

Mahamoud Adam Bechir and Nouracham Niam; Ikram Mahamt Saleh / United Kingdom (Caracal Energy [formerly Griffiths Energy] shares case)

Case ID:

ARW-243

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Chad

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

Ambassador to South Africa (current); former Ambassador to Canada and the United States (Bechir); Wife of Ambassador (Niam); Wife of Chad's Deputy Chief of Mission Youssouf Hamid Takane. 2007-2015 (Saleh)

Jurisdiction of Asset Recovery:

United Kingdom

Jurisdiction of Asset Recovery ? Description:

Undertaking Recovery Effort; Location of Recovery Effort; Asset Location / Alleged Asset Location

Asset Recovery Start:

2014

Asset Recovery End:

Ongoing

UNCAC Offenses Implicated:

Art.16

Art.18

Art.23

Legal Basis for Asset Recovery:

Non-Conviction Based Confiscation; Actions Initiated by Foreign Jurisdiction

Intl.Cooperation: MLAT/Letter of Request?:

MLAT

Basis for Intl Cooperation:

Mutual Legal Assistance Treaty

Status of Asset Recovery :

Ongoing

Stage in Asset Recovery Chain:

Investigation/Asset Tracing/Asset Restraint

Case Summary:

According to the US Department of Justice press release, "As alleged in the complaint, in 2009, Bechir and Takane agreed to use their official positions to influence the award of oil development rights in Chad to Griffiths Energy International Inc., a Canadian oil company, in exchange for shares in the company. Thereafter, in or about October 2009, Griffiths Energy issued four million shares to the wives of Bechir and Takane and to another associate.

The complaint further alleges that Griffiths Energy agreed with Bechir and his wife that the company would pay a \$2 million "consulting fee" to Bechir's wife to influence the award of oil development rights in Chad. After securing the desired oil development rights in February 2011, Griffiths Energy allegedly transferred \$2 million to an account held by a shell company created by Bechir's wife. This bribe payment was commingled and laundered through U.S. bank accounts and real property, and eventually was transferred to Bechir's bank account in South Africa, where he is now serving as Chad's Ambassador. In 2013, Griffiths Energy pleaded guilty in Canadian court to bribing Bechir.

The \$34 million that the United States seeks in forfeiture represents the cash value of the four million shares in Griffiths Energy that were provided to the wives of Bechir and Takane and to their associate. In a separate action filed in 2014, the United States also is seeking the civil forfeiture of over \$100,000 in allegedly laundered funds traceable to the \$2 million bribe payment. Takane resides in the United States." (Source: US Department of Justice Press Release, "Department of Justice Seeks Forfeiture of \$34 Million in Bribe Payments to the Republic of Chad's Former Ambassador to the U.S. and Canada," June 30, 2015.)

According to the civil asset forfeiture complaint in the case, the alleged bribery proceeds are held in accounts in the UK's Royal bank of Scotland in the name of Mrs. Niam and Mrs. Saleh, who have both filed claims, along with Ms. Niam's former attorney in Canada for unpaid fees arising out of Canadian court proceedings, to the assets in the US District Court for the District of Columbia. (Source: US v. Approximately £22 million in British Pounds representing the value of 4,000,000 shares of common stock in Caracal Energy Inc., formerly Griffiths Energy International, Inc., Case No. 1:15-cv-01018 (D.D.C.), Verified Complaint filed June 30, 2015; Verified Claim filed by Ms. Nima on August 14; Verified Claim filed by Mrs. Saleh on August 17; Verified Claim filed by CESPC.) The Government of Chad also filed a claim on October 16, stating that the "funds [were] paid wrongfully to representatives of Chad in an effort to obtain rights belonging to Chad." The Claim was signed by the Deputy General Secretary of the Republic of Chad. (Source: US v. Approximately £22 million in British Pounds representing the value of 4,000,000 shares of common stock in Caracal Energy Inc., formerly Griffiths Energy International, Inc., Case No. 1:15-cv-01018 (D.D.C.), Verified Claim filed by Government of Chad, at para 6, October 16, 2015; Answer by Government of Chad to Verified Claim, filed October 26, 2015). As of June 23, 2016, the case was ongoing.

According to the UK High Court Judgment issued in July 2015, Mrs. Saleh's application to discharge the Property Freezing Order pursuant to the Proceeds of Crime Act (POCA) issued against the GBP 4.4 million and interest held at Royal Bank of Scotland in proceeds of sale of 800,000 shares in Caracal Energy (formerly known as Griffiths Energy Inc. [GEI]) was denied. The Court stated in part that "Although GEI made no admission in the Agreed Statement of Facts that the shares allotted to Mrs Saleh and Mr Hassan were a part of the corrupt incentives provided by GEI, there is easily sufficient circumstantial evidence to raise a good arguable case that they were, and that the GEI shares are 'recoverable property' as defined in POCA. It is unnecessary for the purposes of POCA to show that the person who is the lawful owner of the "recoverable property" was himself or herself guilty of any criminal offence." (Source: Between Serious Fraud Office and Ikram Mahamed Saleh, [2015] EWHC

2119 QB (July 21, 2015), para 61.)

Disposition of Criminal Case(s):

NA (civil asset forfeiture case in the US); Civil Recovery Order Property Freezing Order (Mrs. Saleh's shares)

Jurisdiction of Asset Recovery: Investigative Agency:

Serious Fraud Office

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

Serious Fraud Office

Jurisdiction of Asset Recovery: Courts Involved:

England and Wales High Court - Queens Bench

Documents:

Attachment	Size
 Bechir_USDOJ_Griffiths Energy Stock Forfeiture Case_PR_Jun30 2015.pdf	143.58 KB
 Bechir_USDOJ_Griffiths_Energy_Complaint_Jun30 2015.pdf	1006.81 KB
 Bechir_USDOJ_Griffiths Energy Certif_Arrests in Rem Order_June30 2015.pdf	356.33 KB
 Bechir_USDOJ_Griffiths Energy Stock_Niam Claim_Aug 14 2015.pdf	98.05 KB
 Bechir_USDOJ_Griffiths Energy Stock_Saleh Claim_Aug2015.pdf	55.63 KB
 Bechir_USDOJ_Griffiths Energy Stock_Rep of Chad Claim_Oct 2015.pdf	306.35 KB
 Bechir_UK_SALEH_PFO_2015 EWHC2119QB.pdf	435.4 KB

Other Sources:

US Department of Justice Press Release, "Department of Justice Seeks Forfeiture of \$34 Million in Bribe Payments to the Republic of Chad's Former Ambassador to the U.S. and Canada," June 30, 2015, at <http://www.justice.gov/opa/pr/departments-justice-seeks-forfeiture-34-mil...> Source: US v. Approximately £22 million in British Pounds representing the value of 4,000,000 shares of common stock in Caracal Energy Inc., formerly Griffiths Energy International, Inc., Case No. 1:15-cv-01018 (D.D.C.), Verified Complaint filed June 30, 2015, and accessed at <http://www.justice.gov/opa/file/624266/download>; Verified Claim filed by Ms. Nlma on August 14; Verified Claim filed by Mrs. Saleh on August 17; Verified Claim filed by CESPC; Verified Claim filed by Government of Chad, October 16, 2015 and Answer by Government of Chad to Verified Complaint; Court Docket Report as of June 23, 2016; Between Serious Fraud Office and Ikram Mahamed Saleh, [2015] EWHC 2119 QB (July 21, 2015).