

EXHIBIT 12

White House Press Secretary Sean Spicer holds his daily briefing with reporters.

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SPICER: Good afternoon. Happy Valentine's Day. I can sense the love in the room room. First off, last night the Treasury Department's Office of Foreign Asset Control, OFAC, labeled the Venezuelan vice president as a specially designated narcotics trafficker under the Kingpin Act.

Before I continue with the briefing and look forward to your questions, I want to turn it over for a short time to newly minted secretary of the Treasury Steven Mnuchin to take -- to issue a brief statement on this and deliver a few questions.

Secretary Mnuchin?

MNUCHIN: Pleasure to be here on my first busy day in office. Yesterday, the Department of Treasury's Office of Foreign Asset Control, known as OFAC, designated Venezuelan national, Tareck El Aissami, as a specially designated narcotic trafficker pursuant to the Foreign Narcotics Kingpin Designation Act for playing a significant role in international narcotics trafficking. Aissami's primary frontman Venezuelan national, Samark Lopez Bello, was also designated. These designations follow a multiyear investigation into Aissami's criminal activities.

And President Trump appreciated the hard work put into this case by the Department of Treasury, Department of State, as well as the National Security Council and many people throughout law enforcement.

Following the signing of the executive order last week, designing to break the back of criminal drug cartels, this action demonstrates the president's seriousness about fighting the scourge of drugs in the United States.

In addition, he wants to send a clear message to the people of Venezuela that America stands with them.

And with that, I'm happy to take two or three questions specifically about this.

QUESTION: Secretary Mnuchin, since sanctions are directly relevant, obviously, to the Treasury Department, which is an agency that you now oversee, can you talk a little bit about plans to sanction Russia, and if you'll keep Obama-era sanctions on Russia?

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MNUCHIN: Our current sanctions programs are in place, and I would say sanctions are an important tool that we will continue to look at for various different countries. But it's a very important program within the Treasury Department.

QUESTION: For Russia specifically, though?

MNUCHIN: The existing policies are in place.

QUESTION: Mr. Secretary.

MNUCHIN: Yes.

QUESTION: Are you contemplating any additional sanctions against Iran? And can you tell us what you think the bottom line will be at these particular sanctions you announced yesterday, and are referring today, for the Venezuelan vice president? What does it (ph) mean?

MNUCHIN: First, let me just comment, again, this is as a result of a very long effort...

QUESTION: Did you inherit the (ph) investigation, by the way?

MNUCHIN: Yes, this was underway. This was very long effort.

But the implication is quite significant. We expect that there will be frozen tens of millions of dollars, and again, that sanctions are a very important way of us sending a message that we will not stand for illicit activities, whether they're drug trafficking or terrorism.

QUESTION: Secretary, including sanctions, what other tools are you looking at?

MNUCHIN: I can't comment on all the tools, but again, let me just reinforce that sanctions are a very important tool within the department, and we will use them as appropriate.

(CROSSTALK)

MNUCHIN: In this case, we did freeze assets. Again, as I mentioned, tens of millions of dollars of assets, and that will have a very big impact on this.

So I will take one more question, please.

Yes, in the back?

QUESTION: During the campaign, the president had made comments about Janet Yellen and whether -- basically inferring that she was being too political, she should be ashamed of herself. Do the folks at the Treasury Department within the administration feel confident with Mrs. Yellen at the helm, and you know, to be able to set monetary policy going forward?

MNUCHIN: Well, let me just comment, I'm really here today, again, to talk about the Venezuelan situation.

But let me just say that there is a tradition of the secretary of Treasury having ongoing meetings with the head of the Federal Reserve. And I look forward to that now that I am in office, doing that, and spending time with her.

Thank you very much, everybody. It's pleasure to be here on my first day.

SPICER: Thank you, Mr. Secretary.

MNUCHIN: Thank you.

SPICER: All right, let's get back to the fun. We have been reviewing -- I want to address the events of last night first and foremost.

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SPICER: We have been reviewing and evaluating this issue with respect to General Flynn on a general basis for a few weeks trying to ascertain the truth. We got to a point not based on a legal issue, but based on a trust issue with the level of trust between the president and General Flynn had eroded to the point where he felt he had to make a change. The president was very concerned that General Flynn had misled the vice president and others.

He was also very concerned in light of sensitive subjects dealt with by that position of national security advisors like China, North Korea, and the Middle East, that the president must have complete and unwavering trust for the person in that position. The evolving and eroding level of trust as a result of this situation and a series of other questionable instances is what led the president to ask for a General Flynn's resignation.

Immediately after the Department of Justice notified the White House counsel of the situation. The White House counsel briefed the president and a small group of his senior advisors. The White House counsel reviewed and determined that there is not an illegal issue, but rather a trust issue. During this process, it's important to note the president did not have his attorney general, Jeff Sessions, who he trusts immensely, approved by the Senate.

