

Arafat "Koko" Rahman (United States)

Case ID:

ARW-18

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Bangladesh

Position of Public Official(s) (yrs in office):

Son of Prime Minister Khaleda Zia (in office, 1991-1996, 2001-2006)

Jurisdiction of Asset Recovery:

United States

Jurisdiction of Asset Recovery ? Description:

Undertaking Recovery Efforts, Location of Recovery Effort

Asset Recovery Start:

2008

Asset Recovery End:

2013

UNCAC Offenses Implicated:

Art.16

Art.18

Art.23

Money laundering Implicated:

Yes

Legal Basis for Asset Recovery:

Non-Conviction Based Confiscation

Intl.Cooperation: MLAT/Letter of Request?:

Other

Basis for Intl Cooperation:

NA

Contributing Factors in Asset Recovery:

Criminal conviction in Bangladesh, US foreign bribery case settlement with Siemens and subsequent non-conviction based asset forfeiture action against proceeds located in Singapore; also, as noted by the law firm Edwards Wildman, "We understand that Mr Rahman's conviction appears to have been partially based on the offence of illicit enrichment, the usual method of enforcement through the mutual legal assistance procedure was not available in Singapore. Illicit enrichment is an offence in some countries where a public official gains a significant increase in his assets which he/she cannot reasonably explain in relation to his/her lawful income. This is a crime that is generally not considered punishable in many countries like the UK and Singapore, making enforcement of a confiscation order based on such an offence complicated. Further, Singapore does not have a (non-conviction based) civil forfeiture procedure. Despite these hurdles, Singapore was nevertheless able to return the funds in the Fairhill account by using a legal tool called the 'disposal inquiry' mechanism. It would be prudent to add that one suspects that this particular mechanism was only viable because of the specific facts of this case." (Source: Antonio Suarez-Martines, "Civil forfeiture without borders: Bangladesh shows that where there's political will there's a way," Edwards Wildman, September 9, 2013.)

Status of Asset Recovery :

Completed

Stage in Asset Recovery Chain:

Assets Returned to Victim or Requesting Jurisdiction

Assets Returned (USD) - Description:

Please see Singapore entry

Agreement for Returned Assets:

No

Agreement for Returned Assets - Description:

No formal agreement but according to the Daily Star, the Chairman of the Anti-Corruption Commission stated that the returned assets would be used for anti-corruption initiatives. (Source: Daily Star, "S'Pore returns Tk. 7.4 cr more," August 28, 2013.)

Case Summary:

According to the Anti-Corruption Commission of Bangladesh, the U.S. and Bangladesh were engaged in joint efforts to recover Mr. Rahman's bribery proceeds held in Singaporean bank accounts. (Source: Anti-Corruption Commission of Bangladesh, "US, Bangladesh joint effort to retrieve Coco 'bribes'," News Updates - Jan 2009.) According to the Daily Star, between November 2012 through August 2013, Singapore returned \$2,661,070 to Bangladesh in confiscated assets and accrued interest. (Source: Daily Star, "S'Pore returns Tk. 7.4 cr more," August 28, 2013.)

In January 2009, the US Department of Justice had filed a civil asset forfeiture complaint against assets held in three Singapore bank accounts that the Department of Justice had alleged were bribery proceeds in violation of the Foreign Corrupt Practices Act. (Source: U.S. v. All Assets Held in the Name of Zasz Trading and Consulting PTE Ltd., et. al, Case No. 1:09-cv-00021-JDB (D.D.C.), Amended Complaint for Forfeiture In Rem, filed August 21, 2009.) On April 7, 2010, the U.S. District Court for the District of Columbia granted a Default Judgment and Judgment of Forfeiture against the following: (1) all assets held in the name of ZASZ Trading and Consulting Pte Ltd., account number 352-015-540-4 (formerly 1093101397) held at the United Overseas Bank, Singapore and any properties traceable thereto; (2) up to and including \$762,000 plus interest of the assets held in the name of Zulfikar Ali, account number 0174053746 at Standard Chartered Bank, Singapore and any property traceable thereto; and (3) up to and including \$226,249 plus interest of the assets held in the name of Fazel Selim, account number 0174001770 at Standard Chartered Bank, Singapore and any property traceable thereto. (Source: U.S. v. All Assets Held in the Name of Zasz Trading and Consulting PTE Ltd., et. al, Case No. 1:09-cv-00021-JDB (D.D.C.), Memorandum Opinion and Order of Default Judgment and Judgment of Forfeiture, filed April 7, 2010.)

