



global witness

**Written testimony by Anthea Lawson of Global Witness for the hearing by the U.S. House of Representatives
Committee on Financial Services, on ‘Capital Loss, Corruption, and the Role of Western Financial Institutions’**

May 19, 2009

Mr Chairman,

My name is Anthea Lawson. I work for Global Witness, a non-governmental organisation with offices in London and Washington DC that investigates the links between natural resources, corruption and conflict. I lead our investigations on how banks facilitate corruption.

For a decade and a half, our investigations into conflict diamonds, illegal logging and corruption in oil, gas and mining have been the catalyst for international initiatives and policies to promote transparency and ensure that natural resources do not fuel conflict. Our work has been a key driving factor behind the Kimberley Process, to control the trade in conflict diamonds, and the Extractive Industries Transparency Initiative, to encourage disclosure of payments made by extractive companies and received by governments.

But with all of these investigations into various natural resource trades, there was a missing link: the route for the money behind these corrupt or conflict-fuelling transactions. So we started to look into it. And in each of these cases of corruption, there was inevitably a bank involved.

Banks are not permitted to accept corrupt funds under existing international standards, but too often they do not take this obligation seriously.

By accepting these customers, banks are fuelling corruption and therefore poverty. Countries such as Equatorial Guinea, Republic of Congo, Angola, Turkmenistan and Liberia are stark demonstrations of how banks are facilitating the looting of state assets. They are rich in natural resources, but these resources have been captured by a small minority for their own benefit, robbing these countries of crucial resources needed for development and poverty alleviation. Ultimately this creates autocracy, conflict, instability and sometimes state failure, that may require international intervention in order to protect regional security, such as occurred in Liberia. Misappropriation of natural resource revenues also affects U.S. energy and national security interests.

Six of the U.S. top ten oil importing countries rank at the bottom third of the world's most corrupt countries, according to Transparency International. An increasing amount of U.S. oil imports –now 23% of the total – come from Africa, according to Energy Information Administration statistics.

The world's poorest countries would be far less poor if revenue from natural resources that should be spent on development had not been looted by their senior government officials. In 2007, the value of exports of oil and minerals from Africa was roughly \$260 billion, nearly eight times the value of exported farm products (\$34 billion) and nearly six times the value of international aid (\$43 billion).

Without efforts to ensure that countries can harness their own natural resource revenues rather than seeing them lost to corruption, U.S. taxpayers' money provided in aid is effectively subsidising and legitimising corruption, propping up basic state functions while leaving the rulers get on with the more lucrative business of stripping the state of its assets. Global Witness's research in Cambodia demonstrates this effect in action. Our recent report *Country for Sale: How Cambodia's elite has captured the country's extractive industries* shows how Cambodia's donors, which include the U.S., have repeatedly failed to make their aid dependent on measurable improvements in governance. Meanwhile, NGOs, including Global Witness, have continued to document that Cambodia is being run by a kleptocratic elite that generates much of its wealth via the seizure and sale of public assets, whose proceeds are then illicitly diverted into the pockets of senior officials.

I will present three examples from the latest Global Witness report, *Undue Diligence: How banks do business with corrupt regimes*. They show that heads of state and their family members from some of the world's most disturbingly corrupt regimes have been able to do business with some of the world's major banks. By doing business with these customers, these banks are facilitating corruption and therefore poverty in some of the worst-governed countries in the world.

Why is this happening? Because, quite simply, these banks are accepting these customers. There is a raft of anti-money laws in place, but somehow, banks are still able to do business with these customers. The regulations require banks to do due diligence to identify their customer and his or her source of funds, and to file a suspicious activity report if they suspect the funds are tainted. The questions we are asking, and which we would urge this committee to consider, are:

- Is fulfilment by banks of these regulatory requirements, as they currently stand, enough, in reality, to prevent banks doing business with corrupt customers?
- Is enough being done by regulators to ensure that banks do not do business with corrupt customers?

Another issue that our report explores is the way that even though the U.S. has taken steps to tighten its anti-money laundering framework, this may be undermined if other jurisdictions, including those in Europe with whom the U.S. works most closely, do not take them too. This applies not just to having appropriate regulations in place, but also to making sure that they are implemented and enforced. One of the banks that I will talk about in the following examples is a U.S. bank. But others are European, and have taken, or kept, business that has been demonstrated by U.S. enforcement

actions to be highly risky. The U.S. must therefore use its influence in the international community to make tackling the proceeds of corruption a global priority.

Overall, our research has shown that the key factors that are allowing banks to do business with corrupt regimes, and thus to help perpetuate poverty, are also precisely those which have allowed banks to destabilize the U.S. and other major economies. These are, on the part of the banks, a failure of the culture of due diligence, and on the part of the regulators, a failure of inconsistent national-level regulations to get to grips with global flows of money.

