

Sid Blumenthal reports concerning Libya and the region, dated August 2012 to March 2013.

A ProPublica researcher cut and pasted these reports into a Word document from the downloaded PDF. The reports are verbatim from the PDF. Not included were reports on matters extraneous to Libya. Other PDFs contain emails that confirm the date on which the report was emailed from Sid to Hillary.

Source:

<http://cryptome.org/2015/03/guccifer-drumheller-blumenthal-memos.pdf>

Header info on source PDF:

11 March 2015

See Guccifer-provided confidential reports by Tyler Drumheller to Sidney Blumenthal which are quoted as "sources" in these memos:

For: Hillary

From: Sid

Re: New president of Libya

CONFIDENTIAL

August 23, 2012

SOURCE: Sources with direct access to the Libyan National Transitional Council, as well as the highest levels of European Governments, and Western Intelligence and security services.

1. During early August, 2012, Libyan National Transitional Council (NTC) President Mustafa Abdel Jalil held discreet meetings with Mohammed Yusef Magariaf, the then leader of the newly elected General National Congress (GNC), who Jalil learned was to be named interim President of Libya when the NTC stepped down. During these sessions the two leaders worked out the transition to a new, elected interim Government for Libya; focusing on the need to restore stability and security by disarming the militia units which fought in the 2011 revolution against former dictator Muammar al Qaddafi. According to a source with excellent access to both parties, Jalil came away from the meeting convinced that Magariaf is intent on becoming Libya's first elected president following the overthrow of Qaddafi. Jalil was pleased to learn that Magariaf strongly supports the three-party Cairo Declaration negotiated between the NTC and the Governments of Tunisia and Egypt in late July allowing for increased trade and a relaxation of existing travel restrictions.

2. According to this individual, Jalil and Magariaf agree that Tunisia and Egypt hold the key to Libya's future economic success, with Libya providing the funding for new projects, while Egypt and Tunisia provide technical expertise. Magariaf stated privately that this relationship marks a departure from the Qaddafi years when Libya's natural resources fell under the control of foreign firms and governments. Jalil added that Magariaf will welcome investment and cooperation from American and Western European banks and corporations, but believes Libya, supported by the new governments

rising out of the Arab Spring, must maintain control over all aspects of the industries involved in exploiting its natural resources. In this regard, with the support of both Jalil and Magariaf, the Libyan Ministry of Finance is increasing the level of Libyan investment in the Cairo stock exchange. In turn, Magariaf and Egyptian President Mohamad Morsi discussed increased Tunisian and Egyptian investment in the Benghazi stock exchange as the economic situation in Libya becomes more orderly.

3. In commenting on the new Interim President, Jalil added that Magariaf's current position is bolstered by the fact that he is not tied to any particular faction. At the same time he has maintained the respect that is attached to his role as the first Libyan leader to direct an armed revolt against Qaddafi. This fighting was carried out by the rebel Libyan National Army in 1981. Magariaf is an academic and diplomat with well established Islamist credentials and good relationships with business and government leaders in the United States and Western Europe. A separate sensitive source noted that one interesting issue to watch is Magariaf's relationship with General Khalifa Belqasim Haftar, the commander of one sections of the new Libyan Army. Haftar has been at odds with many of the militia commanders and is currently leading Libyan forces in the Kufra region, attempting to end local tribal fighting and block the smuggling of arms and supplies to pro-Qaddafi militias by supporters based in South Sudan. In the years between 1981 and 1990 Haftar (then Colonel Haftar) commanded the rebel Libyan National Army, under Magariaf's National Front for the Salvation of Libya (NFSL). One source notes that Magariaf's opposition to Qaddafi was based on the dictator's betrayal of Islamic principles, a position that, at that time, was supported by the Western Allies.

4. According to this individual, Jalil also spoke with former Prime Minister Mahmoud Jibril, who indicated that he and Magariaf agree on many issues, including the belief that they can build an Islamic state in Libya that can function in the world economy and the international diplomatic community. He did note that he believes Magariaf's view of the role of Islam in the day to day function of the government is more conservative than his, but these are differences that can be sorted out in the GNC. In the opinion of this individual Jibril is well aware of the fact that, while his National Force Alliance (NFA) controls a solid bloc of thirty nine (39) seats in the GNC and Magariaf's National Front Party (NFP) holds no seats in its own right, the interim President has established good working relationships with at least 100 of the 120 independent members of the GNC. Magariaf received 113 votes in his election as Interim President. Again these independent deputies respect Magariaf's role in fighting the Qaddafi regime.

5. (Source Comment: This particularly sensitive individual stated in strict confidence that Magariaf sees his role as establishing an efficient interim government, while overseeing the drafting of a new constitution and election law. This individual believes that Magariaf is very interested in winning the presidency under this new law. Besides meeting with Jalil and Jibril, Magariaf is talking to liberal politicians including former Oil and Finance Minister Ali Tarhouni, and the leaders of the Muslim Brotherhood's (MB) Justice and Construction Party (JCP), including Mohamad Sowan.)

6. This individual adds that Jalil believes Magariaf will face a very difficult period as he addresses the many issues left unresolved by the NTC and the interim regime of Prime

Minister Abdel Rahman el-Keib. Jalil has been highly frustrated by el-Keib's inability to disarm the many militia units left over from the 2011 revolution against Qaddafi. At the same time he has advised Magariaf to move quickly in replacing el-Keib's cabinet while deciding which ministers to retain. The new interim government is facing a problem of lawlessness and attacks against foreigners, including representatives of the Egyptian Government; this at a time when the new Muslim Brotherhood government of Egypt is reaching out to increase business and diplomatic contacts between the two countries. According to a sensitive source, Libyan military intelligence officers believe these attacks are the work of Qaddafi loyalists, while former NTC officials fear that they may be carried out by dissident Islamist groups, frustrated with the results of the national elections, which many of them boycotted.

7. (Source Comment: An extremely sensitive source stated in confidence that Libyan Military Intelligence officers reported to Jalil and later Magariaf that a series of bombings in Tripoli and Benghazi appear to be the work of Qaddafi loyalists looking to create tension between the Libyan and Egyptian Governments. These attacks included the car of an Egyptian diplomat, which was blown up near his home in Benghazi, a day after several deadly bomb attacks in the capital Tripoli. At the same time, a homemade bomb exploded under the vehicle of the Egyptian consulate's first secretary Abdelhamid Rifai in one of the Tripoli's most affluent neighborhoods. No one was hurt during this attack. Earlier in August, three car bombs exploded near the Ministry of Interior in Tripoli, killing two people and wounding three others. This sensitive source added that security officers arrested 32 members of what they describe as an organized network of Gaddafi loyalists linked to the attacks. During this period, the Red Cross suspended its activities in Benghazi and Misrata after one of its compounds in Misrata was attacked with grenades and rockets. In late July seven Iranian relief workers associated with the Libyan Red Crescent were kidnapped by tribal troops still loyal to the Qaddafi family. Security officials have no word on the whereabouts of these relief workers.)

8. According to this source, while the Cairo Declaration received a positive reception among Libyan political and business leaders, it also created a drastic increase in the number of Libyans applying for Egyptian visas under the new, simplified process. This workload has created a backlog of applications, and in mid-August, a group of Libyan nationals frustrated with the Egyptian visa process attacked the interior of the Egyptian consulate in Tripoli. These Libyan applicants were angry about the time it was taking to receive visas to enter Egypt and were demanding that the staff work past their stated hours of operation. A sensitive source noted that a number of Libyans destroyed the furniture in the main waiting room and attacked the consulate. The Magariaf Government has assured the Egyptian ambassador that additional security personnel will be assigned to guard the Embassy, at least until the visa backlog is reduced.

CONFIDENTIAL
September 12, 2012

For: Hillary

From: Sid

Re: Magariaf and the attack on US in Libya

SOURCE: Sources with direct access to the Libyan National Transitional Council, as well as the highest levels of European Governments, and Western Intelligence and security services.

1. During the afternoon of September 11, 2012 new interim President of Libya Mohammed Yusef el Magariaf spoke in private with senior advisors, including the members of the Libyan Muslim Brotherhood, to discuss the attacks by demonstrators on U.S. missions in Tripoli and Benghazi. According to a sensitive source, el Magariaf was shaken by the attacks, and gave permission to commanders on the ground for security forces to open fire over the heads of the crowds in an effort to break up mobs attacking the missions. During this session, a senior security officer told el Magariaf that the attacks on that day were inspired by what many devout Libyan viewed as a sacrilegious internet video on the prophet Mohammed originating in America. The Libyan attacks were also inspired by and linked to an attack on the U.S. mission in Egypt on the same day. At the same time, el Magariaf noted in strong terms that the atmosphere that made fostered these incidents in Libya is the product of widespread publicity regarding the security situation in the country between 2004 and 2010 and the cooperation that developed between a number of Western Intelligence services and the regime of former dictator Muammar al Qaddafi.

2. This source added that el Magariaf's advisors believe that this situation adds to the President's growing concern over the unpredictable effects that will follow current covert efforts by his political opponents to link him directly to foreign intelligence services. According to a separate sensitive source, el Magariaf noted that his opponents had often tried to connect him to the U.S. Central Intelligence Agency (CIA) through the National Front for the Salvation of Libya (NFSL), a group established in opposition to former dictator Muammar al Qaddafi, which el Magariaf led in the 1980s. In the opinion of this individual el Magariaf believes that he can survive potential negative publicity in this regard, but if this situation continues to develop in this manner it will complicate his efforts to establish an orderly administration in the country. Again, he stated that the attacks on the U.S. missions were as much a result of the atmosphere created by this campaign, as the controversial internet video.

3. At the same time, this individual noted that several of el Magariaf's advisors share his concerns in this matter, pointing out that the return of Qaddafi's intelligence chief Abdullah al-Senoussi for trial in Libya has heightened public interest in the liaison relationships conducted by the CIA and British Secret Intelligence Service (SIS) with Qaddafi's intelligence and security services. These same individuals note that they believe Islamist militia forces under the command of General Abdelhakim Belhaj captured files and documents describing this relationship from Qaddafi's offices in Tripoli. This fascination with Western intelligence operations in Qaddafi's Libya is also driven by Human Rights Watch (HRW) and its efforts to tie Western governments to human rights violations committed under Qaddafi. In this regard HRW has interviewed at least fourteen

(14) individuals claiming that they were turned over to Qaddafi's forces by the Western powers. Belhaj is included in this group.

