

Terrorism financing: *Al-Qaeda* funding of terrorists in America

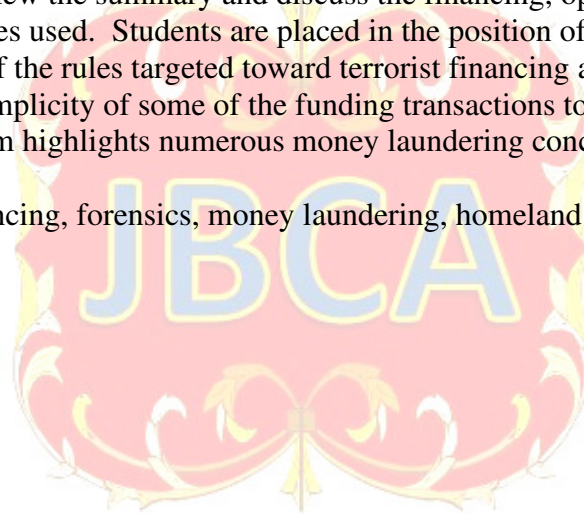
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Abstract

September 11, 2021 was the 20th anniversary of the terrorist attack on the United States. Four civilian passenger airliners were hijacked, and three planes crashed into targets in New York City and Washington, D.C. killing approximately 3,000 persons, mostly civilians. For the first time, we have access to documents that trace the financing of these terrorist acts. This case includes new details of the terrorist plot and traces the transfer of funds to support the plot. Students are asked to review the summary and discuss the financing, operational tactics, techniques, and procedures used. Students are placed in the position of a forensic analyst asked to evaluate the efficacy of the rules targeted toward terrorist financing and identify where the weaknesses were. The simplicity of some of the funding transactions to accomplish such a significant act of terrorism highlights numerous money laundering concepts.

Keywords: terrorist, financing, forensics, money laundering, homeland security



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INTRODUCTION

On September 11, 2001, Usama Bin Laden's terrorist organization, *al-Qaeda*, shocked the world by hijacking four civilian passenger airplanes and flying three of them into military and civilian targets in New York City and Washington, DC. These coordinated terrorist attacks killed 2,981 persons¹ in New York, Virginia, and Pennsylvania. Relying on various United States government documents and information from numerous sources, this case details the open financial information available to examine and analyze the specific techniques and procedures used by *al-Qaeda* to covertly transfer funds to the 20 terrorist pilots and non-pilot hijackers while they were living in the United States prior to the attacks. Although numerous financing techniques were used to fund the attack, they were relatively unsophisticated. Each pilot will be identified throughout the article with the flight number of the plane hijacked.

The case places students in the position of financial analyst and requires students to analyze the events as a forensic analyst, discussing the financial techniques involved and the funds transfer rules in effect at the time. This case is designed for use in an undergraduate upper-level audit or forensics course or a graduate level accounting or forensics course.

THE CASE

Max had been working as a forensic investigator for the FBI for 2 years. The typical investigation for him involved money laundering by individuals and small businesses, although he was recently given increasingly complex cases. Max loved his job. He had an internship as an evidence technician in his senior year and decided that forensic investigations would be his life's work. He had accepted a job at the FBI after an intense interview process and started working immediately after graduation. The CoVid epidemic, recently took its toll on the forensic staff and there were fewer investigators available for cases. A detailed analysis of the 9/11 attacks was prepared by a senior investigator right after the 20th anniversary of the attacks but had not been presented because of the author's battle with the virus. Max's boss asked him if he would review the case and get it ready to present. This analysis presented an excellent opportunity for Max to exercise his forensic skills and prove his expertise.

The analysis included information recently made available regarding the transfer of funds between terrorist organizations and the 20 individuals executing the hijacking operation. Max's senior investigator asked if he would be interested in evaluating the information and identifying the financing, operational tactics and techniques used to execute this terrorist operation. Max was to summarize the information for presentation to banking personnel and other interested parties in the Bureau. Max jumped at the opportunity. The report to be reviewed follows. Max is planning on reviewing it in order by section: logistics, terrorist background, operational planning, and financial support.

¹ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Executive Summary* at pp. 1-2, Washington D.C. (2004) available at https://www.9-11commission.gov/report/911Report_Exec.pdf (last visited Aug. 20, 2021).

Logistics

The tactical coordination involved in the attacks was highly remarkable. All the flights left within 43 minutes of each other, with the first impact occurring 47 minutes after departure, and the remaining impacts occurring over the next 80 minutes. Figure 1. (Appendix) illustrates the flight paths and changes in flight paths taken to accomplish their mission. The plot was very well planned and coordinated to complete the attacks before the United States defense could respond. The terrorists selected transnational flights to ensure the planes were fully loaded with fuel.

The commercial planes were commandeered, and the attacks accomplished, by a total of 19 individuals or 4-5 individuals per plane. Figure 2. (Appendix) details the pilot and non-pilot hijackers by flight and timeline of each attack.²

Usama Bin Laden personally selected *Mohammad Atta* as the *al-Qaeda* tactical leader of the attacks in the United States.³ Pilot *Marwan al-Shehhi* was actively involved in covert money transfers between Germany, the United Arab Emirates and Florida. Non-pilot hijacker *Fayez Ahmed* was also involved in money transfers.⁴ Next we discuss the beginning of the plot and the formation of the terrorist cell in Europe as a background to understanding the financial analysis.