It is now universally acknowledged that there must be action to reassess the way that we regulate banks, both at the national level, and at the level of international cooperation. There is also, however, a huge 'development dividend' to be gained by tackling banks' facilitation of corruption at the same time. Mr Chairman, we welcome the fact that by holding this hearing on the proceeds of corruption at this time, this committee effectively recognizes this. While dealing, as it must, with the problems that banks have created for the U.S. economy, the U.S. government now has an opportunity to help lift millions of people out of poverty in the developing world, in a way that aid flows will never achieve.

In our first example, we show that the international financial regulatory regime governing banks has not put into place effective procedures to prevent them from handling the proceeds of corruption as have been used to stop the handling of terrorist funds. Of course the threat of terrorist finance requires ongoing attention, but corruption, at the levels we are talking about, has a devastating effect on the economic wellbeing of these countries. This has knock-on effects on the stability of these countries, on several of which the U.S. is dependent for its energy security.

Denis Christel Sassou Nguesso is the son of the President of Republic of Congo, a west African state that earns at least \$3 billion a year from its oil but where a third of the population do not live past the age of forty. He is responsible for marketing the state's oil.

Between 2004 and 2006, Mr Sassou Nguesso spent hundreds of thousands of dollars in luxury clothes and shoe shops in Paris, Monaco, Hong Kong and Marbella, including tens of thousands of dollars at a time in Louis Vuitton, and repeated trips to luxury Parisian bootmakers where the shoes cost about 765 euros, or a thousand dollars, a pair.

Corresponding documents show that Mr Sassou Nguesso's credit card bills were paid off out of a bank account in Hong Kong that received the proceeds of Congo's oil revenues. These revenues should have been used to lift the people of Congo out of poverty. Instead, they were spent on shoes, clothes and other luxuries. His credit card bill for just one month, July 2005, came to \$32,000. This would have paid for 80,000 Congolese babies to be vaccinated against measles, a major cause of child death in Congo.

How did he do it? The documents show that he set up a shell company in Anguilla, a Caribbean tax haven, using a trust and company services provider there that was willing to hold the shares in trust for him, which disguised his identity of the company. He then opened a bank account in the company's name at Bank of East Asia, Hong Kong's third largest

bank. Money deriving from Congo's oil sales was paid into this account. We have asked the bank if it identified the ultimate beneficial owner of this account as the son of the president of Congo, but it said it could not tell us. However, bank documents show that the bank knew that the money being paid into the account came from trading in Congolese oil.

When the credit card bills came in each month, the trust and company services provider, to whom they were addressed, wrote on the shell company letterhead to the bank, instructing payment of the bills from the account. These letters are fascinating. Firstly, they name Denis Christel Sassou Nguesso – so even if the bank had failed in its duty to identify the beneficial owner of the account, which we do not know, it did definitely know whose credit card bill it was being asked to pay. Secondly, and most importantly for the purpose of this hearing, these letters were stamped, presumably by the bank, 'record of terrorists checked'.

The U.S.-led campaign to create international controls against the financing of terrorism has had results: banks are now checking their customers are not terrorists. But there has been no similar campaign to ensure that banks worldwide do not accept the proceeds of corruption. If the U.S. was to lead such a focus on the proceeds of corruption, the effects could be very powerful. There is no stamp on this document that says 'records of politically exposed persons checked.' A politically exposed person – or PEP – is a politician, senior official or their family member or close associate. PEPs are recognised in the anti-money laundering regulations as higher risk because they could, potentially, have their hand in the till. Banks are required to identify whether their customers are PEPs and, if so, to conduct enhanced due diligence on them.

Based on our investigations, Global Witness has concluded that one of the reasons this bank did not do this is because it is not subject to meaningful regulatory standards that require it to conduct sufficient due diligence to avoid its processing the proceeds of corruption. The existing standards are not meaningful, because in practice, a bank faces little threat of sanctions should it take the proceeds of corruption – a very different outcome than if it took terrorist funds. So Bank of East Asia ran Mr Sassou Nguesso's name through the terrorist lists to check that he was not a terrorist, but did not, apparently, even check Google, let alone one of the specific PEP databases, to see if its customer was a family member of the head of state as well as being a senior official of a corrupt oil-producing country. Instead, the bank went on to arrange for payment, out of an account of a company that it knew to trade in Congolese oil products, of the personal credit card bills of the president's son.

In our second example, the U.S. took action against a bank for doing business with a corrupt regime, and then a bank in Europe continued to do business with this regime and handle its funds. In 2004-5 Riggs Bank was hit with civil and criminal penalties and forced to sell itself to another bank after a devastating inquiry by the Senate Permanent Subcommittee on Investigations exposed how Riggs held accounts for President Obiang of Equatorial Guinea and his corrupt government, and the Equatorial Guinea accounts were ordered closed. This inquiry uncovered numerous multi-million dollar suspicious transactions made out of Equatorial Guinea's oil accounts, which were under the personal control of the president, including payments to his family members. It made it clear that the Obiang family treated the country's oil revenues as if they were their own personal property. Over the last decade, Equatorial Guinea has become

Africa's third largest oil producer, with annual oil revenues of around \$3.7 billion. Yet, life expectancy was only 50 in 2005 and the IMF reported in 2008 that there has been slow progress in meeting the Millennium Development Goals.

