28 January 2025

From: John Christmas
www.LawlessLatvia.com
www.youtube.com/@LatviavEBRD

To: Attendees at the 'Bankers Game' screening at Parliament
London, United Kingdom

EBRD USING FALSE ACCOUNTING WHICH PROTECTS PUTIN'S BANKERS

Dear Attendees,

Thank you for attending the screening of the 'Bankers Game' documentary. I'm featured in the film since I am the whistleblower against the EBRD-Latvia fraud. I am building awareness of a long-running fraud racket which is centered in London and effects people around the world. The culprit is the European Bank for Reconstruction and Development 'EBRD' which is funded by 76 countries, originally founded to foster democracy in the former Soviet countries but now expanded to Arab and African countries. The EBRD is located in London.

UK authorities have known about this racket for years however refuse to ask the EBRD to correct its accounting. The SFO acknowledged in 2012 and 2024 that it's aware of my whistleblowing however explained that it doesn't have jurisdiction over the EBRD. The SFO could have taken action against the auditors and ratings agencies supporting the EBRD's false accounts or asked the London Stock Exchange to delist EBRD bonds. However nothing was done while the Putin Regime has been able to launder over $1 trillion through banks protected by the EBRD.

According to official documents from the European Commission's Eurostat, the EBRD is getting secretly paid to act as straw owner of banks. These include two banks in Latvia linked to Russian President Vladimir Putin. Eurostat wrote that it is allowing Latvia to keep liabilities to the EBRD 'confidential' however this is a violation of Eurostat's mandate. Regulators, auditors, and ratings agencies aren't making any comments thus maintaining plausible deniability. And, the EBRD refuses to answer queries from journalists. A few journalists in Germany, Italy, Latvia, Malta, and the Netherlands have been working to expose this fraud for years, but so far not a single London journalist will touch the story.

Obvious red flags that the EBRD financial statements must be false have been ignored for years. The EBRD fairytale narrative about fostering democracy and development while earning consistent fat profits is impossible. The EBRD invests in corrupt countries without rule-of-law where other investors typically get robbed. The EBRD also spends lavishly on its prestigious office tower in Canary Wharf and pays 3,000 employees for activities which could be undertaken by a minimal staff. Plus the EBRD showers many influential people and organizations with consulting fees and donations. While other banks must operate on lean budgets to make profits in mature economies, and still have losing years, the EBRD has no spending discipline and makes large consistent profits in the worst markets.

I discovered the EBRD is doing the opposite of its mission in 2009 when the EBRD covered-up my whistleblowing against Putin's money laundering system. I had turned whistleblower against Latvia's Parex Bank when I discovered that the bank had a policy of making large fraudulent loans to Putin's oligarchs. The Latvian government made a fake sale of a Parex stake to the EBRD to discredit me and disinform citizens, voters, and creditors that Parex was not looted. Latvia invited the EBRD to conduct due diligence. I contacted the EBRD offering details about fake assets. The person at the EBRD wasn't interested and the EBRD refused all future communication.

The EBRD then announced an 80 million euro investment in Parex which supposedly proved it was valuable, it was not looted, and I was a liar.

Later, news emerged from a variety of sources confirming that my whistleblowing was correct. The assets I flagged were worthless. These assets were connected with Russian organized crime, however Latvian politicians were blaming the United States and Sweden as they spent billions of euros of taxpayer money bailing out Parex. Then, a leaked report by Nomura indicated that reason the EBRD invested in 2009 was because Latvia secretly guaranteed to reverse the deal for 190 million euros in 2014. It's also possible that the EBRD invested zero in 2009 and Latvia paid the EBRD the net amount of 110 million euros in 2014 as a reward for acting as straw investor. From 2009 to 2014, my whistleblowing and the secret reversion were kept out of the media by Latvia's State Secret Law and State Security Service agents threatening people who made truthful posts on social media.

The EBRD-Latvia fraud has been evidenced more times since then: from a Dutch Parliament investigation I requested, from a Eurostat 2014 letter and 2018 report, and even by the Latvian government itself. 'Bankers Game' features three people from Latvian opposition parties saying that they weren't aware of the secret reversion until years later and that the EBRD investment in Parex was really a high-interest loan from the EBRD to the government.

Parex staff, clients, and assets had moved from Parex to ABLV Bank and newly created Citadele Bank. After ABLV was sanctioned by the US Treasury in 2018 for helping President Viktor Yanukovich loot Ukraine, ABLV assets were moved to Citadele. A 2018 Eurostat report states that Latvia has a secret obligation to reverse the EBRD investment in Citadele, meaning that second investment is fake also, and this one hasn't reversed yet. This information is again censored in Latvia. Latvia is still secretly paying the EBRD to act as a straw investor. Citadele was not cleaned up at all, and most ominously a top offshore banker from Parex later worked for Citadele while controlling the Marshall Islands company at the center of the Danske Bank Estonia money laundering which was the largest in the world and connected to Putin.

