

National

Inside the bizarre world of Ray C Dam

A Cambodian-born US citizen and a network of 'ambassadors' are behind a shadowy organisation that has left in its wake a trail of fraud and deception across the globe – a trail that began in Phnom Penh

JACK DAVIES
Post Weekend

For 12 years, what now serves as a Daun Penh district rubbish collection site was the nerve centre of a network of fraudsters that hawked a bizarre piece of modern mythology across the globe.

Once a luxury villa on Street 240, the present-day dump is just a stone's throw from the British ambassador's residence. New Zealand and British corporate records show that it was home to a Banteay Meanchey-born US citizen named Ray Chhat Dam – who turns 67 on Saturday – and Australian Keith Francis Scott, 71, since at least 1998.

The pair, both of whom styled themselves "His Excellency", claimed to be chairman and chief of cabinet, respectively, of a secretive UN organisation named the Office of International Treasury Control (OITC). It, in fact, has no connection to the global body whatsoever.

In December 2010, the villa was raided following an investigation ordered by Prime Minister Hun Sen. Dam and an associate named Soush Saroeun were arrested along with two foreigners. In the days that followed, Dam and Saroeun were charged with multiple counts of fraud, having forged a letter of credit from HSBC for \$100 million as well as claiming to have been advisers to late Senate President Chea Sim. The two foreigners were never identified, but OITC chief of cabinet Scott fled the country shortly after the arrests.

The charges against Dam and Saroeun – which carried a maximum sentence of 16 years – were dropped a few months later in circumstances that neither Saroeun, Dam, his defence lawyer, nor court officials have been able to fully explain.

Since then, despite maintaining an active presence on Facebook, Dam has essentially vanished. He continues to post frequently on Cambodian politics – usually disparaging remarks about Hun Sen – and lists his current location as Washington. Reached via Facebook messenger earlier in the year, he confirmed that he was based in the US but was at the time on a "European nation mission".

All known associates of Dam that have responded to *Post Weekend's* enquiries maintain they have not been in contact with him for many years.

But Dam and the OITC were dragged out of the history books earlier this year when his name popped up in the Panama Papers, a massive data leak from offshore registration firm Mossack Fonseca published by the International Consortium of Investigative Journalists.

The papers showed that between 2007 and 2010, Dam was a joint shareholder in a British Virgin Islands (BVI) company, RCD International Ltd, with Cambodian Justice Minister Ang Vong Vathana. Later in the year, a still-active Singaporean company named OITC Holdings PTE Ltd was discovered by *The Post* with an identical list of shareholders.

Vathana has repeatedly denied having any knowledge of either company, although the managing director of the corporate services firm that registered the BVI company said earlier this year that his firm always requires proof of identity, address and source of funds



The former residence of Ray Chhat Dam is now a collection point for city garbage collection service

before registering any shareholders. Similarly, the Singaporean business registry has stringent proof-of-identity requirements that those in the know say would make it near impossible to register Vathana as a shareholder without his knowledge and consent.

But the 2010 frauds were not the first to be perpetrated by OITC, although with Dam's disappearance into the shadows, they may have been the last.

A GLOBAL OPERATION

Over the past eight months, *Post Weekend* has uncovered a patchwork quilt of fraudulent dealings, conspiracy theories and even possible deaths spanning more than a decade and five continents, all of which eventually trace back to Dam and the OITC.

According to its website, the OITC was founded and Dam appointed its chairman in 1995, although it was not until 2003 that it claims it was recognised as a "sovereign entity" by the UN. It also claims to be "the single largest owner of gold and platinum bullion in the world" and that its mission is to ensure that wealth is distributed to developing nations. The only trouble is, a shadowy cabal of global elites won't acknowledge that the bullion – supposedly hidden in mine shafts and sunken ships but registered in bank accounts across the world – belongs to the OITC.

In July 2003, The Office of International Treasury Control S.A. Intertreasu was registered in Guayaquil, Ecuador, by Pablo Orlando Medina Mero and Martha Cecilia MeroMuentes. Its principle business activities were listed, fittingly, as the manufacture and sale of children's toys. Medina Mero would later be registered as chairman of a Cambodian company named RCD Group Co. Ltd.

In April 2006, Ecuadorian investigative journalism periodical *Blanco y Negro* reported that in December 2005, Germania Ullauri, mayor of the municipality of Ona, met with OITC represen-

tatives in Cambodia and returned as the organisation's "ambassador" to the South American nation.