More than three years later, the British bank Barclays was still holding an account for Teodorin Obiang, the president's son, at one of its branches in Paris. So a U.S. bank failed as a result of holding accounts for the Obiang family, (and it has become a basic case study in anti-money laundering procedures) and a European bank continued to bank for one of its most controversial members.

Teodorin Obiang reportedly earns a salary of \$4,000 a month as a minister in his father's government, yet has been able to purchase a \$35 million mansion in Malibu, California, and a fleet of fast cars, including a Ferrari which he paid for partly with a cheque from his Barclays account in Paris, and three Bugatti Veyrons, one of the fastest cars in the world, for which he paid 1.2 million euros (1.6 million dollars) each. Just one of Teodorin's Bugatti Veyrons would have paid for an insecticide treated mosquito net for every child in Equatorial Guinea.

The remainder of the payment for Teodorin's Ferrari mentioned above came from an account he held in France at BNP Paribas, and another Ferrari was paid for with a cheque from his account in France at CCF Banque Privée Internationale, which has been owned since 2000 by HSBC.

Teodorin has also admitted on the record to a South African court that it is normal in Equatorial Guinea for a government minister to keep part of each government contract in his own pocket.

Global Witness has asked Barclays what due diligence it could possibly have done to reassure itself that the source of funds in this account is not corrupt, but Barclays said that it cannot tell us. We have posed the same questions to BNP Paribas and HSBC, and they cannot tell us either. To this day, Mr. Obiang still has ready access to funds, and property in the United States, as well as elsewhere. He clearly still has no problem getting banks to take deposits and transactions from him, despite all of the evidence on the record that he and his family live off funds diverted from the government.

This case illustrates the need for the U.S. to take further action internationally to ensure that all the major banking centres are operating at the same level. Without further steps, not only will the fight against corruption be ineffective, but U.S. banks will not be operating on a level playing field.

When the U.S. enacted the Foreign Corrupt Practices Act, in order to ensure that U.S. companies did not find themselves at a competitive disadvantage, the U.S. pushed for an equivalent international standard. The result was the OECD Anti-Bribery Convention. In the case of the anti-money laundering laws, there is an additional incentive to making sure that the standards are enforced at a similar level elsewhere. Doing so will not just ensure that U.S. banks do not suffer competitive disadvantage, but will also help to ensure that the U.S.'s efforts to tackle the corrupt money flows that cause such damage to developing countries are not undermined. And in the case of the anti-money laundering laws, the appropriate vehicle for ensuring international implementation and enforcement is already in existence, in the form of the Financial Action

Task Force (FATF), the inter-governmental body that sets the standards for anti-money laundering laws and performs mutual evaluations of its members' legal frameworks to ensure they meet this standard. The problem is that FATF's powers are not being effectively used.

At the end of this testimony I will make some suggestions for actions that FATF could take to ensure greater cooperation between nations to tackle the proceeds of corruption.

Our final example reviews Citibank's facilitation of banking activities that allowed Charles Taylor, the ex-Liberian president now on trial for war crimes, corruptly to divert timber revenues to his personal use during the conflict in Sierra Leone and Liberia. Liberian timber revenues were fuelling the conflict there, which was documented from 2000 onwards by Global Witness and a UN Panel of Experts mandated by the Security Council.

Taylor was arranging for his Ministry of Finance to instruct the Oriental Timber Company (OTC), one of Liberia's main timber exporters, to make its payments in lieu of tax directly into a number of other non-government bank accounts, including a two million dollar payment into Taylor's own private account at a bank in Monrovia, the Liberian Bank for Development and Investment (LBDI).

This dollar payment could not take place without LBDI's correspondent bank – Citibank in New York – through which the payment were routed, which gave Taylor the means to receive corrupt timber revenues into his own account.

In addition, payments received by OTC from its timber-purchasing clients around the world were paid into OTC's account at Ecobank, another bank in Liberia that had a correspondent relationship with Citibank in New York. It was on the public record at the time that OTC was one of the key timber companies whose activities and timber sales were fueling the fighting. Therefore, via this correspondent relationship, Citibank was also helping to facilitate Liberia's timber-fuelled conflict.

Global Witness asked Citibank what due diligence it had done on its correspondent clients LBDI and Ecobank, to reassure itself that they were able to do proper due diligence themselves on their clients. Citibank said that it was not able to tell us. But when we wrote to Ecobank to ask about these payments, it replied that it did not have any records of the payments as this had been a difficult time in Monrovia, and the office was looted a number of times and filing cabinets stolen. If filing cabinets were being stolen, it seems unclear how Citibank – or any other Western financial institution – could have reassured itself that its correspondent client was doing its due diligence properly.

