

BLOOD RED CARPET

HOW DOES THE SON OF THE FORMER PRESIDENT OF KYRGYZSTAN LIVE IN A £3.5M SURREY MANSION, DESPITE CONVICTIONS IN HIS HOMELAND FOR GRAND CORRUPTION AND THE ATTEMPTED MURDER OF A UK CITIZEN?



Maxim Bakiyev

Maxim Bakiyev (“Bakiyev Jr.”) has been convicted of using his position as the former first son of Kyrgyzstan to steal from the Kyrgyz people. So why has the UK allowed him to live in a luxury property in the heart of the British countryside?

Bakiyev Jr. lives in a £3.5 million Surrey mansion that was purchased by an “anonymous company” (a company registered in an offshore secrecy jurisdiction whose laws hide the company owner’s true identity) less than two months after Bakiyev Jr. arrived in the UK by private jet and claimed asylum. This anonymous company can be linked to an alleged money-laundering scheme used to funnel state funds out of Kyrgyzstan.

This briefing sets out the key allegations against Bakiyev Jr. and calls for an investigation into him and the professional services firms involved in the sale of the Surrey mansion. It concludes that the questions that were asked by the UK authorities, and the lawyers and real estate agents involved in the

deal – even if they complied with their regulatory requirements – failed to prevent a man linked to corruption and violence from setting up home in a luxury suburb in London’s metropolitan area. It argues that the current system can too easily be exploited by anyone seeking to hide suspect funds in the UK’s property market, and calls for changes to the law to stop this happening in future.

Bakiyev Jr.’s criminal and corrupt past

The Kyrgyz Republic (commonly still referred to by its former name, Kyrgyzstan) is a landlocked country bordered by Kazakhstan, Uzbekistan, Tajikistan and China. During Kurmanbek Bakiyev’s presidency, Kyrgyzstan ranked among the twenty most corrupt countries in the world¹ and there were widespread reports of politically-motivated murders.²

In April 2010, Kyrgyzstan’s people forcibly removed President Bakiyev from power amidst allegations that he and his son had stolen money from the state and commissioned the murder of their political opponents.³ Global Witness’ 2012 *Grave Secrecy* report examines some of the suspicious financial transactions which the present Kyrgyz government believes are related to the financial crimes allegations.⁴

Recent Kyrgyz Court decisions implicate Bakiyev Jr. in two serious crimes during his father’s presidency: (1) participation in corruption (by embezzling millions of funds from the Kyrgyz state, illegally privatising public land, and selling off state energy firms for a fraction of their value)⁵ and (2) ordering the murder of a British national who was an obstacle in the Bakiyev’s plan to develop a gold mine.⁶ Bakiyev Jr.

claims the charges made against him by the new Kyrgyz government are politically motivated.⁷

Bakiyev Jr. arrives in the UK

In April 2010, at the time of the revolt that ousted his father from office, Bakiyev Jr. was in meetings in Washington D.C. Soon after hearing news of the revolt, he flew to Latvia in his private jet and, after spending some time there, flew to Farnborough Airport in Hampshire, England, where he landed in June 2010. Upon his arrival, he was detained by border officials.⁸ The reasons for his detention are unclear, however there was at the time an Interpol “Red Notice” arrest warrant in effect for Bakiyev Jr. (in relation to the Kyrgyz financial crime charges).⁹

Bakiyev Jr. then lodged a UK asylum claim and was subsequently released.¹⁰ The UK authorities have allowed Bakiyev Jr. to remain in the UK while they consider his asylum application, resisting the Kyrgyz attempts to extradite him.¹¹

Global Witness sent a Freedom of Information Request to the Home Office regarding the asylum application of Bakiyev Jr. The Home Office replied that it could neither confirm nor deny whether it held the information we requested, citing a

personal data exemption.¹² Bakiyev Jr. may be eligible for permanent residency in June 2015 and UK citizenship in June 2016.¹³

It is not clear why the UK authorities released Bakiyev Jr., nor why the authorities are processing his asylum claim even though he failed to claim asylum in his first point of entry in the EU (which was Latvia), in contravention of the Dublin Agreement.¹⁴ It is fair to question whether such generous treatment would be afforded to anyone other than a multi-millionaire princeling¹⁵ of Bakiyev Jr.’s standing.