4. (Source Comment: In the opinion of a very sensitive source, el Magariaf's enemies are working to take advantage of his suspected links to the CIA at a time when Western intelligence services are under scrutiny in Libya. They also fear that this situation will only grow more complex as Qaddafi's son Saif al Islam Qaddafi and al Senousi are brought before Libyan courts to answer for their crimes under the old regime, particularly during the 2011 revolution. These individuals believe both men will be linked to Western Intelligence during their trials.)

5. According to this individual, el Magariaf is working with the Muslim Brotherhood and other Islamist groups to defuse this situation. He is particularly concerned by the level of violence between Sufi Muslims and Salafists, and believes he must maintain his reputation for impartiality if he is to defuse this growing problem. As he works to organize the government, and disarm the militias, he cannot afford to lose the respect and trust of the Libyan people, especially at a time when cultural clashes between followers of the mystical Sufi tradition and ultra-conservative Salafis have taken central stage in the new Libya. This source adds that these religious conflicts were largely unknown during Qaddafi's rule.

6. (Source Comment: This source added that the individuals interviewed for the HRW report were former members of the Libyan Islamist Fighting Group (LIFG), an Islamist group formed in opposition to Gaddafi's controversial interpretations of Islam. These LIFG fighters fled the country in the late 1980s and went to Afghanistan to join the fight against the Soviet Union while also gaining training and experience for their own struggle. A separate source adds that messages to Libya from the CIA and SIS were found among the Tripoli Documents published by HRW, indicating that the United States and Britain were eager to help Libya capture several senior LIFG figures, including its co-founders, Belhaj and Sami al-Saadi.)

7. As Libyan authorities struggle to control the armed rings that refuse to surrender weapons following last year's civil war, Salafis, who say Islam should return to the simple ways followed by Mohammed, have established their own armed gangs in post-Gaddafi Libya. They view Sufi practices as idolatrous. Since the start of the Arab Spring uprising across the region, a number of Sufi sites have been attacked in Egypt, Mali and Libya. Magariaf is determined to establish a democratic state based on Islamic principles. This individual adds that Magariaf remains dedicated to the idea of building a tolerant Islamic state in Libya. El Magariaf's opinions continue to be shaped by his experience with Qaddafi, whom he felt built a cult of personality in violation of all of the basic ideas of Islam.

For: Hillary

From: Sid

Re: More Magariaf private reax

CONFIDENTIAL

September 13, 2012

SOURCE: Sources with direct access to the Libyan National Transitional Council, as well as the highest levels of European Governments, and Western Intelligence and security services.

1. On September 12, 2012 Libyan President Mohammed Yusef el Magariaf told senior advisors that the death of the U.S. Ambassador at the hands of Islamist militia forces represents a threat to the future of the newly elected General National Congress (GNC) Government. According to a sensitive source, el Magariaf believes that the primary goal of this and other attacks on Western facilities is to demonstrate that the GNC cannot protect its non-Islamic friends. Libyan security officials believe that the attack was carried out by forces of the Islamist militia group calling itself the Ansar al Sharia brigade; working out of camps in the Eastern suburbs of Benghazi. These officials added that their sources indicate that this group is led by former members of the old Libyan Islamic Fighting Group (LIFG), some of whom are loyal to Islamist General Abdelhakim Belhaj. The same officials were quick to point out that they have no evidence that Belhaj had any direct involvement in this attack. They also have no direct information as to whether this assault has anything to do with the death of Libyan born al Qai'da leader Abu Yahya al- Libi, but they are pursuing this theme. These officials do believe that the attackers having prepared to launch their assault took advantage of the cover provided by the demonstrations in Benghazi protesting an internet production seen as disrespectful to the prophet Mohammed.

2. According to this source, the immediate events were set in motion by a statement made by a Muslim Cleric in Egypt saying that the internet film was going to be shown across the United States on September 11 in an effort to insult Muslims on the anniversary of the attacks on the New York World Trade Center in 2001. This statement inspired increasingly hostile demonstrations at the U.S. Embassy in Cairo, and at diplomatic facilities in Libya. In Benghazi, reporting from security sources states, approximately twenty one (21) Ansar al Sharia fighters left their base in East Benghazi just after sundown infiltrated the crowd of about 2,000 demonstrators at the U.S. Consulate. These forces, operating under cover of darkness, opened fire on the consulate, eventually setting it on fire with rocket propelled grenades. These fighters then withdrew to their camp. El Magariaf ordered security officials to identify and arrest the attackers, adding that he had been in touch with Egyptian President Mohmmmed Morsi, and the two agreed that their intelligence and security personnel will cooperate in this matter. (Note: Some of the Libyan officials believe that the entire demonstration was organized as cover for the attack, however; they point out that there is no evidence of such a complex operation at this time.

3. (Source Comment: In the opinion of this individual, Libyan security officers also informed el Magariaf that the attacks had been planned for approximately one month, based on casing information obtained during an early demonstration at the U.S. consulate in Benghazi. The attackers were, in the opinion of these individuals, looking for an opportunity to approach the consulate under cover in a crowd. These officials add that government security officers admitted to el Magariaf that they do not have the physical capacity to locate, attack, and destroy the Ansar al-Sharia brigade, among others. They

describe these forces as well-trained, hardened killers; many of whom have spent time in Afghanistan and Yemen. These fighters are located in camps in Eastern Libya; and Libyan officials doubt they can penetrate these camps because the militia's are better armed than the forces of the new National Army.

4. In the opinion of a separate source El Magariaf continues to believe that the attacks were planned and carried out in a political atmosphere where a portion of the Libyan population is focused on past cooperation between Western intelligence and security services, and the regime of former dictator Muammar al Qaddafi. According to this source, el Magariaf realizes that the death of the U.S. Ambassador dictates that he must find tangible solutions to the problems tied to disarming the militias, dealing Salafist violence against the followers of Sufi beliefs, and efforts to discredit his government through linking him to Western intelligence services. El Magariaf instructed his security officials to cooperate with their U.S. counterparts. He also warned all of his advisors to be prepared for U.S. retaliation against the suspected perpetrators of this attack, and the angry public reaction that is sure to follow.

5. (Source Comment: A separate, particularly sensitive source added that in private conversation el Magariaf stated that if his government cannot protect a senior diplomatic official, foreign businesses will not be willing to risk opening up new operations in Libya. According to this sensitive source, el Magariaf believes that a number of the Islamist militias are now being influenced al Qai'da and other radical groups; working out of camps in the Eastern and Southeastern parts of the country. These groups are receiving aid and weapons from supporters in Sudan. In the end, el Magariaf added that while he does not expect U.S. officials to focus on this point, he believes the attacks against the interests and citizens of the U.S. and other Western states are aimed first at overthrowing his government, and replacing it with a strict Islamic Republic dominated by Salafist leaders. Magariaf also warned that tribal militias loyal to the Qaddafi family continue to present an equally dangerous threat to the new Government.)

CONFIDENTIAL

September 14, 2012

For: Hillary

From: Sid

Re: Morsi's private conversations & coordination with Magariaf

SOURCE: Sources with direct access to the Libyan National Transitional Council, as well as the highest levels of European governments, and Western Intelligence and security services.

1. Late in the day on September 14, 2012, Egyptian President Mohamad Morsi told senior European diplomats that he is increasingly concerned the current anti-U.S. and anti- Western violence spreading through Cairo and into the rest of Egypt may be part of an effort by his Salafist political rivals to destabilize his government, which many of them believe is too moderate in its positions regarding Islam, Israel, and the non-Muslim world. According to this source, Morsi, who is in Brussels for meetings with the European Union (EU), was particularly concerned over a message from Army

commander General Abdel Fatah al-Sissi, that Islamist guerrillas, believed to be drawn primarily from the Sawarki Bedouin tribe, had launched an attack on a base of the International Peacekeeping Force (IPF) in the Sinai. The General reported that the 1500 United Nations troops at the base, including some U.S. forces, were under heavy attack and casualty figures were not yet known. Morsi stated that this fight was an example of radical anti-government forces and Salafist Islamist dissidents taking advantage of the current situation to carry out attacks that demonstrate his government is unable to protect Western personnel and facilities in Egypt. Morsi stated that the success or failure of his regime is directly tied to his ability to establish a moderate Islamic state that can work with western business interests.

2. (Source Comment: In the opinion of this individual, the current wave of violence is related to an ongoing struggle between Salafist and Sufi Muslims throughout Egypt. What makes it more frustrating for Morsi is that much of the violence appears to be inspired by members of the Salafist al Nour Party, the coalition partner of Morsi's Freedom and Justice Party (FJP) in the new Egyptian Parliament. According to this individual, Morsi delayed condemning the initial attacks on the U.S. Embassy out of concern that his opponents would use such a statement to move against his government. Late on the evening of September 13, 2012, Mohammed Badie, the Supreme Guide of the Egyptian Muslim Brotherhood (MB), sent a message to Morsi warning that he and the Supreme Guidance Council were concerned that the situation around the U.S. Embassy was getting out of control and that, difficult as it might seem, he had to take tough measures against the demonstrators, and protect the interests of the U.S. and other Western Governments. In a telephone discussion with Saad al-Katany, the MB/Freedom and Justice Party (MB/FJP) Speaker of the lower house of parliament, Morsi admitted that he had felt constrained from acting, given his past history of poor personal relations with the leaders of al Nour. Al-Katany urged him to gain control of the situation.)