When the president heard the information as presented by White House counsel, he instinctively thought that General Flynn did not do anything wrong and the White House counsel's review corroborated that. It is not ordinary for an incoming national security advisor to speak with his counterparts about the issues of concern to them. In fact, he spoke with over 30 of his counterparts throughout the transition.

As Charles Krauthammer said last night, it was quote, "Perfectly reasonable for him to do so." The issue here was that the president got to the point where General Flynn's relationship -- misleading the vice president and others or the possibility that he had forgotten critical details of this important conversation had created a critical mass and an unsustainable situation. That's why the president decided to ask for his resignation and he got it.

The irony of this entire situation is that the president has been incredibly tough on Russia. He continues to raise the issue of Crimea which the previous administration allowed to be seized by Russia. His ambassador to the United Nations, Nikki Haley, stood before the U.N. Security Council on her first day and strongly denounced the Russian occupation of Crimea. As Ambassador Haley said at the time, to quote, "Dire situation in eastern Ukraine is one that demands clear and strong condemnation of Russian actions." President Trump has made it very clear he expects the Russian government to de-escalate violence in the Ukraine and return Crimea. At the same time, he fully expects to and wants to be able to get along with Russia, unlike previous administrations, so that we can solve many problems together facing the world such as the threat of ISIS and terrorism.

The president is currently evaluating a group of very strong candidates that will be considered to fill the national security advisor position permanently and is confident in the ability of General Kellogg, a decorated and distinguished veteran of the United States Army, until that person is ultimately chosen.

Before I get into the president's schedule for today, a quick recap of the president's activity over the last few days since we haven't had the honor of sharing so much time together. The president's been keeping a close eye on the Oroville Dam situation in California. We've worked closely with Doug LaMalfa, who represents California's 1st District, where the dam's located and other state officials to help people who have been impacted.

The situation is a textbook example of why we need to pursue a major infrastructure package in Congress. Dams, bridges, roads and all ports around the country have fallen into disrepair. In order to prevent the next disaster, we'll pursue the president's vision for an overhaul of our nations crumbling infrastructure. We hope everyone remains safe as the evacuations continue and we will be working alongside with FEMA and appropriate government entities to make sure that we are doing everything we can to attend to this matter.

The president was honored also to welcome the prime minister of Japan last week, from their first official meeting at the White House, to their joint press conference at Mar-a-Lago -- excuse me, their joint press conference and their time together at Mar-a-Lago. The president and prime minister had a productive visit that reaffirmed their determination to further strengthen the U.S.-Japan alliance and economic relationship.

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At Mar-a-Lago, the president was proud to stand behind Prime Minister Abe, on Saturday, to convey the United States' unwavering support for Japanese allies in the face of North Korea's most recent missile launch. On Sunday, the president met with now, Secretary of Treasury Mnuchin and Mr. Steve Wynn before returning to Washington.

SPICER: Yesterday, the president set -- had an incredibly productive set of meetings and discussions with Prime Minister Trudeau of Canada, focusing on our shared commitment to close cooperation in addressing both the challenges facing our two countries and the problems facing throughout the world. Our countries share a profound economic interests, with more than \$2 billion into a trade going across the border every day. The president was pleased to launch the Canada-United States Council for the Advancement of Women Entrepreneurs and Business Leaders, by holding a roundtable discussion here at the White House.

Together with Prime Minister Trudeau, his daughter Ivanka, the president discussed the unique challenges that women face in the workplace with an incredible group of successful and respected female business executives from both countries. A full list of the participants is available through the pool.

In addition to his in-person meetings with the prime ministers of Japan and Canada, the president also recently had phone calls with the presidents of Tunisia, Peru, Nigeria, Colombia and South Africa. Readouts are available on all of those calls.

Finally, following the prime minister's visit yesterday, the president met with Chairwoman McDaniel and Co-Chairman Paduchik of the Republican National Committee. In the afternoon, the president participated in a pinning ceremony for Major Ricardo Turner, one of his military aides. The aides to the president are mid-grade officers, one from each of the services. They provide direct support to the president in his role as commander in chief. And their primary responsibilities are to serve as an emergency action officer, aide-de- camp and ceremonial aide.

It's a longstanding tradition that one of the president's military aides is promoted to the next-higher grade. The president conducts that promotion. Major Ricardo Turner, the president's military aide, was recently promoted to lieutenant colonel and the promotion was held in the Oval Office.

The president also spoke yesterday with Maureen Scalia on the one-year anniversary of her husband's passing. The president and Mrs. Scalia discussed her late husband's incredible legacy and how the president is making every effort to carry it on by nominating Judge Gorsuch, who shares the love of the Constitution, to succeed him on the bench.

Last night, the president obviously hosted the swearing-in of Secretary Mnuchin in the Oval Office. Secretary Mnuchin is a world- class financier whose decades of experience with financial and monetary matters make him the ideal person to spearhead the president's plan to develop a dynamic, booming economy that works for all Americans. We're glad to officially have him on board.

