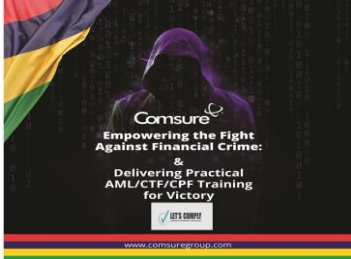


**Mathew Beale**  
**Are you effectively stopping Money Laundering**  
**AUGUST 30 2024**



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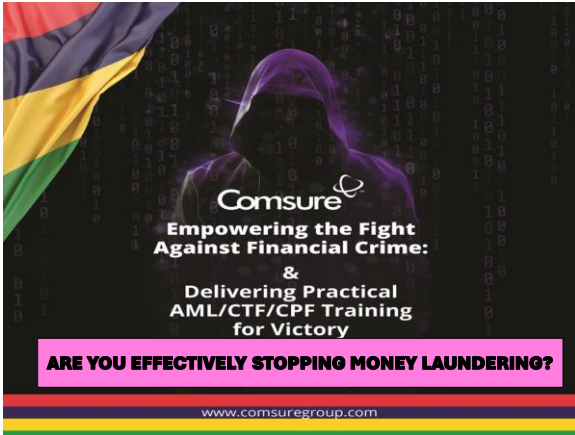
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**Introduction**



- I will delve into the practicalities of compliance beyond fulfilling regulatory requirements.
- I will present three compelling case studies that challenge the status quo of checkbox compliance.
- These cases will unravel the complexities of implementing technically sound and demonstrably effective frameworks under scrutiny. He will explore the nuances of proactive prevention and its tangible impact on curbing financial crime.
- **Together, we will uncover the answer:** Are we genuinely stopping money laundering or just going through the motions?

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JULY 16, 2024

**1MDB liquidators sue Amicorp Group & CEO Toine Knipping in BVI for 'dishonest assistance to \$7B fraud'**



Corporate Services Provider being sued for money laundering.

16/07/2024

International corporate services provider Amicorp Group's operations in Barbados, British Virgin Islands, Curaçao, Hong Kong, and Singapore and its Dubai-based CEO, Toine Knipping, are being sued in the BVI for allegedly helping to launder some of the \$7 billion that was misappropriated from the Malaysian sovereign wealth fund 1MDB.

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**THE COST OF NOT WANTING TO KNOW**



**1MDB liquidators sue Amicorp Group & CEO Toine Knipping in BVI for 'dishonest assistance to \$7B fraud'**

Corporate Services Provider being sued for money laundering.

**DISHONEST ASSISTANCE X2 EXAMPLES**

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**Nolan v. Minerva Trust & Others  
[2014] JRC 078A**

Minerva paid GBP11.5 million in damages to the Nolan family.

The Nolans claimed that Minerva Trust had dishonestly assisted in these breaches of trust by complying with Mr Walsh's instructions to pay money away inappropriately as part of the transactions.

- PTCL provided corporate administration services to Mr. Walsh's companies, known as the Buchanan Group.

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**Crédit Agricole Corporation and  
Investment Bank  
v.  
Papadimitriou [2015] UKPC**

The risks associated with not knowing the source of funds and the commercial purpose of the transaction are highlighted in the 2015 Privy Council's decision in *Crédit Agricole Corporation and Investment Bank v. Papadimitriou* [2015] UKPC 13 April 27, 2015

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**Factual background**



- The architect of what the Privy Council described as a **"FRAUDULENT SCHEME"** was **Robin Symes**, a dealer in art and antiquities.
- Mr. Symes was the partner for many years of **Christo Michailidis**
- **Michailidis** possessed a collection of Art Deco furniture (the Collection) worth £15 million
- The title to the collection was held in Michailidis' wife's name **Irenna Papadimitriou**

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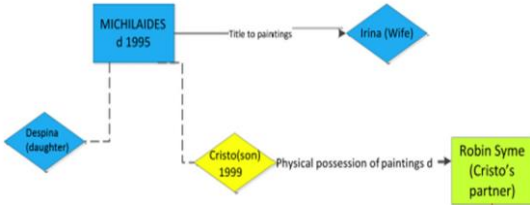
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# CHRISTO MICHAILIDIS DIES.



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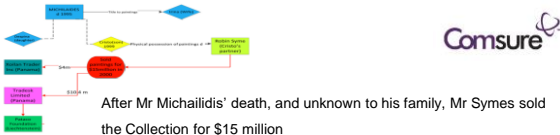
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After Mr Michailidis' death, and unknown to his family, Mr Symes sold the Collection for \$15 million

The proceeds of the sale were paid to an account at the defendant's Gibraltar branch (the Bank) through-

- two Panamanian companies and
- a Liechtenstein foundation.

The proceeds were then credited to the account of:-

- Lombardi Corporation, incorporated in the BVI.

The proceeds were then used to guarantee loans from Gibraltar to Symes in London.