The following month, she summoned a meeting of six mayors from the Association of the Municipalities of Ecuador to convey the OITC's offer of a \$150 million loan to finance development projects. There was only one catch: They first had to place a \$20,000 deposit in a Malaysian bank account, which *Blanco y Negro* reports they dutifully did. To date, no OITC financing has materialised in Ecuador.

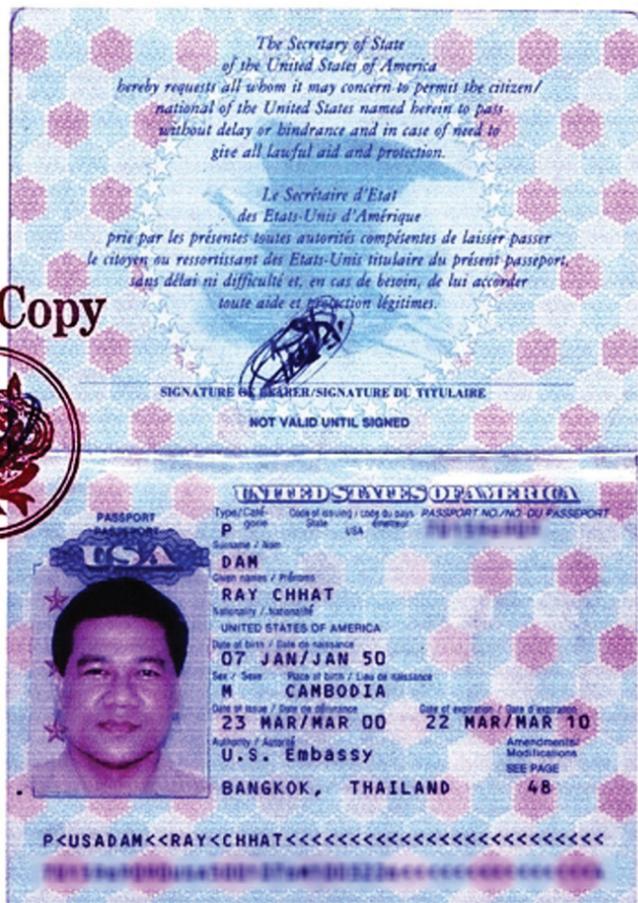
Meanwhile, in England, Dam and another OITC executive named David Sale were attempting to purchase ailing British car manufacturer MG Rover for \$5 billion.

In 2005, Sale sent a torrent of irate faxes to Price Waterhouse Coopers (PWC), the auditing firm charged with overseeing the sale of Rover, which had fallen into bankruptcy. PWC evidently did not take OITC's bid very seriously, almost certainly not encouraged by Sale's invocation of the "security level 3 – 5 classification" clearance he claimed the auditors would need to be granted



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ANRI PETROSYAN / AN OITC DIRECTOR



A copy of Ray Chhat Dam's old passport. PHOTO SUPPLIED



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in order to be shown proof OITC was good for the \$5 billion it was offering to pay.

In the end, Rover went to Chinese carmaker Nanjing Automotive.

ALL THAT BANANA OIL

The same year, OITC franchise operations began popping up around the world. In June 2005, Office of International Treasury Control SRL was registered in the tiny Eastern European country Moldova. Its three directors were Lebanese-American Halim Camille Adeimy, fellow US national Anri Petrosyan and Moldovan nominee director Ivan Erhan.

Neither Erhan nor Adeimy could be reached for comment, but Petrosyan said in an email exchange that the company was formed at the request of Adeimy and another Lebanon-born American whose name he said was not on any official documents and he remembered only as George.

"They were referenced to me by our mutual friend from US," Petrosyan

wrote. "It's hard to remember now, but the whole deal was based on a story that there are some significant funds assigned particularly for the development of some infrastructural projects in Moldova... and all that 'banana oil.'"

"As of today, I have no idea what is going on with the company and where the involved characters are at the moment," he continued. "It looks like it was an attempt of some international scheme by some professional crooks!"

Petrosyan later enjoyed 15 minutes of fame when a Russian named Vladimir Volpert asked a South Carolina court to compel him to produce documents for a case pending before the London Court of International Arbitration (LCIA). In his affidavit to the court, Volpert alleged he had lent Petrosyan \$1 million to help with the finalisation of a soybean factory in Estonia that never materialised.