Now, moving on to the schedule today, this morning the president and newly confirmed Secretary of Education DeVos held a parent-teacher conference meeting with parents and educators from public, private, charter and home schools this morning. The president opened the meeting by congratulating Secretary DeVos for her toughness and staying the course throughout her confirmation process. He then discussed his vision for all Americans to have an opportunity to climb the ladder of success, starting with making quality education available to every child no matter their ZIP code.

Under the current system, the president believes too many of our children are trapped in failing schools, especially in the African American community. The president told the group to begin addressing this problem which he views as a civil rights issue. He wants parents to be able to decide what educational options are best for their children.

The group launched into a wide-ranging discussion that included public and charter schools, home schooling, drop-out prevention, and the BASIS schools program; states' responsibilities; and the current state of the U.S. Department of Education.

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The president's ultimate goal is to create safe communities, great schools, and well-paying jobs. He believes that each of these goals is linked to the others, and the Trump administration is taking concrete steps to achieve them all.

The president also spoke on the phone earlier today with Prime Minister May of the United Kingdom, continuing the productive conversation they started during her visit earlier this year. A readout on that call should be coming soon.

The president then had lunch with New Jersey Governor Chris Christie and his wife regarding combating drug use. At two o'clock, the president will sign House Joint Resolution 41 in the Oval Office. The resolution is the start of rolling back harmful Obama-era regulations which have cost the American businesses and consumers a staggering \$890 billion, making our companies less competitive, and even driving some of them out of business.

The American free enterprise system is the greatest engine for economic prosperity in the world. But it -- for too many -- to reach its maximum potential, we must remove the barriers to productivity that are holding back our great workers and businesses.

Misguided federal regulations such as the SEC rule addressed by HJR 41 inflict real cost on the American people and put our businesses, especially small businesses, at a significant disadvantage. It's a priority for the Trump administration to fix our broken regulatory system so that it enhances American productivity and well being, without imposing unnecessary costs and burdens. Signing this joint resolution is one more step towards achieving this goal.

Later this evening, the president will meet with Secretary Kelly and Attorney General Sessions to continue discussions on potential options for addressing the very clear national security threats we're facing in light of the recent Supreme Court ruling. Tomorrow, the president is pleased to be welcoming Israeli Prime Minister Benjamin Netanyahu to the White House. They will discuss ways to advance and strengthen the special relationship between our two countries and stability in the Middle East.

They will consult on a range of issues -- regional issues, including addressing the threats posed by Iran and its proxies, the crisis in Syria, and countering ISIS and other terrorist groups.

As the president has made clear, his administration will work to achieve comprehensive agreement that would end the Israeli-Palestinian conflict so that Israelis and Palestinians can live in peace and security. The way forward toward that goal will also be discussed between the president and the prime minister. They will hold a joint press conference tomorrow as well and further guidance will be coming on the time and location.

Looking ahead to Friday, the president will travel to Charleston, South Carolina to attend the rollout of the first Boeing 787-10 Dreamliner. This visit will give the president an opportunity to celebrate a huge milestone for thousands of workers at Boeing, America's number one exporter in the millions of American workers involved in aerospace. This trip has been months in the making and we're thrilled to celebrate the rollout of this amazing plane.

With that, I'd be glad to take some of your questions.

Jonathan Karl?

QUESTION: Back in January, the president said that nobody in his campaign had been in touch with the Russians. Now today, can you still say definitively that nobody on the Trump campaign, not even General Flynn, had any contact with the Russians before the election?

SPICER: My understanding is what General Flynn has now expressed is that during the transition period -- well, we were very clear that during the transition period, he did -- he did speak with the ambassador.

QUESTION: I'm talking about during the campaign.

SPICER: I don't have any -- I -- there's nothing that would conclude me that anything different has changed with respect to that time period.

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QUESTION: And why would the president -- if he was notified 17 days ago that Flynn had misled the vice president and other officials and that he was a potential threat to (ph) blackmail by the Russians, why would he be kept on for almost three weeks?

SPICER: Well, that's -- that's not -- that assumes a lot of things that are not true.

The president was informed of this, he asked the White House counsel to review the situation. The first matter was whether there was a legal issue. We had to review whether there was a legal issue, which the White House counsel concluded there was not. As I stated in my comments, this was an act of trust. Whether or not he actually misled the vice president was the issue, and that was ultimately what led to the president asking for and accepting the resignation of General Flynn. That's it. Pure and simple, it was a matter of trust.

We went through a very deliberative process, a very thorough review. The first part of it was clearly to understand the legal aspect of this, and that was simply concluded there was no legal aspect, and what happened is the president evaluated the trust aspect of it.

Major?

QUESTION: When the president was asked on Air Force One yesterday -- I mean, on Friday rather, traveling down to Mar-a-Lago about reports about conversations with the Russians about sanctions, he said, "I don't know about it. I'll look into that." Was he being truthful?