3. On September 14, Morsi also stated to an EU official that he had received extremely forceful messages from both the U.S. State Department and the Office of the U.S. President, leaving no doubt in his mind that the U.S. -Egyptian relations and more than \$1 billion in U.S. aid were at stake in this matter. Morsi added that since much of this aid goes to the Egyptian Army, he and al-Katany agreed that actions that put it in jeopardy would also damage the new Egyptian administration's current good relationship with the Army. Accordingly, Morsi instructed the military and security forces to use all necessary force short of lethal measures to protect U.S. and Western facilities. In a private conversation, Morsi stated that he felt he is losing control of the political situation and fears that if the current fighting results in deaths, either of demonstrators, U.S. diplomats, Egyptian security personnel, or UN peacekeepers, the situation may spin out of control and his government could fall. Al-Katany agreed, but said that taking no action would guarantee disaster. They agreed that when the situation calms down they will have to deal with the al Nour party, which they fear will, in the future, take advantage of circumstances to try to destabilize Morsi's administration. With this in mind, Morsi ordered al-Sissi to direct the commanders of Military Intelligence (MI -Mukhabarat el-

Khabeya) to step up operations collecting information on the activities of the al Nour leadership, focusing on any contacts with potentially violent Salafist dissidents.

4. (Source Comment: A separate sensitive source also noted that General al-Sissi is warning Morsi about press reports that the person who made the controversial internet film at the heart of this situation is an Egyptian Coptic Christian. The General cautioned that as this report gains wider circulation, the government and the Army must prepare for violent attacks by Islamists against that community, which makes up ten (10) percent of the Egyptian population.)

5. A separate sensitive source noted that for his part, al-Sissi is prepared to have his troops take harsh measures against any demonstrators who attack Western personnel and facilities. The General is also concerned that the al Nour leaders are even more dangerous than Morsi realizes, and he has ordered the MI to increase technical and physical surveillance of these individuals. In addition, he stated in private that Morsi and al-Katany spoke with Libyan President Mohammed Yussef el Magariaf, and they had all agreed that military and security officials in Egypt and Libya will cooperate in an effort to track links between the violence in Cairo and Benghazi. Al-Sissi has ordered Special Forces units to step up patrols in the Egypt- Libya border region, while the MI will monitor communications between dissidents; primarily Salafists, in both countries. According to this source the General is convinced that these dissidents are seizing the opportunity presented by the current unrest to move against the governments of Morsi and al-Magariaf. He also received permission from Morsi to step up cooperation with his counterparts in the U.S. and Western Europe to deal with this situation and al-Sissi believes al-Magariaf has given similar instructions to Libyan military and security officials.

6. (Source Comment: According to a separate sensitive source, al-Sissi believes that, given his new orders from Morsi, the Army can, for the most part, protect Western facilities and personnel in Egypt. But the General is concerned that the security services can never completely eliminate the threat from small well organized bands looking to carry out terrorist attacks. Following discussion with Libyan security officials he believes they have the same concerns.)

For: Hillary

From: Sid

Re: Libya cabinet politics

CONFIDENTIAL

October 6, 2012

SOURCE: Sources with direct access to the Libyan National Transitional Council, as well as the highest levels of European Governments, and Western Intelligence and security services.

1. As of October 5, 2012 Mohammed Yussef el Magariaf, the new interim President of Libya told senior advisors that the abortive efforts to form a cabinet under new Prime Minister Mustafa Abushagur represent the first step in the next phase of the struggle for control of the new Libyan Government. According to a sensitive source Magariaf is

concerned that Abushagur, supported by the Muslim Brotherhood's (MB) Justice and Construction Party (JCP), as well as certain of the other more traditional Islamist groups, is looking to establish day to day administrative control the new government while defining Magariaf as a ceremonial Head of State.

2. According to this individual, the President, who is not affiliated with a particular party holding seats in the General National Council (GNC), spoke with the new Prime Minister immediately after Abushagur was elected by the GNC on September 12. At that time Magariaf advised him to include in his government members of former Prime Minister Mahmoud Jibril's National Forces Alliance (NFA), Abushagur having only narrowly defeated Jibril in the GNC vote. At that time Magariaf was not aware of the fact that Jibril had already demanded 9 cabinet seats for the NFA; however, he did point out that even Jibril's more moderate followers were committed to the idea of a modern Islamic state and would fit into the new cabinet . The

President came away from this discussion with the impression that Abushagur and his supporters intend to marginalize Jibril and the 39 Members of Parliament (MP) controlled by the NFA, concentrating instead on working with the 120 independent MPs in the GNC, looking to establish a more conservative administration. This individual added that Abushagur made it clear that while the President was free to choose his Vice President and staff, the Prime Minister would choose the national cabinet, supported by the GNC.

3. (Source Comment: According to this individual, Magariaf is allowing the current crisis in the Abushagur administration to play out without direct interference. He is convinced that the desire of the Libyan people for peace and stability, which brought him to power, added to the need to balance the regional and political rivalries throughout the country, will lead to the formation of a cabinet that is acceptable to all parties. Magariaf also believes that these developments will eventually leave him as the dominant figure in the government.)

4. In addition, this individual added that Magariaf is seized with the national security situation, the ongoing effort to disarm militia units, and the investigation of the murder of the United States Ambassador. All of these efforts are related to what he sees as his most important role, rebuilding the confidence of the international business community in its ability to operate in Libya safely and efficiently. To this end he does agree with Abushagur that it is important to replace the cabinet of former Prime Minister Abdel Rahman el-Keib, particularly Minister of Oil Abdulrahman Ben Yazza, whose connections to the regime of former dictator Muammar al Qaddafi, and the Italian Oil firm ENI made him unacceptable to the JCP and other conservative parties. That said, this individual notes that Magariaf was surprised and not pleased with the appointment to the ministry of Mabrouk Issa Abu Harroua, another technical expert, who previously worked for Libya's Zueitina Oil Company as well as in the oil sector abroad. Magariaf feels that Abu Harroua does not have the standing among the foreign oil companies that Ben Yezza enjoyed, although he was more acceptable to a number of the conservative members of the GNC.

5. Magariaf was pleased that the Prime Minister, after dramatic confrontations with MPs and demonstrators who entered the GNC chamber, withdrew his cabinet nominations.

The President again advised Abushagur to name former Oil and Finance Minister Ali Tarhouni to the Oil Ministry post; however, he fears that that Ali Tarhouni is seen as too close to Western governments to gain acceptance in the GNC. Magariaf is concerned that, while the new cabinet Abushagur plans to put forward on October 7 may contain some members of the NFA and other moderate groups, it will still be dominated by the JCP and conservative elements, and will again fail to gain acceptance, leading to a real government crisis.

6. According to this individual Magariaf and his advisors knew in advance that more than 100 protesters planned to enter the GNC session on October 4, in an effort to prevent MPs from convening to vote on the new cabinet. While Magariaf did not directly influence these protesters he did nothing to warn or advise Abushagur on the developing situation. In particular, the protestors objected to the failure of the Prime Minister to name any minister from the Zawiyah region. Although the demonstrators eventually left the hall, a number of the independent MPs, who had said they would support the new cabinet, were shaken by the incident and changed their positions. In the end, according to this individual, Abushagur's efforts to rally their support failed, and he was forced to withdraw all of the nominees, promising to submit a new list on October 7, one that would take into account regional and political considerations.

7. In the opinion of a particularly sensitive source, the failure of Abushagur to name any NFA ministers to the new cabinet will continue to complicate the matter. For his part Magariaf is concerned over international perceptions regarding the nature of the new Libyan government. In this regard, he fears that the Western press is too sharply focused on the fact that the NFA holds the largest single bloc of votes in the GNC (38), missing the fact that the real power in the parliament lies with the 120 independent deputies, who tend to be somewhat conservative on religious and social matters, while focusing primarily on local political issues. Magariaf believes that the appointment of Ali Tarhouni, or another liberal not associated with the NFA, would serve to reassure Western business and government leaders while demonstrating political balance to the Libyan people. Although he continues to make this point, the President has no indication that Abushagur will follow his advice. He does expect Abushagur to again select a majority of cabinet ministers associated with the MB and the JCP.

8. (Source Comment: In the opinion of this individual, Magariaf will remain focused on the security situation, particularly as he is having some success disarming the militias following

the death of the U.S. Ambassador. According to this individual, Magariaf believes he must end the power of the regional militia forces before the Libyan economy can improve. The President knows that foreign companies are the key to Libyan oil production, but he fears that they will not increase their commitment to Libya until the government can insure the security of their personnel and facilities. In a final note, this individual added that the Italian government is stepping up its activities in Libya, and the President expects them to pressure to Abushagur appoint an individual like Ben Yezza to the Oil Ministry, where he can favor ENI and other Italian firms.)

CONFIDENTIAL

October 25, 2012

For: Hillary

From: Sid

Re: Latest Libyan Leadership Private Discussions & Plans

SOURCE: Sources with direct access to the Libyan National Transitional Council, as well as the highest levels of European Governments, and Western Intelligence and security services.

1. During mid-October 2012 Libyan President Yusef el Magariaf stated in private that he and Prime Minister Ali Zidan have ordered National Libyan Army (NLA) Chief of Staff General Youssef al Mangoush to establish a more coordinated operational relationship with Misrata and Zintan militias in order to support expanded army operations throughout the country. According to a sensitive source, prior to the death of the United States Ambassador on September 11, 2012 Mangoush resisted greater reliance on these specific large militias, believing that such a move undercuts the government's efforts to disarm and demobilize all of the militias left over from the 2011 civil war. At this point, however, Mangoush agreed with Magariaf that the situation in the country is becoming increasingly dangerous and unmanageable. Accordingly, the Chief of Staff stated that he will work with Ousama al Jouwali, the leader of the Zintan forces to step up operations against the other militias, (supported by the Misrata troops), that also come from the mountainous region of Western Libya. At the same time he will instruct NLA troops under ground force commander General Khalifa Belqasim Haftar to pursue operations against tribal forces fighting on behalf of the Qaddafi family in Southern and Southeastern Libya.