The judge declined to recognise the LCIA (which is a privately run mediation body) as a foreign tribunal under US law and declined the request,

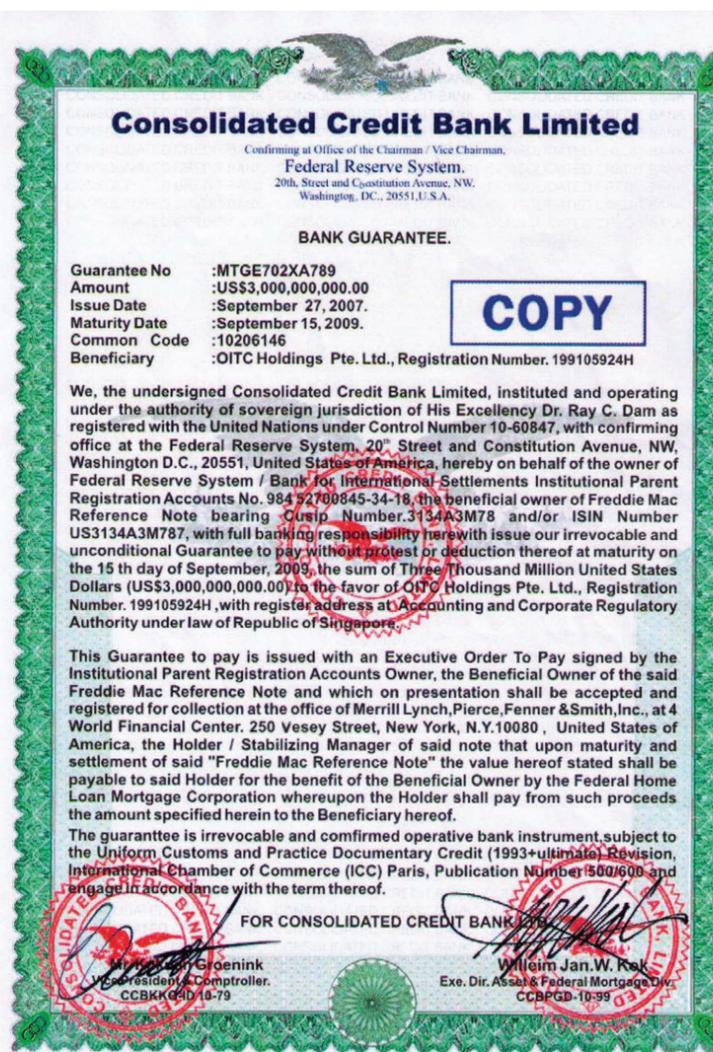
a decision since taught in American universities to law students.

AUSSIE EMISSARIES

In early 2006, OITC chief of cabinet Scott was busy making repeated trips to Fiji, where he offered an association of indigenous farmers a \$6 billion loan from OITC to open a development bank. As with previous ventures, the financing never materialised and Scott left the island amid statements of suspicion by senior public officials.

Later that year, Scott's name was one of four added as directors of a Luxembourg company recently renamed OITC Investments & Participations Holding SA. The other three were his nephew Matthew John Scott, a Dutch lawyer named Stanley Hoop, who claims to have acted as pro bono legal counsel to Dam and the OITC for several years, and an American named Michael Zorn.

A fifth director, German national Axel Schlosser, had been with the company since its formation in 1998



A copy of a bogus \$3 billion offer tied to the notorious OITC. SUPPLIED

as Sabah Trustees International Holding SA. Among the directors of Sabah before it changed its name to OITC was a Sultan Julaspi Kiram II, a pretender to the Sultanate of Sulu, a province in the southwest of the Philippines.

Upon his coronation in 2004, the sultan vowed to fight for the return of the Malaysian province of Sabah to the sultanate. Contacted by email, Sabah/OITC managing director Schlosser said that he had formed the company after having commissioned a British historian to research the history of the sultanate.

COFFEE FOR COFFINS

Like Petrosyan, Schlosser also had a dubious 15 minutes of fame. Sabah Trustees International Holding also served another purpose, as majority shareholder in another Luxembourg-registered business, Sitara International Finance Holding SA.

According to a 2007 Global Witness report, Sitara sold two military helicopters to the government of the Ivory Coast as a sweetener to a 2003 deal that would have handed the company the rights to roughly 25 percent of the country's annual cocoa output. As of April 2003, rights groups had documented the deaths of more than 100 civilians as a result of aerial bombardment by government helicopters.

