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U.S. Department of Justice

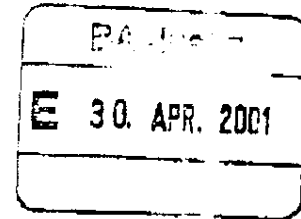
Criminal Division

Washington, D.C. 20530

TELEFAX transmittal sheet

DATE: April 27, 2001

TO: Mr. Giorgio Bomic
Swiss Central Authority
Federal Office of Justice
Berne, Switzerland
Telefax: (011-41-31) 322-5380



FROM: John E. Harris
Acting Director
OFFICE OF INTERNATIONAL AFFAIRS
CRIMINAL DIVISION
UNITED STATES DEPARTMENT OF JUSTICE

By: *Jonathan M. Breyan*
Jonathan M. Breyan
Paralegal Specialist

For: Colette L. Ford, Senior Trial Attorney

SUBJECT: Supplemental Request to Switzerland for Assistance
in the Investigation of James H. GLENN, et al.

REFERENCE: Our Ref.: 182-12894 (Please repeat when responding)
Your Ref.: B 109 695/0130ap

MESSAGE: Please see the attached supplemental request and the
accompanying French translation in the above-referenced
matter. The original signed request will be forwarded
to you via airmail.

Number of pages: 17 Sent by: JMB
Telephone number: (202) 514-6188 (direct)
Telefax number: (202) 514-0080
E-mail address: Jonathan.Breyan@usdoj.gov



U.S. Department of Justice

Criminal Division

JEH:CLF:JMB:jmb

182-12894 (please repeat when resending)

Washington, DC 20530

April 26, 2001

BY TELEFAX; ORIGINAL BY AIRMAIL

Giorgio Bomio, Esquire
Central Authority for U.S. Requests
Division of International Legal Assistance
Federal Office for Police Matters
Bundesrain 20
3003 Bern, Switzerland

Dear Mr. Bomio:

Re: Supplemental Request to Switzerland for Assistance
in the Investigation of James H. GIFFEN, et al.

Enclosed is a supplemental request for assistance on behalf of the U.S. Attorney's Office for the Southern District of New York and the U.S. Department of Justice, Criminal Division, Fraud Section and Organized Crime and Racketeering Section pursuant to the Treaty between the United States of America and the Swiss Confederation on Mutual Assistance in Criminal Matters (entered into force January 23, 1977). A French translation of the request is also provided.

If you have any questions concerning this matter, please contact me at 41-22-789-2646 or Jonathan Ereyan, the paralegal assigned, at (202) 514-6188. Thank you for your assistance in this matter.

Sincerely,

John E. Harris
Acting Director
Office of International Affairs
Criminal Division

BY: *Randy Miedo for Colette L. Ford*

Colette L. Ford
Senior Trial Attorney
P.O. Box 27330
Washington, D.C. 20038-7330

Enclosure

cc w/ enclosure:

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Assistant Chief
Organized Crime and
Racketeering Section
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Assistant United States Attorney
Southern District of New York
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New York, NY 10005

TO: The Central Authority of Switzerland

SUBJECT: Supplemental Request for Assistance in the
Investigation of James H. Giffen, et al

The Central Authority of the United States again requests the assistance of the appropriate authorities in Switzerland pursuant to the Treaty on Mutual Assistance in Criminal Matters. The Southern District of New York, the Organized Crime and Racketeering Section and the Fraud Section of the United States Department of Justice (collectively referred to as the "SDNY") are investigating James H. Giffen, a U.S. citizen and the chief executive officer of the Mercator Corporation ("Mercator"), and others for violations of U.S. law involving the alleged use of U.S. banks to funnel funds belonging to certain oil companies through Swiss bank accounts and shell companies in Switzerland and the British Virgin Islands for ultimate transfer to present and former high-ranking officials of the Republic of Kazakhstan. In connection with this matter, the SDNY is investigating whether former employees of an American oil company, who participated in the negotiations of the oil company's purchase of rights in the Tengiz oil field in Kazakhstan, received kickbacks or bribes from consultants retained by the Kazak Government in connection with the sale of rights in the Tengiz field.

The prosecutors now seek bank records believed to be in Geneva, Switzerland, that may establish that the former oil company employees deposited the proceeds of the kickbacks or bribes in bank accounts located in Geneva, Switzerland. In addition, the prosecutors seek bank records for Nichem Energy Limited ("Nichem"), the entity that allegedly paid the kickbacks or bribes to the former employees. Finally, the prosecutors seek bank records concerning certain transactions involving Bank Credit Agricole Indosuez.

On June 12, 2000, a formal request for assistance in the above-referenced matter was sent

to the Swiss Central Authority pursuant to the Treaty on Mutual Assistance in Criminal Matters. On August 21, 2000, a clarification letter was sent to the Swiss Central Authority providing additional information concerning the investigation. We refer to the facts, the criminal offenses

and the procedures to be followed sections of the June 12, 2000, request for assistance and the additional facts in the August 21, 2000, clarification letter.

