States under United Nations Security Council Resolution 778.

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SEC. 4. Compliance with this order, or any regulation, instruction, or direction issued under this order, including, authorizing, directing or compelling the transfer of the blocked assets described in section 2 of this order, shall, to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same. No person shall be held liable in any court for or with respect to anything done or omitted in good faith in connection with the administration of, or pursuant to and in reliance on, this order or any regulation, instruction, or direction issued hereunder.

Sec. 5. For the purposes of this order, the term "United States financial institution" means any United States citizen, permanent resident alien, juridical person organized under the laws of the United States, or any person located in the United States, which is engaged in the business of accepting deposits, making, granting, transferring, holding, or brokering loans or credits, or purchasing or selling foreign exchange or securities, including, but not limited to, depository institutions, banks, saving banks, trust companies, securities brokers and dealers, clearing corporations, investment companies, and U.S. holding companies, U.S. affiliates, or U.S. subsidiaries of the foregoing. This term includes branches, offices and agencies of foreign financial institutions which are located in the United States, but not such institutions' foreign branches, offices, or agencies.

Sec. 6. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the Federal Government. All agencies of the Federal Government are directed to take all appropriate measures within their authority to carry out the provisions of this order.

Sec. 7. Nothing contained in this order shall create any right or benefit, substantive or procedural, enforceable by any party (other than the United States) against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Sec. 8.

- (a) This order is effective immediately.
- (b) This order shall be transmitted to the Congress and published in the Federal Register.

The White House,

October __, 1992