2. (Source Comment: In the opinion of this individual, Magariaf and Zidan agree that Libya's future depends on the success of their efforts in this militia demobilization operation over the next six months. While they believe that the involvement of Ansar al Sharia forces, with the assistance of al Qai'da in the Islamic Magreb (AQIM), in the assassination of the U.S. Ambassador has focused the world business and diplomatic community on the reality of the security issues surrounding the militias, the President and Prime Minister also fear that the situation is far worse than Western sources realize. Mangoush informs them that AQIM and radical Salafist groups are increasing their efforts to take advantage of the frustrations of the various militias with the government, using the attack on the U.S. Consulate in Benghazi as an inspiration for their activities. Just as Ansar al Sharia began as a militia supporting the federalist claims of Eastern tribal leaders, and was then infiltrated by AQIM radicals, Mangoush believes many of the other regional and ethnic militias around the country could follow the same path, if his troops do not succeed in the disarmament program. He also agrees with Zidan that they must move quickly since Libya's tradition of avoiding the Sunni-Shia conflict that dominates most of Middle East is beginning to erode during this period of chaos.)

3. A particularly sensitive source noted that NLA operations have already begun against Ansar al Sharia forces south of Benghazi, after members of that militia/terrorist group killed four national policemen during a grenade attack at a roadblock in the Sousa

Mountains. Under orders from Haftar Libyan troops surrounded more than 100 Ansar al Sharia fighters in the region of the town of Sousa. According to this sensitive source, the NLA suffered relatively heavy casualties in the fighting, but believe they captured a number of AQIM operatives and one of Ansar al Sharia's senior commanders, Sufian bin Qamu, who they believe ordered the attack on the police. Mangoush also reported to Zidan that Qamu had been previously captured by United States forces and imprisoned at the Guantanamo Bay facility.

4. At the same time the Libyan army and forces from the Misrata militia entered the town of Bani Walid approximately 100 miles south of Tripoli, in an area still loyal to the Qaddafi family, engaging in close fighting with pro-Qaddafi forces. During the fighting Haftar dispatched troops with heavier arms to support the Misrata forces. According to this source, the NLA downplayed the level of the fighting, in an effort to reassure the supporters of the Government. That said the NLA/Misrata force had captured the city center and the airport after suffering significant casualties. The Government forces entered the city after shelling opposition positions around the city hospital, using heavy mortars and motorized guns.

5. (Source Comment: In the opinion of this knowledgeable individual, while Magariaf and Zidan remain optimistic about the future of Libya, they believe that the security situation will remain tenuous throughout 2013. Magariaf also sees the national election scheduled for mid-2013 as a potentially complicating factor. According to this source, Mangoush and Haftar focused on Bani Walid under pressure from the Misrata commanders. These militia leaders were, according to a knowledgeable source, angered over the death of one of their senior officials, Omran Shaban, at the hands of pro-Qaddafi forces in Bani Walid. The Misrata commanders report that Shaban was one of the organizers of the Misrata militia unit that captured and executed Qaddafi in 2011 outside of the town of Sirte. The Misrata leaders, supported by the General National Council (GNC), demanded the surrender of the men who arrested and killed Shaban. As the fighting expanded through late September and early October, Magariaf and his advisors came to see Bani Walid as an important symbol of their commitment to disarm the militias and anti-government groups, and increased their involvement accordingly.)

For: Hillary

From: Sid

Re: Petraeus/October Surprise

CONFIDENTIAL

November 12, 2012

My operative theory on Petraeus scandal is that it became an October Surprise that failed. Forcing the scandal public and his resignation would have been the trifecta--leaks, Benghazi, then Petraeus--allowing Romney to argue that Obama had created a national security collapse. It would have overtaken the end of the campaign.

My thought is that Leahy should be in this now and that Feinstein should be made aware, if she is not already, of the October Surprise scenario.

Some questions:

Are there agents and other employees at FBI in regular contact with Republican members of the House outside the regular channel of the House Intelligence Committee?

Exactly how soon was Cantor contacted by FBI sources after Petraeus was exonerated by the investigation?

What was the decision making process of those involved in contacting congressmen Reichert and Cantor? Who exactly in the FBI was involved in that discussion? How many people? What was their connection to the investigation? Or was it a single rogue individual?

Did Cantor ever notify Speaker Boehner that he had been contacted and that he had contacted Mueller? Why not? What does Boehner have to say about what Cantor did? Did Cantor or any House staff member speak about the matter with any member of the Romney- Ryan campaign?

Claims that Cantor was simply alerting the FBI of the investigation by contacting Mueller are

absurd on its face. The FBI knew it was conducting the investigation. What is Cantor covering up? Was he attempting to create pressure to force Petraeus' scandal into the public and his resignation before the election?

What was the connection between those involved in contacting Cantor and those involved in contacting Bob Woodward about a "Benghazi" story?

If there were irregularities in the investigation, the disgruntled FBI agents or employees should have contacted the FBI Inspector General. They did not. Was it because there were no irregularities? No one has suggested any. Did they know it is a felony to disclose an espionage investigation?

Will the FBI agent(s) and employee(s) who leaked the espionage investigation to congressmen Reichert and Cantor be the targets of a Justice Department criminal investigation? Will a grand jury be empaneled?

For: Hillary

From: Sid

Re: Intel: Badie, Morsi and the Opposition

CONFIDENTIAL

December 8, 2012

SOURCE: Sources with access to the highest levels of the Muslim Brotherhood in Egypt, The leadership of the Armed Forces, and Western Intelligence, diplomatic, and security services.

1. During the evening of December 7, 2012 Egyptian President Mohamad Morsi, speaking in confidence, told senior advisors that he remains focused on establishing a lasting Egyptian regime under the Muslim Brotherhood (MB) and its associated Freedom and Justice Party (FJP). At the same time, according to an extremely sensitive source, Morsi added that although the ongoing demonstrations against his declaration of emergency powers will continue, and, if anything, become more violent, he firmly believes that at least 60 per cent of Egyptian voters continue to support his efforts to eliminate the last vestiges of the regime of former president Hosni Mubarak. That said,

Morsi admitted that the current level of violence could not continue, and might lead to more serious conflicts across the country between MB/FJP activists, and the secular/liberal anti-government demonstrators. In the opinion of these individuals MB Supreme Guide Mohammad Badie advised Morsi to moderate his immediate position on presidential authority. Badie wants Morsi to meet with anti-government leaders to see what he would have to do to calm their activities. According to Morsi, Badie and other MB leaders advised that the solution for the current situation lies in identifying the minimum he will have to give in compromise in order to regain control the situation.

2. According to this source, Badie reminded the president that during the 2011 parliamentary and presidential elections he had warned Morsi to control his FJP activists who were intimidating Christian and secular/liberal voters. Badie pointed out that Morsi's failure to accept his advice in that situation had let to unneeded tension and international criticism, just as the new government was standing up. In the opinion of this individual Morsi and his advisors spent much of the week of December 3 developing a new strategy to deal with the current situation. For the present Morsi and Egyptian Army commander General Abdel Fatah al-Sissi agree that the MB leadership must continue to do what they can to control the movement's activists. While Morsi believes that it is important for MB supporters to demonstrate in support of the government, he agrees that they must control the number of people involved since these numbers to be directly proportional to the level of violence, according to the operatives of the Military Intelligence Service (MI - Mukhabarat el-Khabeya) sent by al-Sissi to follow the demonstrations. According to an extremely sensitive source, these MI operatives are also photographing and creating files on the leaders of the secular/liberal demonstrations, for potential future use.

3. (Source Comment: According to a sensitive source, Badie and the leadership of the MB believe they are on the verge of reaching the goal of their eighty-five (85) year campaign to gain control of the Egyptian government. While Badie and FJP parliamentary leader Saad al Katany often find Morsi a difficult partner, they are convinced that he can achieve their goals; their main concern at this time is that the judges and other administrative holdovers from the Mubarak regime could slow their efforts, far more than the secular/liberal opposition. At the same time they are also concerned that the Salafist al Nur party, their nominal parliamentary ally, might attempt to expand its authority in the government. All of these concerns relate to the belief of these MB leaders, including Morsi, that the new government must be able to reassure foreign government and business leaders that the MB/FJP regime will be a good partner in the international world. Badie told associates that Morsi had overplayed his hand by moving so abruptly to expand his position, but now there is a possibility that this overreach will work in his favor as he negotiates with opposition figures to reach an agreement to stop the violent demonstrations.)

4. According to an extremely sensitive source, Morsi's first step in this effort to gain control of the situation was to support the move by election officials to postpone the scheduled early voting for the draft constitution. Advisors to Morsi also notified contacts in the secular/liberal opposition that it was possible that the entire election could be postponed until a new, more inclusive draft constitution had been developed. In the

opinion of this knowledgeable individual the key issue is a reassurance that these opposition figures will not interfere with Morsi's efforts to weed out the Mubarak appointees from all levels of the government. Al Katany for one believes this is possible since the secular/liberal leaders are also hostile to the Mubarak legacy. Al Katany added that he believes Morsi plans to offer the possibility of prosecuting or re-prosecuting some of the Mubarak officials, a move that also will be popular with the opposition. Only the former military leadership would be excused from this process, as all sides want to avoid putting al-Sissi in the position of having to defend his mentors.

5. (Source Comment: According a knowledgeable individual, Badie has instructed MB/FJP activist organizers to practice restraint, as large groups of MB supporters gathered at Mosques around the country on the afternoon of Friday December 7. The Supreme Guide asked these groups to avoid confrontation with their opponents, at least for the time being. At the same time, senior MB officials stated in confidence that Ismail Hamdi, the chairman of the national election commission, secretly met with senior advisors to Morsi during the week of December 3 and then announced a delay in the early voting on the new constitution. This move was kept secret and came as a surprise to most observers and the press. The MB/FJP publicity officers moved quickly to portray this move as the basis for a compromise in the crisis.)

6. In the opinion of this individual Morsi was disappointed but not surprised when the opposition rejected talks aimed at compromise. Some of the opposition leaders called for a sit-in demonstration at the presidential palace, but Morsi and his staff believe that they can overcome this initial reaction if they can identify opposition leaders who might be more flexible. In the meantime, Minister of Legal Affairs Mohammed Mahsoub stated that he is considering several options, including cancelling the referendum, and moving the entire process back to the parliament for a compromise and a new draft. He also hinted that Morsi could dissolve parliament; forming a new body through a special election. Morsi developed this position in an effort to set the basis for negotiation. His confidence is based on MB/FJP polling indicating that sixty to sixty five per cent of the voting public will continue to support their control of the government.