Bakiyev Jr.’s home in Surrey

Bakiyev Jr., arrived in the UK on 13 June 2010.¹⁶ In August 2010, a Belize-registered company, Limium Partners Limited (“Limium”),¹⁷ purchased a newly built luxury £3.5 million property in the Borough of Reigate and Banstead in Surrey, which is part of the London metropolitan area. The mansion boasts a library, home cinema and bar.¹⁸

Belize is what is known as a “secrecy jurisdiction”, meaning that it does not disclose even the names of shareholders of companies registered there. As such, Limium is an “anonymous company”, in that it is not clear who its “true” owner is. However, it is clear that:



Maxim Bakiyev’s Surrey mansion.

- Limium was registered as a company by a Belize company formation agent called International Corporate Services Ltd. (“ICS”).¹⁹
- A number of the companies involved in the suspicious transfers that occurred when the Bakiyev regime fell were also registered in Belize at the same address and by the same company service provider as Limium. These companies include Brasfort Limited (“Brasfort”), which allegedly transferred US\$30 million out of Kyrgyzstan around the time of the Kyrgyz uprising.²⁰ According to the Kyrgyz authorities, Bakiyev Jr. and others used numerous offshore shell companies (including Brasfort) to illegally transfer government funds through the country’s then-largest bank, AsiaUniversalBank. The bank’s managers have denied wrong-doing and have accused the new Kyrgyz authorities of illegally misappropriating the bank.²¹
- Limium was registered as a company on 28 June 2010, 15 days after Bakiyev Jr. arrived in the UK.²²
- Limium purchased the Surrey mansion in August 2010.²³
- At the time of the purchase of the Surrey mansion, Bakiyev Jr. was wanted by Interpol at the behest of the Kyrgyz authorities on charges of fraud, and his arrest on arrival in the UK was reported by the British press.²⁴
- Bakiyev Jr. has used the Surrey mansion since his arrival in the UK; this became a matter of public record in 2012 when it was given as his address in a court hearing regarding possible extradition to the United States on insider trading charges (the case was later dropped).²⁵ Global Witness sought Bakiyev Jr.’s comments on this publication by couriering a letter addressed to him at the Surrey mansion. The letter was signed for at the Surrey mansion by “Bakiyev”.²⁶

It may of course be a coincidence that Bakiyev Jr. lives in a mansion owned by an anonymous company that is registered at the same Belize address as companies involved in an alleged Kyrgyz money-laundering scandal. However, Global Witness believes that it is more likely that Limium’s beneficial owner is Bakiyev Jr., and as such that

some of the money the Kyrgyz authorities claim Bakiyev Jr. stole may in fact have been used to buy Bakiyev Jr.’s country idyll. Indeed, if the money used to purchase the Surrey mansion did not come from one of the various alleged corruption scandals that Bakiyev Jr. and his family have been associated with,²⁷ then where did it come from?

The role of lawyers and real estate agents

Limium, like anyone else buying property in the UK, needed real estate agents and lawyers to purchase the Surrey mansion. But of course, the company did not move in, a person did. And that person, Bakiyev Jr., was the subject of an Interpol Red Notice for his role in the Kyrgyz corruption case at the time of the purchase. This casts doubt over the effectiveness of the questions that the lawyers and real estate agents asked when they were looking into the transaction. It suggests that – even if the lawyers and estate agents complied with their regulatory requirements – not all of the right questions were asked of the right people, and it demonstrates that there are significant loopholes in the current system that can be exploited by anyone seeking to hide suspect funds in the UK’s property market.