In emailed comments, Schlosser said he first became aware of the helicopter deal during a trip to the Ivorian capital of Abidjan, where a local parliamentarian visited him in his hotel room.

"Only at this time I learned, that Mr. Brincks and Mr. Garnier were negotiating as well the supply of arms in a volume of US\$100 million," Schlosser wrote.

Hans Brincks, he said, was a German national with extensive contacts in the Ivory Coast that Schlosser engaged to facilitate the deal after being introduced to him by a Congolese colonel. Brincks in turn hired Christian Garnier—identified by French-language media as an arms dealer—as his fixer.

"I instantly replied that Sitara and I would never ever be involved in an arms deal and I or any company I was involved with ever worked in this field and will never work in this field," Schlosser wrote.

Schlosser said the move away from conflict cocoa and Sulu sultans came in 2005, when a mutual acquaintance introduced him to the OITC's Scott.

Schlosser said he was attracted to the OITC as Sitara had previously been involved in the financing of government projects. He made extensive efforts to verify that the OITC was all it claimed—including contacting the UN—all of which were unsuccessful.

"When I told this to Mr. Scott, he informed me, that only high-ranking government officials can do so," Schlosser wrote.

"I got a letter of nomination as authorized agent of OITC and started to work, whereby I continued to try to obtain further information," he continued. "Confidence gave me as well that a Dutch lawyer was involved, Mr. Stanley Hoop, who voted for OITC."

Hoop presented Schlosser with a letter of credit for \$3 billion issued in the name of the Consolidated Credit Bank (see inset) to OITC Holdings PTE Ltd the Singaporean company Justice Minister Ang Vong Vathana holds shares in.

The bank does not exist and multiple jurisdictions have since issued fraud alerts for organisations operating under its name.

Getting progressively more suspicious as more holes began to appear in Scott's story, Schlosser voiced his concerns to the Australian. Shortly after, Scott wrote to Schlosser saying he was stranded in Cambodia and could he borrow some "travelling money".

"I send him US\$2,500 and that was the last thing I heard from him," Schlosser wrote.

Both Schlosser and Hoop both said they believe another OITC Luxembourg director, Michael Zorn, was an American intelligence operative, although *Post Weekend* has been unable to verify this claim.

"He was—according to information—an ex NSA and died years ago by intentional food poisoning," Schlosser wrote, echoing Hoop's remarks via WhatsApp.

LIFE AFTER DAM?

After fleeing Cambodia in late 2010, Scott next surfaced in Australia, as one of two directors of Sydney investment firm SIL Global PTY Ltd. In an archived version of SIL's website, Scott is—in an apparent reference to the OITC—described as having "a rather unusual background in Global Finance, where for some 15 years, he had been involved in Global Treasury operations."

"Keith has been widely exposed to a financial world that very few know exists, and as former Cabinet Chief of an organization that operated strictly within this world, his knowledge is extensive."

Former fellow director Stephen Duncan said in emailed comments that he has had no contact with Scott for at least two years, saying that last time they spoke Scott—who is now 71—was laying low as he was about to become a father.

The most recent directorship listed for Scott—who has been unreachable for comment—was in 2013, with another Australian company co-directed by Duncan, KSA Capital Holdings PTY Ltd.

Duncan said that KSA had been a vehicle for a failed joint venture between Scott and OITC in order to build affordable housing in Asian countries.

A DAM POOR DEFENCE

Seemingly off the radar for half a decade, the OITC turned up unexpectedly this year in an Oregon federal court, where one Winston Shrou is charged with having attempted to defraud the US government by trying to pay off his taxes with fraudulent bonds.

In response, Shrou filed a motion to dismiss, claiming that he was appointed an emissary of the OITC by Ray Chhat Dam in 2010 and as such enjoys immunity from prosecution. As of press time, the US Department of Justice had not commented on whether they were taking his claim seriously.

As for Dam, he has declined or ignored multiple requests for an interview over the last eight months, but did say in a Facebook message that Shrou has no association with the OITC.

Of course, it is debateable whether Dam's word on anything should be taken at face value. As one long-time figure in the Cambodian business world put it: "Ray C Dam was a scammer of the highest order." ■



Grainy footage of Ray Chhat Dam in hospital during his 2010 pre-trial detention. PHOTO SUPPLIED