7. (Source Comment: In the opinion of this individual Morsi, his Vice President Mahmoud Mekki and Badie are convinced that democracy advocate Mohamed el Baradei will join in compromise negotiations eventually. They note that el Baradei heads the National Salvation Front (NSF), a secular/liberal umbrella group opposed to Morsi's decrees, while encouraging the protests in Cairo. While el Baradei continues to reject offers to negotiate, Badie is convinced that the former diplomat's ambition will drive him to accept the offer eventually. In the same vein one of Morsi's greatest concerns is identifying the real leaders of the opposition.)

8. According to a particularly sensitive source, Morsi, Badie and the rest of the MB/FJP leadership realize that they must adjust their tactics for the immediate future, but they will stand by their goal of establishing long-term control of the government administrative structure, while disposing of Mubarak supporters. They will look for acceptable compromise positions, but in the end are convinced that they will emerge from

this process as the leaders of Egypt. At present they continue to count on the support of al-Sissi and 60-65% of the voting populace. Their short-term goals are to gain control of the current security situation, while reassuring the foreign business and diplomatic community that although the current situation is part of a messy post-revolutionary period, the MB/FJP, and the Islamist government of Egypt will be a reasonable partner for the international community.

For: Hillary

From: Sid

Re: Libya, Benghazi, Oil

CONFIDENTIAL

December 10, 2012

SOURCE: Sources with direct access to the Libyan National Government, as well as the highest levels of European Governments, and Western Intelligence and security services.

1. During early December 2012 Libyan Prime Minister Ali Zidan and President Mohamed Magariaf concluded a series of discreet meetings with selected tribal leaders from Eastern Cyrenaica region (Barqa in Arabic), after which they agreed that the problem of the growing Barqa federalist movement is gaining strength and will again become a major issue in early 2013. At the same time National Libyan Army (NLA) Chief of Staff General Youssef al Mangoush warned Zidan that the Eastern tribes have rearmed and reequipped in the past three months and are preparing to reassert their desire for a degree of autonomy in early 2013. Mangoush also advised that the situation in the region between Benghazi and the Egyptian border may become increasingly complicated as Salafist fighters from Egypt continue to arrive in Benghazi. Mangoush reported that his staff officers have been advised in secret by aids to Egyptian Army Chief of Staff, General Mohammed al-Sissi, that, acting under instructions from Egyptian President Mohammed Morsi, military and security forces are taking steps to detain or neutralize extreme Salafist para-military groups and that a number of these fighters are fleeing to Libya. According to the Libyan commander, these Salafist fighters are comfortable in Benghazi, where many of them served with Libyan revolutionary forces during the rebellion against former dictator Muammar al Qaddafi.

2. In the opinion of this individual, Zidan and Magariaf, after consulting with Minister of Oil Abdulbari al-Arusi, decided to move forward with a plan dating back to the administration of former Oil Minister Abdulrahman Ben Yezza dividing the National Oil Corporation's (NOC) production and exploration divisions into two separate firms. With this in mind, al-Arusi began discussing the matter with concerned parties in late November and early December. Included in these discussions were meetings with members of the local federalist council in Benghazi and tribal officials from Barqa. In these sessions Al-Arusi described a new structure managing all existing oil-related firms, while building new operations and raising funds from investors outside of the country. This firm will be divided into two branches, one in Benghazi and one in Tripoli. Al-Arusi added that the cost of this project will range between fifty (50) and sixty (60) billion dinars.

3. (Source Comment: According to a separate sensitive source, this concept came as a surprise to most of the local officials in Tripoli and Benghazi. This individual added that while the Western officials continue to have some questions about the matter, the Benghazi/Barqa leaders were, in al-Arusi's opinion, positive, if not enthusiastic about the new initiative. According to al-Arusi, doubts on either side relate to the mistrust that remains between the two regions, but he is determined to move ahead in this matter and is supported by Zidan and Magariaf. According to this source, the president and prime minister are convinced that they must deal with this internal East-West issue before they can bring a stable security environment to the country, and disarm the remaining independent militias in each part of the country. This individual added that in private discussions al-Arusi stated that the tentative name for this new oil entity will be the National Corporation for Oil Refining and Petrochemicals Industry, with its headquarters in Tripoli, and substantive offices in Benghazi. Like the NOC, the new firm will fall under the Ministry of Oil and Gas.)

4. In addition, this sensitive source noted that Al-Arusi is also discussing the creation of a company specializing in mechanical construction related to the oil and gas industry. This firm would be based in Benghazi. The minister stated in private that he believes such a company can be developed to compete with international firms in this very complex field. He also believes that such a firm must be managed by experienced, scientifically-qualified Libyans, with reputations for honesty. He noted that until as such a cadre is developed it may be desirable to use experts from Egypt to fill the immediate needs of the firm. Al-Arusi believes this firm should have offices in all of the oil fields and loading facilities. The minister also plans to establish an office in Benghazi, similar to Tripoli's oil institute, a facility that will train students looking to pursue oil-related studies. In addition, al-Arusi is making plans to reopen the Higher Petroleum Institute in Tobruk, which was closed by Qaddafi at the beginning of the revolution. He told a sensitive source that he expects the Tobruk institute to produce thousands of skilled engineers to provide Libyan managers for the future operation of the oil sector. Once the final details are set the Zidan regime will submit the entire package for parliamentary approval and financing

6. (Source Comment: Advisors to Magariaf state in confidence that, in their opinion this comprehensive plan for the oil industry will face opposition from individuals with links to foreign oil firms, primarily foreign trained engineers who hope to see greater privatization in the oil and oil services industries in the wake of the revolution. According to a particularly sensitive source, Zidan is particularly concerned about this possibility, noting that these individuals see this issue in strictly business terms, not considering the political issues, and the East – West situation, that are all part of the overall picture in Libya. At present al-Arusi believes that foreign oil firms remain concerned about the unsettled security situation throughout Libya, however; he is convinced that this new plan will help address this situation. At present, he noted that the large Italian oil firm ENI is stepping up its operations throughout Libya, and, with the support of the Italian Government, will continue to increase its investment in Libya in an effort to get ahead of the other foreign firms concerned in Libya.)

For: Hillary

From: Sid

Re: Comprehensive Intel Report on Libya

CONFIDENTIAL

January 4, 2013

SOURCE: Sources with direct access to the Libyan National Government, as well as the highest levels of European governments and Western intelligence and security services.

1. In reviewing the events of the past year, as well as their plans for 2013, Libyan President Mohamed Magariaf and Prime Minister Ali Zidan discussed their frustration over the pace of efforts to define the relationship between the legislature and the interim government, establish the authority of this national government throughout the country, and deal with security issues that have lingered since the fall of former dictator Muammar al Qaddafi in late 2011. Speaking on condition of absolute secrecy, a source with access to the Office of the President stated that during late December 2012 Magariaf and Zidan agreed that they must move quickly to deal with these problematic issues before they can address their long term strategy of developing productive diplomatic and business relationships with their neighboring states in North Africa, Western Europe and the United States.

2. (Source Comment: According to this source, while Zidan and Magariaf often disagree on the mechanics involved in establishing the authority of the government, they are making a concerted effort to avoid allowing their political differences to complicate their efforts to govern the country. This individual notes that the two men opposed each other in the August 2012 presidential election and they have not yet addressed the issue of how best to work together in the next national election, scheduled for mid-2013. However; they realize the fragile nature of the current Libyan government and are determined, for the present, to work together on the large national issues, leaving the day to day political infighting to the members of the General National Council--GNC. This individual believes these structural problems cannot be addressed in a serious manner until the President and Prime Minister are able to define their specific roles.)

3. For his part Zidan believes that the government and the National Oil Company (NOC) can eventually establish new relationships with Western oil firms, allowing Libyans to be trained to fill jobs at all levels of that industry, including positions previously reserved for foreign experts

during the Qaddafi regime. The Prime Minister stated that this program will cement his popularity with the Libyan people and allow him to consolidate the role of the government across the country. Zidan realizes that he does not have enough time to make significant progress on this matter before the next round of national elections, however; he believes that positive steps in this direction will be popular, and allow him to gain enough support to establish a basis for a more effective administration.

4. In the opinion of this individual Magariaf supports Zidan in this matter and is particularly interested in resolving the ongoing issues regarding the federalist movement in the Eastern Cyrenaica region (Barqa in Arabic). The President is convinced that

finding a reasonable solution to the demands of the Eastern political and tribal groups will allow the current government to move to complete its program of disarming the independent militia units left over from the 2011 revolution. At the same time this will allow the National Libyan Army (NLA) and police forces to deal with militia units that have established contacts with opposition Salafist groups, as well as Al Qai'da in the Islamic Maghreb (AQIM). Magariaf continues to cite the development of Ansar al Sharia as an example of how a militia or group of militias can establish a relationship with AQIM and other radical organizations, eventually turning to attack Western interests in the Benghazi region. Magariaf bases his concerns on the best information available and while he believes that the NLA has made progress against Ansar al Sharia and similar groups the Army is still limited by the relative weakness of the government.

5. (Source Comment: Also in December Zidan, Oil Minister Abdulbari al-Arusi and Italian oil firm ENI's CEO Paolo Scaroni met at the Prime Minister's office to discuss ENI plans for developing new operations in Libya. According to an extremely sensitive source, these talks went very well. After the meeting Zidan noted that Scaroni was obviously extremely anxious to develop a new, special relationship with the post-revolutionary Libyan government and intended to gain an advantage on other Western firms looking to do business in the country. This source added that, according to Zidan's staff, Scaroni proposed a plan calling for an \$8.5 billion investment in both ongoing production and new exploration spread over 10 years. Later, in discussing the meeting, Zidan and his aides agreed that Scaroni had the full backing of the Italian government in this matter. Zidan added that his contacts in Rome report that the Italian administration believes this investment in Libya will help them deal with the long term economic problems they are facing during the current European debt crisis.)