SPICER: What he asked specifically is was he aware of a Washington Post story. He hadn't seen that at the time. Of course he was involved, I just said that he was aware of that situation right after the White House counsel informed him back in January.

QUESTION: And his inquiry to the White House counsel was strictly about the legalities involved, not the propriety of the conversations between General Flynn and the Russian ambassador?

(CROSSTALK)

SPICER: Well, initially, just to be...

QUESTION: ... the merits of those conversations about sanctions before the Trump administration had been inaugurated?

SPICER: So just to be clear, the acting attorney general informed the White House counsel that they wanted to give, quote, "a heads-up" to us on some comments that may have seemed in conflict with what he had said (ph) to the vice president in particular. The White House counsel informed the president immediately. The president asked them to commit a review of whether there was a legal situation there. That was immediately determined there wasn't. That was what the president believed at the time from what he had been told and he was proved to be correct.

The issue pure and simple came down to a matter of trust and the president concluded that he no longer had the trust of his national security adviser over...

(CROSSTALK) QUESTION: ... was improper for the incoming national security adviser, not part of an administration, to be discussing an issue as sensitive as sanctions...

SPICER: His job is to discuss issues with his counterparts. I mean, Charles Krauthammer put it perfectly last night. That's what he's supposed to be doing. I mean, that's his job. That's -- I mean, we would constantly read out throughout the transition who he was speaking to, how he was getting ready. The president was receiving congratulatory calls from around the world, we would read out the world leader calls.

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The job of the incoming NSA is to sit down with the counterparts and start that dialogue, and that's exactly what he did. So the question wasn't did he do anything improper or illegal, it's a question of could he be trusted further, and the trust or the erosion of that trust was frankly the issue. So...

QUESTION: Did the president instruct him to talk about sanctions?

SPICER: No, absolutely not. No, no, no. But that -- no, and there's no -- that's never...

QUESTION: (OFF-MIKE)

SPICER: I think the president was -- had no problem with the fact that he acted in accord with what his job was supposed to be doing. He had the ability to talk about issues that were important, whether it's that or the 30 other countries that he spoke to, that was part of his job as has been noted by many people.

SPICER: That's what the national security adviser and frankly other positions do. They begin the process of preparing their incoming job by talking to counterparts, people have previously held the job, et cetera. If he had not done that, there would be questions as to whether he was properly prepared for day one.

QUESTION: ...conversation about...

SPICER: No, he -- the - the - the issue isn't whether or not -- what he discussed, there's been a complete legal review of that, and there's no issue with that. The issue is whether or not he failed to properly inform the vice president or not be honest with him or not remember it. But that's the plain and simple the issue, and when he lost trust with the president, that's when the president asked for and received his resignation.

QUESTION: Thanks a lot, Sean. Yesterday Kellyanne Conway, counselor (ph) to the president said that the president continued to have trust in General Flynn. What happened to being yesterday morning and yesterday evening that led the president to lose confidence in General Flynn?

SPICER: Well, I'm not going to get into the specifics of what the presidents thinking was, but I will just say, as I noted in the opening statement, that it was an evolving and eroding process. And so at the end of the day, the president made the decision as he does on all subjects and - and ask for and received the national security advisor's -- but he is one of the people that we have noted before when he is ready to make a decision, he makes it, whether its hiring someone or asking for someone's resignation.

Once he has determined he has made the decision on any subject, that's when he informs the staff. So, going into the day, it was an evolving situation. He made a determination late in the day, and he executed on it. Yes, Alexis (ph)?

QUESTION: Extremely (ph) loyal person, General Flynn, was it a difficult decision for the president to let General Flynn go?

SPICER: Well, sure. I mean, General Flynn is a dedicated public servant. He is the head of the DIA, he has been an outstanding member of the Army, both as a - as an officer and then as a flag officer. He has served his country admirably. And I think the president appreciated his service to his nation, his commitment to his campaign and his service to his country so far. But at some point, the decision came down whether or not that that trust had eroded. The important matters as mentioned that are before the president, when he's dealing with issues of world matters, of all of the issues, friends and allies, foes, hot spots, he needs to rely on - on an actual security advisor to give them sage (ph) advice. And I think at some point that guidance, that trust eroded, and the president, as he does in all matters ultimately decides that when he is ready to make decision, he executes. Alexis (ph)?

QUESTION: Does the president believe that anything that he discussed with General Flynn during the transition might have been construed by the General as (inaudible) or encouragement to discuss the sanctions with the Russian ambassador? That is question number one.

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SPICER: So -- and we're going to pause (ph). So, on the first -- again, as I made clear, there is nothing the general did that was a violation of any sort. He was well within his duties to discuss issues of common concern between the two countries. I will say it again, that what this come down to is as a matter of trust.