When doing correspondent business, the only way that a U.S. bank can ensure that the proceeds of corruption or conflict do not enter the U.S. banking system is to do due diligence on its correspondent bank's own customer monitoring systems. This could not possibly have been done here by Citibank, yet the transactions took place regardless. So Citibank handled the proceeds of the timber sales that were fueling the civil war in Liberia and the deaths of many innocent persons

in the process. No correspondent relationship should be permitted with banks in other countries that do not have in place regulatory standards and controls equivalent to the U.S. and meeting international standards.

Tackling the problem

Global Witness has identified three key actions as necessary to curtail banks' handling corrupt funds:

- Banks must change their due diligence practices, and not treat customer due diligence solely as a box-ticking exercise. They must adopt policies so that if they cannot identify an ultimate beneficial owner of the funds, and do not have strong evidence that the source of funds is not corrupt, they must not accept the customer or the transaction.
- Bank regulations must explicitly force them to do this due diligence properly. Anti-money laundering laws must provide not just standards, but sufficiently specific procedures to ensure that banks identify the natural person behind the funds, and have strong evidence that the source of funds is not corrupt, or they must not accept the customer or transaction. Such standards need to be in place internationally, and applied consistently across all relevant jurisdictions, as a condition of access to the international payments system.
- International cooperation must improve, to close the loopholes in the global anti-money laundering net that are created by jurisdictions with insufficient laws or enforcement of them, and by banking secrecy and tax havens.

Global Witness wrote last year to the world's top 50 banks (as measured in July 2008) to ask them if they had a policy of prohibiting accounts for heads of state or senior officials or their families from countries with a reputation for large-scale corruption. Of the sixteen that responded, (only one of which was a U.S. bank – JP Morgan Chase), all but one did not explicitly answer the question. Rabobank, a Dutch bank, admitted that it did not have such a policy in place.

Banks are not going to tackle this issue on their own. Therefore the responsibility lies with governments to ensure that there is an appropriate standard that explicitly requires banks to avoid the proceeds of corruption, and with their banking regulators to ensure that banks are implementing this standard.

What the U.S. needs to do

There are two arenas in which the U.S. can take action to help curtail the flows of corrupt funds that are so devastating to some of the poorest countries in the world and which leave the financial system open to other types of destabilising risk.

Domestic action:

The U.S. has relatively strong anti-money laundering laws in place, in the form of the Bank Secrecy Act as updated by the Patriot Act and the subsequent rulemaking. It has also taken the lead, compared to other countries, on enforcement actions. However, at its last FATF evaluation in June 2006, the U.S. was still found to be only partially compliant with FATF Recommendation 5, which requires countries to require their banks to do customer due diligence. The U.S. should clarify its AML regulations, particularly relating to Section 312 of the Patriot Act, to make it absolutely explicit that banks must not only identify an ultimate beneficial owner, but **also** have strong evidence that the source of funds is not corrupt,

before accepting any deposit. The U.S. must also ensure that its banking regulators do effective monitoring and enforcement to ensure that banks are complying with these requirements.

International action:

The U.S. is the largest single contributor and driving force behind the Financial Action Task Force (FATF), the intergovernmental body that sets the international standard for anti-money laundering laws and measures member states' compliance with them. It should use this influence to ensure that FATF undertakes further steps to make anti-corruption rules on money laundering more stringent, including by:

- Setting up a task force specifically to address the proceeds of corruption.
- More effectively using its power to name and shame member countries that are not compliant with FATF's standards or that are not enforcing them. The majority of FATF's members, including the U.S., are not fully compliant with key FATF recommendations relating to the prevention of corrupt flows, including Recommendations 5 (customer due diligence), 6 (identification of and enhanced due diligence on Politically Exposed Persons) and 33/34 (prevention of misuse of corporate vehicles and legal arrangements such as trusts).
- Ensuring that FATF evaluations measure implementation and enforcement of anti-money laundering laws and not just their presence on a country's statute books.

The U.S. should also use its position within FATF to push for **new standards** within the international framework:

- Banks should be required to respond to requests for information from foreign banks or their own overseas branches without falling foul of banking secrecy laws, whether the request is about money laundering, terrorist financing or tax fraud (this would effectively internationalize provision 314 of the U.S. Patriot Act).
- The FATF should adopt the recommendation that every country produce full public online registers of the ultimate beneficial ownership and control of all companies and trusts under its jurisdiction. Currently, in the U.S. there is no such requirement, and the ultimate beneficial ownership of these vehicles is very often not subject to any form of public disclosure. One result is that U.S. trusts and limited liability companies are frequently abused by criminals, drug traffickers, corrupt officials, and tax cheats to launder money through banks in other jurisdictions, including many of those most criticized by the U.S. as bank secrecy havens. The U.S. currently is not compliant with the existing relevant FATF standard (Recommendation 33/34), and has taken minimal steps to achieve compliance in this area, facilitating billions of dollars of money laundering a year through trusts and companies established in the U.S. The proposed S.569 Incorporation Transparency and Law Enforcement Assistance Act Bill would go some way towards remedying this, but it would not have such registries held publicly, which would be the most effective standard.
- Banks should be required to be aware of which countries have laws prohibiting their PEPs from holding bank accounts abroad, and to avoid accepting these PEPs as clients.