6. According to this sensitive source, the Libyans and Scaroni worked out a rough draft of an initial Memorandum of Understanding, covering an initial investment of approximately \$420 million, which will be finalized before Zidan's planned visit to Rome in late January 2013. Before the Tripoli meeting ended the Prime Minister requested that Scaroni consider committing ENI to work on additional operations in the downstream sector under a new office of the Libyan National Oil Corporation, which the Oil Ministry plans to establish in Benghazi. Zidan noted that ENI began working in Libya in 1958, and, in his opinion remains the most important international oil company operating in the country. When Zidan briefed Magariaf on the meeting with Scaroni, the President agreed that the ENI proposal is an important matter for the new Libyan government, however; he cautioned that the recent resignation of Italian Prime Minister Mario Monti might complicate the affair. Zidan stated that his contacts in Rome assure him that the importance of the new ENI proposal for Libya transcends the ongoing political infighting in

Rome. Both the Prime Minister and President agreed that with the prospect of new ENI operations and personnel in Libya, the Army and police forces must be able to improve security conditions for Western interests throughout the country.

7. (Source Comment: In the opinion of this sensitive source, while Magariaf and Zidan have established a relationship that allows them to work together for the present, they

will be unable to build an effective government administration until they define clearly the roles of the President and Prime Minister in the post – Qaddafi era.)

8. During late December 2012 Libyan Prime Minister Ali Zidan complained in private to President Mohamed Magariaf that the General National Council (GNC) had placed the interim government in an awkward position by enacting legislation demanding that National Libyan Army (NLA) Chief of Staff General Youssef al Mangoush move to close the country's borders by deploying his troops, along with loyal Tripoli based militia units, to patrol the borders, in an effort to prevent external groups from supporting anti-government forces, including the remaining supporters of former dictator Muammar al Qaddafi. According to a source, speaking in strict confidence, Magariaf assured Zidan that he had no hand in this decision, and that the GNC had acted on its own initiative based on internal political considerations. The President added that he continues to support Zidan's recent efforts to establish security relationships with neighboring states, and acknowledged that the GNC action would complicate this process.

9. (Source Comment: According to this individual, Zidan believes that the factional/ regional parties in the GNC took this step in an effort to gain a greater voice in foreign affairs. The legislation complicates the implementation of diplomatic agreements regarding border security arranged by Zidan during a recent trip to Chad, Niger, Algeria and Sudan. These agreements were established in coordination with Magariaf's earlier security initiative involving the new revolutionary governments of Tunisia and Egypt. According to this source, the neighboring states agreed to increase border patrols and to monitor their shared borders with Mali. Speaking privately, Zidan told his closest advisors that the GNC plan to seal Libya's southern borders would complicate this process and confuse the North African states regarding who in the Libyan government is responsible for foreign affairs and security issues.)

10. In the opinion of this sensitive source Magariaf remains committed to the regional security agreements he reached with the governments of Tunisia and Egypt, and is working with Zidan to manage the effect of the GNC on their efforts to prevent foreign assistance from reaching dissident militia groups inside of Libya. As it now stands, the GNC action requires the NLA to act unilaterally and seal the entire southern border, create a military district along that border, and assign a military governor with authority under martial law to arrest or detain wanted criminals and dissidents. In private discussions with Zidan, General Mangoush acknowledged that the southern region continues to be used by groups smuggling drugs and arms, as well as human traffickers, adding that his best troops began operating in the region long before the GNC action. The general pointed out that this area is also used by groups still loyal to the Qaddafi family. At present many of the NLA's best mechanized units are deployed along the border with South Sudan in an effort to block the shipment of weapons and supplies to these groups. Mangoush also added in confidence that, in his opinion, this GNC decision was driven by political calculation rather than concern over security threats, and signals a potential crisis where GNC deputies attempt to take advantage of institutional weaknesses in the government administration to assert a degree of authority over security and foreign policy.

11. (Source Comment: According to this source, Zidan shared his frustration with Mangoush, assuring him that neither he nor his aides had any role in the GNC action. The general was particularly angered by the fact that assembly's plan was created without consultation with him or his staff, and did not include any realistic consideration of the NLA's ability to carry out this expanded mission. Mangoush also noted that a number of GNC deputies criticized the decision as rushed and without proper internal discussion. In a separate conversation, Mangoush told a senior associate that he believes Zidan may still suspect that Magariaf had a hand in the GNC action, in an effort to gain a dominant position in the government. In the opinion of this source, the fact that the GNC action came shortly after Zidan's visits to the neighboring states to discuss security issues indicates to Mangoush that Magariaf may be moving to ensure that the GNC, rather than Zidan and his cabinet control the vital issue of southern security. Mangoush added that, in his opinion, despite Magariaf's reassurance, the GNC plan, if left as it stands, effectively removes Zidan as the leading policy-maker on security matters.

12. According to this individual, Zidan is taking a low key approach in reacting to the GNC action, choosing not to take any step that might indicate infighting between himself and Magariaf. At the same time the prime minister continues to focus on preserving the validity of the agreements recently negotiated with Libya's neighboring states. Speaking in private Zidan noted that foreign and security policy are his responsibility, rather than that of the GNC. This includes the authority to appoint a commander to oversee the southern military operations. Zidan did note that his choice for military governor of the South would have to be approved by Magariaf.

13. According to a very sensitive source, the serious nature of the security situation in Libya was highlighted in early December 2012, when Mangoush received reporting from the French external intelligence service (Direction Générale de la Sécurité Extérieure – DGSE) that in early May 2012 in Northern Mali a mutual cooperation agreement was concluded between terrorist groups operating in North Africa. The meeting was led by al Qai'da in the Islamic Maghreb (AQIM), Boko Haram of Nigeria, and al Qai'da in East Africa (primarily al Shabaab of Somalia), and was designed to launch the final phase of a project intended to establish a "caliphate" along an extended strip stretching from South Sudan, through Libya to Mauritania. These French officials also warn that subsequent reporting indicates that this effort to concentrate Islamist forces in the region is meeting with a degree of success. They also warn that these forces are dedicated to "religious cleansing" aimed at the governments in that area. The DGSE officials noted that they believe the central figure in this effort is a Somali associated with al Shabaab; Sheik NUR BARUD.

14. In the opinion of this sensitive source the DGSE report highlights the increasingly complex nature of the security situation in Libya, particularly as regional security continues to deteriorate. Mangoush is urging both Magariaf and Zidan to present a united front on the issue of national security, and avoid being caught up in the political infighting in the GNC.

15. (Source Comment: At the same time, this sensitive source states that the debate over the GNC security legislation is an excellent example of the difficulty Zidan is facing in

establishing a working government administration and effective cabinet. According to this source, Zidan has done a good job disguising this problem from foreign diplomats and businessmen, but it will be difficult for him to properly organize the government until these political issues have been addressed. In addition, Zidan's efforts are complicated by the ongoing legal problems of former National Transitional Council (NTC) leader Mustafa Abdul-Jalil, who will be questioned by both military and civilian prosecutors regarding his role in the July 2011 assassination of General Abdel-Fattah Younis, Gadhafi's former interior minister and one of the first major defectors from the old regime. Jalil and 10 other NTC officials have been charged with Younis' death, though none have been arrested. This individual notes that a significant number of the advisors and cabinet officials working with Zidan are also former associates of Jalil under the NTC. This individual believes that this matter further complicates the prime minister's efforts to establish an efficient, respected administration before the mid-2013 national elections.)

16. (Source Comment: At the height of the 2011 revolution against the Qaddafi regime, extremely sensitive reporting indicated that in July and August 2011 NTC security officers discovered evidence that Younis was in secret contact with Saif al Islam Qaddafi. In response to this report a sensitive source stated that Jalil ordered NTC security officers to assassinate Younis while en route to a meeting at NTC headquarters. Jalil then reported that Younis had been killed by Islamist dissidents among his troops.)

For: Hillary

From: Sid

Re: Libya internal government discussions

SUBJECT: Libya (13/4)

CONFIDENTIAL

January 15, 2013

SOURCE: Sources with direct access to the Libyan National Government, as well as the highest levels of European Governments, and Western Intelligence and security services.

1. (Source Comment: On the morning of January 15, 2013 Libyan Prime Minister Ali Zidan was informed by Interior Minister Ashour Shuwail and Minister of Foreign Affairs and International Cooperation Mohamed Abdulaziz that Italy plan to close its consulate in Benghazi and reduce the size of its embassy in Tripoli following attacks on the consulate itself and the Italian consul general. Shuwail reported that the attacks were carried out by Eastern militia forces associated with Ansar al Islam, which, although put under pressure by the National Libyan Army (NLA) following the attack on the U.S. consulate in Benghazi in September 2012, continues to operate in and around that city. Abdulaziz warned Zidan that he should expect this situation to be raised by Italian officials and the chief executive officer (CEO) of the Italian oil company ENI when the Libyan Prime Minister visits Rome in late January 2013. The Minister of Foreign Affairs added that his sources in Rome report that the Italians will repeat their willingness to take risks in starting up operations in Libya, but they will ask for evidence that the new Libyan

government is taking steps to improve its ability to protect foreign workers and facilities in Benghazi, and throughout the country.

2. This individual noted that Zidan was visibly upset during the conversation, expressing frustration over this turn of events, and stating that the relationship with ENI must serve as a sign to the managers of other foreign companies that they can operate in Libya in safety under the General National Council Government (GNC). According to a very sensitive source, Zidan is concerned that these latest incidents in Benghazi, taken in combination with the January 4, 2013 assassination attempt against President Mohamed al Magariaf at the Southern town of Sabha, will convince foreign diplomats and businessmen that Libya remains in a state of chaos. Zidan and Magariaf differ on a number of policy issues, not the least of which is the relative authority of their two offices, but the Prime Minister told Shuwail that they must do everything they can to protect the life of the President if they are to maintain a stable post-revolutionary government.)