The president was glad he that he was out there conducting his job, preparing for his job, going backend forth with his counterparts throughout the world, much as the president had one with all the world leaders calling the president, congratulating him, looking to set up calls for him once he was inaugurated. Similarly, General Flynn was beginning that process with his counterparts throughout the around the world.

That was never of concern to the president. From day one that he was briefed from the White House counsel. The issue plain and simple comedown to a matter of trust. And once that occurred, it was over. So - I'm sorry - yeah, I know.

QUESTION: The president is not -- does not believe that any discussion that might have taken place, as we know from intel, it did on sanctions, creates the problem for the president in anyway. That is not a problem that General Flynn discussed sanctions with Russia.

SPICER: No, there isn't. I can't state it clearly enough. There was nothing in what General Flynn did in terms of conducting himself that was an issue. What it came down to plain and simple was him misleading the vice president and others and not having a firm grasp on his recollection of that. That is it.

QUESTION: Lawmakers on Capitol Hill on both sides of the aisle would like to investigate and probe or ask more questions about this. Does the president hope to cooperate with those investigations, would he instruct members to -- of his staff to work with him here, and the administration to cooperate with those investigations?

SPICER: Well - well, we're going to comply with the law. I think the president feels very confident the review that was conducted by White House counsel was very thorough and concluded very conclusively as he had first come to -- instinctively come to the inclusion that there was nothing wrong. So you know, people are free to do what they wish, but I think that they will find exactly what the president first believed and what the White House counsel concluded. And frankly, I believe a couple publications even reported there was no investigation for a reason because there was not an issue of law, it was an issue of trust. George (ph)?

QUESTION: When do you expect to have a replacement in place? And secondly, on another topic, there was a report yesterday that one of your colleagues said the White House is keeping dossiers on reporters.

SPICER: Yeah.

QUESTION: Can you say if that's true or not?

SPICER: That is absolutely not true. There are no dossiers being kept, just a binder that I put right here, that's about it. That was a joke. Hold on one second. And then, I'm sorry, the first part?

QUESTION: The timetable on a replacement.

SPICER: As soon - I mean, just like the way he handled this situation, the president will meet with individuals and when he's ready to make a decision and he feels as though the person is qualified and can properly advise him on the issue, he'll make that decision. But that's all - as all decisions, rest with him. I'm just going to go to my first Skype seat. John Huck of WKVVU out of Las Vegas.

QUESTION: Thank you so much on behalf of our viewers here in southern Nevada for the opportunity to join you today. As you know, Sean, Las Vegas has suffered terribly in the last recession, more so than perhaps any other city in the country. As the administration moves forward with repealing financial regulations and possible rolling back Dodd-Frank, what guarantees can you make to Nevadans that those actions won't lead banks and investment banks to reengage with the risky financial behaviors that tanked our economy the last time and left taxpayers here on the hook to bail those banks out?

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SPICER: Thanks, John. I think one of the things, if you look at the intent of Dodd-Frank, it was to make sure that we didn't have institutions that were too big to fail. And frankly, it has actually created institutions that are now too big to fail. Dodd-Frank actually did exactly the opposite of what it intended to do and I think when you look at the regulation HJR 41, the president's signing today, this is another example of the president taking decisive action to roll back regulations that are frankly creating more of a burden on our nation's banks and businesses than helping them.

I think the president's going to be very clear with making sure that we do things that build up the goal of what Dodd-Frank actually intended to do. But right now, we actually through Dodd-Frank put taxpayers more on the hook than we let them off. We've created more institutions and created more guarantees for the federal government to bail out some of these institutions if they - if they exceed their authority.

QUESTION: Let me come back to what you said at the beginning. You said the White House Counsel's Office reviewed this and determined that there was nothing illegal. What evidence did they look at in making this determination? And secondly, Democrats up on the Hill say that they want an investigation of this. They're looking into what did the president know and when did he know it.

So can you tell us, whatever it is you looked at, at the White House Counsel's Office, and what did the president know about all of this and when was he aware of it?

SPICER: Well as I mentioned, the first day that the Department of Justice made White House Counsel available - or sought to notify White House Counsel was January 26. The president was immediately informed of the situation. As I said, based on the information that was provided at the time, his view was that this was not a violation. He was proved instinctively correct and White House Counsel at that time undertook an extensive review both of materials and questioning - I'm not going to get into the specifics.

What I will tell you is, on multiple occasions, they had an exhaustive and extensive questioning of General Flynn on several occasions based on information that was provided to them or materials that were provided to them to review. I'm not going to get into the details of that but I will just say that there was an exhaustive review. And again, the thing that's important to note is the vice president, myself - in fact, I think the first time I brought this issue up was January 13.

The Department of Justice didn't notify the White House or the White House Counsel at that time in the transition phase until 13 days later. So I think it's important to understand something very, very important. This idea of, why did it take so long? I think the first question should be, where was the Department of Justice in this? They were - they were aware of this.