Terrorist Background

Ramzi Bin al-Shibh was the “key facilitator” and “coordinator” for the September 11, 2001 terrorist attacks.⁵ Bin al-Shibh personally handled money, communications, and logistical support for the terrorist operation after *al-Qaeda*’s plans for him to be the fourth pilot hijacker failed. He was born in Yemen in 1972 where he worked as a clerk at the International Bank of

² *Id*; Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraphs 9 through 12 and 104 through 107 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

³ Nat’l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at pp. 165-167, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021); U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at pp. 3-4, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited Aug. 20, 2021).

⁴ Nat’l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 1 at p. 2*, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021); Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraphs 10 and 105 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

⁵ Office of the Director of National Intelligence, *High Value Detainee Biographies*, Washington D.C. (2009) available at <https://www.fas.org/irp/news/2006/09/detaineesbios.pdf> (last visited Aug. 17, 2021); U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at p. 1, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

Yemen. He traveled to Hamburg, Germany in 1995 after being denied a visa request to the United States. In Hamburg, he befriended pilot hijacker Mohammad Atta (11) at the local mosque, and they soon became roommates and coworkers. Three of the four terrorist pilot hijackers shared an apartment in Hamburg with Ramzi Bin al-Shibh. Mohammad Atta (11); Marwan al-Shehhi (175) and Ramzi Bin al-Shibh all resided together at various times at 54 Marienstrasse, Hamburg, Germany in 1997-1999. Pilot hijacker Ziad Jarrah (93) regularly visited there also.⁶ Mohammad Atta (11) and Ramzi Bin al-Shibh were also coworkers at a warehouse for a computer company in Hamburg.⁷ This apartment was the European base for the terrorist attacks from 1998 until September 5, 2001.⁸ It is interesting to note that the leadership in the operation knew each other for a relatively short time. Their collaboration was not the result of a long relationship. They were united on a goal which was born of a desire to support *jihād*.

Terrorist Operational Planning

While attending *al-Qaeda* military training in Afghanistan, the four Hamburg roommates personally met with Usama Bin Laden and his military commanders on several occasions. They all ultimately pledged *bayāt* (an oath of allegiance) to Bin Laden and swore to their willingness to die for him. In early 2000, *al-Qaeda* military commanders told the roommates that they had been selected for a very secret mission. They were instructed to return to Germany and apply to flight schools for pilot training instead of traveling on to Chechnya to fight the *jihād*. Bin Laden personally designated Mohammad Atta (11) as the tactical leader of the operation. Prior to leaving Afghanistan, Usama Bin Laden told Bin al-Shibh that the missions' targets were the World Trade Center, the Pentagon and the United States Capitol Building.⁹ As a matter of operational security, Usama Bin Laden never communicated with the terrorists electronically or over the telephone. Instructions were always given in person.

Acclimatization to the United States

Bin al-Shibh, Atta (11) and al-Shehhi (175) then traveled to Karachi, Pakistan to meet with Khalid Shaikh Mohammed where they were trained on how to blend in while living in the

⁶ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at pp. 161-165, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

⁷ Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraphs 10 and 105 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

⁸ *Id.* at paragraph 15.

⁹ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at pp. 165-167, Washington D.C. (2004) ; available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021); U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at pp. 3-4, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

United States.¹⁰ Khalid Shaikh Mohammed was the head of the *al-Qaeda* military committee with an extensive history involving many international terrorist acts. Following high school in Kuwait, he lived in the United States earning a Bachelor of Science in mechanical engineering degree from North Carolina Agricultural and Technical State University in 1986. He then returned to Peshawar, Pakistan. He was indicted for the 1993 World Trade Center attack along with his cousin Ramzi Yousef. He was further implicated in the East Africa bombings in 1998, the failed *Bojinka* terrorist plot involving hijacked civilian airliners, the kidnapping and murder of journalist Daniel Pearl, the failed shoe bomb attempt targeting a civilian airliner by Richard Reid and the Djerba synagogue bombing. He was the *al-Qaeda* operations officer for the September 11, 2001 attacks working from Karachi, Pakistan and second in command to Bin Laden.¹¹

Flight School Training

Upon returning to Germany from Karachi, the four roommates followed instructions and began applying to flight schools and requesting visas from the United States Embassy to enter the United States for pilot training. After obtaining visas, Atta (11) and al-Shehhi (175) attended flight training at Huffman Aviation, in Venice, Florida. Jarrah (93) attended pilot training nearby at the Florida Flight Training Center (FTCC) which was also located in Venice, Florida.¹² However, Bin al-Shibh's repeated requests for a visa to enter the United States were denied on four separate occasions spanning several years causing a major issue with the operational plan for him to be the fourth pilot.¹³

¹⁰ U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at p. 4, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

¹¹ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at pp. 145-150, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021); U.S. Dept. of Defense, *JTF-GTMO Assessment for Khalid Shaikh Mohammed* at pp. 2-4, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

¹² Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 225, Washington D.C. (2004); available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021); Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraph 20 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

¹³ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 168, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021); Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraphs 28 – 32 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021). U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at pp. 4-5, Washington D.C. (2006) available at

