

# Money laundering and tax evasion and acceding countries

Case study: Organised crime and money laundering in Hypo Alpe Adria Bank and Hypo Group Alpe Adria

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What were the first indications  
and informations for me  
as investigative  
Journalist to start  
investigating what became  
The Hypo Scandal?

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**Basic indications on money laundry and suspectfull financial sources:**

At the time Croatian Hypo Operations started, mother bank – **Hypo Alpe Adria Bank International AG Klagenfurt** had financial capital of **244.550.000,00 HRK**;

When Hypo Klagenfurt founded **Hypo Alpe Adria Bank d.d. Zagreb**, the Croatian subsidiary of Hypo had financial capital of **1.581.991.000,00 HRK**, so the capital of subsidiary was more than six times larger than capital of the founder bank which was 100% owner of Croatian subsidiary;

At the same time Hypo Alpe Adria International AG Klagenfurt bought second subsidiary in Croatia – **Slavonska Banka d.d. Osijek**, with the capital of **998.713.000,00 HRK**.

It was obvious that the difference between the capital of parent bank in Austria and its subsidiaries in Croatia was from suspicious sources because parent HAAB AG Klagenfurt obviously didn't have that capital.

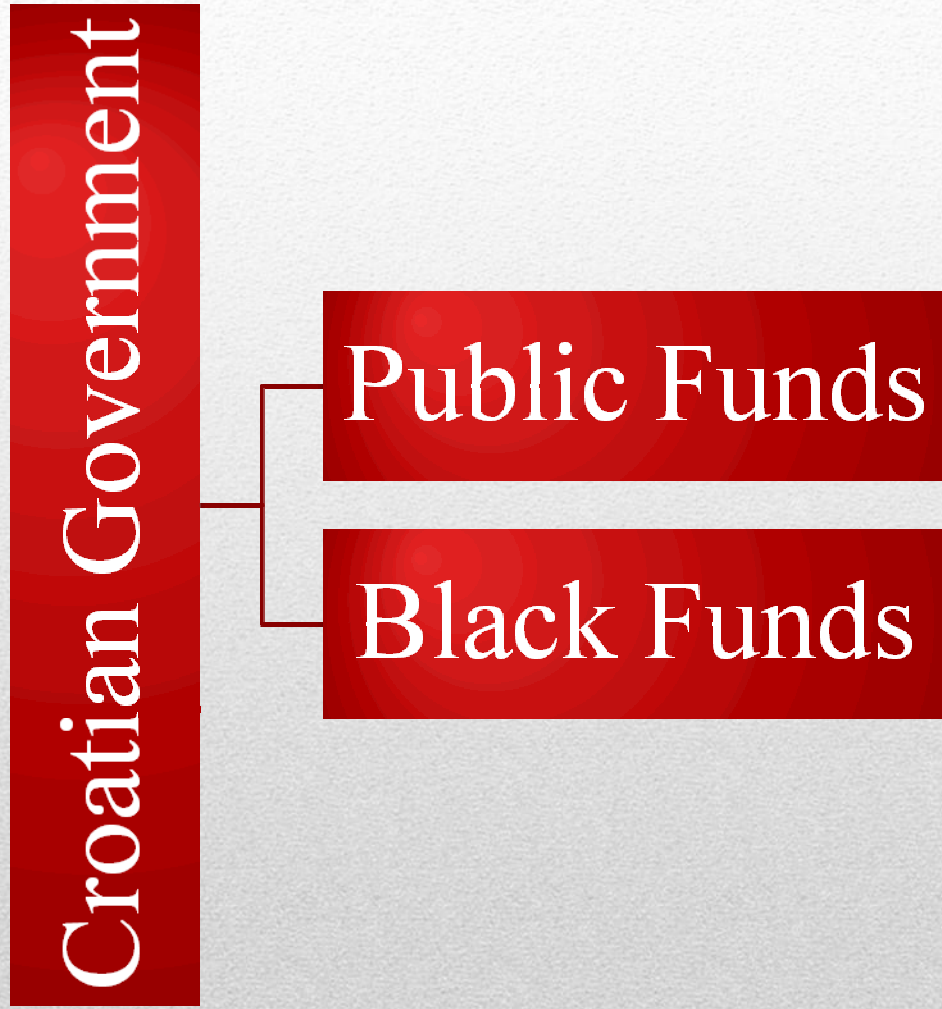
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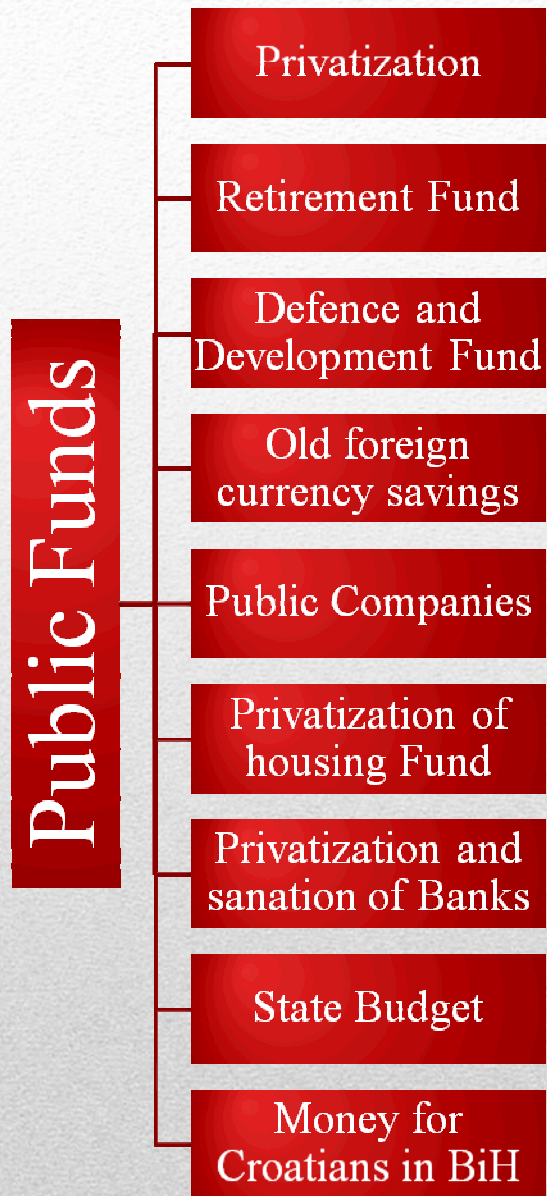
The big question was:

**Where did the money  
come from???**

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**Banks involved in money laundry of dirty money from Croatia and Balkans:**

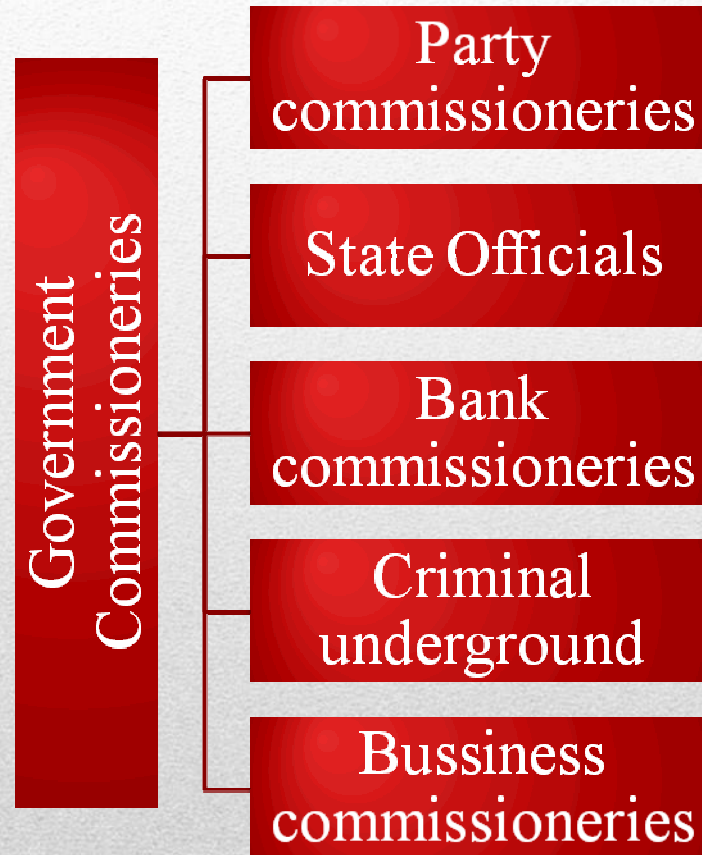
Zagrebačka banka d.d. Zagreb  
Privredna banka d.d. Zagreb  
Glumina banka d.d. Zagreb  
Dubrovačka banka d.d. Dubrovnik  
Croatia banka d.d. Zagreb  
Riječka banka d.d. Rijeka  
Slavonska banka d.d. Osijek  
Adria Bank AG Vienna  
LHB Internationale Handelsbank AG Frankfurt  
Erste Bank Villach, Austria  
Anglo Yugoslav Bank Limited London  
Banque Franco Yugoslav SA Paris  
Berliner Handels und Frankfurter bank Frankfurt  
Bayerische Vereinsbank AG Munich  
DG Bank Germany  
Cyprus Popular Bank Public Co Ltd  
Hellenic Bank Public Co Ltd  
Eurobank Cyprus  
Citybank Athens  
Union Bank Of Switzerland Zurich  
Swiss Bank Corporation Zurich  
Credit Suisse Zurich  
Hypo Group Alpe Adria  
Raiffeisenbank Austria