We were making statements based on what General Flynn was telling us starting on January 13. The vice president went out on the 15th, right? They didn't notify the White House Counsel's office until January 26. At that time, there was an immediate - the president was immediately informed of that and - and then asked the White House Counsel to conduct a very, very thorough review.

The first part of that review was focused on whether or not there was any legal issue. That's it. Once that became the issue, then there was - it shifted into phase two which is whether or not there was trust still maintained and that - then that became a separate set of issues that were...

QUESTION: ...I understand. I'm just speaking to the actual evidence that the FBI has transcripts of these intercepts which I assume were done by the NSA...

SPICER: ...Right... QUESTION: ...Via a FISA Court order. Did - was there any communication between the White House Counsel's Office and the FBI that those transcripts ever entered...

SPICER: ...I - I will say obviously the - there was obviously communication between the Department of Justice and the White House Counsel's Office. I'm not going to get into the specific nature of that. I think it would be inappropriate because of the nature of the information that was being discussed.

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Yes?

QUESTION: Why not dismiss the general on January 27th? Why, if the question was of trust and immediately, you know, you have January 15th, he's on Face the Nation saying that -- Vice President Pence on Face the Nation saying that this is what General Flynn told me. And then January 26th, you hear the opposite. Why not immediately act? Why wait another two-and-a-half weeks?

SPICER: I don't understand how that's a due process. There was a -- because what the attorney general didn't come in -- the acting attorney general come in and say that there was an issue. She said, "wanted to give you a heads-up that there may be information." OK?

There was -- she could not confirm there was an investigation. And so it would be unbelievably short-sighted and wrong to go in and dismiss someone immediately. In fact, what the president did was take decisive action to make sure that the White House counsel thoroughly reviewed and vetted the situation.

That was -- he took immediate decisive action. And if you look at the timeline in terms of what he did and how that expanded, the White House counsel's first and foremost goal was to make sure that there was not a legal issue at hand. Once that was concluded, then it became a phase of determining whether or not the general's action on this and a whole host of other issues undermined his trust in the president.

That's -- but the president from day one, from minute one, was unbelievably decisive and asking for and demanding that his White House counsel and their team review the situation, first and foremost to question whether it's a legal issue. And what they immediately determined -- not immediately, but within several days, was that after review, that there was not a legal issue and then it moved into a second phase.

QUESTION: Sean, the president tweeted last -- this morning, the real story is leaks -- illegal...

SPICER: It is leaks. But if you think about this, understand that all of this information was leaked. I mean, I've got to -- and again, I know we've got this me lecturing you about what stories should be, but I think that there's a real story here. The idea that not just in this administration, but the Obama administration, going back to the Bush administration and back, that we have an issue where classified information, of which this would be, is handled in such a way that it is being given out.

And I know in some cases it's a good story, and I understand that, and that's to some degree your responsibility to write that. But I think there's also a story here with the amount of leaks that are coming out of people that are entrusted with national security secrets and classified information, are leaking it out.

That's a real concern for this president, that when he's talking on the phone with a world leader, that when he's making key decisions that are in the interest of protecting this country, that we have to wonder whether or not people who work for our government, who are entrusted with classified information and decisional-based material, are leaking that information out.

That I do believe is a big story that should be reported. I also believe that the president is rightly so very, very concerned about this, because it's not just something that is plaguing, you know, the current situation, but it goes back to the Obama administration, the Bush administration, the Clinton administration.

When we have government employees that are entrusted with this, and then leak it out, that undermines our national security, frankly.

(CROSSTALK)

QUESTION: I know you just forgot.

I just want to -- I have a question, but I want you to clarify something you just said to John. Are you saying that no one has read the transcripts of the call? Or you just don't want to tell...

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SPICER: I'm not -- I said that I'm not going to comment on it.

QUESTION: OK. OK. So my question is about sanctions. You were very specific in talking about the sanctions against Crimea and that he doesn't want to lift them until Crimea is returned. But the sanctions that Flynn was discussing were the sanctions for the election hacking.

SPICER: Right.

QUESTION: That's something the president could remove on his own if he wanted to. Is he committed to keeping those?

SPICER: I -- I think Secretary Mnuchin commented on that. There's no change in our current sanctions strategy or with Russia. And I've got nothing for you on that.

(CROSSTALK)

QUESTION: The current story is leaked. What is the president willing to do to investigate further to determine where these leaks are coming from?

SPICER: Again, I think this goes back to the same way he negotiates. Telling people what we're going to do to cover up additional leaks wouldn't be a very sound strategy when it comes to making sure that that doesn't happen again. The president's been very clear, whether he's negotiating or dealing with an issues like this, you don't telegraph to people how you're going to handle it.

(CROSSTALK)

SPICER: Hold on. Trey gets a followup. Everyone else got one.

QUESTION: So he is going to take some sort of steps to investigate these leaks?