FINANCIAL SUPPORT

While the tactical coordination for the attack was highly remarkable, the funding of the operation was not. The terrorist organization did not spend a large amount on the attacks. The United States government estimates the total sum spent by *al-Qaeda* to fund the September 11 attacks at between \$400,000 and \$500,000. Khalid Shaikh Mohammed, acting through two financial facilitators (Ramzi Bin al-Shibh and Mustafa Ahmed Hawsawi) provided all the money needed for the hijackers in the United States. The United States government describes the tradecraft used to covertly fund the operatives as “ordinary” and “not sophisticated”.¹⁴ As demonstrated below, the *al-Qaeda* techniques used for funding the hijackers in the United States were multiple wire transfers and carrying bulk cash either into the United States or into a foreign country and then deposited in a foreign bank account and accessed remotely from the United States.¹⁵

In May and June of 2000, Atta (11), al-Shehhi (175) and Jarrah (93) traveled to the United States to attend flight training in Venice, Florida. Atta (11) and al-Shehhi (175) opened a joint bank account at a national bank branch near their rental home.¹⁶ They attended basic flight training at Huffman Aviation, FTCC and Jones Aviation in west central Florida from July 2000 to January 2001.¹⁷

Financing and logistical operations to support the Florida terrorist cell also began in June 2000 on the instructions of *al-Qaeda* operations commander Khalid Shaikh Mohammed. Khalid Shaikh Mohammed sent his nephew Ali Abdul Aziz Ali and *al-Qaeda* financial manager Mustafa Ahmed al-Hawsawi from Pakistan to Dubai, United Arab Emirates (UAE) to establish an ongoing finance and logistical support operation for the plot.¹⁸ Khalid Shaikh Mohammed tasked al-Hawsawi to facilitate on-going funding for, and travel and transit to the United States by, the hijackers. He arrived in Dubai, UAE with \$30,000 cash.¹⁹

On June 25, 2000, al-Hawsawi used a cash deposit to open a checking account at the Standard Charter Bank in Dubai, United Arab Emirates (UAE). On the same day, Fayez Ahmed

<https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

¹⁴ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 168, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

¹⁵ *Id.* at p. 172.

¹⁶ Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraphs 28 – 32 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

¹⁷ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 224 Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

¹⁸ *Id.*

¹⁹ U.S. Dept. of Defense, *JTF-GTMO Assessment for Mustafa Ahmed al-Hawsawi* at p. 3, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

(Flight 175 non-pilot hijacker) also opened both a checking and savings account at the same branch of the same bank. On July 18, 2000, Fayeze Ahmed signed a power of attorney in favor of al-Hawsawi for both of these accounts. Using this power of attorney, al-Hawsawi ordered and received a VISA and ATM card connected to the same accounts of Fayeze Ahmed. He immediately shipped the VISA and ATM cards to Fayeze Ahmed who was by now in Florida also. Fayeze Ahmed used the VISA card for the first time in Florida on August 1, 2000.²⁰ Figure 3 summarizes the financial structure.

Al-Qaeda Money Transfers to Florida

Funding was provided to operations in the United States by both Bin al-Shibh from Germany and al-Hawsawi in UAE²¹: Relatively small amounts were transferred using commercial money transfer companies including Moneygram and Western Union and wire transfers. Figure 4. summarizes the transfers.

Numerous financing techniques and procedures were used to keep the transfers covert. Many of the transfers were intentionally structured to avoid currency transaction and suspicious activity report requirements of the Bank Secrecy Act, Title 31, United States Code Section 5311 *et seq.* Almost every transaction was less than \$10,000. Controlling multiple accounts in multiple names in a foreign country also helped avoid scrutiny. The use of VISA and ATM cards in the United States to withdraw funds from the account in Dubai was also a useful way to move funds internationally. This allowed the financier (Hawsawi) to fund the account at will from a foreign country where he would draw much less attention. The operation also used simultaneous funding from two persons in two locations: Bin al Shibh in Germany and al-Hawsawi in the UAE. If one source was compromised, the other source could continue funding. Also, the use of two financial facilitators and sources allowed them to keep the amounts lower and reduce potential suspicions as well as add redundancy.

Each financial transaction or transfer outlined above could support a separate count of International Money Laundering in violation of Title 18, United States Code, Section 1956 (a) (2) (a) regardless of the source of the proceeds since the money was transferred internationally with the intent to support terrorism. In addition, each financial transfer could also be a separate count of Providing Material Support to Terrorism in violation of Title 18, United States Code, Section 2339(B) because *Al Qaeda* is a designated terrorist organization under that statute.

Al-Qaeda Funding for Zacharias Moussaoui

Al Qaeda used the same funding mechanism to transfer funds for another pilot-hijacker in the United States during the same time frame. Zacharias Moussaoui was an *al-Qaeda* terrorist

²⁰ Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraphs 57 - 63 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

²¹ *Id.* at paragraphs 21 – 30, 76; Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 224 Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

entering the United States in 2001 to conduct attacks.²² Moussaoui is a French citizen of Moroccan descent. He was born in May 1968 in St. Jean-De-Lux, France and earned a Master of Science degree from South Bank University, London, England.²³ In 1998, Moussaoui was trained at the *al-Qaeda* Khalden military camp in Afghanistan.²⁴

Like the other hijackers, both Bin al-Shibh in Germany and al-Hawsawi in UAE also funded Moussaoui in the United States. Bin al-Shibh traveled from Germany to London, England on December 2, 2000 and met with Zacharias Moussaoui there.²⁵ On December 9, 2000, al-Shibh returned to Germany whereas Moussaoui traveled from London to Pakistan.²⁶ On February 7, 2001, Moussaoui returned from Pakistan to London.²⁷ On February 23, 2001, Moussaoui traveled from London to Oklahoma City, Oklahoma via Chicago. When entering the United States at Chicago, Moussaoui declared \$35,000 in cash. On February 26, 2001, Moussaoui opened a bank account in Norman, Oklahoma with a \$32,000 cash deposit. He attended basic flight school in Norman, Oklahoma from February 26 to May 29, 2001.²⁸

Moussaoui landed in Chicago with \$35,000 in cash. However, the federal government did not investigate this international bulk cash transfer until August 2001 when the Federal Bureau of Investigation was first contacted.

