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Study case hearing

According to the information provided by the credit institution to which the company ABC LLC (Limited Liability Company) has current accounts, on 14.11.2015 the representatives of this company have ordered two transfers, as follows:

- One transfer of USD 70,000 from the account no. ROUSD01 into another account of the company;
- Second transfer of LEI 25,000 from the account no. ROLEI01 into a different account of the company.

Both transfers have been justified as related to the current activity of the company ABC LLC. The amounts in respect of which has been ordered financial operations come from a collection of USD 150,000, recorded on 25.03.2014 from the legal person DEF LTD. The transfer has been ordered from a bank account opened at a credit institution from Libya and had the justification of "collection after delivery for export of goods".

Following the date of registration for the external revenues above mentioned, the ABC LLC was no longer included with external operations valued over EUR 15,000 or equivalent.

Suspicious elements identified in connection with the external revenues recorded in the ABC LLC accounts were represented by the fact that part of transactions was conducted through money transfer services from residential areas of ISIS supporters.

During 2013-2015, ABC LLC has not recorded transactions on accounts held with credit institution, although its activity was not suspended.

Considering that, by 2013, ABC LLC has recorded cash transactions and external transactions on bank accounts and subsequently, after one of the associates was declared undesirable, the company no longer conducted financial transactions. It is possible that this financial behavior intended to dissimulate that the company controllers have no longer had connections with Romania.

Another argument in this regard is that the company presented to the credit institution where it holds accounts a number of empowerment documents prepared by the natural person T.

Thus, through a document dated 05.09.2015, the natural person T empowered the natural person Z (a Syrian citizen) that, in his name and for him, "to establish any new commercial company with limited liability, in accordance with the legislation in force, with me in quality of associate". Also, the natural person T, through the same notarial deed, empowered the natural person Z in relation to company ABC LLC.

Regarding the persons in connection with the company ABC LTD, the shareholders are:

- The natural person T (Iraqi citizen)
- The natural person X (Lebanese citizen).

The natural person T, aka SHA, along with another natural person AR, aka ARH, were declared undesirable for a period of 15 years for developing activities related to propaganda and financial support of some jihadist groups in Middle East.

In fact, the two foreigners were involved in facilitating illegal entry into the country of people from areas with terrorist issues.

Those concerned have financially supported the presence in Romania of people with radical attitude.

Other indicators of illicit activity of mentioned people refer to the commercial and financial operations conducted through the accounts of companies they own in Romania.

In this respect, we mention that, during 2012-2013, ABC LLC recorded external collection of USD 2.500.000 from entities in Libya, Bulgaria and Marshall Islands. The amounts thus collected were exchanged in lei and cash withdrawals from the account, based on some questionable attainments notes for "animals purchased from natural persons".

Also, on 05.06.2013, the company DRP LLC (where individual T was associated until 2013 and the current shareholders are individual AY - Syrian citizen and individual Z) recorded an external collection of USD 1.000.000 from an account in Libya of a natural person, justified as "advance payment for export goods".

The amount was changed in lei in several installments, and the resulted amounts were withdrawn in cash, based on attainments notes.

Financial behavior of ABC LLC and DRP LLC is unreliable and leads to the conclusion about the existence of money laundering offense, as operations of cash withdrawals, based on questionable documents, aimed at removing the source of funds illegally obtained and eliminating, if possible, the documentary evidence able to determine the money route.

Moreover, there have been identified a series of successive transfers between the accounts of ABC LLC and DRP LLC companies, recorded on the same day at different times or on consecutive days, with exactly the same amount of money. The transfers were completed to the accounts of individuals who control the companies, being justified as "loan repayments to the associate" or "refunding company lending."

The loan contracts in question were presented randomly, without chronological order, some dating from 2002, given that the transactions were conducted in 2015.

Another feature of the financial turnover analyzed is the presence of numerous transfers of equal value below the reported limit provided by special law, successively made in several days between the two companies, without purpose or economic real reason. This situation indicates the obvious intent to artificially increase the turnover of the companies involved and to reduce the tax base.

Financial and taxing available data related to the economic activity of the companies controlled by individual T revealed that the declared value of net debts to shareholders is less than

the amount directed to the accounts of individuals involved with justification "refunding company lending."

The financial behavior identified on individuals and companies, analyzed here in, revealed the presence of a mechanism often used in the money laundering schemes, money earned from tax evasion and other related offenses to the regime of commercial companies, such as multiple account credits, immediately followed by transfers to other accounts or cash withdrawals, mostly supported by loan agreements and attainments notes.

Also, corroborating the information available in this paper leads to the conclusion that the companies ABC LLC and DRP LLC are still in the control of individual T, by interposing the individual Z, and any operations to remove funds from the financial circuit are aimed at concealing the real beneficiary and to create an appearance of legality regarding the commercial and financial transactions with these entities in Romania.

Given the profile of the individual T and taking into consideration that, in relation to him, support actions for jihadist movements in the Middle East have been identified, relevant facts are outlined about the existence of the offense of terrorism financing from revenues earned through economic activity of the companies ABC LLC and DRP LLC.

At the same time, there are some indications regarding the existence of the offense of terrorism financing in connection with individual Z, acting in Romania in favor of individual T, already declared undesirable.