SUPPLEMENTAL FACTS

A. Tengizchevroil

In or around May 1996, the Mobil Corporation ("Mobil") acquired a 25% direct partnership interest in the Tengizchevroil joint venture from the Republic of Kazakhstan. In connection with the Tengizchevroil transaction, the Ministry of Oil and Gas of the Republic of Kazakhstan (the "Ministry") retained Mercator as an official advisor. During 1995 through 1996, Mobil paid Mercator a total of \$51 million supposedly for services that Mercator rendered to the Ministry in connection with the Tengizchevroil transaction as follows: (1) \$5 million to Mercator on or around August 3, 1995, in connection with the signing of the Heads of the Agreement; (2) \$5 million to Mercator on or about October 20, 1995, in connection with the signing of a Memorandum of Understanding; and (3) \$41 million to Mercator on or about May 17, 1996, upon the signing of the Final Sale and Purchase Agreement.

On or about June 1, 1995, Mercator entered into a fee-sharing agreement with Nichem, a company that is believed to be registered in the British Virgin Islands with a place of business in Geneva, Switzerland, and that is allegedly controlled by a U.S. citizen, Friedhelm Eronat. According to the terms of that agreement, Nichem was to receive from Mercator a 50% share of any fees that Mercator received from Mobil for services Mercator allegedly rendered to the

Ministry in connection with the Tengizchevroil transaction.

In an invoice dated November 3, 1995, Nicheam advised Mercator that a portion of its share of the fee from Mobil should be paid to the French American Banking Corporation New

York for credit to the account of "Banque Nationale de Paris (Suisse) S.A. Geneva, Switzerland in favor of Nicheam Energy Limited; Account No: 5633264-110." Wire transfer records show that on or about November 6, 1995, Mercator transferred \$5 million from Citibank account 37332543 to the French American Banking Corporation New York for credit to Banque Nationale de Paris (Suisse) S.A. Geneva, Switzerland, in favor of Nicheam Energy Limited; Account No: 5633264-110.

Thereafter, on June 17, 1996, Nicheam requested that Mercator pay its share of additional fees received by Mercator from Mobil to Banque Nationale de Paris/New York for the account of Banque Nationale de Paris (Suisse) S.A. Geneva, Switzerland, in favor of Nicheam Energy LTD; Account No: 5633254110; Ref: Tengizchevroil/Kaz. The following additional transactions were effected as a result of this agreement between Nicheam and Mercator:

1) on August 26, 1996, Mercator transferred \$5 million from Citibank account 37332543 to the French American Banking Corporation New York for credit to Banque Nationale de Paris (Suisse) S.A. Basel, Switzerland, for credit to Banque Nationale de Paris (Suisse) S.A. Geneva, Switzerland, in favor of Nicheam Energy Limited; Account No: 5633264-110;

2) on September 17, 1996, Mercator transferred \$5 million from Citibank account 37332543 to the French American Banking Corporation New York for credit to Banque Nationale de Paris (Suisse) S.A. Basel, Switzerland, for credit to Banque Nationale de Paris (Suisse) S.A. Geneva, Switzerland, in favor of Nicheam Energy Limited; Account No: 5633264-110;

3) on October 22, 1996, Mercator transferred \$5 million from Citibank account 37332543 to the French American Banking Corporation New York for credit to Banque Nationale de Paris (Suisse) S.A. Basel, Switzerland, for credit to Banque Nationale de Paris (Suisse) S.A. Geneva, Switzerland, in favor of Nicheam Energy Limited; Account No: 5633264-

110; and

4) on November 19, 1996, Mercator transferred \$5 million from Citibank account 37332543 to the French American Banking Corporation New York for credit to Banque Nationale de Paris (Suisse) S.A. Basel, Switzerland, for credit to Banque Nationale de Paris (Suisse) S.A. Geneva Switzerland in favor of Nichem Energy Limited. Account No. 5633264-110.

On June 19, 1996, Mercator transferred \$4 million from Citibank account 37332543 to Bankers Trust Company, New York (Attn J.J. Bovay) for credit to Banque Indosuez, Lausanne UID 027524; Account No: 04048744 reference "Financial Advisory Services for the Republic of Kazakhstan." In addition, on October 19, 1996, Mercator transferred \$10,000 from Citibank account 37332543 to Bankers Trust New York for credit to the account No. 1207450Z (attention Mr. J.J. Bovay) with Banque Indosuez Geneva for the account of Sandor Doleschall with the reference "salary." Sandor Doleschall, who has been identified as a Mercator employee, allegedly worked out of offices at Vaeko Europe, a company believed to be associated with Nichem, in Geneva, Switzerland during 1996.

In addition, the SDNY has also learned of allegations of public corruption and commercial bribery in connection with the Tengizchevroil transaction. Information learned during the investigation suggests that Giffen agreed to "look after" officials of the Republic of Kazakhstan out of Mercator's fee from the Tengizchevroil transaction, and that Nichem and its operators were supposed to "look after" the Mobil executives who participated in the negotiations of the Tengizchevroil transaction from the fee that Mercator paid to Nichem.