Transfers to Moussaoui are summarized as follows:

- Khalid Shaikhk Mohammad instructed Bin al-Shibh and al-Hawsawi to also send money to Moussaoui in the United States.²⁹

²² Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at pp. 225, 246 Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

²³ Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraph 13 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

²⁴ *Id.* at paragraph 14.

²⁵ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 225 Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021); Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraphs 37 and 38 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

²⁶ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at pp. 225, Washington D.C. (2004); Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraphs 37 - 38 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

²⁷ *Id.* at paragraph 45.

²⁸ *Id.*

²⁹ Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 246 Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

- On July 29 and August 2, 2001, Moussaoui used a public telephone to call Dusseldorf, Germany.³⁰
- July 30 and 31, 2001 – Mustafa al-Hawsawi in UAE sent two money transfers totaling \$15,000 to Bin al-Shibh in Germany.³¹
- August 1 and 3, 2001 – Bin al-Shibh sent wire transfers of \$14,000 to Moussaoui in Norman, Oklahoma from train stations in Dusseldorf and Hamburg, Germany.³²

Moussaoui was arrested by the Federal Bureau of Investigation and Immigration and Naturalization Service in Minnesota on August 16, 2001 after he aroused suspicions when attempting to enroll at the Pan American Flight Academy.³³ His flight instructor raised concern at Pan American because Moussaoui had no prior aviation experience, paid in cash, and only wanted to learn to take off and land the plane.³⁴ Moussaoui subsequently admitted in court that he was a member of *al-Qaeda* and was loyal to Usama Bin Laden.³⁵ He also testified at his sentencing hearing that he intended to hijack a plane and pilot it into the White House.³⁶

Final Preparations

The hijackers began readying for the attacks in the summer of 2001. On July 8, 2001, Bin al-Shibh traveled to Spain for a personal meeting with Mohammad Atta (11), the tactical leader of the operation, to finalize the details of the attack. The meeting could not occur in the United States because Bin al-Shibh still could not obtain an entry visa, so Atta (11) had to travel to him. For operational security, the plotters did not communicate digitally or by telephone. This also shows knowledge of the attacks weeks in advance. At this meeting, Bin al-Shibh requested advance notice of the date of the attacks as Bin Laden wanted Bin al-Shibh to travel to Afghanistan beforehand to personally inform him of the date. Atta (11) said the 15 non-pilot

³⁰ *Id.*; Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraph 65 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

³¹ *Id.* at paragraph 66; 9/11 Commission Report, Chapter 5, pp. 246, *National Commission on Terrorist Attacks Upon the United States*, 2004 available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

³² *Id.* at paragraph 67; Nat'l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 246 Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

³³ *Id.* at 247.

³⁴ *Id.* at 273.

³⁵ Court Transcripts, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., July 18, 2002 and Feb. 6, 2006; See “Moussaoui: ‘I am al Qaeda’ “, *CNN.com* (Feb. 6, 2006) available at <https://www.cnn.com/2006/LAW/02/06/moussaoui.trial/index.html> .

³⁶ Court Transcript, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Mar. 26, 2006; See “Moussaoui testifies he was to fly 5th plane into White House on 9/11”, *HeraldNet.com* (March 26, 2006) available at <https://www.heraldnet.com/news/moussaoui-testifies-he-was-to-fly-5th-plane-into-white-house-on-911> .

hijackers had arrived in the United States from Saudi Arabia and UAE without any problems. Atta (11) reported that he divided the 15 “muscle” or non-pilot hijackers into four teams (one for each plane) based on their English-speaking abilities. Atta (11) also confirmed that the targets were the World Trade Center, the Pentagon and the United States Capitol Building, which Bin al-Shibh already knew. Bin al-Shibh returned to Germany on July 16, 2001. He called Khalid Shaikh Mohammed and told him everything was ready.³⁷

According to *al-Jazeera* reporter Yusri Fouda’s documentary concerning the attacks titled *Top Secret: The Road to September 11*, Bin al-Shibh also received the following coded email from Saeed al-Ghamdi, a non-pilot hijacker on United Flight 93, approximately three weeks before the attacks:

“The first semester commences in three weeks. Two high schools and two universities....This summer will surely be hot....19 certificates for private education and four exams. Regards to the professor. Good bye.”³⁸

This is believed to be a coded reference for the operational targeting of two military/government facilities and two civilian locations with 19 hijackers in four planes.

