

VISA, MASTERCARD AND THE WAR ON FREEDOM OF SPEECH

Financial giants terrorize conservatives while laundering money for terrorists.

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David Horowitz is a right-of-center Jewish civil rights activist who exposes terrorists, especially those who want to kill Jewish people. Recently, MasterCard and Visa **temporarily blocked** David Horowitz's organization, the Freedom Center, from taking online donations, accusing it of being a "hate group." Meanwhile, top Hamas terrorist Husam Badran has been walking around Doha, Qatar with a Visa debit card, and, quite likely, a MasterCard credit card, in his wallet. Badran is a major money launderer and a mastermind of some of the designated terrorist group's most heinous murders of innocent Jewish men, women and children. That, apparently, doesn't stop him from holding Visa and Mastercard plastic.

In April of 2016, Qatar National Bank (QNB), where Mr. Badran has kept an account since August 4, 2015, was hacked, with its entire customer database leaked on the Dark Web. I helped analyze it for Shurat HaDin, the indispensable Israeli law group renowned for representing Israeli terror victims in American courts. Within the database, I found Mr. Badran's account and personally-identifying information. Shurat HaDin's sources in Israel confirmed his identity and bank account information. His debit card is a Visa product

called Visa Electron, and all the transactions he makes on it, including ATM cash deposits and withdrawals, are routed through one of Visa's two payment processing centers in the United States. Visa did not respond to a request for comment for this column. Based on the Visa debit card number, it seems to be linked to a MasterCard credit card issued by the Qatari branch of United Bank Limited, a British bank.

Mr. Badran's credit history in Qatar is quite recent. He spent 2002-2011 in Israeli prison for his role in **orchestrating** the early Second Intifada suicide bombings of the Dolphinarium disco in Tel Aviv, of the Sbarro pizzeria in Jerusalem, of a Passover Seder at the Park Hotel in Netanya, of the Matza restaurant in Haifa, and several others. More than one hundred people were killed in these attacks, with hundreds more maimed and crippled. Previously the head of the Hamas military wing in the northern West Bank, Badran was released by Israel in the Gilad Shalit prisoner swap in 2011. Once free, he moved to Qatar, where he became the terrorist group's chief spokesman – and where he got himself Visa and, likely, Mastercard plastic.

The **anti-Semitic** British Labor Party leader Jeremy Corbyn is currently under fire for **meeting** with Badran and other Hamas terrorists in Qatar shortly after Badran's release by Israel. No wonder – from Qatar, Badran **issues** calls for the murders of Jewish civilians, **proclaims** successful murders as “heroic operations,” and **launders** massive sums of money for Hamas in the West Bank. Just a month before he opened up his Visa Electron account at Qatar National Bank, the Israeli Shin Bet security service **revealed** – and **global** media widely reported – that Badran was moving hundreds of thousands of dollars to a Hamas terrorist cell in Nablus through a complex terrorism financing and money laundering scheme.

Husam Badran is not the only terrorist financier who has a Visa Electron debit card from Qatar National Bank. Yusuf Qaradawi, whom the Anti-Defamation League has **dubbed** the Theologian of Terror and who has **called** for Jews to be slaughtered “down to the very last one,” has had a Visa Electron debit card since he opened his account at the bank on September 20, 2006. Qaradawi is the **chairman** of a Hamas charity called Union of Good, which has been **listed** as a Specially Designated Global Terrorist group by the U.S. Treasury Department since 2008. And yet I have found a total of twenty-nine different Visa and MasterCard debit and credit cards issued to him and his family members through Qatar National Bank long after Qaradawi's charity was designated. Two of his daughters even have Platinum and Titanium cards from the two payment processing giants.

The financial compliance department at Visa, and, likely, the one at MasterCard, seem to have rather peculiar priorities. An Islamic terrorist can get himself some plastic right after he's caught laundering hundreds of thousands of dollars for Hamas. At the same time, a Jewish civil rights activist can get himself blocked by Visa and MasterCard because he runs a group that criticizes Islamic terrorists. The Visa and MasterCard financial compliance departments might, for now, be more interested in cutting right-wing Jews off from the United States financial system; but it is terrorism financing that the United States

federal government is after. Compliance executives at the largest payment processing giants in the world ought to understand the potential legal consequences of having Hamas and Muslim Brotherhood leaders as clients.