Kartner Sparkasse Klagenfurt  
Bank fur Karnten und Steirmark Villach  
Bank Austria Graz  
BAWAG

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**Government commissioneries network for control of secret accounts and money laundry operations**



## **Party commissioneries**





**State officials**

**State officials**

Franjo Gregurić

Gojko Šušak

Ivan Čermak

Mladen Vedriš

Nikica Valentić

Zlatko Mateša

Hrvoje Šarinić

Vesna Škare  
Ožbolt

Branko Mikša

Marko Škreb

## **Bank commissioneries**





## **Criminal underground**



**Bussiness commissionereries**





- State relocated public and black funds to secret accounts abroad;
  - Secret accounts were controlled by commissioneries;
  - Commissioneries made deals with commercial banks about use of money;
  - Commercial banks were appointed as guardians of that money;
  - After that commercial banks reinvested that money as its own;
  - This money was used for credits and investments back in Croatia;
  - Secret accounts money was also transferred to transitional tycoons;
  - It was also relocated to privatisation operations in Croatia and Balkans.
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**Money laundry operations were organised:**

- By syndicated credits from Hypo Klagenfurt as a parent bank to its subsidiaries in Croatia and Balkans;
  - By means of Credit;
  - Long term credit deposits approved from parent bank to its subsidiaries;
  - Investments into additional capital of subsidiaries in Croatia;
  - Secret foreign currency accounts at foreign banks in Europe;
  - Investments in realestates, turism, building companies, stocks and bonds of major companies in Croatia;
  - Secret foundations and offshore accounts in Lichtenstein.
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## **Main facts revealed in my investigation of Hypo Scandal from 1999. – 2013.**

- HDZ Government during 1990.'s organised illegal money allocation from State Budget and Black Funds to secret accounts abroad;
  - At the mind 1990.'s mostly from 1995. to 1999. these financial resorces were alocated to secret accounts at Hypo Group Alpe Adria Klagenfurt;
  - From 1995. – 2007. Hypo Group Alpe Adria become the main financial institution for money launderinging operations to make this dirty money legal;
  - Hypo Group was at one point partner bank of Croatian Government;
  - Most of influential Government Officcials were corrupted by Hypo Group;
  - Government participated in money launderinging operations;
  - State institutions like Ministry of Finance and Croatian National Bank were covering up money launderinging operations by Hypo Group.
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**1995.**

- First official contact and beginning of relationship between Hypo Group Alpe Adria and Government of The Republic of Croatia;
  - Hypo Bank and Croatian Government signed secret Credit Contract;
  - Former HDZ Prime minister Ivo Sanader was key person in negotiating this Hypo Deal;
  - Hypo enters Croatian Financial market with direct lobbying from The Government;
  - Top Croatian Officials start their project of consolidating control over secret accounts through Hypo Alpe Adria Group;
  - Most of secret accounts controlled by Government and HDZ were transferred to Hypo Group Alpe Adria;
  - It was starting point of later money laundering operations.
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**Corruption in relation Croatian Government – Hypo Group Alpe Adria can be illustrated in cases:**

