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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

JOSHUA SHEINKMAN, STAFF DIRECTOR
GREGG RICHARD, REPUBLICAN STAFF DIRECTOR

December 19, 2023

Elliot S. Berke
Partner
Berke Farah LLC
701 8th St NW, Suite 620
Washington, DC 20001

Dear Mr. Berke,

On October 25, 2023, the Senate Finance Committee released a memorandum summarizing the Finance Committee's review of loan documents held by Anthony Welters. Based on this information, committee staff concluded Mr. Welters forgave a substantial amount, or even all, of the loan principal. However, in a statement on behalf of Justice Thomas, you stated that the loan was never forgiven and that "any suggestion to the contrary is false." We write to offer you the opportunity supplement this statement with details and documents that demonstrate this position. In particular, we seek clarification whether any payments of principal were ever made to, or are presently sought by, Mr. Welters.

Based on the documents reviewed by Finance Committee staff, on or around December 6, 1999, Anthony Welters loaned Justice Clarence Thomas and his wife Virginia L. Thomas \$267,230.00 for the purchase of a 1991 Prevost Marathon. The loan agreement between Welters and Thomas was an "interest only" loan with an annual interest rate of 7.5%.

In November 2008, 9 years after the loan agreement was executed, Welters forgave the balance of the loan. Finance Committee staff reviewed a handwritten note dated November 22, 2008 from Anthony Welters to Justice Thomas. Welters' note states that Thomas has been paying Welters interest only on Thomas's bus for many years. Welters' note indicates that after Thomas's upcoming payment, Welters would no longer seek further payments from Justice Thomas on the loan because, according to Welters' note, Welters believed that Thomas had paid interest greater than the purchase price of the bus, and that Welters did not feel it was appropriate to continue to accept payments even though he had the right to them.

Based on review of the documents and discussions with representatives for Mr. Welters, Finance Committee staff concluded that a substantial amount, or even all, of the principal loan balance of \$267,230.00 was forgiven by Mr. Welters.

In response to news reports on the Committee's findings, you stated on behalf of Justice Thomas that "[t]he loan was never forgiven. Any suggestion to the contrary is false." You further added that "[t]he Thomases made all payments to Mr. Welters on a regular basis until the terms of the agreement were satisfied in full."

The statement that the loan was never forgiven is inconsistent with the information obtained by Senate Finance Committee staff. Furthermore, it is unclear whether "satisfied in full" means that Justice Thomas repaid the full \$267,230.00 he borrowed plus interest. It is also unclear from this statement whether Justice Thomas continued to make payments to Welters after 2008, or whether the agreement terminated then as outlined in Welters' note.

The details of this loan arrangement are critical to a proper understanding of the tax and ethics implications the loan has for Justice Thomas. We write to offer an opportunity to provide any details or documentation Justice Thomas may have that could supplement the information obtained by the Finance Committee. The requested information will help us understand the terms of the arrangement and clarify whether the loan terms were fully satisfied and if the loan and interest were paid in full. Please provide the following information by January 19th, 2024:

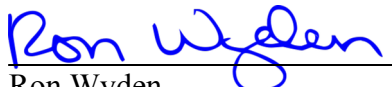
1. Please describe the terms of the private loan Justice Thomas entered with Anthony Welters in 1999, including:
 - a. The total dollar amount loaned;
 - b. The interest rate charged on the loan;
 - c. The loan tenure;
 - d. The terms of repayment, including any agreed upon amortization schedules.
2. Please provide a copy of any written loan agreements with Justice Thomas signed in 1999. Please also describe the process by which the loan was originated.
3. At any point, did the terms of this loan agreement with Justice Thomas change? If so, please describe when those changes to the terms of the loan were made and what those changes were.
4. Was there a regular payment schedule under the loan agreement? If so, were payments due by Justice Thomas on a monthly, annual or other basis? Please describe in detail Justice Thomas's repayment obligations under the terms of the loan agreement, including any requirements to make regular principal and interest payments and the amounts owed.
5. Did Justice Thomas ever miss any scheduled loan payments? If so, how often were payments missed and what steps were taken to repay the amounts owed.
6. According to your statement, Justice Thomas's debt was "satisfied" in 2008. Please clarify what "satisfied" is intended to convey in this context, including whether this is

intended to mean that the loan was repaid in full by Justice Thomas or a portion of the debt was forgiven or discharged.

7. What was the total amount in principal and interest on the loan repaid by Justice Thomas? When was the last payment made?
8. Were any payments of principal and interest made by other individuals? If so, please clarify how much was repaid by Justice Thomas and how much was repaid by any third parties (and who those third parties were).
9. Justice Thomas has previously reported that he has received gifts related to his motor home including deep-cycle batteries and new tires. Has Justice Thomas received any other gifts related to the motor home, such as gasoline, maintenance, or parking and storage accommodations?

Thank you for your prompt attention to this matter.

Sincerely,



Ron Wyden
United States Senator
Chairman, Committee on
Finance



Sheldon Whitehouse
United States Senator
Chairman, Subcommittee on
Federal Courts, Oversight,
Agency Action, and Federal
Rights