SPICER: I would just say that the president is, as I said, is clearly upset about this. He understands the threat that they pose to our national security. And he's going to make sure that he continues to take action to make sure that that stops.

Yes?

QUESTION: Thank you.

So, you've mentioned time and time again that this is an issue of trust. You also said that it was an evolving issue and that the issue of the trust that the president had for Flynn came down to this deception that happened with the vice president also, on a host of whole other -- of other issues.

What were the other issues? And was the vice president of the only person that was misled by Flynn? Were other people misled?

SPICER: I mean, I think stood before you before and explained what General Flynn had conveyed to me. I think there were some others that had similarly expressed that to you as well. So you know, that's why it's others because it wasn't just people who went out and made public pronouncements, but (ph) in a series of questioning that was rather exhausted over a long period of time, he continued to maintain that had not occurred.

And I think that's where the president continued to -- that's why I -- the president was very clear that it was an eroding issue because it wasn't -- it was after a series of issues and a series of statements and pronouncements that the president came to that conclusion.

(CROSSTALK)

QUESTION: Were there other issues outside of this call and the deception over that that led to the mistrust?

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SPICER: I think the statement's very clear, that -- that it was this in a series of issues.

With that, let me go to Jason Stephens (ph) of the Federalist Paper (ph) in Ashland, Ohio.

QUESTION: Thank you. What our readers at the Federalist Papers Project are most interested in is returning the country to the first principles of Republican government as understood by the American founders. One of those principles in the Declaration of Independence is the consent of the governed, so my question is this. What are the president's future plans for rolling back the expensive and burdensome regulations of the administrative state, most of which are the product of unelected, unaccountable bureaucrats who never received the consent of the governed to do anything, let alone make law?

SPICER: Thanks, Jason.

I think as I mentioned today, the president in just a few minutes is gonna be signing HJR41, which is one of those attempts to roll back some onerous Dodd-Frank regulations with respect to the SEC in particular. He's going to continue -- last week, we rolled out another one of those executive orders that ensures that for every new regulation, two must be (inaudible).

The president's commitment to rolling back regulation and the overreach of government I think is unwavering and unquestionable. So you're gonna continue to see this president undo a lot of that government overreach and so -- Jim?

QUESTION: Yeah, just -- quick question. You said earlier in your comments that the president has been incredibly tough on Russia. How is that possible?

SPICER: I just...

QUESTION: He has made comment after comment over the course of the campaign, the transition where he defended Vladimir Putin. He had an interview with Bill O'Reilly where he -- when he was asked if Vladimir Putin's a killer, he said, well, you know, America hasn't been that much better in this regard (ph).

(CROSSTALK)

QUESTION: Also, to me it seems, and I think to a lot of Americans it seems, that this president has not been tough on Russia, how can you say that?

SPICER: I -- because I -- I just walked through. I think there's a difference between the president wanting to have and an understanding of how a good relationship with Russia can help us defeat ISIS and terrorism throughout the world.

Look, the Obama administration tried to have a reset with Russia, they failed. They tried to tell Russia not to invade Crimea, they failed. This president understands that it's in America's national and economic interest to have a healthy relationship. If he has a great relationship with Putin and Russia, great. If he doesn't, then he'll continue on.

But he's not gonna just assume that because it wasn't able to happen in the past -- I think you've seen with Prime Minister Abe in particular and others that the reset that President -- Prime Minister Netanyahu talked about tomorrow, so many of these countries from around the globe are looking forward to resetting the relationships that this country has with them, that they feel as though they were abandoned over the last eight years and that they are excited about the prospect of a new U.S. relationship under a Trump administration.

So -- but with respect to Russia, I think the comments that Ambassador Haley made at the U.N. were extremely forceful and very clear that until they...

QUESTION: That was Ambassador Haley, not the president.

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SPICER: She speaks for the president, I speak for the president. All of us in this administration -- so all of the actions and all of the words in this administration are behalf and at the direction of this president. So I don't think we could be any clearer on the president's commitment.

Katie (inaudible)?

QUESTION: Just a quick little follow-up because (inaudible) follow-ups, but...

SPICER: Really?

QUESTION: But anyway -- no, the other question is just getting back to what was asked a few moments ago about trust and being misled. Are you saying that the national security adviser was intentionally misleading the president, the vice president, yourself when he made these comments to...

(CROSSTALK)

SPICER: The trust is given by the president, it's a relationship between he and any individual. And so as I mentioned in the comments, maybe it was -- I don't know that it was intentional, he may have just forgotten but at some point, trust isn't just -- trust...

(CROSSTALK)

QUESTION: ... he forgot the conversation...

(CROSSTALK)

SPICER: That's the point, Jim, is that at some point that trust eroded to a point where the president did not feel comfortable with him serving in that position and asked for and received his resignation.

Katie Pavlich?

