

## Unnamed Uzbek "Government Official A"/ Mobile Telesystems and Vimpelcom Telecom Case (US)

**Case ID:**

ARW-232

**Jurisdiction of Origin of Public Official or Entity Allegedly Involved:**

Uzbekistan

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

"Several Positions" in Uzbek Government, including during 2005-2011; a "relative of the President of Uzbekistan"

**Jurisdiction of Asset Recovery:**

United States

**Jurisdiction of Asset Recovery ? Description:**

Undertaking Recovery Effort, Location of Recovery Effort, Asset Location

**Asset Recovery Start:**

2015

**Asset Recovery End:**

Ongoing

**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?:**

MLAT

**Basis for Intl Cooperation:**

Mutual Legal Assistance Treaty (by United States with Uzbekistan and Switzerland)

**Contributing Factors in Asset Recovery:**

Ongoing case

**Status of Asset Recovery :**

Ongoing

**Stage in Asset Recovery Chain:**

Before Court of First Instance

**Case Summary:**

According to the US Department of Justice Press Release in the FCPA case against VimpelCom, "The department has also filed two civil complaints seeking a total of \$850 million in forfeiture. A complaint filed today seeks forfeiture of approximately \$550 million in proceeds of illegal bribes paid, or property involved in the laundering of those payments, to the Uzbek official by VimpelCom and two other telecommunications companies operating in Uzbekistan. The \$550 million is currently located in Swiss bank accounts. The department also filed a prior complaint seeking forfeiture of an additional \$300 million in proceeds of illegal bribes paid, or

property involved in the laundering of those payments, to the same Uzbek official. The assets sought to be forfeited in that complaint are restrained in Belgium, Luxembourg and Ireland. In that case, on Jan. 11, 2016, the U.S. District Court for the Southern District of New York entered a partial default judgment against all potential claimants other than the Republic of Uzbekistan.

As alleged in the complaints and as is part of the criminal resolutions announced today, the telecom companies paid a total of more than \$800 million in bribes so that the Uzbek official would assist VimpelCom and other telecommunications companies in obtaining and retaining business in Uzbekistan. Thereafter, the official's associates laundered the corruption proceeds through accounts held in Latvia, the United Kingdom, Hong Kong, Ireland, Belgium, Luxembourg and Switzerland. The illicit funds were transmitted through financial institutions in the United States before they were deposited into accounts in these countries, thereby subjecting them to U.S. jurisdiction." (Source: US Department of Justice Press Release, "VimpelCom Limited and Unitel LLC Enter into Global Foreign Bribery Resolution of More Than \$795 Million? United States Seeks \$850 Million Forfeiture in Corrupt Proceeds of Bribery Scheme," February 18, 2016.) As of June 27, 2016, the case against assets held in accounts belonging to First Global is stayed, pending settlement discussions by the Department of Justice and involved parties. (US v. All Assets Held in Accounts [belonging to First Global], Case No. 15-cv-05063 (SDNY), Stipulation filed April 27, 2016 and Court Docket Report as of June 26, 2016.) while a partial default judgment motion was filed in late June 2016 in case against assets held on behalf of Takilant Limited and Tozian Limited. (Source: US v. All Funds Held in accounts at Lombard Odier Darier Hentsch and Cie Bank et al, Case No. 16-cv-01256 (SDNY), Partial Default Judgment motion filed June 23, 2016.)

#### **Disposition of Criminal Case(s):**

According to the US Department of Justice complaint filed in the case, Gayane Avakyan and Rustan Madumarov, close associates of "Government Official A" were arrested in 2014 and subsequently convicted and of multiple criminal offenses in relation to the case and sentenced to prison terms. (Source: US v. Any and all assets held in account numbers ... at Bank of New York Mellon SA/NV, Brussels, Belgium, on behalf of First Global Investments SPC Limited, et al, Case No. 15-cv-05063 (SDNY), Verified Complaint filed on June 29, 2015, paragraphs 18-19; See also, US v. All Assets Held in Accounts [by First Global Accounts, Case No. 15-cv-05063 (SDNY), January 26, 2016.

#### **Jurisdiction of Origin: Courts Involved:**

Tashkent Regional Criminal Court in the Republic of Uzbekistan

#### **Jurisdiction of Asset Recovery: Investigative Agency:**

Internal Revenue Service (Criminal Investigations and Global Illicit Financial team);  
Immigration and Customs Enforcement, DHS

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








DOJ Criminal Division's Asset Forfeiture and Money Laundering Section, Kleptocracy Asset Recovery Initiative

#### **Jurisdiction of Asset Recovery: Courts Involved:**

US District Court for the Southern District of New York

#### **Documents:**

<b>Attachment</b>	<b>Size</b>
 Uzbek_Telecom_Verified_Complaint_Jun2015_4-1.pdf	3.01 MB

Attachment	Size
 Uzbek_Telecom_SDNY_DOJ_Letter_Request_Arrest in Rem_Jul1_2015.pdf	87.36 KB
 Uzbek_Telecom_SDNY_Order_Arrest in rem_Doc5.pdf	235.64 KB
 Uzbek_Telecom_SDNY_Order_Arrest in rem_Doc6.pdf	203.69 KB
 Uzbek_Telecom_SDNY_Order_Arrest in rem_Doc7.pdf	217.26 KB
 Uzbek_Ltr_Uzbek Govt Counsel_Doc16-main.pdf	301.44 KB
 Uzbek_Min Justice Ltr_Doc 16-1.pdf	261.41 KB
 Uzbek_Partial Default Judgment_Jan2016.pdf	278.01 KB

**Other Sources:**

US v. Any and all assets held in account numbers ... at Bank of New York Mellon SA/NV, Brussels, Belgium, on behalf of First Global Investments SPC Limited, et al, Case No. 15-cv-05063 (SDNY), Verified Complaint filed on June 29, 2015; Letter dated July 1, 2015 by Department of Justice to the Court; Orders issued for Arrest Warrant in rem, filed July 9, 2015; Letter by Uzbek Minister of Justice filed January 4, 2016 and Partial Default Judgment filed January 11, 2016; Stipulation filed April 27, 2016 and Court Docket Report as of June 27, 2016; Related case: US v. All Funds Held at accounts [held at Lombard Odier Darier Hentsch and Cie Bank and Union Bancaire Privee of Switzerland on behalf of Takilant Limited and Tozian Limited, Case No. 16-cv-01257 (SDNY), Verified Complaint filed on February 18, 2016, at <https://www.justice.gov/opa/file/826636/download>; Court Docket Report as of June 27, 2016.