UK solicitors are required under the UK Money Laundering Regulations 2007 (“MLR 2007”), and the Proceeds of Crime Act 2002, to conduct due diligence on their clients. This means identifying a company’s “beneficial owner” before taking that company on as a client and looking into the sources of the funds used by the client in the transaction. A company’s “beneficial owner” is a natural person – that is, a real, live human being, not another company or trust – who directly or indirectly exercises substantial control over the company or receives substantial economic benefits from the company. If a UK solicitor’s client is a senior political figure (or one of their family members or associates – known under the MLR 2007 as a “politically-exposed person” or “PEP”), then that due diligence must be enhanced, so as to counteract the increased risk of money laundering.²⁸

UK real estate agents are only required to conduct due diligence on the seller of a property in the context of a house sale and purchase, because the seller is the agent’s client. There is currently no law in place that requires an agent to conduct due

diligence on a buyer involved in the sale. However, all agents (whether dealing with a buyer or a seller) are required to report any suspicion of money laundering that arises from information that comes to them during the course of business, which includes the conduct and identity of the buyer. Failure to report this suspicion could breach the Proceeds of Crime Act 2002 ("POCA").²⁹

Failure to report a suspicion of money laundering is considered an offence unless the relevant lawyer or real estate agent had a "reasonable excuse for not making the required disclosure" or, in the case of the lawyer only, the information came to them under "privileged circumstances".³⁰ The definition of "privileged circumstances" is extremely broad: it means information communicated by a client (or its representative) in connection with the giving of legal advice, or information communicated by a person in connection with any legal proceedings (even if those proceedings are only contemplated).³¹ Although these exceptions expressly exclude information provided with the intention of furthering a criminal purpose, they are in practice applied so widely as to often render redundant the duty on lawyers to make a report to the authorities.³² These exceptions clearly create a dangerous loophole under the current regulations.

In 2010, a small, Sussex-based development company (the "Development Company" – not its real name) built the Surrey mansion to its own specifications before listing it for sale with Savills, a global real estate agent listed on the London Stock Exchange.³³ By August of that year, Limium, which was incorporated in Belize by ICS in June 2010, had successfully completed the purchase of the Surrey mansion,³⁴ with the Land Registry document identifying that Limium was in the "care of" Goodman Derrick LLP, a mid-size London law firm and that there was no mortgage on the property.³⁵ It is not clear which solicitors acted for the Development Company. The Development Company continued to provide services to Limium after the sale, submitting planning permission documents on behalf of Limium (to extend the storage shed in the garden) in September 2010.³⁶ Although Limium was wound-up "due to non-payment of government fees" in 2013³⁷ the Surrey mansion remains in its name.³⁸



The fact that the son of a former President currently lives in a £3.5 million mansion that was purchased without a mortgage via an anonymous company registered two months before in a well-known secrecy jurisdiction raises questions about the due diligence performed by the UK professionals that assisted with this transaction, namely:

- What due diligence did Goodman Derrick and the Development Company's lawyers conduct into Limium and the £3.5 million it used to purchase the Surrey mansion? If Goodman Derrick discovered a link between Limium and Bakiyev Jr., did they conduct further due diligence into the transaction and/or file a Suspicious Activity Report with the National Crime Authority?
- Who did the Development Company and Savills deal with on behalf of Limium during the sale? If they met Bakiyev Jr. or suspected that he might be involved in the sale, did they file a Suspicious Activity Report with the National Crime Authority?

Global Witness wrote to Goodman Derrick, the Development Company and Savills for comment on the transaction and their relationships with Limium.

Goodman Derrick's reply stated:

"You have invited us to respond to a series of 'allegations'. Under Chapter 4 of the Solicitor's Regulation Authority Code of Conduct 2011, a solicitor is obliged to 'keep the affairs of clients confidential unless disclosure is required or permitted by law or the client consents'.³⁹ We are therefore not permitted to respond to the 'allegations' as to do so would cause us to breach the Code of Conduct".

The Development Company's reply stated:

"This firm does not discuss or correspond with third parties with regards to our business transactions. We would however like to clarify that [we] built [the Surrey mansion] to our own specification before putting it on the market through a national estate agent. We then sold the property through the estate agent. We had solicitors acting for us and the buyer had their own London based solicitor acting on their behalf. Funds were transferred through their solicitor and our solicitor in the proper manner. We would have expected their solicitor to carry out their own due diligence in accordance with any statutory and regulatory obligations".⁴⁰

Savills reply stated:

"I can confirm that we acted for the vendor but due to confidentially requirements I am unable to identify and say who our client was. However, be assured that all the necessary checks were conducted on our client and the property in accordance to our own due diligence procedures and to meet the requirements of the Money Laundering Regulations 2007. You will be aware that the Regulations require Estate Agents to confirm the identity of our clients only. Importantly, the buyer is not a client of Savills and we are therefore not required to conduct such checks, however, the Solicitor acting for the buyer is subject to the same Regulations and must conduct the same checks and also satisfy themselves as to the source of funds. The latter is outside of the remit of an Agent".⁴¹

Global Witness also wrote to Bakiyev Jr. at the Surrey mansion to get his comments. He did not reply.