As previously requested, Atta (11) gave the final date for the attacks to Bin al-Shibh in two weeks before September 11. On August 29, 2001, Mohammad Atta (11) called Bin al-Shibh and used a code in the form of a riddle to advise him of the date of the attacks. Atta (11) told Bin al-Shibh:

“He said, ‘A friend of mine gave me a puzzle and I want you to help me out.’ I said to him, ‘Is this the time for puzzles, Mohammed?’ He said, ‘Yes, I know, but no one else but you could help me.’ He said, ‘Two sticks, a dash and cake [lollipop] with a stick down. What is it?’ I said, ‘Did you wake me up just to tell me this?’ As it turns out, two sticks is the number 11. A dash is a dash. And cake [lollipop] with a stick down is the number nine. And that was September 11.”³⁹

³⁷ Nat’l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at pp. 244-245, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021); U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at pp. 6-7, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

³⁸ Interview of Khalid Shaikh Mohammed and Ramzi Bin al-Shibh by Yusri Fouda, “Top Secret: The Road to September 11”, *al Jazeera* broadcast, June 2002. See “Al-Jazeera offers accounts of 9/11 planning”, *CNN.com/WORLD* (September 12, 2002) available at <https://edition.cnn.com/2002/WORLD/meast/09/12/alqaeda.911claim/> (last visited Aug. 20, 2021). The documentary is in two parts. Part one is currently available for viewing at https://youtu.be/Z_4ILal9j70.

³⁹ *Id.*; Nat’l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at pp. 244-245, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021). U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at pp. 6-7, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021). A slight inconsistency exists in the reporting. During the *al-Jazeera* interview,

Learning the exact date of the attack from Atta (11), Bin al-Shibh soon fled Germany for Afghanistan. On September 3, 2001, al-Hawsawi transferred \$1500 from Dubai, UAE to Bin al-Shibh in Hamburg, Germany.⁴⁰ On September 5, 2001, Bin Al-Shibh traveled to Pakistan via Spain and UAE. Bin al-Shibh crossed into Afghanistan and personally told Bin Laden that the attacks were scheduled for September 11, 2001.⁴¹ Bin al-Shibh then returned to Karachi, Pakistan and watched the news reporting of the attacks on television with Khaled Shayk Mohammad.⁴²

Return of Excess Funds to al-Hawsawi

The terrorists made a concerted effort to return all excess funds back to al-Hawsawi in UAE during the week before the attacks:⁴³ Figure 5 summarizes the return of unused funds.

Unused funds were recouped before the attack. The VISA and ATM cards connected to a foreign account in UAE proved particularly useful in transferring funds from the United States to UAE and eventually to Karachi, Pakistan. Each of these transfers would also violate the International Money Laundering statute, 18 United States Code Section 1956 as well as the Providing Material Support to Terrorism statute, 18 United States Code Section 2339 for the same reasons discussed previously.

Bin al-Shibh states that Atta (11) used the word “cake” in the riddle. However, United States government reporting indicates the word used was “lollipop”.

⁴⁰ Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraph 87 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

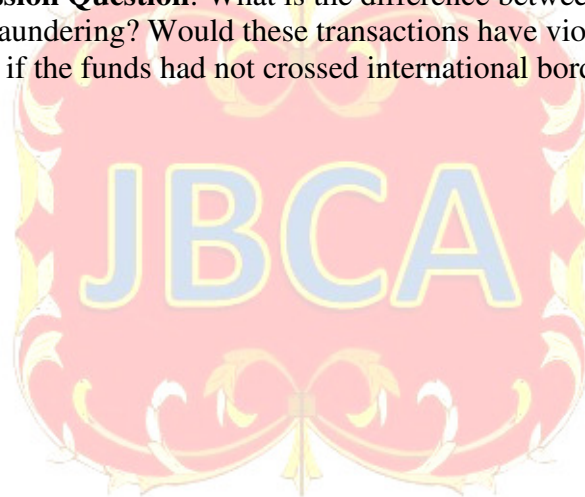
⁴¹ Nat’l Comm. on Terrorist Attacks Upon the United States, *9/11 Commission Report, Chapter 5*, at p. 249, Washington D.C. (2004) available at <https://www.9-11commission.gov/report/911Report.pdf> (last visited Aug. 20, 2021).

⁴² Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraph 89 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021); U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at pp. 6-7, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

⁴³ Indictment, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va., Dec. 11, 2001, at Count One, paragraph 89 available at <https://www.justice.gov/archives/ag/indictment-zacharias-moussaoui> (last visited Aug. 17, 2021).

Case Questions

1. **Money Laundering.** What is money laundering under United States laws? Do these transactions meet the definition? If so, which laws apply and why?
2. **Financial Techniques.** The terrorists used several financial techniques to transfer funds and avoid detection.
 - a. Describe or diagram by flowchart the movement of money from Al Qaeda in central Asia to the 9/11 hijacker-pilots in Florida? What people in what countries used what methods to move the money where?
 - b. List the techniques used to transfer the funds
 - c. How did the financial transactions avoid detection?
 - d. What was the purpose of having multiple bank accounts under multiple names?
 - e. The case states that unspent funds were recouped just prior to the terrorist attack. What was the purpose of this?
3. **Operational Techniques.** What were some of the operational techniques used to keep the operation secret and to help insure the desired outcome?
4. **Advanced Discussion Question:** What is the difference between international and domestic money laundering? Would these transactions have violated the money laundering statute if the funds had not crossed international borders? Why or why not?



TEACHING NOTES

1. **Money Laundering.** What is money laundering under United States laws? Do these transactions meet the definition? If so, which laws apply and why?

