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United States Senate

WASHINGTON, DC 20510

July 13, 2016

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The Honorable Loretta Lynch
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

Dear Attorney General Lynch:

As I am sure you are aware, the House Committee on Financial Services' Republican Staff yesterday released a report on the Department of Justice's deferred prosecution agreement with HSBC Holdings regarding a massive money laundering scheme that involved Mexican drug cartels and international terrorist organizations. The report noted that top Department of Justice officials overruled lower staffers' recommendations to criminally prosecute HSBC and instead merely issued the bank a fine.

HSBC had been found to violate numerous federal laws by laundering Mexican drug cartels drug traffic money and processing transactions on behalf of states with known terrorist ties: Libya, Iran, Sudan, and Burma. The fact that HSBC was only given a slap on the hand with a fine is unbelievable and calls into question whether certain large financial institutions are allowed to openly break the law under your and President Obama's leadership.

Although you were not Attorney General during this investigation and settlement, you played an active role as the US Attorney of the Eastern District of New York. The American people are sick and tired of certain people or institutions of the Administration's choosing being allowed to violate federal laws with no repercussions. Given your role then and the position you hold now, it is vitally important for you to answer the following questions regarding the findings of this recent report and hopefully restore confidence in the Department of Justice.

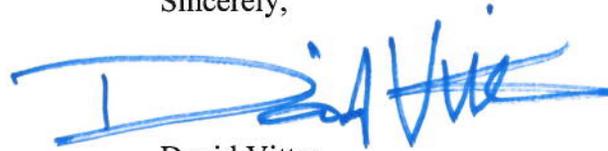
- At the time of the agreement we know you chose not to bring any criminal charges against HSBC. Were you made aware of the Department of Justice staff recommendations that HSBC should be criminally prosecuted?
- Do the top Department of Justice officials who "overruled" these recommendations still hold senior positions in your Department of Justice?
- In the report it was alleged that HSBC succeeded in significantly altering the agreement in the weeks after then Attorney General Holder imposed a "take it or leave it" deadline.

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Did you participate in changing the deferred prosecution agreement after that deadline was imposed?

I look forward to your prompt response to these pertinent questions. The American people deserve answers.

Sincerely,

A handwritten signature in blue ink, appearing to read "D. Vitter", with a long horizontal stroke extending to the left.

David Vitter
United States Senate