A Mobil executive who participated in the negotiations of the Tengizchevroil transaction may have had control over bank accounts in Switzerland that could have served as depositories for money from Nichem and Mercator. On or about March 4, 1998, after the executive ceased

employment at Mobil, Mobil inventoried the contents of his office. Among the items found in the executive's office at Mobil was information suggesting that he had control over three bank accounts at Credit Suisse in Geneva, Switzerland, numbered 735428, 730486, and 735427.

It is necessary to obtain the records for Niche's accounts at Banque Nationale de Paris (Suisse) and for the numbered accounts at Credit Suisse in order to trace the money that flowed from Mercator to Niche and possibly to Mobil executives.

B. Banque Credit Agricole

On April 24, 1997, Mobil contacted Mr. Christian Maurin, chairman of Banque Indosuez, regarding an unauthorized transaction involving bank account No. 51609V--which was for the benefit of Mobil Sales and Supply Corporation (MSSC), a wholly owned subsidiary of Mobil--at Banque Credit Agricole Indosuez in Geneva, Switzerland. During an audit of MSSC's office in London, Mobil learned that an \$11.04 million overdraft loan on bank account No. 51609V had been made to MSSC pursuant to a Power Of Attorney signed by individuals without proper authorization. Mobil advised Banque Indosuez that it believed that the loan in question had been made without Mobil's approval and absent the standard bank documentation, i.e., promissory note, loan agreement. In addition, Mobil informed Banque Indosuez that Mr. Jean-Jacques Bovay was familiar with the circumstances surrounding the transaction. Subsequently, Mobil took the necessary steps to repay the loan and closed bank account No. 51609V at Banque Credit Agricole Indosuez in Geneva, Switzerland.

Thereafter, on or about March 23, 1998, Mobil contacted Mr. Yves Caplan, the Chief of Inspection-Generale, at Banque Credit Agricole Indosuez, advising him that it was conducting a confidential internal review of certain commercial activities that may have adversely affected

Mobil. Areas that were subject to Mobil's review included: 1) unauthorized payments to third parties; 2) possible diversion of funds to unidentifiable offshore entities; and 3) possible money laundering transactions.

Thereafter, an executive employed at Banque Credit Agricole Indosuez in Geneva, Switzerland, who had responsibility for many of the bank accounts that are related to the subject matter of this investigation, ceased his employment at Banque Credit Agricole Indosuez after allegations surfaced that he may have received substantial illegal payments and that he supposedly deposited those proceeds into bank accounts at financial institutions other than Banque Credit Agricole Indosuez.

It is necessary to secure all bank documents for account no. 51609V at Banque Credit Agricole Indosuez concerning an \$11.04 million overdraft in favor of MSSC, any documents or records from Banque Credit Agricole Indosuez concerning the allegations that were the subject of Mobil's internal review, and information identifying any Swiss bank accounts for the benefit of the former executives of Banque Credit Agricole Indosuez that he may have established at banks or financial institutions other than Banque Credit Agricole Indosuez that may have been used to deposit the proceeds of or illegal payments.

ADDITIONAL EVIDENCE REQUESTED

1. Please provide copies of any and all records for:
 - a. Account Nos. 5633254110 and 5633264-110 (the "Accounts") in the name of or for the benefit of Nichem Energy Limited at Banque Nationale de Paris (Suisse) SA Geneva, Switzerland, including, but not limited to, the following:
 - 1) the transfer of monies into the Accounts from Mercator or any other individuals or entities associated with or controlled by James H. Giffen;
 - 2) the transfer of money from the Accounts to bank account numbers.

735428, 730486, and 735427 at Credit Suisse in Geneva, Switzerland; and

3) the transfer of money from the Accounts to any bank account in Switzerland or offshore entities for the benefit of any Mobil employees;

b. Account Nos. 735428, 730486, and 735427 at Credit Suisse in Geneva, Switzerland;

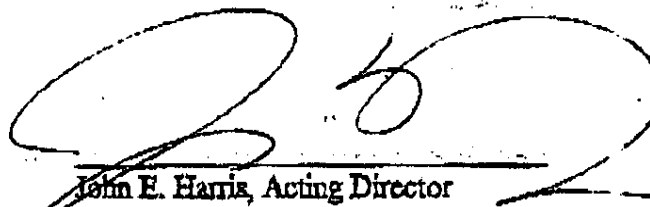
c. Account No. 51609Y at Banque Credit Agricole Indosuez concerning overdraft of approximately \$11.94 million;

d. any bank accounts at any bank or financial institution in Switzerland for the benefit of the executive at Banque Credit Agricole Indosuez that may have been used to deposit the proceeds of bribes, kickbacks, or other illegal payments

e. any safe deposit boxes in any bank or financial institution in Switzerland in the name of, or controlled by, or for the benefit of any of the individuals or entities identified above that relate to the subject of this supplemental request.

2. Please provide copies of any and all bank documents from Banque Credit Agricole Indosuez relating to Mobil's internal legal review as stated in this supplemental request.

Given the sensitive nature of this investigation, it is requested that the Swiss Central Authority not disclose any information contained herein to any third parties, without first consulting the U.S. Central Authority.



John E. Harris, Acting Director
Office of International Affairs
Criminal Division, U.S. Department of Justice