Discussion: Money laundering is broken down by the federal statute into two types: domestic and international. The burden of proof is slightly different between the two. Under United States law, money laundering generally is the use of proceeds from criminal activity for a financial transaction that attempts to **promote** the illegal activity, **avoid** reporting requirements, **conceal** the source or ownership of the illicit funds or **evade** taxes. In the classroom, the teacher can use **PACE** as a mnemonic device to assist their students in remembering these. In domestic money laundering the government must prove the funds were derived from a specified unlawful activity or there is no violation of the statute. The international money laundering statute, however, does not require proving this IF the funds both cross international borders and were used to promote the illegal activity. In this one instance, the source of the money is irrelevant. So, the international money laundering statute will even apply to “clean” money (funds that not the proceeds of illegal activity) being moved across borders to fund illegal activity. All financial transactions in this case violated the United States international money laundering statute because the funds moved across international borders to support terrorism, an illegal activity. This is the main teaching point of this case.

2. **Financial Techniques.** The terrorists used several financial techniques to transfer funds and avoid detection. (Note: the financial diagrams are currently included in the Appendix. If students are to complete them, the figures should not be included in the case.)
 - a. Describe or diagram by flowchart the movement of money from Al Qaeda in central Asia to the 9/11 hijacker-pilots in Florida? What people in what countries used what methods to move the money where?

Movement of money from Al-Qaeda to hijacker-pilots in Florida:

Date	FROM		TO		Type	Amount
	Individual	Location	Individual	Location		
2000-06-13	Bin al-Shibh	Germany	al-Shehhi	Florida	MoneyGram Transfer	\$ 2,708.33
2000-06-21	Bin al-Shibh	Germany	al-Shehhi	Florida	MoneyGram Transfer	1,803.19
2000-06-29	al-Hawsawi	UAE	al-Shehhi	Manhattan, NY	Wire Transfer	4,790.00
2000-07-19	al-Hawsawi	UAE	Atta and al-Shehhi	Florida	Joint account transfer	9,985.00
2000-07-26	Bin al-Shibh	Germany	al-Shehhi	Florida	Western Union	1,760.00
2000-08-07	al-Hawsawi	UAE	Atta and al-Shehhi	Florida	Joint account transfer	9,485.00
2000-08-14	Bin al-Shibh	Germany	Huffinan Aviation	Venice, Florida	Wire Transfer	2,350.00
2000-08-21	al-Hawsawi	UAE	Fayez Ahmed	Dubai	Account deposit	4,900.00
2000-08-22	Fayez Ahmed	Florida	Fayez Ahmed	Florida	VISA	4,900.00
2000-08-30	al-Hawsawi	UAE	Atta and al-Shehhi	Florida	Joint account transfer	19,985.00
2000-09-18	al-Hawsawi	UAE	Atta and al-Shehhi	Florida	Joint account transfer	69,985.00
2000-09-25	Bin al-Shibh	Germany	al-Shehhi	Florida	Western Union	4,118.83
					Total	136,770.35

b. List the techniques used to transfer the funds.

The techniques used to transfer and use the funds include:

1. Structuring transactions to avoid currency transaction and suspicious activity reporting to the United States Financial Criminal Enforcement Network.
2. Multiple banking accounts foreign country in multiple names.
3. Use of power of attorney to control multiple accounts in foreign country in multiple names.
4. Almost no transfers greater than \$10,000.
5. Use of VISA and ATM cards in U.S. to access funds deposited in banks for accounts located in UAE.
6. Recouping all unexpended funds just prior to terrorist attack.
7. Use of MoneyGram and Western Union transfers.
8. Final use of VISA card to deplete Dubai UAE bank account from Karachi, Pakistan.
9. Simultaneous funding from two persons in two locations to protect funding sources.
10. International bulk cash transport.

c. List or summarize the return of excess funds from Florida. Include the date, the individuals involved (from / to), the type and amount of the transfer.

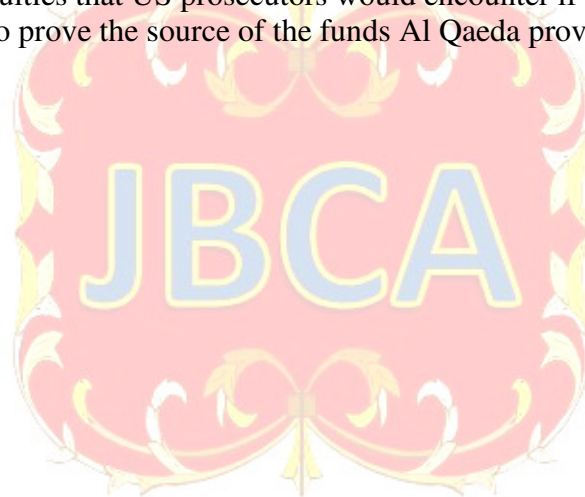
Date	FROM		TO		Detail	Type	Amount
	Individual	Location	Individual	Location			
9/4/2001	Mohammed Atta via Fayez Ahmed	Florida	al-Hawsawi	UAE	VISA, ATM cards, Transferred to himself	Federal Express	1 blank check
9/6/2001	Fayez Ahmed	Florida	as POA	UAE		Wire Transfer	\$ 8,055
9/8/2001	Mohammed Atta	Florida	al-Hawsawi	UAE		Wire Transfer	2,860
9/9/2001	Waleed al-Sheri	Florida	al-Hawsawi	UAE		Wire Transfer	5,000
9/10/2001	Marwan al-Shehh	Florida	al-Hawsawi	UAE		Wire Transfer	5,400
9/11/2001	al-Hawsawi	UAE	al-Hawsawi	UAE		Deposit	16,348
9/11/2021	al-Hawsawi*	Florida	al-Hawsawi	UAE		Check	6,534
9/11/2001	al-Hawsawi*	Florida	al-Hawsawi	UAE		ATM withdrawal	1,361
9/11/2001	al-Hawsawi	Florida	al-Hawsawi	Karachi, Pakistan		Prepaid VISA card	40,871
9/13/2001	al-Hawsawi	Pakistan				6 cash withdrawals	40,871

