Treasury requests two groups of changes: (a) non-substantive technical fixes necessary to avoid drafting errors, and (b) modest alterations designed to better focus the amendment on what we understand to be the objective, *i.e.*, to impair the CBI's ability to receive oil payments, and thus to make the amendment more effective and workable.

Proposed Technical Fixes:

- (g)(1-2): Add standard language allowing for the implementation and enforcement of the amendment, including powers to levy penalties and demand document production.

- (d)(1)(A): Add "or impose strict conditions on." This would ensure that the amendment does not eliminate the option originally included in CISADA for the Secretary to either require US financial institutions to terminate or strictly condition their correspondent or payable through accounts with foreign banks subject to sanction under CISADA, as amended. The justification for including that option for the Secretary in the original version of CISADA is equally applicable to this proposed amendment.

- Paragraph (d)(3)(A): Add the Secretary of State and the Director of National Intelligence to the consultative parties on the Congressional report concerning the availability and price of petroleum and petroleum products produced in countries other than Iran.

- Paragraph (d)(1): Change implementation schedule from 60 days to 180 days – this aligns the implementation schedule for (d)(1) with the timeline provided with respect to petroleum transactions later in the amendment.

Proposed Alterations:

- Alter Section (d)(1) and (d)(3): In line with the primary objective motivating the amendment—namely, the CBI's role in facilitating Iran's oil trade—these alterations seek to focus the amendment on transactions attendant to the sale of oil, rather than sweeping broadly to cover any and all transactions with the CBI, including such transactions as the rolling over of CBI reserves. This will limit the collateral impact of the amendment on countries and financial institutions that are not involved in the Iranian oil trade, and thus not in a position to affect the ability of Iran to sell oil through compliance with the requirements of the amendment. The language changes include (d)(1)(A), which adds the necessary provisions and the deletion of (d)(3) which is no longer needed because (d)(1)(A) explicitly covers all financial institutions.

- Alter the exception in (d)(3)(d) to add a "closely cooperating country" provision and include the concept of a price discount. The closely cooperating country provision brings the amendment into line with existing provisions in CISADA and provides allies an incentive to continue assisting our efforts to forestall Iran's WMD program and support for terrorism while reducing the income Iran obtains from selling its petroleum resources. he price discount provision would have the same economic effect as the existing volume reduction provision—that is, in either case, the revenue earned by Iran would be reduced.