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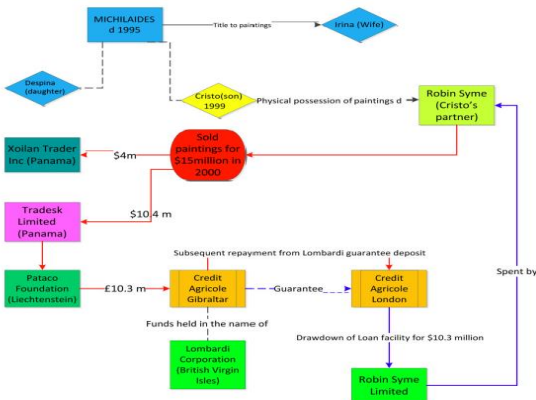
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**SOF & SOW  
and  
COMMERCIAL RATIONALE**

The Court of Appeal and the Privy Council agreed with Papadimitriou's argument that the focus of the Bank's inquiry.

**SHOULD NOT HAVE BEEN CONFINED TO THE SOURCE OF THE FUNDS.**

**IT SHOULD HAVE EXTENDED TO THE COMMERCIAL PURPOSE OF THE TRANSACTION**

The Court of Appeal held (and the Privy Council agreed) that had it done so, it would have become obvious that the transaction was improper.

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**OBVIOUS THAT THE  
TRANSACTION WAS IMPROPER.**

This decision provides an important reminder that banks need to consider the propriety of transactions in which they become involved.

Whether a bank needs to make further inquiries in a particular case depends on the facts and circumstances.

**According to Lord Sumption:**

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**According to Lord Sumption:**



"There must be something which the defendant actually knows (or would actually know if he had a reasonable appreciation of the meaning of the information in his hands) which calls for inquiry.

The rule is that the defendant in this position cannot say that there might well have been an honest explanation if he has not made the inquiries suggested by the facts at his disposal with a view to ascertaining whether there really is...

In the present case, on the facts actually known to the bank, there was no apparent explanation of the interposition of the Panamanian and Liechtenstein entities unless it was to conceal the origin of funds derived from third parties.

That was why the bank had to make inquiries before proceeding as if there were an innocent explanation."

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Ruja Ignatova, known as the Missing CryptoQueen, is now subject to a **GLOBAL FREEZING ORDER** which prevents her assets from being sold or moved.

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**2017.....**



- Investigations into Ruja Ignatova, the founder of the fraudulent cryptocurrency scheme known as OneCoin, **began around 2017.**
- The City of London Police, the German authorities, the FBI, and Europol were investigating here for a string of charges, including securities, wire fraud, and money laundering.
- **In October 2017**, Ignatova was indicted by a grand jury in New York and charged with conspiracy to commit wire fraud, wire fraud, and conspiracy to commit money laundering.
- Since then, she has been on the run from various international law enforcement agencies.

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# Jersey used in alleged \$3.4bn currency fraud?

By Ed Taylor [etaylor@crayonreport.com](mailto:etaylor@crayonreport.com)

MONEY from an alleged \$3.4 billion fake cryptocurrency fraud could have been laundered through Jersey, the FBI have claimed.

According to court documents filed in New York, the island is among 21 jurisdictions which were allegedly used to launder sales of OneCoin - a purported virtual online currency.

The documents allege that in April 2014, Konstantin Ignatov and his sister, Dr Ruja Ignatova - along with a third unnamed person -

tified approximately \$1.2 billion in OneCoin Ltd investor funds, a substantial part of which has been laundered through financial institutions located in at least 21 different countries, including Hong Kong, Singapore, the United States, the Cayman Islands, the Isle of Jersey, the Republic of Ireland and the country of Georgia.

The FBI claims that it has obtained accounts and financial records of OneCoin Ltd, which purport to show \$3.353 billion in sales between the end of 2014 and

Approved: *[Signature]*  
 CHRISTOPHER J. DIMBLE / MICHELLE POLLY  
 Assistant United States Attorney  
 JULIETA V. LOSANO  
 Special Assistant United States Attorney

Before: HONORABLE DEBRA FREEMAN  
 United States Magistrate Judge  
 Southern District of New York

2019

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 SEAL OF COMPLAINT  
 UNITED STATES OF AMERICA  
 Violation of 18 U.S.C.  
 § 1349  
 - v -  
 KONSTANTIN IGNATOV,  
 COUNTY OF OFFENSE:  
 NEW YORK  
 Defendant.  
 ----- X

SOUTHERN DISTRICT OF NEW YORK, ss.:

RONALD SHENK, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation and charges as follows:

c. To date, the Investigative Team has identified approximately \$1.2 billion in OneCoin Ltd. investor funds, a substantial part of which has been laundered through financial institutions located in at least 21 different countries, including Hong Kong, Singapore, the United States, the Cayman Islands, the Isle of Jersey, the Republic of Ireland, and the country of Georgia. Although the Investigative Team's tracing analysis is ongoing, the Team has identified multiple transactions that directly benefited Ruja and Founder-2.

d. The Investigative Team has traced approximately \$185 million in funds derived from the OneCoin scheme laundered through a series of bank accounts to an investment fund account in the United Arab Emirates (the "UAE Investment Fund"). Specifically, between in or about February 2017 and in or about April 2017, a purported investment fund with an account at a bank in Ireland (the "Ireland Fund") sent approximately 11 wire transfers totaling \$185 million to the UAE Investment Fund.