In the absence of any further information from Savills and/or Goodman Derrick about the checks that they carried out, Global Witness does

not allege that they breached the anti-money laundering rules that apply to them. Nevertheless, the relevant authorities should investigate further. It is clear that a man who has been convicted of using his political power for corrupt and violent purposes lives in a Surrey mansion despite the fact that independent and well-established UK lawyers and real estate agents looked into the deal. This demonstrates that the current system of checks on who is purchasing UK property and with what money is flawed and failing to satisfy its purpose, and it suggests that investigations into these companies are warranted.

Other foreign officials who are suspected of hiding their money in UK luxury properties

This is not the first time that foreign officials and their offspring and associates have been known to stash their money in the UK property market, often using anonymous companies and trusts to hide their ownership:

- Saadi Gadaffi, the son of Libya's Colonel Gaddafi, purchased a £10 million home in Hampstead London using an anonymous company registered in the British Virgin Islands called Capitana Seas Ltd. After Gadaffi was deposed, the transitional government in Libya was granted a default judgment against Capitana Seas Limited, with the High Court in London ruling that the property rightfully belonged to the Libyan state as it had been purchased with diverted state funds.⁴²
- James Ibori, a former governor of Nigeria's oil-rich Delta State, used an estimated US\$250 million of stolen state assets to buy several houses around the world, including one in the UK valued at £2.2 million, luxury cars and a US\$20 million Challenger private jet. He enriched himself by awarding inflated government contracts, taking kickbacks and even pilfering state coffers.⁴³ Ibori's London-based lawyer was found to be complicit and was jailed for 10 years in 2010 for his part in the money laundering schemes.⁴⁴
- Asif Zardari, who was then husband of Pakistan's former Prime Minister Benazir Bhutto, purchased the 335 hectare Rockwood Estate in Surrey,

which he furnished with crates of luxurious artefacts, including a stuffed Bengal tiger.⁴⁵ After corruption charges were brought against Zardari, British news reports and court documents revealed that ownership of Rockwood was disguised through anonymous shell companies registered in Panama, the British Virgin Islands and the Isle of Man. In 1998, Pakistan's new government obtained a freezing injunction in the Isle of Man and in 2002 the companies went into voluntary liquidation. Two years later, the English liquidator sold the estate to the current owner, a local businessman, for £4.3m.⁴⁶ When newspaper reports first linked Ms Bhutto and her husband with the property, they both issued denials. Mr Zardari said: "How can anyone think of buying a mansion in England when people in Pakistan don't even have a roof over their heads?"⁴⁷ The property was later shown to be theirs, but corruption charges against Zardari were discontinued in 2008 and his assets (including, reportedly, Rockwood house) were unfrozen, and he returned to power to serve as Pakistan's President from 2008 until 2013.⁴⁸

- A leaked 2004 Kroll report alleged that the former Kenyan President Daniel Arap Moi used a web of shell companies, secret trusts

and frontmen to steal over two billion dollars of Kenyan state money and launder through the purchase of properties in the UK. The report stated that the two UK properties valued at a total of £6.5 million and located in Cobham, Surrey and Lowndes Square, London were bought by President Moi through an anonymous company registered in Panama called Broadlands Overseas S.A. While the Surrey property has since been sold to new owners, the London property remains in the name of Broadlands Overseas S.A.⁴⁹ Kroll have said that they cannot confirm or deny the authenticity of the report. A Kenyan government spokesman has said that the report was incomplete and inaccurate, and that Kroll had not been engaged to do any further work.⁵⁰

These cases, along with Global Witness' investigation into Bakiyev Jr. and the Surrey mansion, reveal some serious flaws within the UK's anti-money laundering system:

- The real estate sector is exposed to significant levels of foreign investment from high-corruption risk jurisdictions, and is characterised by a substantial holdings by offshore corporate entities.