Current efforts to modernize regulatory practices in the financial sector offer the U.S. and the international community a significant opportunity to address the problems that are allowing the financial system to be a conduit for corrupt funds. If

this opportunity is not taken, the global financial system will be left open not just to the proceeds of corruption but to the opaque financial flows that have contributed to the immediate crisis, as well as to terrorist and proliferation finance.

Global Witness would also like to point out that taking action to combat corrupt money flows must go in parallel with efforts to ensure transparency of oil, gas and mining revenues. Promoting greater accountability of how oil, gas and mining revenues are managed is also crucial to promoting poverty alleviation in poor, resource-rich countries and helping ensure U.S. energy security. Mr Chairman, we commend you for the leadership you have shown on this issue through the introduction of H.R. 6066 – the Extractive Industries Transparency Disclosure Act - in the 110th Congress. This legislation would require oil, gas and mining companies registered with the Securities and Exchange Commission to publicly disclose their payments to countries where they operate, on a country-by-country basis. We hope that H.R. 6066 will be re-introduced this year and urge Congress to pass this important piece of legislation.

We would be pleased to see this committee take up these issues, and I would be pleased to answer any questions.

Detailed references for the case studies mentioned in this testimony are available in Global Witness, *Undue Diligence: How banks do business with corrupt regimes*, March 2009 (London)



global witness

Annex to the written testimony by Anthea Lawson of Global Witness for the hearing by the U.S. House of Representatives Committee on Financial Services, on ‘Capital Loss, Corruption, and the Role of Western Financial Institutions’

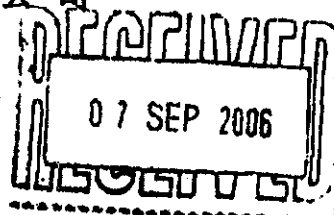
May 19, 2009

- An example of Denis Christel Sassou Nguesso’s credit card statements: month of August 2006.
- Company information sheet for Denis Christel Sassou Nguesso’s Anguillan shell company, Long Beach.
- Trust document showing Denis Christel Sassou Nguesso’s beneficial ownership of the shell company, Long Beach.
- Bank of East Asia ‘Data Archive and Retrieval System: Daily Transaction Journal’ showing payment referencing a specific oil cargo into the Long Beach account.
- Payment instruction from Long Beach to Bank of East Asia instructing payment of Denis Christel Sassou Nguesso’s credit card bills from the Long Beach account, stamped ‘record of terrorists checked’.
- French police document listing Teodorin Obiang’s bank account at Barclays.
- Letter from the Liberian Ministry of Finance to the Oriental Timber Company instructing payment of \$2 million in lieu of taxes into an account at Liberia Bank for Development and Investment, routed through Citibank.
- Debit ticket and bank statement showing the \$2 million payment from the Oriental Timber Company into the account at Liberian Bank for Development and Investment, which is named as Charles Taylor's personal account.

Online Credit Card Limited
聯網信用卡有限公司

「繳費靈」商戶編號 PPS Merchant Code : 78
 http://www.olcreditcard.com

ACCOUNT NUMBER 賬號
 5430 9600 6810 1330



STATEMENT DATE
 月結單日期
 02/09/2006

PAYMENT DUE DATE
 到期繳款日期
 IMMEDIATE

DENIS CHRISTEL SASSOU NGUESSO
 ICS TRUST (ASIA) LTD
 8/F HENLEY BLDG
 5 QUEEN'S RD
 CENTRAL HONG KONG

STATEMENT BALANCE
 月結單結欠
 \$35313.36

MINIMUM PAYMENT
 最低繳款
 \$35313.36

AMOUNT ENCLOSED
 繳付金額

CHEQUE NUMBER
 支票號碼

Tick the box for change of address or other requests. See reverse side.
 若需要更改地址或其他事項，請於格內加「✓」。詳情請參閱背頁。

Crossed cheque should be made payable to "ONLINE CREDIT CARD LIMITED" and returned with this payment slip to P.O. Box 54379 North Point Post Office, Hong Kong at least three working days before "Payment Due Date". All cheque payments are subject to collection. 劃線支票應向此部份的付款單填明「到期繳款日」三個工作天前寄交香港北角郵政局郵政信箱54379號收。劃線支票抬頭請寫「聯網信用卡有限公司」。支票付款，收妥作實。

