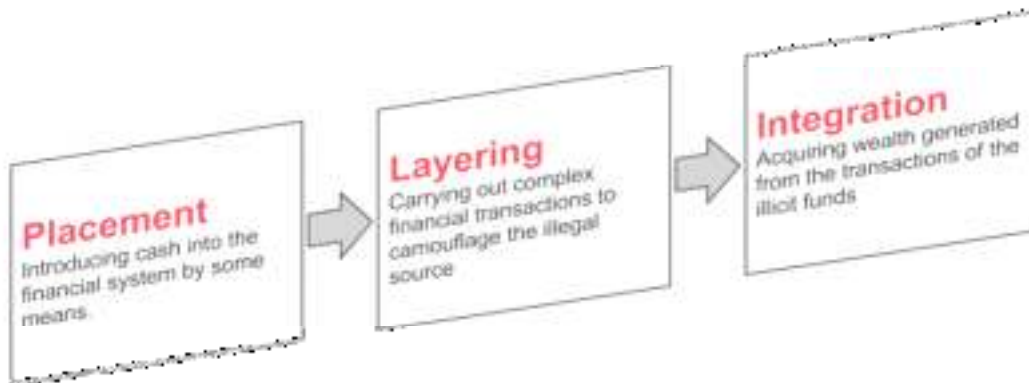


MONEY LAUNDERING

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USE OF FICTITIOUS AGREEMENT OF SALE FOR NON-EXISTING PRECIOUS MINERALS TO SUPPORT LARGE CASH DEPOSIT AT A FINANCIAL INSTITUTION



Prepared by: *Financial Intelligence Unit
Guyana*

Date: *August 2016*

Typology: Money Laundering

Use of fictitious Agreement of Sale for non-existing precious minerals to support large cash deposit at a Financial Institution

SUBJECT is a re-migrant wanted in a North American country for a number of criminal offences, including the following:

- Arms Trafficking
- Possession of Narcotics
- Kidnapping
- Sexual Offences
- Possession of Stolen Goods
- Tax crimes

SUBJECT has a locally registered Sole Proprietorship business; the name of said business suggests that it is involved in the Information Communication Technology (ICT) service. A similarly named business is also registered by SUBJECT and associates in a North American country.

In the latter quarter of 2009 SUBJECT and reputed spouse remitted US\$59,000 (G\$11,800,000 equivalent) to a bank account in North America belonging to a Middle-Eastern precious minerals company. The purpose of the transfers was to purportedly purchase precious minerals, which was then to be sold, less than a year later in Guyana, for \$G52,500,000 (US\$262,500 equivalent).

In 2010 a cash deposit G\$28,000,000 (US\$140,000 equivalent) was made to SUBJECT's Sole Proprietorship business account at a local Commercial Bank. The transaction was conducted by SUBJECT's reputed spouse who is also the business manager, is a known agent to the account. The deposit was outside of historic deposit trends and not in keeping with SUBJECT's known business activities. The source of funds for the deposit was declared as being proceeds of the second payment from the sale of precious minerals by SUBJECT to a South American Precious Minerals Dealer, who has a local office. A copy of an Agreement of Sale and Purchase, dated the same date as the deposit, was provided as source of funds. The agreement indicated an initial/first payment to SUBJECT of approximately 24% of the total agreement \$G52,500,000 (US\$262,500 equivalent) however, SUBJECT's Banker does not have a record of any deposit(s) of the initial/first payment to SUBJECT.

Investigations revealed that the precious minerals mentioned in the Agreement of Sale and Purchase never existed as the Middle-Eastern certifying company cannot be located, as such the certification documents of the said minerals are believed to be a concoction by the SUBJECT.

A European company involved in Asset Management for celebrities remitted in excess of US\$300,000 (G\$60,000,000 equivalent) to SUBJECT in 2010. This company is linked to a celebrity that was arrested for arranging the trafficking of cocaine from a Caribbean Island to Europe by using female drug mules. The European celebrity, who has Caribbean parentage, was arrested in 2010 at a Caribbean airport while attempting a fifth cocaine smuggling operation.

The SUBJECT is currently residing in an affluent residential area in Guyana and has amassed considerable wealth in the form of tangible assets, for which financing cannot be explained.

The matter is being further investigated by the relevant law enforcement authorities.

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