Belize City, Belize.

- In theory, the UK's anti-money laundering legislation and the monitoring and reporting conducted by the private sector should act as a safeguard to mitigate these risks.
- However, it is clear that the gatekeepers (i.e. the lawyers, real estate agents and company formation agents) are enabling suspect individuals to gain access to the UK's property market. This is supported by the recent findings of Transparency International UK that over £180m worth of UK property has been brought under criminal investigation as the suspected proceeds of corruption in the last decade (and this is only "the tip of the iceberg").⁵¹
- The current system contains significant loopholes: the buyer of a UK property will only be subject to money laundering checks that are conducted by its own lawyer. Even experienced real estate agents, like Savills, will only look into the seller. In the event that a diligent lawyer acting for the buyer uncovers something suspicious, that lawyer is likely to be excused from making a report under the "legal privilege" exception (which is extremely broad). In the unlikely event that the exception does not apply, the lawyer must report his/her suspicion to the UK authorities, who then have 7 days in which to respond, and a further 31 days to investigate. That investigation often involves seeking the cooperation of foreign governments and regulators, which can take time. If no decision is communicated by the UK authorities to the lawyer within the 31 days, that lawyer is free to act without committing an offence.⁵²
- These issues are compounded when an anonymous company is used to purchase the property. It is currently very difficult for anyone – whether they are a real estate agent, law enforcement officer, private practitioner or journalist – to discover who the "true" owner of a UK mansion is if it is owned by an anonymous company.
- In the case of Limium, Global Witness could not access any public information on its true owner (and therefore the true owner of the Surrey mansion). Global Witness wrote to the Belizean company formation agent (whose Managing Director is also Belize's former Minister for Police and Security),⁵³ to get his comments on the company's relationship with Limium. He did not reply.



© Serge Melki

- The fact that Limium has been wound-up and yet still retains ownership of the Surrey mansion emphasises the problem: anonymous companies like Limium can be established for a particular purpose (e.g. purchasing a UK property) and then they can disappear almost entirely, rendering effective investigations into who owns particular properties very difficult.
- Whether the UK's gatekeepers are deliberately exploiting these loopholes or falling foul of a flawed system, the result remains the same: some of the world's most brutal dictators, kleptocrats and their offspring and associates are gaining access to the UK's property market and living lives of luxury.

Global Witness has long been calling for all countries to require their company registers to publish details on the real, “beneficial” owners of all companies.⁵⁴ Until that happens, there is a clear loophole in the current system in relation to UK property – foreign officials can incorporate an anonymous company and use it to buy their mansion, keeping their identity hidden.

Recommendations:

Global Witness calls for the following changes to the law to stop this happening in future:

- Before completing a purchase on a property, anonymous companies like Limium should be required to submit to the Land Registry information about their beneficial owners, which should be made public (unless a legitimate exemption on the basis of personal safety applies). This would be in line with the UK's new registry of company “beneficial owners” that identifies the real people that control and benefit from UK companies. It is currently too easy to circumvent this transparency initiative taken by the UK government by using an anonymous company to purchase UK properties.
- Real estate agents' anti-money laundering responsibilities should be extended to include due diligence checks on the buyer (i.e. Limium), not just the seller (i.e. the

Development Company). These checks should include ensuring that the purchasing company has declared its beneficial owners and that appropriate checks have been carried out on those individuals.

