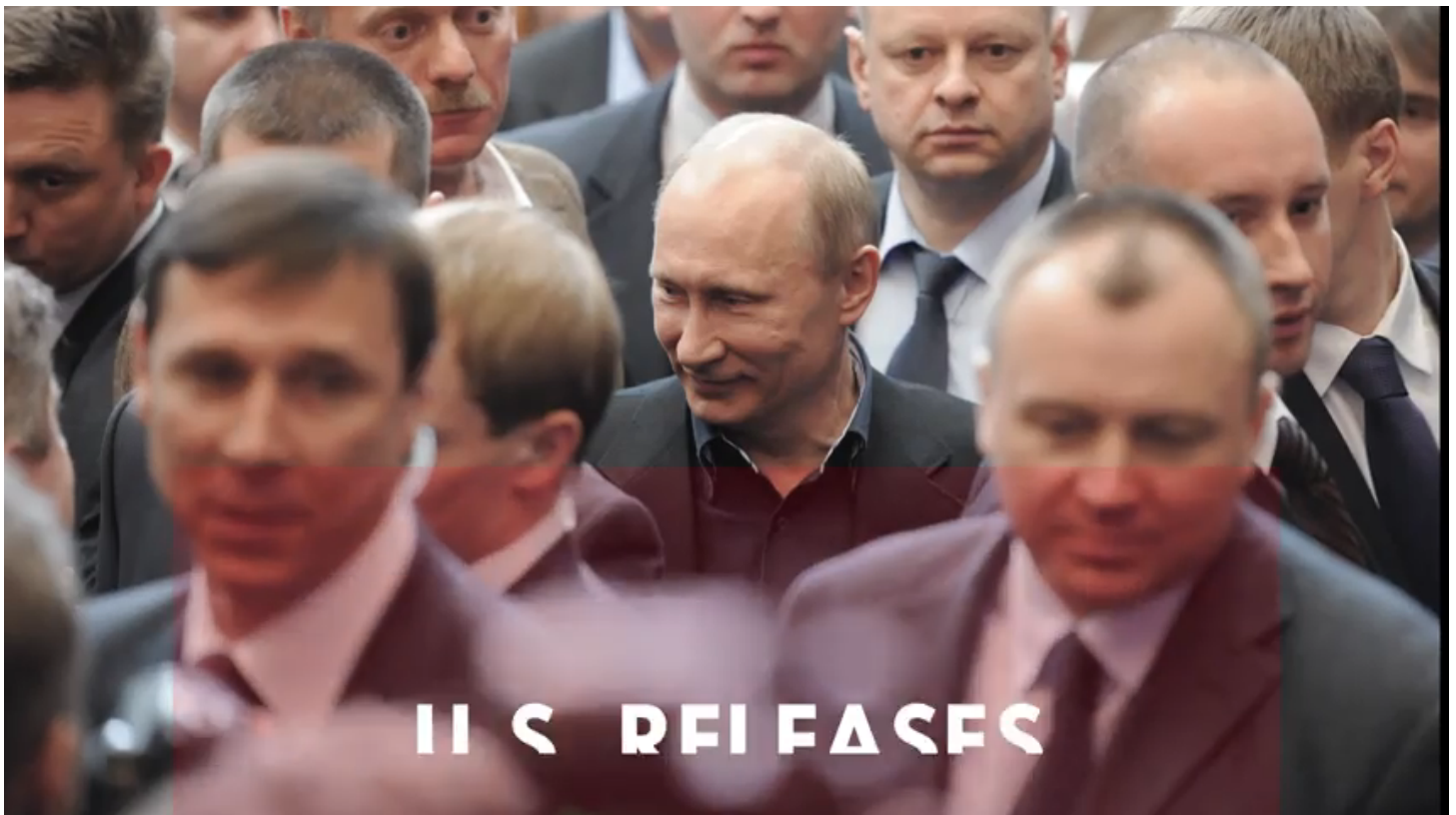


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PRINCE CHARLES CHARITY RECEIVED FUNDS FROM OFFSHORE COMPANY USED TO LAUNDER RUSSIAN MONEY, INVESTIGATION REVEALS

BY CRISTINA MAZA ON 3/4/19 AT 4:11 PM



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A charity run by Prince Charles, heir to the British throne, received hundreds of thousands of dollars in donations from a company based in the British Virgin Islands that was used to launder money funneled out of Russia, according to a new investigation published Monday. It is unclear whether the charity was aware of the origin of the funds.

network of at least 70 offshore companies allowed the friends and allies of Russian President Vladimir Putin, Russian criminals and oligarchs, to move money overseas and launder the funds later.



Prince Charles, Prince of Wales, attends the Cranmer Awards in London on February 21.

KIRSTY O'CONNOR/GETTY IMAGES

The investigation was based on leaked documents, including banking transactions, which may constitute one of the biggest bank leaks ever reported.

This newly uncovered operation emerged from the Russian private investment bank Troika Dialog, which was at the time run by the Russian-Armenian banker and Putin ally Ruben Vardanyan. Troika Dialog's employees helped establish the network of offshore companies and used it to hide the funds of the bank's well-connected and wealthy clients. Vardanyan claims that neither he nor the bank carried out any crimes or were responsible for any wrongdoing.

The operation existed from around 2006 until 2013, according to the report. During that period, the offshore companies carried out almost \$9 billion worth of internal financial transactions in order to obfuscate the origins of the money.

"The examples given are classic trade-based money laundering. Individuals through companies using their government granted licenses to buy external trade items are also used to help launder flight capital out of a country," Burke Files, an international financial investigator and money laundering expert, told Newsweek about the report.

"As for the use of government accounts and charities to move the money, this was a state-of-the-art money-laundering technique back in the day when this money was being moved," Files continued. "Today, the authorities have wised up to the use of charities, but not so much on the government accounts. We have seen money moved through state university accounts, military club accounts, even municipal parking accounts."

Between 2009 and 2011, Vardanyan allegedly made three transactions worth \$200,000 to the Prince's Charities Foundation, according to leaked documents shared with and viewed by the British news outlet [The Guardian](#). The money came from an offshore firm based in the British

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"The documents indicate that criminal and legitimate money may have been mixed together, making it impossible to trace the original source, before passing through screen companies into the global banking system," The Guardian reported.

On its website, the prince's charity claims to "transform lives and build sustainable communities."

"The Prince of Wales carries out dozens of engagements every year in support of his charities. Collectively The Prince of Wales's charities raise more than £100 million [almost \$132 million] annually to support The Prince of Wales's charitable work in the U.K. and overseas," the organization's website reads.

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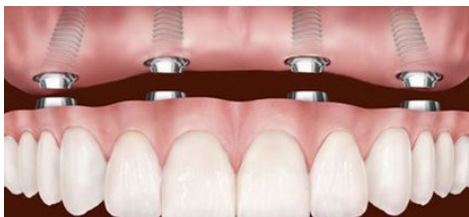
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