The Honorable Mark Kirk  
United States Senate  
Washington, DC 20510

Dear Senator Kirk:

Thank you for your May 26 letter to the Secretary of Defense regarding your concern that the foreign company, Kuwait and Gulf Link (KGL) Transportation, may be violating the Iran Sanctions Act or other U.S. national laws while holding defense contracts. I am responding on behalf of the Secretary.

We reviewed the information you provided about KGL and its parent company, KGL Holding, and known business units and affiliates. In coordination with the Department of State, we have found no substantial information — to include reported business links to the Islamic Republic of Iran Shipping Lines, Al Fajr Valfajr, or Hafiz Darya Shipping Company — that indicates any KGL Holding entity or affiliate has violated the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA) (Public Law 111-195) (the “Iran Sanctions Act”) or that would preclude KGL from being awarded a Department of Defense (DoD) contract.

We conducted our review using the Central Contractor Registration System, the Excluded Parties List System, the Federal Awardee Performance and Integrity Information System, the Past Performance Information Retrieval System, and the Specially Designated Nationals and Blocked Persons List. All these Federal databases show no indication that KGL Holding has violated U.S. law.

Consistent with presidential delegation of certain functions and authorities under CISADA on September 23, 2010, the U.S. Department of State, Office of Terrorism Finance and Economic Sanctions Policy, and the U.S. Department of the Treasury, Office and Foreign Assets Control, play distinctive roles in administering and enforcing the statute. DoD procurement officials use information from the Departments of State and Treasury to validate contractor qualifications as that information is the most, current, accurate, and complete.

Please be assured we find it important not to award contracts to violators of Federal law. We support the process of sharing critical information managed on centralized databases by other Departments of the Federal Government as an effective way to avoid a duplication of effort and inconsistent application of law.

I trust that you will find this information useful.

Sincerely,

[Signature]

Ashton B. Carter