In addition, the following steps should be taken in relation to Bakiyev Jr. and the Surrey mansion:

- The Kyrgyz and UK authorities must jointly investigate whether any of the allegedly stolen Kyrgyz state funds have ended up in the UK in advance of granting Bakiyev Jr. UK residency in June 2015, and the correct judicial processes should be followed.
- The UK authorities should refuse any application for UK residency in light of Bakiyev Jr.'s criminal convictions in the Kyrgyz Republic and the questions over his financial dealings raised in *Grave Secrecy*.
- The Solicitor's Regulatory Authority should conduct an investigation into Goodman Derrick's and the Development Company's lawyers' relationships with Limium, and take appropriate action following that investigation. It should also continue its ongoing review of the UK's anti-money laundering regulations and ensure as far as possible that lawyers are compliant with their obligations.⁵⁵
- HM Revenue and Customs (HMRC), the anti-money laundering supervisor for real estate agents, should conduct an investigation into Savills' role in the purchase of the Surrey mansion, and take appropriate action following that investigation. It should also conduct a long-overdue review of the money laundering risks and compliance shortcomings in the real estate sector.

Endnotes

- 1 In Transparency International's 2010 Corruption Perceptions Index (the year that the Bakiyevs lost power), Kyrgyzstan was ranked in 164th out of a total of 180 (with the first position being the country perceived to be the world's least corrupt) <http://www.transparency.org/cpi2010/results>.
- 2 See BBC articles: <http://news.bbc.co.uk/1/hi/world/asia-pacific/4395106.stm>; <http://news.bbc.co.uk/1/hi/world/asia-pacific/4958146.stm>; <http://news.bbc.co.uk/1/hi/world/asia-pacific/4759301.stm>; <http://news.bbc.co.uk/1/hi/world/asia-pacific/6124428.stm>.
- 3 <http://www.telegraph.co.uk/news/worldnews/asia/kyrgyzstan/7840582/Kyrgyzstan-bloodshed-Princeling-Maxim-Bakiyev-and-the-alleged-phone-conversation.html>; <http://www.satrapia.com/news/article/former-kyrgyz-presidents-son-sentenced-in-absentia-to-25-years-jail/>.
- 4 Global Witness's *Grave Secrecy* report, available in English, Russian and Kyrgyz at <http://www.globalwitness.org/library/grave-secrecy> (see pp. 4, 8, 9).
- 5 See <http://www.theguardian.com/world/2013/jul/14/kyrgyzstan-president-atambayev-maxim-bakiyev>; <http://sputniknews.com/world/20100416/158613170.html>; <http://www.bbc.co.uk/news/world-asia-21958401>; <http://www.stolen-asset-recovery.com/blog/kyrgyzstans-dethroned-prince-has-american-assets-frozen>; <http://www.eurasianet.org/node/67263>.
- 6 <http://www.interfax.com/newsinf.asp?id=545829>. The victim survived the attempt, despite suffering injuries as a result of a gunshot wound.
- 7 <http://www.bbc.co.uk/news/world-asia-21958401>; <http://www.telegraph.co.uk/news/worldnews/asia/kyrgyzstan/7842114/Son-of-ousted-Kyrgyzstan-president-could-stay-in-Britain-for-months.html>.
- 8 <http://www.theguardian.com/world/2010/jun/15/kyrgyzstan-demands-extradition-maxim-bakiyev>; Global Witness's *Grave Secrecy* report, available in English, Russian and Kyrgyz at <http://www.globalwitness.org/library/grave-secrecy>, see pp. 8 and 51.