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**NEWS**  
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Stories

## Revealed: The Cryptoqueen's £13.5m London penthouse

© 9 November



The BBC Reveals Crypto-queen's London Penthouse Link to Guernsey

**REPORTER'S IMAGE**  
 Warlock's Red Lenin hangs over the fireplace

A money-laundering trial in Germany is shining a light on the purchase of a luxury London penthouse by cryptocurrency scammer Dr Ruja Ignatova. Jamie Bartlett and Rob Byrne of The Missing Cryptoqueens podcast explain how she used British-based lawyers and wealth managers - who continued to offer their services after she disappeared.

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### THE FREEZING ORDER



- The freezing order targets not only Ms Ignatova but seven other people and four companies (INCLUDING X2 GUERNSEY COMPANIES) —all alleged to have been connected with OneCoin in some form.

### GUERNSEY

- Two Guernsey companies, also subject to the freeze, were used by **MS. IGNATOVA TO PURCHASE IN 2021 A**
  - £13.5m Kensington penthouse and
  - £1.9m apartment in the same building for her bodyguards.

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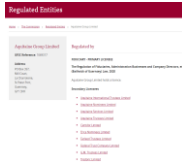
### THE ENABLERS - 2021

• THE ESTATE AGENT = KNIGHT FRANK



• LAWYERS = LOCKE LORD

• **AQUITAINE GROUP, [GUERNSEY]**



• According to the **property deed**, its owner is **Abbots House Penthouse Limited**.

• Abbots House Penthouse Limited is a Guernsey shell company with **Aquitaine directors** (or "nominees") and

• **Aquitaine was listed as the company's "resident agent" in Guernsey.**

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# FINAL THOUGHTS

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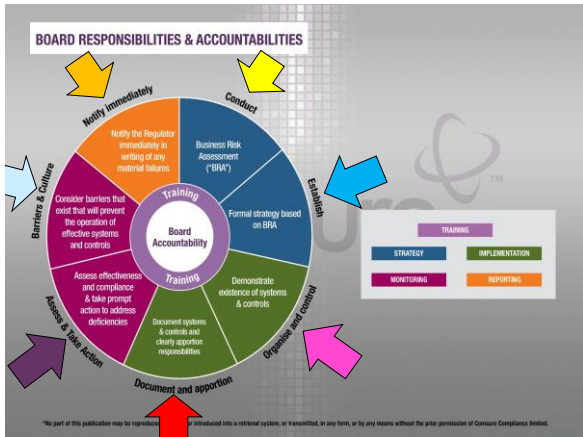
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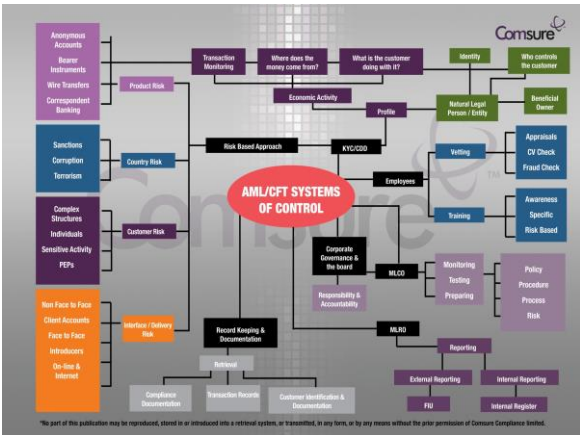
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**FINISH ANY QUESTIONS...?**

**Comsure**

**managing the risks so you can focus on the rewards**

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- Comsure** was founded in 2005 with a view to providing comprehensive business risk advisory services & is able to offer your organisation a wealth of skills and experience.

**Comsure**

**managing the risks so you can focus on the rewards**

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**Comsure**

**Mathew Beale**



**Email:**  
mathewbeale@comsuregroup.com

**Tel:**  
01534 626841

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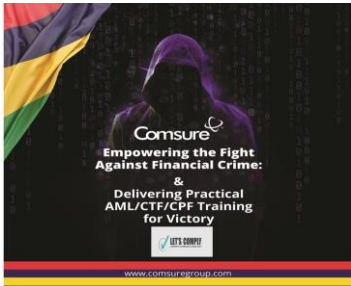
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**COMSURE AND LET'S COMPLY  
THANK YOU FOR YOUR SUPPORT**



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