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ACCOUNT NUMBER 賬號	CREDIT LIMIT 信用限額	STATEMENT DATE 月結單日期	PAYMENT DUE DATE 到期繳款日期	MINIMUM PAYMENT 最低繳款
5430 9600 6810 1330	\$50000	02/09/2006	IMMEDIATE	\$35313.36
JSD GOLD 1				

DATE	DESCRIPTION	CURRENCY	AMOUNT	BALANCE
	OPENING BALANCE			4021.44
03/08/2006	LOUIS VUITTON ESPANA RIO VERDE	EUR	10000.00	13081.52
09/08/2006	PAYMENT - THANK YOU			4020.14-
10/08/2006	R.CAVALLI-PRINCESSE BO MARBELLA	EUR	7264.00	9438.63
27/08/2006	LOUIS VUITTON ESPANA RIO VERDE	EUR	1870.00	2430.98
27/08/2006	LOUIS VUITTON ESPANA RIO VERDE	EUR	3310.00	4302.97
28/08/2006	BRIONI ESPANA MARBELLA	EUR	4660.00	6057.96
	TOTAL CHGS : DENIS CHRISTEL SASSOU NGUESSO		35312.06	
	CLOSING BALANCE			35313.36

ALL AMOUNTS ARE INDICATED IN US DOLLARS, UNLESS OTHERWISE STATED.

Please examine this statement immediately. If no error is reported within fourteen days, this statement will be considered to be correct. If you have any questions, please call the Online Credit Card Customer Service Hotline at 2583 3633.
 於收到月結單後，請即查核賬項是否正確無誤。若本公司於發出月結單後14日仍未收到閣下之查詢，一切賬項均作實論。閣下如對賬項有任何查詢，請即致電聯網信用卡客戶服務熱線2583 3633。

COMPANY INFORMATION SHEET

CIS-1

As of 11/12/2006 (17:14:09) Page 1

Company: LONG BEACH LIMITED**Address:** 8th Floor Henley Building 5 Queen's Road Central, Hong Kong**Jurisdiction of Incorporation:** Anguilla**Incorporation Date:** 03/03/2003**BRC #:****Certificate #:** 2029959**Employer's File #:****Profits Tax File #:****Authorized Share Capital**

USD 1,000,000.00 = 1,000,000 Ordinary shares at USD 1.00

Issued Share Capital

USD 2.00 = 2 Ordinary shares at USD 1.00

Secretaries

ICS Secretaries Limited

Shareholders

Orient Investments Limited 1 Ordinary share

Pacific Investments Limited 1 Ordinary share

Directors

Orient Investments Limited

Pacific Investments Limited

Banking Information

Account No.	Banker / Branch	Account Type / Currency	Date Opened
015-514-25-10518-6	The Bank of East Asia, Limited / Main	Statement Savings Account / MYC	17/11/2003

Signatory:

Orient Investments Limited to sign singly



DECLARATION OF TRUST

WE, **ORIENT INVESTMENTS LIMITED**, of The Hallmark Building, Suite 227 Old Airport Road, The Valley Anguilla, British West Indies DO HEREBY SOLEMNLY AND SINCERELY DECLARE as follows:

1. THAT the 1 share(s) denominated as No. 001 now held by us
 in: **LONG BEACH LIMITED**
 does not belong to us, but
 to: **Dents Christel Sassou-Nguesso**
 of: **20 Bis Rue Jean Giraudoux 75016 Paris France.**

who is hereinafter referred to as the **BENEFICIAL OWNER** which expression shall include his personal representatives, successors in title and assigns.

2. THAT we hold the said share(s) UPON TRUST for the said **BENEFICIAL OWNER** AND we undertake to transfer pay and deal with the said share(s), dividends and interest in such manner as the **BENEFICIAL OWNER** shall from time to time direct AND WE FURTHER UNDERTAKE THAT we will at the request of the **BENEFICIAL OWNER** attend all meetings of shareholders which we are entitled to attend by virtue of being the registered holder of the said share(s) and will vote at in such manner as directed by the **BENEFICIAL OWNER**.

In witness whereof we have caused our Common Seal to be hereunto affixed on this 24 September 2003.