* from Fayez Ahmed's account

3. What were some of the operational techniques used to keep the operation secret and to help insure the desired outcome?
 1. Bin al-Shibh had no electronic communications with Usama Bin Laden or Atta. Terrorists traveled to Afghanistan and Spain to protect the plot.
 2. The use of Bin al-Shibh and al-Hawsawi as “cut outs” to insulate Khaled Shayk Mohammad and Usama Bin Laden from terrorist activities.
 3. Use of coded emails and riddles in telephone calls to communicate actions plans.

4. Advanced Discussion Question: What is the difference between international and domestic money laundering? Would these transactions have violated the money laundering statute if the funds had not crossed international borders? Why or why not?

See Teaching Note 1 above. Some mistakenly believe that money laundering requires a transaction with funds derived from illegal activity to violate the United States law. This is true of a violation of the domestic money laundering statute which is what causes the confusion. On the other hand, this is not true concerning the international money laundering statute. While “dirty money” or proceeds of a specified unlawful activity will support an international money laundering prosecution, there is one exception where even a transaction of “clean money” will violate the law. Transactions involving funds crossing international boundaries that are used to promote illegal activity are always a violation of United States law regardless of the source of the funds. This criminalizes sending even “clean money”, such as charitable contributions, donations, wages, legitimate business income, etc. across international borders to fund illegal activities such as terrorism. It also lessens the government’s burden of proving the source of the money. In this case, you can discuss with the students the difficulties that US prosecutors would encounter if they were saddled with the statutory burden to prove the source of the funds Al Qaeda provided to the hijackers to fund the 9/11 attacks.



EPILOGUE

In an interview with *Al-Jazeera* in June 2002, Khalid Shaikh Mohammed identified himself as the architect of the attacks and Ramzi Bin al-Shibh as the “coordinator”.⁴⁴ The puzzle used to communicate the date of the attacks was also first disclosed during this interview. The hijackers of course met their end in the aircraft. The rest of the terrorists, including the financial facilitators, were captured as follows:

- Ramzi Bin al-Shibh was captured on September 11, 2002, at an *al-Qaeda* safe house in Karachi, Pakistan following an extended gun battle with Pakistani authorities and members of the Central Intelligence Agency’s Special Activities Division. During the shootout and resulting stand-off, Bin al-Shibh threatened to kill all suspects and hostages with explosives. Items recovered in the safe house following his capture were: high explosives, sheet explosives, improvised detonators, passports for Usama Bin Laden family members, identification documents for the September 11, 2001 hijackers, training manuals and specific plans to egress Pakistan using forged documentation. Ramzi Bin al-Shibh is currently an “enemy combatant detainee” held by the United States at the Guantanamo Bay Detention Facility.⁴⁵
- Khalid Shaikh Mohammed was captured on March 1, 2003, in Rawalpindi, Pakistan by Pakistani authorities and members of the Central Intelligence Agency’s Special Activities Division. He is currently an “enemy combatant detainee” held by the United States at the Guantanamo Bay Detention Facility.⁴⁶
- Mustafa Ahmed al-Hawsawi, the *al-Qaeda* financial manager, was also captured on March 1, 2003 in Rawalpindi, Pakistan by Pakistani authorities and turned over to the United States. He is currently an “enemy combatant detainee” held by the United States at the Guantanamo Bay Detention Facility.⁴⁷
- Zacharias Moussaoui is a currently serving a life sentence of imprisonment, without parole, at the federal maximum-security prison in Florence, Colorado.⁴⁸

⁴⁴ Interview of Khalid Shaikh Mohammed and Ramzi Bin al-Shibh by Yosri Fouda, “Top Secret: The Road to September 11”, *al Jazeera* broadcast, June 2002; See “Al-Jazeera offers accounts of 9/11 planning”, *CNN.com/WORLD* (September 12, 2002) available at <https://edition.cnn.com/2002/WORLD/meast/09/12/alqaeda.911claim/> (last visited Aug. 20, 2021). The documentary is in two parts. Part one is currently available for viewing at https://youtu.be/Z_4ILal9j70.

⁴⁵ U.S. Dept. of Defense, *JTF-GTMO Assessment for Ramzi Bin al-Shibh* at pp. 6-7, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

⁴⁶ U.S. Dept. of Defense, *JTF-GTMO Assessment for Khalid Shaikh Mohammed* at pp. 2-4, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

⁴⁷ U.S. Dept. of Defense, *JTF-GTMO Assessment for Mustafa Ahmed al-Hawsawi* at p. 3, Washington D.C. (2006) available at <https://www.nytimes.com/interactive/2021/us/guantanamo-bay-detainees.html> (last visited August 20, 2021).