The Spanish court in the Tambovskaya Mafia trial revealed that both of the top money launderers for Tambovskaya used platform money-laundering accounts at Parex. Tambovskaya, linked to Putin, organized narcotics trafficking, sex slave pimping, and weapons deals with terrorists. Plus, one of the large fake loans from Parex went to Eduard Khudainatov who is from Tambovskaya and according to the FBI acts as front owner for Putin's assets. The Head of Compliance from Parex moved to Ukio Bank Lithuania which continued laundering money for Putin, specifically to his other frontman, a cellist named Sergei Roldugin. That was until Ukio also got looted. The EBRD arranged a cover-up for Ukio and I have details from a Lithuanian whistleblower which nobody will investigate.

I have had success getting articles published on small websites, doing podcast interviews, and explaining the EBRD racket at several conferences. I was interviewed for two documentary films '*Jumts*' and '*Jumts 2*' ('The Roof' or '*Krysha*' referring to Putin's Mafia protection roof in Latvia) by Nemelo.lv which were both televised in Latvia. Also, I co-produced 'Bankers Game' which we are seeing today. I co-authored award-winning thriller novel 'KGB Banker' inspired by the real fraud. And two other authors wrote and published two more thriller novels. This must be the first time three documentaries and three novels exposed a real multi-billion-dollar fraud while the fraud was still continuing.

I'm expert on the EBRD only in Latvia. However information keeps coming to me about similar EBRD scams in other countries. Here are some:

The EBRD invested years ago in Bank of St Petersburg which, like Parex, was connected with the Tambovskaya Mafia. The EBRD has partnered with Raiffeisen Bank Ukraine for many years. The

US Embassy in Ukraine had suspicions that Raiffeisen was helping Semion Mogilevich loot RosUkrEnergo. This means the EBRD was helping Putin control Ukraine.

The EBRD cover-up at Parex allowed Parex to spin-off its secret subsidiary Northern Investment Bank of Belarus. Northern Investment Bank, renamed Credexbank, was sanctioned for money laundering in 2012 by the US Treasury. The EBRD openly supported KGB dictator Alexander Lukashenko up until 2022 and still has investments in Belarus now in 2025.

The EBRD is backing regimes in Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and Turkmenistan. All of those countries are non-democratic and support Putin's war. I thought the purpose of the EBRD was to foster democracy and the EBRD is opposed to the war? That's what the EBRD website says. If EBRD dealings in these countries are the same as Latvia, where money is channelled to organized crime and the governments take on secret obligations to pay larger amounts to the EBRD, then you could say the EBRD is attacking these countries. However experience in Latvia shows that these heists give more power to the oligarch regimes.

The EBRD is investor in Bank of Cyprus alongside sanctioned Russian oligarchs Viktor Vekselberg and Dmitry Rybolovlev. Also, Donald Trump's former Commerce Secretary Wilbur Ross was a shareholder. Vekselberg and Rybolovlev both helped Trump get elected in 2016. Their bank should not be allowed to have GBP or USD correspondent accounts. However Bank of Cyprus does have correspondent accounts, because the EBRD is an investor.

The EBRD is investor in Ameriabank in Armenia. The other investor was Putin-connected financier Ruben Vardanyan. While incarcerated by KGB dictator Ilhan Aliyev of Azerbaijan, Vardanyan sold his stake to Bank of Georgia which also has a relationship with the EBRD. Why is the EBRD involved with Bank of Georgia while KGB billionaire Bidzina Ivanishvili runs Georgia in accordance with Kremlin wishes? The EBRD also supports Aliyev by investing in Azerbaijan.

And finally, in 2022 the Ukrainian central bank announced that Megabank was insolvent because of insider lending. Megabank was controlled by a Ukrainian individual who also runs a government-owned industrial company. The allegation is that he looted the government-owned company and his bank by depositing state money into the bank then making loans to himself. He also ripped off thousands of other depositors. Guess who was his partner, helping to give him false legitimacy while he did this? The EBRD! Shareholders in Megabank have lost their investments with one exception. The EBRD investment was protected by a secret guarantee and therefore Ukrainian taxpayers, who still don't know what happened, had to pay back the EBRD.

According to the most recent EBRD annual report, the EBRD is booking profits from increasing valuations of equity investments. If the EBRD corrects its financial statements, the fake profits will disappear and the investments will be written off. Also, the EBRD will have to admit to huge liabilities payable to Latvia, Lithuania, Ukraine, and other countries where the EBRD defrauded taxpayers. EBRD cash flow comes from issuing more bonds every year, not from cash revenues.

Putin has threatened 35 times to destroy the UK with nuclear missiles. This is at the same time the UK hosts and funds the EBRD. Why does the British government allow this to continue?