- Contract between Government and Hypo from 1995.;
  - Money laundry operations with realestates bussines in Croatia;
  - Istrian projects of Hypo Group in Croatia;
  - Slavonska Banka Osijek case;
  - Government State Guarantees for Hypo Bank credits in Croatia;
  - Hypo Group Alpe Adria after 1995. become one of the largest creditors of Government and State Budget institutions;
  - 77 secret accounts at Hypo Group hold by Croatian secret account holders;
  - Lichtenstein secret accounts and foundations operations;
  - Zagorec Case;
  - Bandić Case;
  - DIOKI Case;
  - Hypo Alpe Adria Consultants Case;
  - Secret crediting operations list.
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## **The List of documents**

- Secret Hypo File of Ministry of Finance, 1999. – 2001.;
  - Documents on connection of Tobacco mafia and criminal organisation of Hrvoje Petrač to Hypo Group;
  - Documents on control of secret accounts of Ministry of finance at Privredna Banka Zagreb;
  - Business schedule of Wolfgang Kulterer, former head of Hypo Group, dating from 2006.;
  - Documents on corruption connection of Milan Bandić, Mayor of Zagreb, to Hypo Group Alpe Adria, 2006.;
  - Secret Report on financial revision of Hypo Group by National Bank of Austria audit in Hypo Group, from 2006.;
  - Secret Report of Croatian Intelligence Service, from May 2007., on org. crime at Hypo Group Alpe Adria;
  - Secret Due Diligence analysis of Hypo Group, 2007.;
  - Records of secret meetings of Wolfgang Kulterer and Robert Ježić;
  - Secret Diary of Tilo Berlin, former president of Hypo Group;
  - Secret confidential Report about financial transactions of Hypo Group, “Project Berthold”, from May 2007.;
  - Secret Report on suspicious credit placements of Hypo Group, “Project Focus”, from November 2009.;
  - Criminal Report against Željko Žužić, tycoon close to former president Stjepan Mesić, and former Head of Hypo Group Wolfgang Kulterer, from 2009.;
  - Secret Court Document from Lichtenstein on secret foundations which pull out money from secret accounts at Hypo Group, from Vaduz in 2010.
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## **Lichtenstein secret money lanundry operations**

- 52 secret foundations and private holdings hold secret accounts;
- Those secret foundations and holdings were controlled by former Croatian officials.

The names of secret foundations and holdings which hold secret accounts in Lichtenstein for money laundry operations with Hypo were named in the Vaduz County Court judge Carlo Ranzoni document, No 13 RS.2010.55 ON 42, dated 5.5.2010.:

Emperador Group Anstalt, Wintage Group Est., Trinity Invest Establishment, Brassus Participation Anstalt, Mangusta Associated Anstalt, Espada Holding Anstalt, Heritage Invest Anstalt, Ergon Invest Anstalt, Brassus Participation Anstalt, Mangusta Associated Anstalt, Espada Holding, AnsErgon Invest Anstalt, Oziris Anstalt, Sintra Invest Anstalt, Altus Invest Anstalt, Sambuca Establishment, Pegaso Group Establishment, EquipageEstablishment, Antao Holdings AG, Perpetual Stiftung, Kardinal Holding Stiftung, Luminor Stiftung, Lucido Foundation, Armenius Foundation, Tarbo Foundation, Diagono Stiftung, Modul Group AG, Granit Vrkic, KNG Invest, Velox doo, Prometey Stiftung, Falcata International Inc, Polimont Group Ltd, Spectra Menagement, Wenox Stiftung, Lintax Enterprises Ltd, Bellingen Finance SA, Modul Group AG, Immo Invest Fund AG, Eluk Holding Anstalt, OGK Privatstiftung (Gandalf Privatstiftung), KNG Invest AG, Sitargo AG, Alu Invest AG, Coninvest Finance AG, Torrado AG, Avalonside Develpoment Inc, Int Seaport AG, Omax Holding Anstalt, Flexpack AG, Navigator Factoring AG, PS Immo AG, PS Investing AG, Trusta Est, Templarius Stiftung.

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**Thank You for  
Your Attention!**

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## **Domagoj Margetić**

Investigative journalist

Antuna Bauera 19, Zagreb, Croatia

[margetic.domagoj@gmail.com](mailto:margetic.domagoj@gmail.com)

Twitter: [@DomagojMargetic](https://twitter.com/DomagojMargetic)

Facebook: [www.facebook.com/domagoj.margetic](http://www.facebook.com/domagoj.margetic)

GSM 00385 (0) 99 212 76 88

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