Disposition of Criminal Case(s):

According to the Press Trust of India, on June 23, 2011, Mr. Rahman was sentenced following his conviction in absentia on corruption charges. (Source: Press Trust of India, "Former Bangladeshi premier Khaleda Zia's younger son jailed for bribery," June 23, 2011.) According to the Daily Star, on April 27, 2011, Mr. Rahman's lawyers filed a petition to have his criminal case dismissed, pursuant to a February 9 ruling by the Bangladesh Supreme Court that acts committed before the passage of the Money Laundering Prevention Act of 2009 cannot be tried under it. The article stated that the Anti-Corruption Commission of Bangladesh would take action after scrutinizing the Supreme Court's decision and the relevant laws. (Source: The Daily Star, "Koko's lawyers for withdrawal of case," April 28, 2011, accessed at <http://www.thedailystar.net/newDesign/news-details.php?nid=183469>.) The trial had begun in Bangladesh in January 2011; he was being tried in absentia. (Source: BDCAN, "Trial of Arafat Rahman begins," January 5, 2011).

Jurisdiction of Origin: Investigative Agency:

Anti-Corruption Commission of Bangladesh

Jurisdiction of Origin: Prosecuting Authority/Civil Attorney(s):

Anti-Corruption Commission of Bangladesh

Jurisdiction of Origin: Courts Involved:

Special Court

Jurisdiction of Asset Recovery: Investigative Agency:

Federal Bureau of Investigation, Washington Field Office

Jurisdiction of Asset Recovery: Prosecuting Authority/Civil Attorney(s):

U.S. Department of Justice, Criminal Division, Asset Forfeiture and Money Laundering Section; Assistance by Criminal Division's Office of International Affairs

Jurisdiction of Asset Recovery: Courts Involved:

U.S. District Court for the District of Columbia

Documents:

Rahman_Attorneys_File-Withdrawal_Daily_Star_Apr_28_2011.pdf

Rahman_DDC_Amended_Complaint_Aug_21_2009.pdf




Rahman_DDC_Default_Order_Apr_7_2010.pdf

Rahman_US_Justice_Dept_FCPA_Appendix_C.pdf

Rahman_Trial_Begins_BDCAN_Jan_5_2011.pdf

Rahman_Bangladesh_Sentenced_NDTV_Jun_23_2011

Documents:

Attachment	Size
 Rahman_Returns_3_Tranches_Daily_Star_Aug_28_2013.pdf	640.19 KB
 Rahman_US_Asset_Return_Edwards_Wildman_Blog_Sep_9_2013.pdf	241.66 KB
 Rahman_Bangladesh_Sentenced_NDTV_Jun_23_2011.pdf	424.69 KB

Other Sources:

U.S. v. All Assets Held in the Name of Zasz Trading and Consulting PTE Ltd., et. al, Case No. 1:09-cv-00021-JDB (D.D.C.), Amended Complaint for Forfeiture In Rem, filed August 21, 2009 Memorandum Opinion and Order of Default Judgment and Judgment of Forfeiture, filed April 7, 2010; U.S. Department of Justice's Report to the United States Congress, "Appendix C: Summaries of Foreign Corrupt Practices Act Enforcement Actions by the United States, January 1, 1998 - September 30, 2010," accessed at <http://www.justice.gov/criminal/fraud/fcpa/docs/response3-appx-c.pdf>.

Antonio Suarez-Martines, "Civil forfeiture without borders: Bangladesh shows that where

there's political will there's a way," Edwards Wildman, September 9, 2013, at <http://www.anticorruptionlaw.com/blog.aspx?entry=503>; Daily Star, "S'Pore returns Tk. 7.4 cr more," August 28, 2013, at <http://www.thedailystar.net/beta2/news/spore-returns-tk-7-4cr-more> See also, The Daily Star, "Koko's lawyers for withdrawal of case," April 28, 2011, accessed at <http://www.thedailystar.net/newDesign/news-details.php?nid=183469>; BDCAN, "Trial of Arafat Rahman begins," January 5, 2011, accessed at <http://www.bdcan.ca/banglanews/news.details.php?news=1430>; Press Trust of India, "Former Bangladeshi premier Khaleda Zia's younger son jailed for bribery," June 23, 2011, accessed at <http://www.ndtv.com/article/world/former-bangladeshi-premier-khaleda-zia...>