Thank you, John Christmas

Attachments:
Eurostat 2014, EBRD-Parex fraud confirmed
Eurostat 2018, EBRD-Citadele fraud confirmed

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EUROPEAN COMMISSION
EUROSTAT

The Director-General

Luxembourg,
ESTAT/DG/WR/D3/JV/PL/eb/D(2014)3304947

Mr Pieter Omtzigt
Member of Parliament for the Dutch
Christian Democratic Party CDA
Tweede Kamer der Staten-Generaal
Plein 2 – PO Box 20018
NL - 2500 EA The Hague
THE NETHERLANDS

Subject: Parex Bank and the EBRD

Dear Mr Omtzigt,

Thank you for your letter of 26.08.2014.

Eurostat is aware of the put option provisions included in the shareholders agreements concerning Parex Bank, and its successor companies, between the government of Latvia and the EBRD. It has the relevant documents and has been informed by the Latvian authorities that these are to be considered confidential.

The put option provisions allow the EBRD to sell its relevant shareholdings back to the Privatisation Agency (which is classified within the general government sector of Latvia) under certain conditions, which include sale of Citadele Bank by the Privatisation Agency.

The mentioned provisions do not meet the definiton of financial derivatives in the European System of Accounts (ESA 95; paragraphs 5.65 to 5.68) and are considered as guarantees. Guarantees are treated as contingent liabilities under ESA95 (paragraphs 5.05, 7.12 (c) and 7.22) and therefore no government liability is to be recorded in the Latvian statistical data.

It may be worth noting that any future call on this guarantee would be recorded as a government expenditure, thereby increasing the Latvian government deficit at that time.

The statistical treatment of this issue under the newly introduced European System of Accounts (ESA 2010) remains the same.

Yours sincerely,

Walter Radermacher

European Commission, 2920 Luxembourg, LUXEMBOURG - Tel. +352 43011
Office: BECH A4/078 - Tel. direct line +352 4301-31748
http://ec.europa.eu/eurostat

The participants discussed the recording of the winding-down of Reverta by the end of 2017. It was concluded that in 2016 and 2017, after selling the asset portfolio (mostly real estate and loans), only the impact for 2016-2017 will be added through the B.9 of Reverta. CSB will clarify how much cash (to be recorded as D.9), was given to PAREX and whether and for what amount at the time of reclassification a capital transfer was imputed, if any, for the net assets (expected loss). Eurostat takes note that the final loss in excess of the expected loss is to be materialized by a write off of treasury loans benefitting Reverta. Eurostat agrees with the CSB that the appropriate recording should be a capital transfer in 2010, with a revision of the stock of assets reported in the ESA balance sheet.

Eurostat reviewed the recording of the EBRD put option and the *Citadele* sale. CSB will reduce the capital transfer expenditure (88.24 million euro) recorded in 2014 for the amounts of the proceeds collected in 2015 or, if it interprets the put option as a loan at inception, will eliminate the capital transfer completely. The payable of 88M€ corresponds to the activation of the put option, with the EBRD selling back to Government its equity in *Citadele*. The put call will have a deficit impact or not depending on whether an effective claim is acquired, whose value can be reasonably estimated. In this case, it seems there was an effective claim since the equity was sold within few months to investors, and the value can be considered to be the value sold at that time. Under this condition, the recording of a capital transfer should be reduced from 88.24 MEUR to 13.5MEUR.

Eurostat agreed on the current recording of some lump sum payments related to pensions, but questioned if the 2nd pillar transfers of assets of deceased persons, in certain cases, meet the definition of social contributions. CSB will reflect on the appropriate classification of some of these payments, without B.9 impact (D.7/D.91/D.99).

Concerning the reporting of guarantees granted by government, and regarding questionnaire table 9.4, the CSB will review the current recording in order to have an AF.6 liability position together with the B.9 impact. Eurostat will clarify if the amounts in questionnaire table 9.4, as well as the *Citadele* put option, should be excluded from questionnaire table 9.1.

The discussion about capital injections in public corporations focused on the national airline Air Baltic Company (ABC) and SJSC "“*Latvijas Dzelzceļš*" (LDz). The capital injection in Air Baltic might be considered as a financial transaction in F.5, but the recording is still uncertain. CSB should focus on the second part of the test looking into future expected flows and should confirm that there are no specific arrangements that benefit the private investor, such as a buy-back agreement (like a put option). Based on this, Eurostat will confirm the statistical treatment of the capital injection before the next EDP October 2017 notification.

The Latvian authorities requested an ex-ante advice for the correct statistical treatment of a planned equity increase in SJSC "*Latvijas Dzelzceļš*" (LDz) by the government, in order to implement the Latvian railway network electrification project. On the basis of the 2016 financial statements/reports of *SJSC "Latvijas Dzelzceļš" (LDz)*, as well as the main financial results since 2007 that the national authorities will submit, Eurostat will provide a letter of advice on the appropriate recording of the planned capital injection.

Referring to the calculation of the super dividend test applied to the Central Bank, CSB will consider taxes on income in the super dividend test and, as a result, will reduce the dividend revenue originating from the Central Bank for some years (e.g. 2013).