

A New International Player Joined the Ping Pong Game between Bulgaria's Prosecution Service, the National Revenue Agency and the Commission for Withdrawal of Illegally Acquired Assets—AlixPartners Services. The Goal Remains the Same!

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The “think thank” behind the attack against Corpbank decided to engage yet another weapon in order to bury the evidence of the crime it had committed. Unarguably, its sole purpose was to indict and lynch me in public, so that it could justify the vandal attack of May-June 2014.

AlixPartners’ too “innovative” approach to the task and, at times, close to absurd reasoning along the lines of “this is not legal, but it is pragmatic,” had one key goal: to reach the conclusion that “Mr. Vassilev prima facie, alone or with accomplices, has caused substantial (unrecoverable) losses with his actions.” And further: “Mr. Vassilev’s wrong, incorrect and potentially criminal actions were undertaken in his capacity of Chairman of Corpbank’s Supervisory Board and majority shareholder, etc.” While this task was assigned by those who organized the raid against Corpbank, it was paid by Corpbank, in other words by its creditors and shareholders. It is interesting and not coincidental that neither the contract’s scope nor the fees payable under it were made public.

I hope that the Bulgarian translation of the so-called report is authentic to the original text, so that my lawyers could soon file claims against AlixPartners for the arguable approach and the absurd allegations in the report. And let’s hope the SPV which AlixPartners used to enter the agreement is not the necessary “fuse” for the dirty game they play with their Bulgarian contractors.

In fact, AlixPartners have been burdened with the task to prove the allegations of the Prosecution and the Commission for Withdrawal of Illegally Acquired Assets (CWIAA). On their part, the Prosecution and the CWIAA need an “indulgence” to substantiate their unsubstantiated allegations. Something they lavishly paid for, as they usually do, with other people’s money.

AlixPartners’ key killer conclusions are based on the division of a portion of the bank’s credit portfolio into three groups **based on criteria which they themselves admit are not quite legal but pragmatic**. Obviously, to reach such “profound” conclusion, they must have used the same first-hand sources of information which the Prosecution Service relies upon—Peevski’s “thinking laboratory” and the nonsense of the Prosecution Service’s main false witness. The thesis that seems to be convenient to many seems to be: the bank failed to control the assets acquired by financing. But then I have a question for you: why did Corpbank operate successfully for so many years?

When they examined the corporate files, they should have noticed how project earnings of so-called “fuses” such as Agrofinance, SIPPLC, Central Railway Station, Vamo Varna, Electronica, Lagera, Bulgartabac, etc. were treated and they should have noted how a huge portion of the earnings of my own companies was allocated to support Corpbank’s capital. I am sure that while the false witness they use has lost his conscience, he has not lost his memory! Unfortunately for them and for their patrons behind the curtain, there are many others who will confirm my words.

The “pragmatic” approach of the forensic experts has resulted into a “perfect” division of Corpbank’s assets into 3 groups:

- a) the group of “loan capital trading” (whatever such nonsense might mean). This group actually includes major companies for which financing was provided by the next group labeled as Vassilev’s “fuses”;
- b) the group of “financing channels”;
- c) the group named “Vassilev” is a mish-mash comprised of companies whose names and functions are known to the false witness only. The group includes a company formerly owned by my wife (Consult AV) which was sold to the same false witness on their insistent request back in 2011 without any outstanding debt to Corpbank.

For fear of becoming boring by enumerating facts, I shall say the following: the overall philosophy of our banking during all those years has been to ensure acquisition, restructuring and sale of valuable assets via a system of companies. And we have been successful with this strategy for 13 years.

In the organized bankruptcy of the bank, which AlixPartners’ experts euphemistically named “withdrawal of bank deposits,” this connection naturally broke and a large portion of Corpbank’s main assets—Vivacom, NURTS, Petrol, Technomarket, Gypsum, Infrastrukturna kompaniya, the plant in Kostenets, Rubin Pleven, etc., fell under the control of either the management or of new creditors under loan transfer agreements during Corpbank’s special supervision period. Yet another portion of the so-called financing channels such as TC-IME fell under the control of the group of the false witness who also happens to be the main ideologist of the “enter-exit” system for providing the necessary funding to the companies in the first group.

It turns out that “unbiased” evidence seekers have learned well the lesson of their contractors. Only they will be encountering many unpleasant surprises. Because those very same forensic “experts” failed to inspect the following cases:

1. Who allowed VTB to dispose of Vivacom’s shares, without investing even 1 lev in its ownership? Is not the reason rooted in the attack against Corpbank and the premeditated insolvency of TC-IME which was organized by Peevski? The losses of the bank sustained by this asset only including NURTS will exceed € 530 million if the widely advertised transaction of Spas Rusev—the Velchev brothers’ straw man—is to go through!
2. The loss from Petrol is currently estimated at over € 250 million considering the offers we were negotiating. The shares were pledged in favor of Corpbank.
3. So were Technomarket’s shares. However, both Corpbank’s conservators (special supervisors) and official receivers allowed Corpbank’s ownership to be diluted to 15%, so that Peevski could get it for free. I do not even want to speak about the Domo retail chain in Romania.
4. As well as 6% of Bulgartabac. We had requested to convene an extraordinary General Assembly meeting to oust Peevski who, without investing a penny, was draining the company at the expense and without the knowledge of the majority shareholders. Corpbank’s conservators (special supervisors) voted “abstain,” thus causing a loss of at least 30 million leva to the bank.
5. As well as Vitro Invest’s shares in Rubin which are completely worthless today after the conservators (special supervisors) turned a blind eye on the day-time robbery perpetrated by Alexander Staliyski who was actively assisted by the false witness mentioned above and the CEO of the Glass Factory in Pleven.
6. Have the analysts in question examined and inspected the company which owns the studios in German, which they have also included in the group of “financing channels”? Staliyski and his accomplices are currently plundering the property for which they received a generous price after blackmail.
7. Do the informed experts from AlixPartners happen to be aware of the indiscriminate embezzlement of assets by the false witness who is assisted by his soulmates from the so-called “lieutenants group”—Sofia Press, Katarino, 160 da of land on the Black Sea coast, Corpbank’s Headquarters building, all the equipment of Infrastrukturna kompaniya and whatnot else? I saw nothing concerning these issues in the report. Actually, these are of no interest for the Prosecution Service either!
8. The attack on Coprbank as well as the implicit coordinated policy of the other banks ruined investment projects such as the Paracin Glass Factory, Haskovo Gas-Powered Plant, Strand Retail Center, etc. Not to mention tax and fiscal maltreatment of operating companies which were branded with Vassilev stigma—Dunarit, Avionams, hotel companies, etc. This, of course, has escaped AlixPartners’ scrutiny, but, in their opinion, paying corporate taxes with money from a loan was a crime. Where did you read this, gentlemen? Is it so in other European countries? If we are supposed to harmonize our laws with EU regulations and if we are not supposed to apply dual standards, maybe the National Revenue Agency should inspect the taxpaying method employed by Balkan Media Company in 2013?!
9. In this train of thought, I cannot fail to notice the exceptional timing of AlixPartners’ report with the claims by the Commission for the Withdrawal of Illegally Acquired Assets. Isn’t their report supposed to be confidential?

So as not to bore you further with such details, I shall point out once again Corpbank’s executive directors and I have never engaged in preparing assets for theft in the last 14 years as the report implies. The said report, for example, claims that “not providing or providing minimum securities implies intentional actions.” The history of the bank and its records can only confirm my statement. And this is the embarrassing truth for the gentlemen who commissioned AlixPartners’ pamphlet: no matter what AlixPartners’ “forensic experts” attempt to imply, during that period Corpbank’s capital was increased by 400 million leva of which 200 million leva were provided as subordinate loans.

I still argue that the value of assets (market price, investment cost, valuations, etc.) on 31 May 2014 was sufficient (as listed in appendix below) to cover all debts of the companies placed in the “Vassilev” group and “the loan capital trading group”, i.e. more than € 2 billion.

This is the embarrassing truth for those who, attempting and succeeding to steal a portion of the € 2 billion, are now trying to transfer the blame on me and my colleagues!

***Appendix:ASSETS CONTROLLED BY CORPBANK BEFORE IT WAS PLACED UNDER SPECIAL SUPERVISION**

ASSETS	PRICE/AMOUNT OF LEVERAGE	EXPLANATION
77% VIVACOM	€ 500 M	6.5 times EBITDA
100% NURTS AND MULTIPLEXES	€ 150 M	10-14 times EBITDA
97% PETROL	€ 300 M	Offer price at that point in time; based on valuation—€ 400 M
100% DUNARIT	€ 100 M	valuation, contracts, profit
100% AVIONAMS	€ 40 M	Three-year contract with NATO
80% RUBIN-PLEVEN	€ 40 M	cost replaced valuations
100% <i>SERBIAN GLASS FACTORY</i> (SGF), PARACHIN	€ 100 M	cost replaced valuations
RUSE SHIPYARD AND PORT WEST	€ 65 M	cost replaced valuations; project for a multimodality terminal
GYPSUM COMPANY	€ 20 M	profit; 35-year concession
GAS-POWERED PLANTS	€ 30 M	cost replaced valuations
90% HASKOVO THERMAL POWER PLANT	€ 25 M	cost replaced valuations; joint project with a US Fund
KOSTENETS PLANT	€ 50 M	cost replaced valuations
40% LITEX MOTORS	€ 20 M	cost replaced valuations
INFRASTRUKTURNA KOMPANIYA	€ 20 M	Value of tangible assets only
TECHNOMARKET AND DOMO	€ 70 M	Acquisition price plus operating capital
CASTRA RUBRA WINERY	€ 50 M	valuations; 2000 da vineyards, available produce
STRAND RETAIL CENTER	€ 40 M	valuations; operating funds
REAL ESTATE	€ 350 M	Investments and projects; including 4 hotels, compound of 40 000 sq. m in St. Constantine & St. Helen, Corpbank’s Headquarters, Rodina Publishing & Printing House (55 000 sq. m floor area + 40 da land for construction), Universiada Hall + 40 da land, Sofia Presssale pending, Tempo/Technomarket retail store, 65 da behind Central Railway Station, 160 da at seaside in Ravda/Obzor, 150 da in Ognyanovo, Katarino, and many more.
PARTNER LEASING	€ 30 M	Receivables (excluding Peevski’s printing house); All receivables have been cleared with the assistance of the false witness. Probably, the perjurer benefited from some of these while the borrowers— from others (most media adventures of Peevski). Krasimir Gergov and BTV represent a separate case.
OTHER RECEIVABLES	Over € 150 M	including € 40 M due by Peevski’s printing house, € 15 M—by Technoexportstroy, € 20 M—by Krasimir Gergov, € 500 thousand by Levski and Alexander Angelov.
SUBORDINATE LOANS	€ 100 M	
TOTAL	€ 2.25 billion	

NOTE that the realization of these values requires normal operation of the credit institution and visionary management rather than liquidators-thieves.