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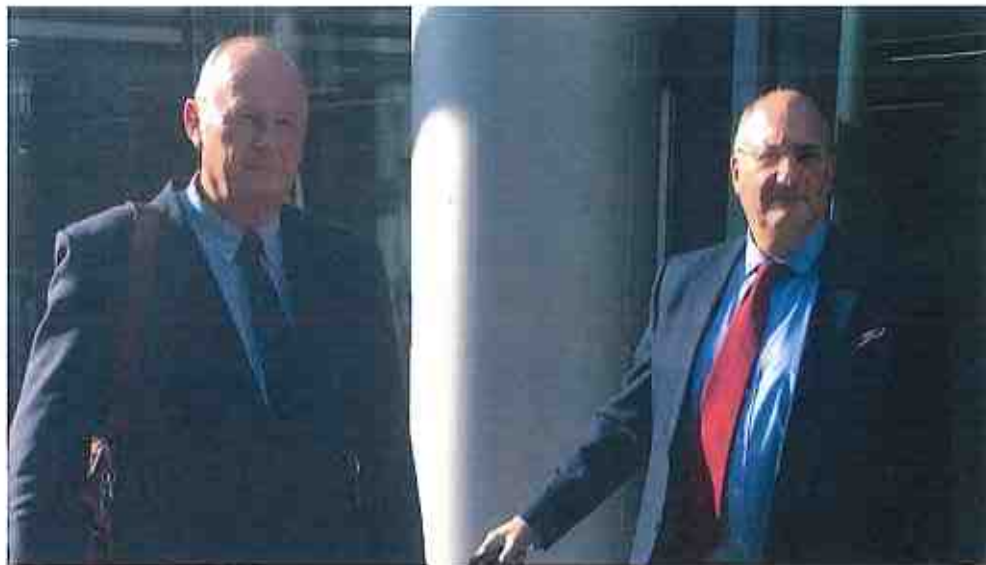
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Bank sues private investigators who turned into whistleblowers

Will Humphries

April 8 2019, 12:01am, The Times



Alec Leighton and Nigel Brown are being sued for breach of confidentiality

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Two British private investigators are being sued by the owners of a bank accused of facilitating terrorist financing, organised crime, internet child sex abuse and the Syrian government's chemical weapons programme.

Nigel Brown and Alec Leighton, both former British police officers, were hired by the Lebanese owners of FBME Bank in Cyprus to help fight money-laundering allegations.

The High Court heard that the men discovered evidence suggesting serious criminal activity during their internal investigation and revealed their findings to the US and Cypriot authorities after the bank's owners failed to pay them £200,000 in outstanding bills.

Ayoub-Farid Michel Saab and Fadi Michel Saab, the brothers who owned FBME, are suing them for breach of confidentiality. Mr Brown and Mr Leighton say that their disclosures were justified in the public interest because of the seriousness of the allegations.

In July 2014 the US Treasury's Financial Crimes Enforcement Network (Fincen) banned FBME from using the US banking sector. Fincen, in a notice of finding, said: "FBME is used by its customers to facilitate money laundering, terrorist financing, transnational organised crime, fraud, sanctions evasion and other illicit activity."

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It said that the bank “promotes itself on the basis of its weak anti-money-laundering controls in order to attract illicit finance” and that “as of 2008, a financial adviser for a major transnational organised crime figure who banked entirely at FBME” had “maintained a relationship” with its owners.

Fincen said: “At least one FBME customer is a front company for a US-sanctioned Syrian entity, the Scientific Studies and Research Centre, which has been designated as a proliferator of weapons of mass destruction.”

The Central Bank of Cyprus put the bank into administration in July 2014 with a view to selling its assets. The Saabs brought in Mr Brown and Mr Leighton that month to look into the claims. In November 2014 they were told to stop by the owners.

Steven Kay, QC, representing Mr Brown and Mr Leighton, said that they had been “compelled” to disclose their evidence after going to a lawyer for advice about their unpaid bills. “They were advised by the lawyer that he had to report to the authorities in Cyprus [what they had told him],” he said.

Mr Kay added: “[The claimants] would rather this court was tied up in contract law, but this case is about something else. It’s about human beings who were victims of crime as well as the defendants. It doesn’t matter whether [Mr Brown and Mr Leighton’s] motivation was with an unpaid bill. They don’t have

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to be angels. It's whether what they reported was in the public interest or not." tuesday, July 23, 2018

The Saabs “vehemently deny” all allegations of criminality, the court heard. The Tanzania-registered bank brought legal action against Fincen to oppose the ban but this failed and it came into force in 2017. The bank is now in liquidation.

Ayoub-Farid Michel Saab told the court that his business was a “family bank” which did “not attract criminals and crooks”. He said that they had processes to deter money laundering.

David Allen, QC, representing the Saabs, said that Mr Brown and Mr Leighton were let go because the bank was concerned about the “lack of work” they were producing. He said the Saabs were so unhappy with their work that they refused to pay an outstanding bill of £200,000. “As soon as that became clear to the defendants, they started disclosing confidential information to various entities including Fincen and several Cypriot authorities,” he said.

“Neither FBME nor the claimants have been charged with any criminal activity or behaviour anywhere in the world, and no law enforcement agencies have ever felt the need to levy any criminal charges against the claimants.”

The trial continues.

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