Sealed with the Common Seal of
Orient Investments Limited
 signed by
 Eliza S. Y. Wu
 for and on behalf of the company
 in the presence of:

) For and on behalf of
) **Orient Investments Limited**

Witness: *Mila G. Rehman*
 Address: **Mila G. Rehman**
8th Floor Henley Building 5 Queen's Road Central Hong Kong

DATA ARCHIVE AND RETRIEVAL SYSTEM
BANK OF EAST ASIA
DAILY TRANSACTION JOURNAL

OUR REFERENCE NO. & SUB-NO. TT50412669-00
REMITTING BANK CODE PNB1
THEIR REFERENCE 050408187432000A
CURRENCY CODE USD
AMOUNT 149,944.19
VALUE DATE 050412
REIMBURSING BANK CODE PNB1
FXR02JL-01 /010140900 /

FX (INWARD REMITTANCE)
FXR02JL-01

ONLINE TRANSACTION JOURNAL
FOREIGN EXCHANGE DEP

TRAN TIME USER ID TERMINAL ID TRANSACTION DESCRIPTION
DATA DESCRIPTION NEW INFORMATION

N/V A/C NO IND N1
ORDERING CUSTOMER 1 ANTOINE JADAKAT
ORDERING CUSTOMER 2
ORDERING CUSTOMER 3

ORDERING CUSTOMER 4
BENEFICIARY BANKER CODE
BENEFICIARY BANKER NAME
BENEFICIARY BANKER ADDRESS 1
BENEFICIARY BANKER ADDRESS 2
BENEFICIARY BANKER ADDRESS 3
BENEFICIARY NAME 1 LONG BEACH LIMITED
BENEFICIARY NAME 2
BENEFICIARY ADDRESS
BENEFICIARY TELEPHONE NO.

BENEFICIARY A/C NO. 51425105186USD
BENEFICIARY SUB A/C NO. 00

ACCOUNT RATE CODE
PAYMENT DETAILS 1 MT GENMAR SPARTIATE B/L 17.1.05 RF
PAYMENT DETAILS 2 B7TT 3054/05
PAYMENT DETAILS 3
PAYMENT DETAILS 4

SETTLEMENT METHOD 02
ENQUIRY MESSAGE TYPE 00
OUR AGENT INDICATOR 00

THEIR AGENT INDICATOR 00
SWIFT MESSAGE TYPE 103

INSTRUCTED AMOUNT 0.00

EX. RATE FOR INSTRUCTED AMT 0.00000000

DETAILS OF CHARGES SHA

SENDER CHARGES 1 0.00
SENDER CHARGES 2 0.00
SENDER CHARGES 3 0.00
SENDER CHARGES 4 0.00
RECEIVER CHARGES 0.00

DEBIT VOUCHER

off Henley Bldg., 5 Queen's Rd., Central, Hong Kong
 Tel No. (852) 2854-4848 Fax No. (852) 2543-4080

11 September 2006

Record of terrorists checked

The Manager
 The Bank of East Asia, Limited
 10 Des Voeux Road Central,
 Hong Kong

Dear Sir/Madam,

RE: **LONG BEACH LIMITED**
ACCOUNT NO.: : 015-514-25-10518-6

Upon receipt of this letter, please immediately transfer from the above captioned account to the following:-

AMOUNT : USD 35,313.36*** (United States Dollars Thirty Five Thousand Three Hundred Thirteen and Cents Thirty Six Only.)***

BENEFICIARY BANK : Standard Chartered Bank (HK) Limited
 Hong Kong

BENEFICIARY NAME : Online Credit Card Limited

ACCOUNT NO : 317- 1- 008609- 7

MESSAGE : Payment of Online CC: Denis Christel Sassou Nguesso
 A/C # 5430 9600 6810 1330

Please deduct all bank charges from the above-captioned account.

Should you have any queries on this matter, please contact the Client Treasury Department at 2854 4544.

Please deduct all bank charges from the above-captioned account.

Thank you for your co-operation.

For and on behalf of
LONG BEACH LIMITED
 By: Orient Investments Limited



[Handwritten signatures and scribbles]

(Authorised Signatory/ies)

FOR BANK USE ONLY	
Reference No. REM014 -	079196-00
Value Date	11 SEP 2006
Exchange Rate	HK
HKD Equivalent	
Service Charges	70/-
Commission (Sundried)	00051.67
Postage / Cable	130/- @ 777
Additional Handling Charges	200/-
Total HKD	
Paying Bank	
STANDARD CHARTERED BANK (HK) LTD H.K.	
Covering Bank / Demand Draft Drawn On	
CITIBANK NA NEW YORK	
Received by For and on behalf of The Bank of East Asia, Limited SEP 2006	
Authorized Signature	

MINISTERE DE L'INTERIEUR

PROCES VERBAL

**DIRECTION GENERALE
DE LA
POLICE NATIONALE**

L'AN DEUX MILLE SEPT, le trois octobre,
à // heures,

N°132/2007/D/7

NOUS : Stéphane VACHON
Capitaine de Police
En fonction à la Direction Centrale de la
Police Judiciaire

AFFAIRE :

Recel de détournement de fonds
publics

**Office Central pour la Répression de la
Grande Délinquance Financière
Plate-forme d'Identification des Avoirs Criminels**

OBJET :

REPONSE A REQUISITION
CONCERNANT
LES COMPTES BANCAIRES
DE
**TEODORE OBIANG
ET
TEODORE NGUEMA
OBIANG**

Officier de Police Judiciaire en résidence à Paris,
Nous trouvant à Nanterre,

Poursuivant l'exécution du Soit Transmis N°P0708792027 délivrée le 18
juin 2007 par Monsieur J.M. ALDEBERT, Vice Procureur près le Tribunal
de Grande Instance de Paris, enquêtant sur des faits de recel de
détournement de fonds publics.