QUESTION: Sean, on the (inaudible) issue of the eroding of trust, last night in General Flynn's resignation letters, he said he inadvertently briefed the vice president-elect and others with incomplete information. Considering his role in advising the President on national security matters, is the White House concerned that he may be briefed the President Elect, Vice President Elect with incomplete information on other matters of national security in addition to his own calls with Russia and (inaudible).

SPICER: When you look at the team, it's not one person in isolation Katie (ph), it's several. You've got -- you know General Kelly on the Homeland Security front, General Mattis on the DOD front. He's got an entire national security staff and apparatus that briefs him. You know, Director Pompeo at the CIA and others from the DNI's office that come in and brief him on a whole host of issues. So it's not a single position.

QUESTION: (Inaudible).

SPICER: Well yeah, regardless of whether it's a single situation, it's not as though there's one person briefing him and the President synthesizes a lot of information both written and stuff that is briefed to him and ultimately it is he who makes that decision based a lot on what he already knows, what we is presented with. So the President get's information from a lot of people, Generals, Admirals, people from the military community, ambassador's people in the State Department. An exhaustive team at the national Security Council and then makes an ultimate decision based on that and what he already knows to be the case.

QUESTION: All right go, since you won't answer.

QUESTION: Sean, you've been asked a couple of times about the transcripts of the calls.

SPICER: Right.

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QUESTION: Will the White House declassify those and release them?

SPICER: Look I -- it is inappropriate for me to comment on those at this time. Right now the focus is on some of the evolving issues that are -- that were going around the globe as you know -- let me answer the question. It is not an issue that has come up. I think the President right now is focused on replacing his national security advisor. Making sure that he is presented with the best possible information to make these key decisions.

But at this time, we also have got to be careful that we are not involving ourselves in a national security -- and the review as I mentioned was done and then immediately last night when the President felt it was time for a decision, made it. That's where we are in this iteration of the process. If we have anything further for, we will update you.

QUESTION: Thank you so much for this opportunity. I'm approximately six miles away from Mar-a-Lago right now and the President met with the Prime minister (Abe) from Japan and Mar-a-Lago this weekend. And beside giving us traffic and security nightmares, there were apparently conversations that took place by telephone and with the prime minister that were in a relatively insecure dining area. There's already video of this surfacing. Will there be a SCIF put in place in these dining areas, these public places?

And one last question, when he meets with Prime Minister Netanyahu tomorrow, will they be discussing moving the embassy and settlements?

SPICER: On the second one I'm not going to get ahead of the Prime Minister's discussion with the President. We'll have a read out. After that there will be a press conference at that. With respect to the first, there is a SCIF at Mar-a-Lago. And just to be clear, the briefing -- the President was briefed in a SCIF ahead of dinner. He went and with his national security team, they briefed him on a situation North Korea. Subsequently he had a dinner, of which was attended exclusively by U.S. and Japanese delegation members. At that time, apparently there was a photo taken, which everyone jumped to nefarious conclusions about what or may not be discussed. There was simply a discussion about passed logistics, where to host the event.

And then after the dinner, the President went back into the SCIF to get a further update from his team. So I'm not really sure where people jump to conclusions. There is a SCIF there; it was utilized on two occasions that evening to convey to the President by his national security team, the situation in North Korea and then the President subsequently stood shoulder to shoulder with the Japanese President to make sure that our commitment to their security and stand against North Korea was fully made aware.

QUESTION: Actually (ph), can you just clarify because I got a little turned around, did President Trump or President Elect Trump at the time know of General Flynn's discussion of the sanctions while he was NSB designate? And if not, when did he finally learn about (inaudible). Why was he -- why was he OK with that?

SPICER: So no he was not aware, as he's not back briefed on every conversation that his national security team has or other staffers. They were performing their duties as other people were in terms of getting up to speed, conveying with counterparts and previous members of their team. That being said when he was made aware of it, once the White House Council briefed him on concerns the Department of Justice had.

And at that point as I mentioned what he asked and what he believed at the time and was confirmed by White House Council at least at the time it was confirmed by White House council was that there was no legal issue here, discussing the issue didn't violate anything, it was appropriate in the normal course of action to discuss that. And he immediately asked the White House counsel to further confirm what his instincts were at the time.

Thank you, guys. Have a great -- we're getting ready for a bill- signing. We've got a bill-signing.

(CROSSTALK)

SPICER: (inaudible) a followup...

(CROSSTALK)

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QUESTION: Are you -- is the administration undertaking any sort of effort, either Cabinet-wide or like inside the shop, to make sure that everyone comes forward who had any communications with the Russians about sanctions or otherwise...

SPICER: There is no other information. I mean, as far as -- as far as we are aware, that is an isolated incident that occurred. And again, the key point in this isn't that there were discussions. There was nothing wrong or inappropriate about those discussions. It purely came down to a matter of trust. That's it.

Thank you, guys. I'll see you tomorrow. Happy Valentine's day.

END

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