



# The detection and return of stolen assets

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# About Kroll

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**Kroll is the leading global provider of risk solutions.**

- For more than 40 years, Kroll has helped clients make confident risk management decisions about people, assets, operations, and security through a wide range of investigations, cyber security, due diligence and compliance, physical and operational security, and data and information management services.
- Headquartered in New York with more than 50 offices across nearly 30 countries, Kroll has a multidisciplinary team of over 2,000 employees and serves a global clientele of law firms, financial institutions, corporations, non-profit institutions, government agencies, and individuals. For more information visit [www.kroll.com](http://www.kroll.com)

# Global Coverage

## 2,000 Employees in 50 Offices Across 30 Countries



# Resources and Talents

**Our people have wide-reaching experience and extensive access to information**

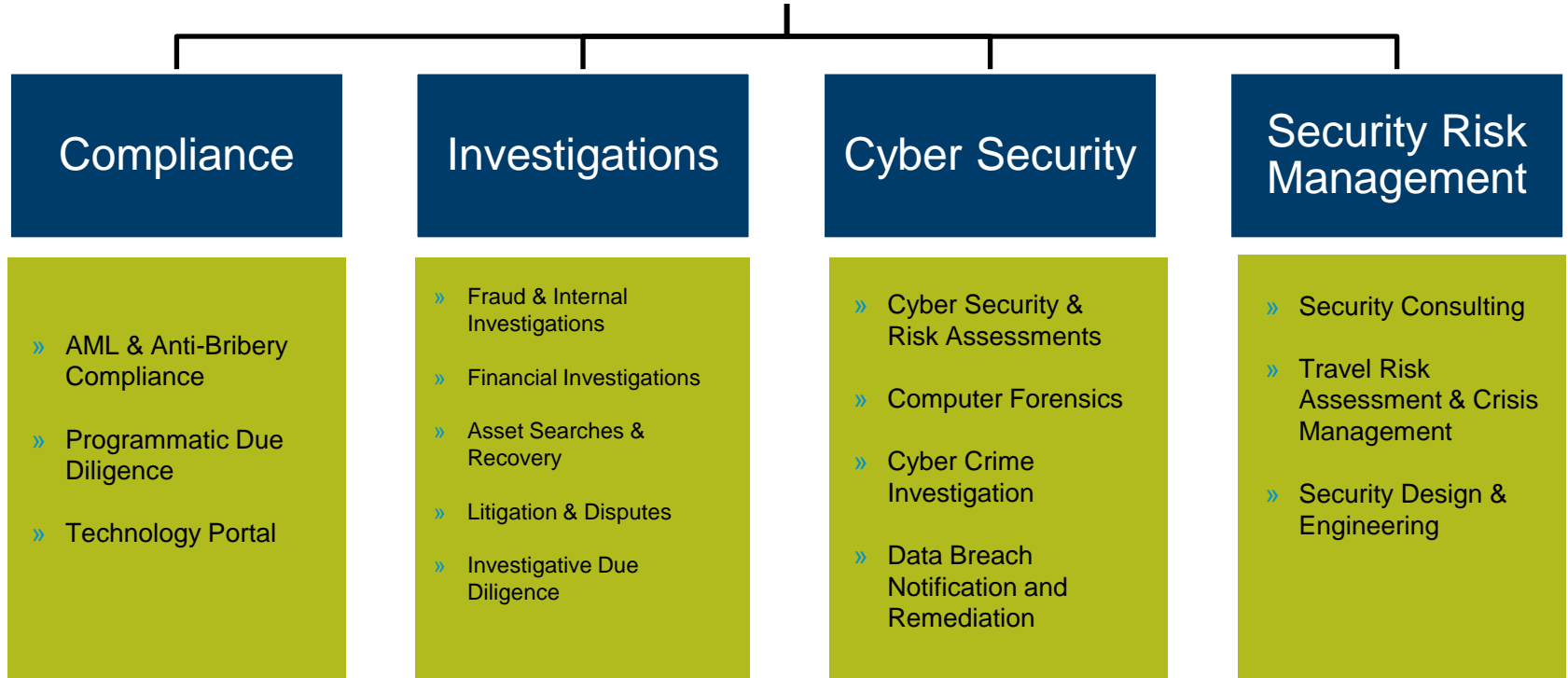
- Our staff of 2,000 employees comes from diverse professional backgrounds, and are often multi-lingual:

<b>Professional Experience<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Accounting</li> <li>Commerce</li> <li>Compliance</li> <li>Economics</li> <li>Financial technology</li> </ul>	<ul style="list-style-type: none"> <li>Government</li> <li>Intelligence</li> <li>Investigative Journalism</li> <li>Investment Banking</li> <li>IT</li> </ul>	<ul style="list-style-type: none"> <li>Law</li> <li>Law Enforcement</li> <li>Political Science</li> <li>Strategy Consulting</li> </ul>
<b>Language Skills<sup>1</sup></b>	<ul style="list-style-type: none"> <li>Arabic</li> <li>Bahasa (Indonesia and Malay)</li> <li>Cantonese</li> <li>Catalan</li> <li>Chinese dialects</li> <li>Czech</li> <li>Danish</li> <li>English</li> <li>French</li> <li>German</li> <li>Greek</li> </ul>	<ul style="list-style-type: none"> <li>Hebrew</li> <li>Hindi</li> <li>Hungarian</li> <li>Italian</li> <li>Japanese</li> <li>Kazakh</li> <li>Korean</li> <li>Mandarin</li> <li>Norwegian</li> <li>Polish</li> </ul>	<ul style="list-style-type: none"> <li>Portuguese</li> <li>Russian</li> <li>Slovakian</li> <li>Spanish</li> <li>Swedish</li> <li>Tagalog</li> <li>Thai</li> <li>Turkish</li> <li>Ukrainian</li> <li>Vietnamese</li> </ul>