3. According to this individual, Zidan and his ministers spoke during their visit to Doha, and later discussed the matter with Libyan intelligence chief General Salim Hassi and NLA Chief of Staff General Yousef Mangoush, ordering them to take all steps necessary to deal with Ansar al Islam and its associated groups. For his part Hassi warned that Ansar al Islam has a significant following in Eastern Benghazi and in the territory between Benghazi and the Egyptian border. He and Mangoush agreed that they will step up operations in that area, noting that they also will reach out for assistance from Egypt and the Western powers in an effort to improve the training of their personnel and develop an international plan to limit the flow of illegal arms into Libya. Hassi noted that he is making progress on the issue of dealing with fighters loyal to the family of former dictator Muammar al Qaddafi, especially through cooperation with the French external intelligence service (Direction Générale de la Sécurité Extérieure – DGSE). The intelligence chief noted that French military operations against rebel forces in Mali have been valuable in this regard. Both generals agreed to follow Zidan's orders, and maintain good relations with their counterparts in Italy as well.

4. For his part Zidan, according to this source, stated that he will raise this matter in his conversations with Qatari premier, Sheikh Hamad bin Jassim bin Jaber Al-Thani, and its Foreign Minister, Sheikh Mohammed bin Nasser bin Jassim Al-Thani. Zidan will ask Qatar to assist the GNC government efforts to organize and fund a program to improve the quality of its military, police, and intelligence personnel. In the opinion of this individual Zidan plans to point out to the Qatari leaders that Libya needs their assistance to protect the victory of the revolution against Qaddafi. Zidan wants Qatar to assist in training security personnel, while also opening centers to train young Libyans to take on positions in the oil industry previously held by foreign workers.

5. (Source Comment: Prior to their departure for Doha, Mangoush and Zidan discussed the security situation and agreed that the NLA must seek assistance in tracking the movements of the independent militias, as well as the arms that are smuggled to them from Mali in the South West and South Sudan in the South East. Mangoush stated that he was in touch with the military commanders in the appropriate countries, including Egypt,

and he plans to reach out to the Western powers in an effort to gain support and training. For his part Zidan complained that Magariaf should not have attended the Sabha meetings, given the strength of Qaddafi supporters in that region. Zidan added that, while he realized that the President is anxious to demonstrate that the GNC government is gaining strength throughout the country he must be realistic about the nature of the threat facing both him and the government. According to this source, Mangoush chose to avoid being drawn into this discussion of the President.)

6. According to a very sensitive source, General Hassi disagrees with the NLA analysis that the Sabha attack was not aimed at Magariaf specifically, noting that there were five prior assassination attempts against Magariaf in 2012, and that he is a target for a diverse collection of enemies, including former Qaddafi forces, groups like Ansar al Sharia, and even his political adversaries in the GNC. Accordingly, Hassi intends to establish new programs to train a detachment of presidential bodyguards, and his own anti-terrorism personnel.

For: Hillary

From: Sid

Re: Algeria/Libya/Terrorism

CONFIDENTIAL

February 16, 2013

SOURCE: Sources with direct access to the Libyan National Government, as well as the highest levels of European Governments, and Western Intelligence and security services. THE FOLLOWING INFORMATION COMES FROM EXTREMELY SENSITIVE SOURCES AND SHOULD BE HANDLED WITH CARE.

1. As of February 15, 2013 Algerian President Abdelaziz Bouteflika instructed the commanders of the Algerian external intelligence service (Direction Générale de la Sécurité Extérieure – DGSE) to provide Libyan intelligence chief, General Salim Hassi, with selected portions of the information obtained in the investigation of the terrorist attack on the facility at In Amenas. The president cautioned the DGSE commanders to manage the information being passed with care, keeping in mind that he is not convinced the new General National Council (GNC) government of Libya will survive through 2013. He also warned them to avoid passing any information that might be interpreted to indicate that the Algerian government had not been properly prepared for the attack. Bouteflika added that they should move forward with this exchange as quickly as possible, since Libyan Prime Minister Ali Zidan was calling him every day to push for greater cooperation, particularly regarding contacts between the Mokhtar Belmokhtar (MBM) terrorist groups and groups and individuals in Libya.

2. After some debate the Algerian DGSE officers agreed to follow their president's orders and pass on sensitive information obtained from the interrogation of known and suspected MBM supporters detained in and around Algiers by the internal security forces. At the same time they informed Bouteflika's senior advisors that they would not provide the Libyans with the most worrisome reporting given to them by their liaison partners in

the French DGSE. These Algerian officers also noted ironically that General Hassi and his staff did not realize that they had, for their part, provided the Algerian DGSE with intelligence that supported the French information.

3. According to a knowledgeable individual, the commanders of the Algerian DGSE reported to Bouteflika's staff that their work confirmed their initial suspicion that the MBM attack on In Amenas was related to French military operations in Mali, as part of a loose but growing coalition of Islamist groups, the Movement for Unity and Jihad in West Africa (MUJWA), which was formed in mid-2012 with funding and support from al Qaeda in the Islamic Maghreb (AQIM). In the opinion of these individuals, MBM is a key member of this group and was best placed to strike at a Western facility in retaliation for the French operations in Mali. The Algerian officials also believe that Libya's Ansar al Sharia plays a role in this umbrella organization. The In Amenas attack allowed MBM to stage an operation to keep the Algerian government off balance. These officials also stated that while Algerian members of MBM had planned and led the attack, the guerrilla force included experienced fighters from Mali, Libya, Saudi Arabia, Somalia, and Egypt.

4. (Source Comment: Speaking on condition of absolute secrecy, this individual with sensitive access stated that the Algerians are keeping information received from the French DGSE confidential. According to the source, this information concerned the funding of the MBM operation and a possible link to the Ansar al Sharia attack on the United States Consulate in Benghazi Libya on September 11, 2012, during which the U.S. Ambassador was killed. This individual adds that this information provided by the French service indicates that the funding for both attacks originated with wealthy Sunni Islamists in Saudi Arabia. During July and August 2012 these financiers provided funds to AQIM contacts in Southern Europe, who in turn passed the money onto AQIM operatives in Mauritania. These funds were eventually provided to Ansar al Sharia and its allied militias in the Benghazi region in support of their attack on the U.S. consulate.

The money was used to recruit operatives and purchase ammunition and supplies. This person adds that the same tradecraft was used to provide money used by MBM to organize the In Amenas attack. The request for these funds apparently originated in mid-January 2013, and the Algerians noted the speed with which the AQIM support network was able to pass them on to MBM organization leaders at their camps in Mauritania. In a separate conversation, the Algerian DGSE officers note in private that Libyan intelligence officers tell them that the Benghazi attacks were funded by these financiers in Saudi Arabia. They did not tell the Libyans that they had similar reporting from France.)

5. In a separate, private conversation, the Algerian DGSE officers stated that they held clandestine meetings with MBM representatives in the Mauritania/Morocco/Algeria border region during early February 2013, using their established protocols. The Algerians note that this is not the first time MBM has violated their secret truce agreement, and they were particularly forceful in their meetings, pointing out that they had wrapped up much of the MBM support network in Algiers following the attacks. In response the MBM representatives apologized and assured the Algerians that AQIM left them no choice except to cooperate. The Algerians dismissed this explanation, noting that

MBM has a similar excuse every time they stage an attack in-country. In the end the MBM leaders assured the Algerians that they would refrain from similar attacks, noting that they do not want a return to all out civil war with the Algerian military. The Algerian DGSE officers pointed out the fact that the Algerian Army, particularly the special forces units, were anxious to strike at MBM, and if there was another attack they would do so, showing no mercy for the MBM fighters.

6. (Source Comment: According to this extremely sensitive source, the leaders of the Algerian DGSE believe that AQIM and its allies will continue to strike at Western facilities in the Maghreb, taking advantage of countries where the security structure is disorganized following the uprisings of the Arab Spring in 2011-2012. They believe that MBM is unlikely to carry out attacks in Algeria for the next six months. This individual noted that the commanders of the Algerian Army do not agree with this assessment regarding Algeria, and continue to press Bouteflika to allow them to launch large scale operations against MBM and other allied groups in the Southwest border region. The Intelligence chiefs believe the president will move on this request only if MBM violates their clandestine agreement once again. They note that he is committed to avoiding a return to civil war; the last round of fighting having cost over 200,000 lives on both sides.)

For: Hillary From: Sid

Re: Morsi now

CONFIDENTIAL March 13, 2013

SOURCE: Sources with access to the highest levels of the Muslim Brotherhood in Egypt, The leadership of the Armed Forces, and Western Intelligence, diplomatic, and security services.

1. In the first week of March 2013, Mohammed Badie, the Supreme Guide and leader of the Egyptian Muslim Brotherhood (MB) stated in a private conversation that while ongoing unrest in the country is worrisome he believes that President Mohamed Morsi will remain in power for at least the next year. Badie noted that he has always considered Morsi to be a difficult and stubborn person, but at this time these traits will serve him well. Despite the controversies complicating life in the country, Morsi remains unshaken and confident that he is supported by up to sixty (60) per cent of the population, including the majority of the rank and file troops in the army. Badie added that he also believes that the secular/liberal opposition will never accept Morsi, and the current unrest will continue, with the opposition boycotting elections, which will complicate the process of drafting a new constitution, and in turn will harden the resolve of all sides in the political debate over the new Egypt. Morsi is capable of moving away from a controversial policy, if it undercuts his authority, but Badie is convinced that he will never relinquish power because of political pressure.

2. (Source Comment: According to this individual, Morsi's Freedom and Justice Party (FJP) conducts regular polling that reassures him regarding the level of support. For his part Badie noted that although the President has decided to appeal the Supreme Constitutional Court decision to delay the national elections, planned for April 2013, until

the election law can be redrafted, he believes that this development actually works in his favor. In the opinion of this source Morsi and his closest advisors are convinced that holding the election later in the year will allow them to gain some control over the security situation, while making tough decisions without interference from an aggressive parliamentary opposition. In this regard they are counting on an influx of money from the United States and the International Monetary Fund (IMF) to lead to an improvement in the Egyptian economy later in the year.)