Vu les articles 16 à 19 et 75 à 78 du code de Procédure Pénale,
Vu l'article 77-1-1 du code de Procédure Pénale,

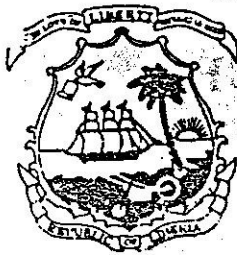
Pour faire suite à notre réquisition à la Direction Nationale des Enquêtes
Fiscales (DNEF) accompagnée d'une liste de personnes physiques
appartenant à la famille de M. Téodore OBIANG, avons reçu les
informations suivantes concernant les comptes bancaires (FICOBA).

OBIANG Teodoro n'est pas titulaire de compte bancaire en France.
Son fils, **NGUEMA Teodoro** né le 24/06/1969, est titulaire du compte
suivant :

Numéro de compte	Date d'ouverture	Nature	Banque	Agence	Adresse de la banque	Adresse du titulaire du compte
30588 61024 61483680101	13/09/1989	Compte courant	Barclays Bank PLC	Ternes Saint Honoré	217 rue du Faubourg saint Honoré 75008 Paris	Malabo (Guinée Equatoriale) (au 13/09/1989)

Dont procès verbal.





REPUBLIC OF LIBERIA
MINISTRY OF FINANCE
MONROVIA, LIBERIA

M-110

July 6, 2000

Mr. John Teng
General Manager
Oriental Timber Corporation
Grand Bassa County

10/10

Dear Mr. Teng:

RE: GOL TAX PAYMENT TRANSFER

You are hereby authorized to transfer the amount of US\$2,000,000.00 against forestry related taxes to Liberia Bank for Development and Investment, a/c#0020132851-01 through:

Citibank
399 Park Avenue
New York, N. Y. 10043

This amount is due in taxes to the Government of Liberia. Flag receipts will be issue your corporation as evidence of payment, as soon as acknowledgment is received from the bank.

Kind regards.

Very truly yours,

Juanita E. Neal
Deputy Minister/Revenue

[Handwritten signature]



THE LIBERIAN BANK FOR DEVELOPMENT & INVESTMENT
 P. O. BOX 547, MONROVIA, LIBERIA

206
 DATE: 7/19/00

DEBIT TICKET

DEBIT

OFFSET (CREDIT)

RAD - 211112

CHARLES G. TAYLOR
 00-201-32851-01

DETAILS: BRING RAD REF # 10001991535601 INO CASH B/O
 NATURA HOLDINGS PTE LTD AS PER CASH DD 7/17/00
 ONE MILLION NINE HUND. NINETY NINE THOUSAND NINE HUND.
 SEVENTY FIVE AMOUNT IN WORDS DOLLARS

US\$ 1,999,975.00
 AMOUNT IN FIGURES

MAKER [Signature]

CHECKER [Signature]

OFFICER [Signature]

UNIVERSAL PRESS CORP.

ORIGINAL

Statement of Account

LIBERIAN BANK FOR DEVELOPMENT AND INVESTMENT

HEAD OFFICE BRANCH (US DOLLAR)

Ashmun & Randall Sts.
 P. O. Box 547
 Monrovia, Liberia

For Customers
 Call us at 277116
 or Fax us
 Bank Swift Code: 00000000

00.201-32851-01 (32851-01)
 TAYLOR, CHARLES G.
 US DOLLAR
 CHECKING ACCOUNTS - PERSONAL

CHARLES G., TAYLOR
 CONGO TOWN
 MONROVIA, LIBERIA

THIS STATEMENT COVERS 01 Jul 2000 THROUGH 31 Jul 2000

Trx Date	TxRef	Details	Chq No	Value	Date	Debits	Credits	Balance	Payee
01	0000	BALANCE B/F					2,274.32	2,274.32	
11	19377	COMM ON TOD		-2,000.00				274.32	
11	19389	T6 CHECK CASHED	033532	-100,000.00				-99,725.68	
11	19389	PER DEBIT CHARGE		-1.10				-99,726.78	
17	20571	T2 CHECK CASHED	033536	-250,000.00				-349,726.78	
17	20571	PER DEBIT CHARGE		-1.10				-349,727.88	
18	20656	RAD INO C.G.T. B/O NATURA HOL					1,999,975.00	1,650,247.12	
18	20683	COM ON RAD DD 7/17/00		-26,998.66				1,623,247.46	
18	20683	PER DEBIT CHARGE		-1.10				1,623,246.36	
18	20752	T5 CHECK CASHED	033551	-240,000.00				1,383,246.36	