<sup>1</sup>Not an exhaustive list

# Kroll Background

A Portfolio of Market-Leading Brands and Capabilities



# Industry Experience



**AGRICULTURE  
AND MINING**



**AUTOMOTIVE**



**BUSINESS  
SERVICES**



**CHEMICALS**



**COMPUTERS  
AND ELECTRONICS**



**CONSUMER  
SERVICES**



**EDUCATION**



**ENERGY  
AND UTILITIES**



**FINANCIAL  
SERVICES**



**FOOD AND  
BEVERAGE**



**GAMING**



**GOVERNMENT**



**HEALTHCARE,  
PHARMACEUTICALS  
AND BIOTECH**



**INSURANCE**



**LEGAL**



**MANUFACTURING**



**MEDIA AND  
ENTERTAINMENT**



**NON-PROFIT**



**OTHER**



**REAL ESTATE  
AND CONSTRUCTION**



**RETAIL**



**SOFTWARE  
AND INTERNET**



**TELECOMMUNICATIONS**



**TRANSPORTATION  
AND STORAGE**



**TRAVEL, RECREATION  
AND LEISURE**



**WHOLESALE AND  
DISTRIBUTION**

# Asset Tracing and Recovery



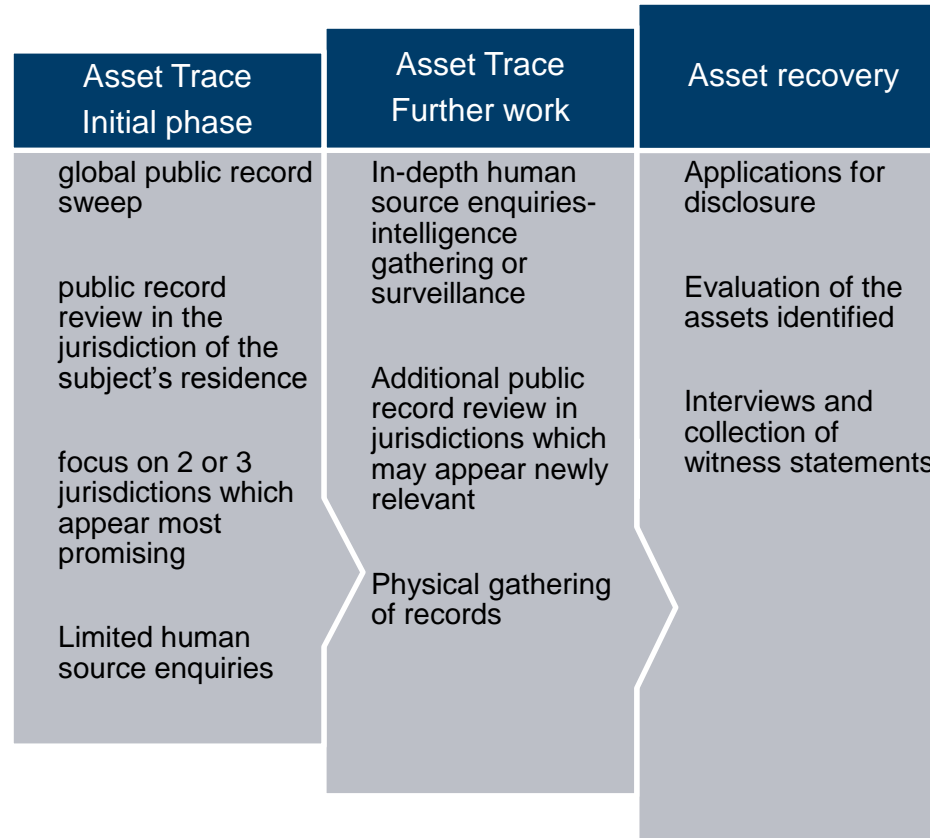
# Introduction

- The globalization of business has helped facilitate the movement of assets. Funds can be transferred around the world instantaneously, and the ever-expanding world of offshore finance means that it can be relatively easy to set up complex corporate structures to hide the true ownership of assets.
- We combine forensic investigative techniques in the collection and analysis of documentation with the review of national and international public records, and the external acquisition of unbiased, actionable intelligence obtained from an unparalleled network of human sources and contacts across the globe.
- Co-operation with law firms is key to successful asset tracing



# Methodology

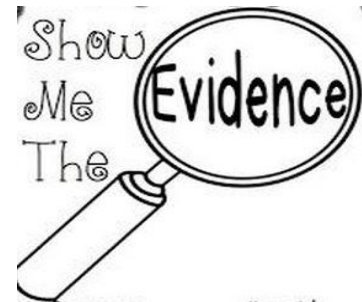
## Phased approach



# Public record review



- The aim of an asset trace - to find to evidence of assets in the public record.
  - Review of local databases
  - Review of international databases
  - On the ground research
- Evidence consists of underlying documentation from property registries, corporate registries etc which indicates ownership of assets by the subjects



# Targeted human source enquiries

- In some jurisdiction the public record is limited – for example Cyprus, Greece
- Public record can be complemented with limited source enquiries during the initial phase.
- Human source enquiries may yield only intelligence



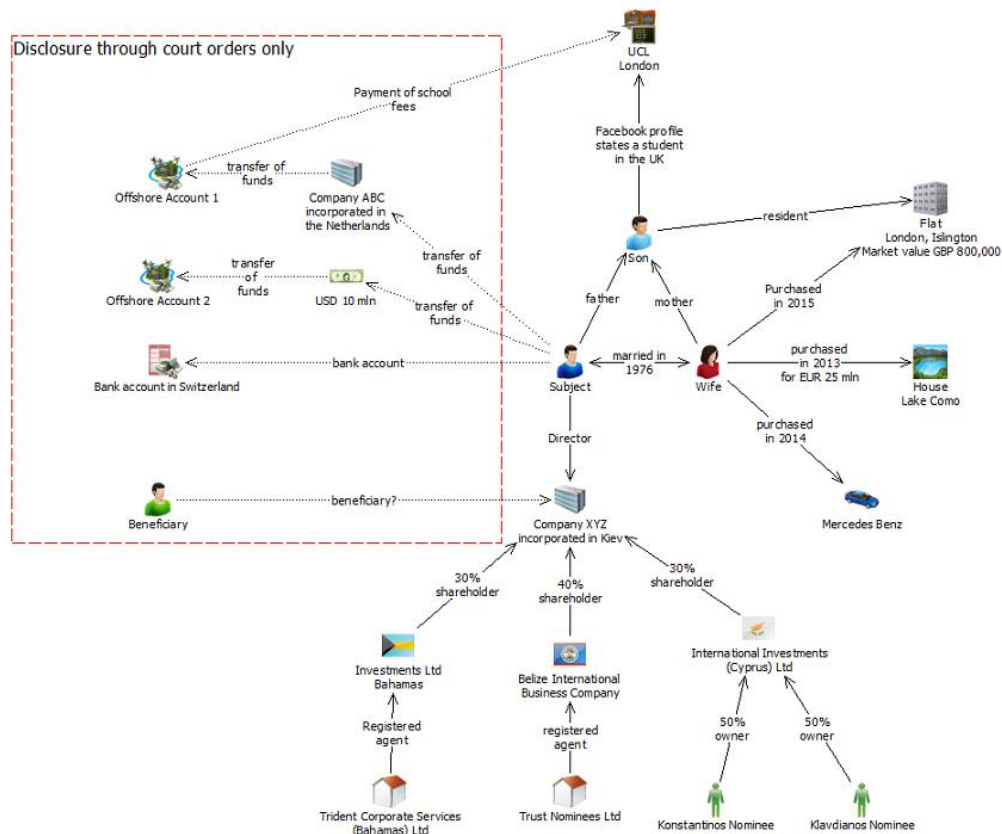
# Types of assets

## We help clients identify:

- Real and intangible properties
- Financial accounts
- Business associations
- Contracts for future performance
- Accounts receivable
- Personal property (jets, yachts, luxury cars, fine art)