3. In a confidential discussion Badie added that Morsi is working to develop policies to meet the conditions required to finalize a \$4.8 billion loan package from the IMF. Badie believes that this agreement will also lead to the release of much of the \$1 billion in assistance promised by the United States in 2012. He added that the President interpreted the U.S. Secretary of State's statements following his recent visit to Cairo as indications that the U.S. government recognizes that the

Morsi regime is working in good faith to reach an agreement with the IMF, and that this course offers the best chance for stability in Egypt. According to this source, Morsi recognizes that the U.S. expects him to take steps to strengthen the economy and build political unity. He was particularly pleased to learn that the U.S. will release \$190 million of the initial \$450 million portion of the U.S. pledge. Badie added that Morsi felt that he and his team had convinced the U.S. delegation that these funds were needed to allow planned reforms to go forward, and that the various opposition leaders do not offer credible alternative solutions. The release of the rest of the \$450 million and the other \$550 million tranche promised by the U.S. government is tied to the success of the promised reforms.

4. Speaking separately, an extremely sensitive source stated in confidence that Morsi was also pleased when U.S. diplomats announced a pledge of \$60 million for a new fund for direct support of democratic change, including Egypt's entrepreneurs and its young people. Morsi stated in private that he and the FJP are not worried that these funds will benefit secular/liberal opposition parties, noting that the payment shows confidence in the future of Egypt. Morsi added that even with extra funds these opposition parties cannot match the infrastructure of the FJP in preparing for elections.

5. (Source Comment: This individual, speaking on condition of absolute secrecy, added that Army commander General Abdel Fatah al-Sissi continues to support Morsi during this period. Al-Sissi recognizes that Morsi elevated him to his current position, and, unless the security situation is completely out of control, this individual believes al-Sissi will stand behind Morsi. For their part, Badie and his advisors were concerned by press reports and rumors in the diplomatic community that the army might respond to calls from the opposition to overthrow Morsi. Although they continue to watch the military, these MB officials now believe that al-Sissi is not prepared to take any such action. The Supreme Guide noted that in dealing with the rioting in Port Said Morsi backed away from plans to give the army a greater role in civil government and activities normally reserved for the police, a move that was opposed by al-Sissi and his staff. This individual believes that the visit by the new United States Secretary of State served to reassure the General regarding Morsi's future. Although the

US delegation reached out to the opposition National Salvation Front (NSF) and seemed to lecture Morsi on democracy, the idea that the meetings took place, and the U.S. then released money previously pledged to Egypt, actually strengthened his position with the military. According to this source, the fact that much of this aid will benefit the military was welcomed by al-Sissi's staff. At the same time they noted that the security services expect to purchase new equipment, including a substantial number of tear gas canisters for riot control.)

6. In a separate conversation Badie noted that NSF leader Mohamed Mustafa el Baradei continues to appeal to a coalition of secular/liberal groups, giving Morsi an advantage with the majority of the population that supports a moderate Islamic government. He added that former Vice President, and the current Egyptian Ambassador to the Vatican, Mahmoud Mekki, assured him that the NSF could not organize a serious national electoral threat to the Morsi regime, and can be expected to boycott any future elections in an effort to invalidate the FJP's efforts. Mekki stated that in his opinion el Baradei's ultimate hope is that the security situation continues to deteriorate to a point where the military and other concerned parties turn to him to assume power as a compromise candidate. Mekki and Badi agree that, in their opinion, el Baradei does not have enough support in the Islamist community to make this feasible, pointing out that he does not appeal to either MB supporters, or members of the al Nour movement and other Salafist groups.

7. (Source Comment: In the opinion of an extremely sensitive source, al-Sissi continues to support Morsi, even as he anticipates continued unrest among opposition political groups. The General stated in confidence that these groups will build on regional and ethnic unrest, pointing out that the current rioting in Port Said is related to soccer violence. Al-Sissi did advise Morsi to resist calls to declare martial law in Port Said, noting that this is a dangerous course coming so soon after the revolution that overthrew former President Hosni Mubarak, who ruled under a military state of emergency. He did agree with the President that the army should support police operations in Port Said and remain prepared to take action if rioting threatens the Suez Canal. That turn of events would be a threat to national security and the General agreed the army should then be called in to protect the Canal. Al-Sissi added that some of the rioting seemed to threaten the canal but that condition had subsided for the present.)

8. Regarding el-Baradei, according to a sensitive source, al-Sissi continues to use the resources of the Military Intelligence Service (MI -Mukhabarat el- Khabeya) to monitor the activities of the NSF leader and his senior advisors. Al-Sissi plans to keep track of these individuals in an effort to protect the current government, while keeping himself informed of any increase in their popularity and influence. He is particularly interested in following how the activities of these individuals affect the status of the army and its senior officers. According to this sensitive source, al-Sissi's stance against increased military involvement in police

activities is supported by General Ahmed Wasfi commander of the army division in Port Said. After consultations with al-Sissi, Wasfi rejected calls for a return to direct military rule in the Port Said region. This source added that the military is playing a role in the

security in Port Said and other canal cities, but under the authority of the civilian government.



MEMORANDUM OF UNDERSTANDING

Per meetings held 13 July and 20 Aug 2011 in Dubai with Dr. Aref Ali Nayed and in Amman on 23 and 24 August with Mohammad Kikhia, this agreement is entered into this 24th day of August 2011 between the **National Transitional Council of Libya** (hereinafter referred to as "NTC"), now recognized by the United States Government of America as the legitimate and sole government of the Republic of Libya (ROL), and **Osprey Global Solutions, LLC**, a limited liability company duly organized and existing under the laws of Delaware, having its principal offices in Wilmington, North Carolina (hereinafter referred to as "Osprey").

OBJECTIVES – SCOPE OF WORK

Whereas the NTC desires to retain Osprey's services to relieve human suffering, promote the general welfare and stabilization in Libya and enhance regional security and peace;

Whereas Osprey's support is also sought to assist the NTC in the resumption of access to its assets and operations in country and begin the process to return Libya to normalcy;

The specific tasks – Scope of Work (SOW) the NTC desires to retain Osprey to perform include but are not limited to:

Phase I – First Six Months

1. Coordinate humanitarian assistance, medical services and disaster mitigation with a focus on immediate relief of human suffering;
2. Provide ship-to-shore (maritime) logistical support, advanced field hospital services and mobile command and control;
3. Medical services to include medevac (both fixed wing and rotary aircraft);
4. Establishment of a network of emergency care and mobile clinics;
5. Logistics and infrastructure support – as prescribed by the NTC;
6. Expeditionary and Permanent Housing Construction;

Phase II – To be Implemented on Order of NTC

7. Training of Republic of Libya (ROL) military and police forces to include:
 - a) Rule of law, respect for citizenry and foreigners, rule of land warfare;
 - b) Unit training from squad through division level;
 - c) Weaponry, communications, medical, logistics and equipment maintenance;
 - d) Intelligence and security training;



Andrew J. Shapiro
Asst. Secretary of State
Bureau of Political-Military Affairs

04 January 2012

Mr. Shapiro:

The following is respectfully submitted to introduce Osprey Global Solutions, LLC (OGS), a U.S. service-disabled veteran owned small business, domiciled in North Carolina, and led by BG (ret.) David L. Grange. OGS provides full service medical support, humanitarian assistance, logistics support and expeditionary construction capabilities in denied operational environments.

We are keen to support the people of Libya under the sponsorship of the Ministry of Finance and the Libyan Stock Exchange, specifically in the person of Ngeb Obeda, who has agreed to secure our visas and host our travel to Tripoli and Benghazi in the next two weeks.

Specifically, we are prepared to provide the following services:

1. Coordinate humanitarian assistance, medical services and disaster mitigation with a focus on immediate relief of human suffering;
2. Provide ship-to-shore (maritime) medical and logistical support, advanced field hospital services and mobile command and control; this would include the immediate deployment of a hospital ship equipped with rotary wing assets;
3. Medical services to include medevac and QRF (both fixed wing and rotary aircraft);
4. Establishment of a network of emergency care and mobile clinics (on-shore);
5. Logistics and infrastructure support – as prescribed and prioritized by the TNC;
6. Expeditionary and Permanent Housing Construction;

We very much look forward to presenting Ambassador Cretz our credentials and a capabilities brief and invite him to contact myself and/or our EVP, Richard Vandiver at any time. My international cell is: ■■■■■■■■■■; Rick's cell is: ■■■■■■■■■■. We are both in the Washington, DC area this week, but are traveling next week to Europe and the Middle East.

Regards,


David L. Grange

The Honorable Ali Zaidan

Prime Minister of Libya

Tripoli, Libya

The progress of the Libyan revolution and the development of the new national government are issues of the highest interest and importance for American businessmen and investors. It is therefore vital that these American institutions and the Libyan government and business communities understand each other, avoiding the misperceptions that can so easily develop in the modern world. **Tyler Drumheller LLC** is very interested in working with the appropriate Libyan individuals and institutions to develop a program that will provide discreet confidential information allowing the appropriate entities in Libya to address any regional and international challenges, while addressing potential misunderstanding in America regarding the state of the revolution and the new government.

Government and business leaders need information that develops and builds as part of an ongoing stream of reporting from a variety of reliable sources. To be really valuable each report must compliment other, related information. In this way clients can make decisions confident in the knowledge that they have all of the necessary, up-to-date information in hand.

Under the leadership of senior professionals from highest levels of the worlds of Intelligence, security, and politics, **Tyler Drumheller LLC** provides proprietary reporting from sensitive, confidential sources, allowing our clients to make decisions armed with the best information available. In this effort we work with our clients closely, developing a stream of information focused on the client's unique needs. We will also work with the client to develop a format unique to their needs.

Our experienced personnel produce detailed reporting drawn from sensitive personal contacts, as well as information drawn from proprietary technical resources; material focused on national and local governments, private firms, and individuals of interest to the client. These reports will be provided on an established schedule,

augmented by short-notice situation reports provided to deal with fast breaking developments.

Our firm is based on the experience of senior officials drawn from the highest levels of the American Intelligence, security and political communities. Included in this group are individuals were leaders of the CIA, The President's Staff, and the Congressional Security structure. Each of our associates maintains a broad circle of discreet personal contacts and professional relationships that allows them to develop information unavailable to other commercial intelligence firms.