Federal criminal statutes outlaw material support for criminal terrorist acts and for specially designated terrorist organizations. Providing debit cards to top leaders of Hamas like Husam Badran and chairmen of Hamas charities like Yusuf Qaradawi is almost certainly within the realm of material support for terrorist acts and groups as defined by these statutes and Supreme Court jurisprudence, which includes financial services, as well as expert advice or assistance. There is little to no doubt that Badran and Qaradawi themselves would be proven guilty of material support for terrorism due to their key roles in raising money for Hamas – if the U.S. government was able to catch them. Instead, the U.S. government can just go after Visa. Since Husam Badran presumably derives his personal income from his work for Hamas, the personal money that he deposits, withdraws, and spends using his Visa Electron card is therefore derived from the proceeds of material support for terrorism, which is a predicate crime under money laundering statutes. As a result, whatever part of that money he spends on promoting further terrorism financing or terrorist violence, makes him guilty of U.S. money laundering “promotion” crimes – and creates criminal liability for Visa and, likely, MasterCard as his financial institutions under several money laundering laws.

Visa and MasterCard do not have to be aware of who Badran is or what laws he might be breaking with the help of their services in order to be criminally liable for taking him on as a client. If at least \$10,000 of Hamas cash, in the aggregate, flowed through Visa’s payment processing centers in the United States, as all worldwide Visa payments do, Visa could be on the hook for violating the Money Laundering Control Act of 1986. Same for MasterCard. It could get even worse. According to federal regulations, a financial institution like Visa or MasterCard must file a Suspicious Activity Report when it “knows, suspects, or has reason to suspect that” transactions totaling \$5,000 or more involve funds derived from illegal activity. Failure to file is a strict liability criminal offense.

What’s more, the USA PATRIOT Act requires financial institutions like Visa and MasterCard to maintain Know Your Customer programs. Every customer must be screened and due diligence research on each customer must be done to make sure that he will not pose a financial compliance risk to the institution by abusing its services to commit crimes. If such a customer or abuse is identified, even after he becomes a customer, the federal government requires financial institutions, under penalty of criminal law, to file a Suspicious Activity Report for aggregate transactions over \$5,000 and, in some situations, to shut down the customer’s accounts.

Lastly, U.S. Department of Treasury Office of Foreign Assets Control (OFAC) sanctions regulations forbid U.S. companies from facilitating transactions by foreign companies with specially designated terrorist individuals and groups, even when that facilitation is indirect and very limited. Visa and, likely, MasterCard, could therefore be liable for sanctions

violations if its Visa Electron product facilitated Hamas payments to Badran and Badran's material support for Hamas through Qatar National Bank in any fashion.

It appears that Visa failed to obey all these laws in issuing Husam Badran his debit card, which, according to the hacked QNB database, does not expire until July of 2020 and is therefore possibly still being used. As a result, the executives and the employees responsible for this failure could be held criminally liable and face prison time. Visa or MasterCard's license to operate could be pulled. And, most importantly, more American and Israeli civilians could be murdered by the Hamas terrorists who are financed and led by Husam Badran. Who else might be using Visa and MasterCard products served up by shady foreign banks in terrorist havens like Qatar? How wide-spread is this problem?

Visa's Know Your Customer programs and processes, mandated by federal law, have clearly failed to prevent its services from being used to materially support terrorism against Jews. The same seems to be the case with MasterCard. And yet, Visa and MasterCard seem more concerned about suppressing American Jewish civil rights groups than they do about their possible role in helping to finance the murders of Jews.

David Horowitz ought to go after Visa and/or MasterCard. for potentially violating his civil rights. Meanwhile, the U.S. Treasury Department Office of Foreign Assets Control and the Financial Crimes Enforcement Network ought to go after the payment processing companies for potentially violating federal counter-terrorism financing and anti-money laundering laws. If probable cause exists, those individual employees and officers of Visa and/or MasterCard responsible, as well as the corporations themselves, should be criminally prosecuted. Terrorism financing is a serious and deadly crime. Speaking out against terrorism, on the other hand, is a blessed service to all of us. Visa and MasterCard need to be taught a lesson in how to tell the difference.

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