# Types of assets

## Likelihood of finding certain assets



# Types of assets

## Offshore structures and bank accounts

- Beneficial interest in assets may be disguised through a complex web of nominee companies and individuals. Assets held in liquid form of bank deposits will not be identifiable, unless specifically referenced in the public record.
- it is impossible to legally pierce the corporate veil in offshore jurisdictions without a court order.
- It breaches data privacy legislation to track balances held in bank accounts or payments flows, without court obtained disclosure orders.



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## Next steps – further work and asset recovery

- Additional public record review in jurisdictions which may appear newly relevant;
- Physical gathering of records;
- In-depth human source enquiries - intelligence gathering or surveillance;
- Evaluation of the assets identified;
- Interviews and collection of witness statements;
- Applications for disclosure





# Next steps – asset recovery

## Working with your legal counsel

- Kroll works with client's legal counsel to develop information that can support applications for disclosure orders.
- Kroll supports the client and legal counsel in securing judgements and freezing orders around the world.
  - expert testimony
  - independent summary of findings
  - supporting evidence and statements

# Case Studies

- Kroll has successfully conducted some of the most complex international asset searches over the last 40 years, including identifying billions of dollars in sovereign asset search investigations. Working on behalf of those seeking to enforce legal judgments awarding financial damages or seeking the return of funds misappropriated by corrupt government officials, Kroll has identified missing, previously unknown or hidden assets. Our extensive experience includes multi-jurisdictional investigations involving offshore capital flight havens, creditor-unfriendly jurisdictions, complex investment group structures and nominee and alter ego companies.



# Case Studies - continued



Moscow's Otkritie Bank approached Kroll with concerns regarding an apparent \$150 million loss in its London-based fixed-income trading team. In a first phase of work Kroll conducted an onsite investigation in London, comprising a financial review of the Bloomberg trading system and forensic interviews supported by computer forensics and public record research. This phase of work confirmed that the bank had suffered a fraud and helped to initiate legal proceedings in London to freeze assets and obtain disclosure.

In the second phase of work Kroll worked with the client and its legal advisors to implement a civil and criminal investigation strategy to obtain further disclosure and to trace the proceeds of the fraud. Kroll conducted public record research and local human source enquiries in order to identify assets in numerous countries across Europe, Middle East, Asia and North and South America, including Bulgaria, Ukraine, Georgia, Azerbaijan and Tajikistan. Kroll provided expert witness reports in support of the civil fraud claim in the UK and to help initiate proceedings and recover assets in several overseas jurisdictions. Kroll's IT team provided the electronic disclosure services to secure, process and review more than 100 terabytes of electronic documentation and then produce trial bundles for court proceedings. Finally, Kroll worked with the client to report to the financial regulator and to help the regulator with its enquiries into the fraud.

The civil judgement, which was issued in 2014, found in favour of Otkritie and has resulted in the recovery of a significant proportion of the fraud proceeds. Criminal proceedings in the UK, Switzerland and Russia are on-going.

# Case Studies - continued



Kroll was retained by a multinational energy corporation in anticipation of an international arbitration award in its favour following a dispute with a Latin American government and its state-controlled oil monopoly. Kroll sought to identify non-immune assets demonstrably and directly controlled by the state corporation in jurisdictions that we and our client's attorneys believed would recognize the arbitration award and grant attachment orders. Kroll identified cash in banks, corporate assets (subsidiaries and joint ventures), fixed assets, receivables from customers, and oil tankers that belonged to the subject. Our client's counsel secured pre-award attachment orders in several jurisdictions against several large and valuable assets. The dispute was settled in 2012.

# Case Studies - continued



In 2011 Kroll was retained by the Central Bank of Afghanistan (DAB) to investigate the collapse of Kabul Bank following allegations of large scale fraud and corruption. Kroll's work included a forensic investigation, an assessment of the role of the regulators in supervising the bank, and the tracing and recovery of lost assets. Our report was submitted as evidence in the trial of the main perpetrators of the fraud. After completing this investigation Kroll was hired as asset recovery advisers to the Kabul Bank Receivership and continues to work in this capacity, liaising with the Afghan Central Bank, Ministry of Finance, the international donor community and the Attorney General's Office in the tracing and recovery of funds which were laundered to the UAE, UK, US, Germany and other jurisdictions.

# QUESTIONS?



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