- 9 Interpol website, 'Wanted Persons' section, <http://www.interpol.int/notice/search/wanted/2010-20244> - accessed on 17 February 2015 (see also footnote 12, *Grave Secrecy* report). Contemporaneous news reports (dated June 2010) referred to the Interpol arrest warrant, which was uploaded onto Interpol's website in May 2010: <http://www.theguardian.com/world/2010/jun/17/kyrgyzstan-us-airbase-warning>.
- 10 See Global Witness's *Grave Secrecy* report, available in English, Russian and Kyrgyz at <http://www.globalwitness.org/library/grave-secrecy> (at pp. 8 and 51) and <http://www.telegraph.co.uk/news/worldnews/asia/kyrgyzstan/7839279/Kyrgyzstan-leaders-son-claims-asylum-in-Britain.html>.
- 11 <http://www.theguardian.com/world/2010/jun/15/kyrgyzstan-demands-extradition-maxim-bakiyev>; <http://www.telegraph.co.uk/news/worldnews/asia/kyrgyzstan/7839279/Kyrgyzstan-leaders-son-claims-asylum-in-Britain.html>. We note that no extradition agreement exists between Kyrgyzstan and the UK.
- 12 Response from UK Visas & Immigration re FOIA request dated 19 February 2015.
- 13 <https://www.gov.uk/settlement-refugee-or-humanitarian-protection>.
- 14 <http://www.telegraph.co.uk/news/worldnews/asia/kyrgyzstan/7839279/Kyrgyzstan-leaders-son-claims-asylum-in-Britain.html>. See also Global Witness's *Grave Secrecy* report, available in English, Russian and Kyrgyz at <http://www.globalwitness.org/library/grave-secrecy> (at p. 51). See also Dublin Agreement: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32003R0343&from=EN>.
- 15 <http://www.independent.co.uk/news/world/asia/kyrgyzstans-prince-maxim-bakiyev-in-the-dock-as-us-extradition-battle-begins-8393510.html>; <http://www.telegraph.co.uk/news/worldnews/asia/kyrgyzstan/7840582/Kyrgyzstan-bloodshed-Princeling-Maxim-Bakiyev-and-the-alleged-phone-conversation.html>.
- 16 <http://www.theguardian.com/world/2010/jun/17/kyrgyzstan-us-airbase-warning>.
- 17 Public Access Information on Limium obtained from the Belize registry.
- 18 Land Registry title document (redacted).
- 19 Limium was registered by a company service provider in Belize called International Corporate Services Ltd. on 28 June 2010: see public access register document. Bakiyev Jr. arrived on 13 June 2010: <http://www.theguardian.com/world/2010/jun/15/kyrgyzstan-demands-extradition-maxim-bakiyev>.
- 20 *Grave Secrecy* report, available in English, Russian and Kyrgyz at <http://www.globalwitness.org/library/grave-secrecy> (at p. 55 and footnote 90).
- 21 See *Grave Secrecy* pp. 14-15.
- 22 Limium was registered by a company service provider in Belize called International Corporate Services Ltd. on 28 June 2010: see public access register document. Bakiyev Jr. arrived on 13 June 2010: <http://www.theguardian.com/world/2010/jun/15/kyrgyzstan-demands-extradition-maxim-bakiyev>.
- 23 Land Registry title document (redacted).
- 24 Interpol website, 'Wanted Persons' section, <http://www.interpol.int/notice/search/wanted/2010-20244>, accessed on 17 February 2015; <http://www.theguardian.com/world/2010/jun/17/kyrgyzstan-us-airbase-warning>.
- 25 Court Register accessed 7 December 2012: Central London Magistrate's Court, sitting at Westminster Magistrates Court, 181 Marylebone Road, London NW1 5BR.
- 26 Royal Mail record showing "Bakiyev" signature.
- 27 See <http://www.theguardian.com/world/2013/jul/14/kyrgyzstan-president-atambayev-maxim-bakiyev>; <http://sputniknews.com/world/20100416/158613170.html>; <http://www.bbc.co.uk/news/world-asia-21958401>; <http://www.stolen-asset-recovery.com/blog/kyrgyzstans-dethroned-prince-has-american-assets-frozen>; <http://www.eurasianet.org/node/67263>.