⁴⁸ Court docket, *USA v. Zacharias Moussaoui*, Criminal Case No. 1:01cr455, U.S. Dist. Ct., E.D. Va. May 4, 2006; “Moussaoui formally sentenced, still defiant”, *NBCNews.com* (May 4, 2006) available at <https://www.nbcnews.com/id/wbna/12615601> (last visited Aug. 20, 2021);

APPENDIX

Figure 1. Flight Paths of Terrorists Attacks



“Moussaoui headed to ‘Alcatraz of the Rockies’, *NBCNews.com* (May 5, 2006) available at <https://www.nbcnews.com/id/wbna/12636492> (;ast visited Aug. 20, 2021).

Figure 2. Flights, Pilots, and Timing of Attacks

North Tower	
Flight 11 Boston to Los Angeles Impact 8:46 a.m. Collapse 10:28 a.m.	Pilot: Mohammed Atta (tactical leader in the U.S.) Abdul Alomari, Wail al-Shehri, Waleed al-Shehri, Satam al-Suqami
South Tower	
Flight 175 Boston to Los Angeles Impact 9:03 a.m. Collapse 9:59 a.m.	Pilot: Marwan al-Shehhi (actively involved in money transfers) Fayez Ahmed, Ahmed al-Ghamdi, Hamza al- Ghamdi, and Mohald al-Shehri
Shanksville, PA (intended target U.S. Capital)	
Flight 93 Newark to San Francisco Impact 10:03 a.m.	Pilot: Ziad Jarrah Ahmed al-Haznawi, Saaed al-Ghamdi, and Ahmed al-Nami
Pentagon	
Flight 77 Virginia to Los Angeles Impact 9:37 a.m.	Pilot: Khalid al-Midhar Nawaf al-Hazmi, Hani Hanjour, Salem al-Hamzi, and Majed Moqed

Figure 3. Operational Financing Structure

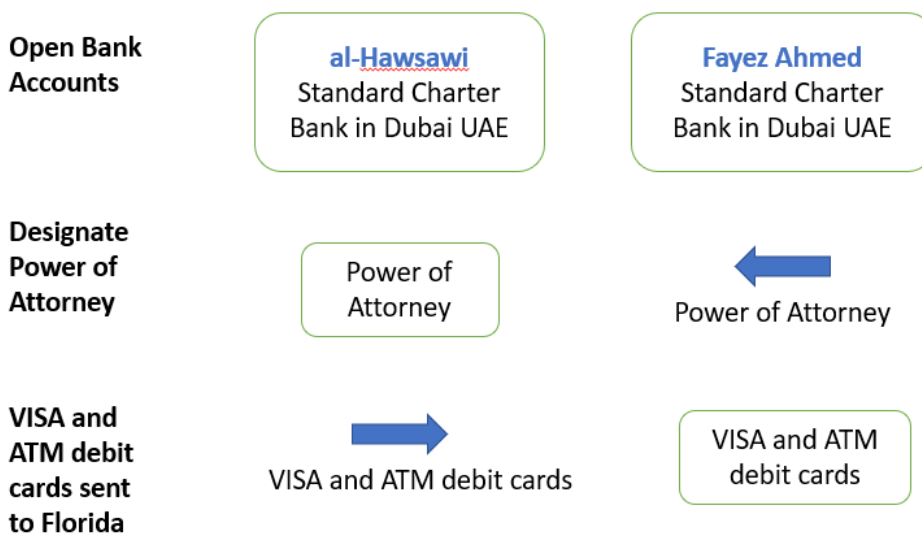


Figure 4. al-Qaeda Money Transfers

Date	FROM		TO		Type	Amount
	Individual	Location	Individual	Location		
2000-06-13	Bin al-Shibh	Germany	al-Shehhi	Florida	MoneyGram Transfer	\$ 2,708.33
2000-06-21	Bin al-Shibh	Germany	al-Shehhi	Florida	MoneyGram Transfer	1,803.19
2000-06-29	al-Hawsawi	UAE	al-Shehhi	Manhattan, NY	Wire Transfer	4,790.00
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2000-08-22	Fayez Ahmed	Florida	Fayez Ahmed	Florida	VISA	4,900.00
2000-08-30	al-Hawsawi	UAE	Atta and al-Shehhi	Florida	Joint account transfer	19,985.00
2000-09-18	al-Hawsawi	UAE	Atta and al-Shehhi	Florida	Joint account transfer	69,985.00
2000-09-25	Bin al-Shibh	Germany	al-Shehhi	Florida	Western Union	4,118.83
					Total	136,770.35

Figure 5. Return of Excess Funds to al-Hawsawi

Date	FROM		TO		Detail	Type	Amount
	Individual	Location	Individual	Location			
	Mohammed Atta				VISA, ATM		
9/4/2001	via Fayez Ahmed	Florida	al-Hawsawi	UAE	cards,	Federal Express	1 blank check
			al-Hawsawi		Transferred to		
9/6/2001	Fayez Ahmed	Florida	as POA	UAE	himself	Wire Transfer	\$ 8,055
9/8/2001	Mohammed Atta	Florida	al-Hawsawi	UAE		Wire Transfer	2,860
9/9/2001	Waleed al-Sheri	Florida	al-Hawsawi	UAE		Wire Transfer	5,000
9/10/2001	Marwan al-Shehh	Florida	al-Hawsawi	UAE		Wire Transfer	5,400
9/11/2001	al-Hawsawi	UAE	al-Hawsawi	UAE		Deposit	16,348
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9/13/2001	al-Hawsawi	Pakistan				6 cash withdrawals	40,871
* from Fayez Ahmed's account							