- 28** Section 14, Money Laundering Regulations 2007: http://www.legislation.gov.uk/uksi/2007/2157/pdfs/uksi_20072157_en.pdf.
- 29** Section 330, Proceeds of Crime Act 2002: <http://www.legislation.gov.uk/ukpga/2002/29/section/330>.
- 30** POCA 2002, section 330(6)(a), (b) and (c).
- 31** https://www.lawsociety.org.uk/support-services/advice/practice-notes/aml/money-laundering-offences/#aml5_7.
- 32** SARs from solicitors have fallen dramatically over the last ten years, amounting to an 82.7 per cent fall from 2003/4 to 2012/13: calculated by using SARs data from the NCA's 2013 SARs Report (<http://www.nationalcrimeagency.gov.uk/publications/94-sars-annual-report-2013/file>) and from academic research (<http://www.ucl.ac.uk/scs/downloads/research-reports/fleming-LEASARS>).
- 33** The Development Company's response to Global Witness' letter dated 19 February 2015; advertisement by Rightmove showing that Savills sold the Surrey mansion; Global Witness meeting note of call with Savills on 19 February 2015.
- 34** Land Registry title document (redacted).
- 35** According to the land registry, Limium is in the 'care of' a London-based law firm, Goodman Derrick LLP: Land Registry title document (redacted).
- 36** Design and Access Statement: Officer Recommendation (Approved with Conditions) for Application Number (redacted).
- 37** Email from Deputy Registrar, International Business Company dated 17 February 2015.
- 38** Land Registry title document (redacted).
- 39** Letter from Goodman Derrick dated 19 February 2015.
- 40** The Development Company's response to Global Witness' letter dated 19 February 2015.
- 41** Email from Savills dated 4 March 2015. Savills email of 16 March 2015 to Global Witness' further questions made much the same points.
- 42** <http://www.globalwitness.org/library/%C2%A310m-house-expensive-london-suburb-recovered-libya>.
- 43** <http://www.globalwitness.org/library/sentencing-former-nigerian-politician-highlights-role-british-and-us-banks-money-laundering>.
- 44** <http://www.premiumtimesng.com/news/4682-ibori-gets-13-years-in-jail.html>.
- 45** <http://www.telegraph.co.uk/news/worldnews/asia/pakistan/7923479/Asif-Ali-Zardari-life-and-style-of-Pakistans-Mr-10-Per-Cent.html>; <http://www.theguardian.com/world/2008/sep/22/pakistan>.
- 46** Pakistan v Zardari [2007] EWCA Civ 134 (at para. 2).
- 47** <http://www.telegraph.co.uk/news/worldnews/asia/pakistan/7923479/Asif-Ali-Zardari-life-and-style-of-Pakistans-Mr-10-Per-Cent.html>.
- 48** <http://www.telegraph.co.uk/news/worldnews/asia/pakistan/7923479/Asif-Ali-Zardari-life-and-style-of-Pakistans-Mr-10-Per-Cent.html>; <http://www.theguardian.com/world/2008/sep/22/pakistan>.
- 49** Kroll report on Kenyan assets (pp. 10, 22) (with President Moi well-known to be Target 1 of the report: https://wikileaks.org/wiki/The_looting_of_Kenya_under_President_Moi); Land Registry title documents (redacted).
- 50** <http://www.theguardian.com/world/2007/aug/31/kenya.topstories3>.
- 51** See statement by DCI Jon Benton, Director of Operations, Metropolitan Police's Proceeds of Corruption Unit (POCU) in Transparency International's March 2015 publication "Corruption On Your Doorstep": "The lack of access to beneficial ownership information about offshore companies that hold property in the UK is a major barrier for our investigations. Investigators may spend months and years attempting to peel back layers of secrecy in order to uncover how the proceeds of corruption are being laundered in the UK." (<http://www.transparency.org/our-work/publications/15-publications/1230-corruption-on-your-doorstep>).
- 52** POCA 2002, section 335; <http://www.nationalcrimeagency.gov.uk/about-us/what-we-do/specialist-capabilities/ukfiu/seeking-consent-for-financial-transactions>.
- 53** Photographs and information showing that Doug Singh of International Corporate Services and Doug Singh of the Ministry are the same: http://en.wikipedia.org/wiki/Doug_Singh; <http://amandalab.com.bz/news/will-the-new-police-minister-doug-singh-be-tough-on-crime/>; and International Corporate Services website photo of D Singh, MD: <http://www.offshorebelize.com/>.
- 54** See Global Witness' Poverty, Corruption and Anonymous Companies briefing: <http://www.globalwitness.org/sites/default/files/GWAnonymousCompaniesBriefing.pdf>.
- 55** <http://www.sra.org.uk/sra/news/sra-update-issue-47-anti-money-laundering.page>.

Global Witness is a UK based non-governmental organisation which investigates the role of natural resources in funding conflict and corruption around the world.

Global Witness is a company limited by guarantee and registered in England (no. 02871809).

Global Witness
Lloyds Chambers
1 Portsoken Street
London
E1 8BT
UK

mail@globalwitness.org
www.globalwitness.org

© Global Witness, 2015