

Tzvetan Vassilev to Zornitza Markova of KTB Files: "Since 2009 Bulgaria Has Been Governed by a Mafia Blackmailing Business"

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On the diverse schemes Bulgaria's political mafia uses to blackmail Bulgarian business, the close relationship between Borisov and Peevski as well as the illegal and inadequate unprecedented application of the most conservative AQR methodology to evaluate Corpbank's assets, read [Tzvetan Vassilev's interview with Zornitza Markova, author of KTB Files.](#)

Thank you for agreeing to this interview. How is life in Belgrade? How does your everyday routine look like?

Eventually I figured out that silence is not golden, although it cannot be said that I have kept silent in the past two years. My everyday routine in Belgrade differs from that in Sofia. In any case, I have not alienated from society, I keep my business contacts, including my international contacts. I'm working on my defense and on the many claims that I have filed against the participants in the conspiracy against CORPBANK. I cannot complain that my everyday life is monotonous. Besides, I have much more time for reading, particularly philosophy.

What is the current status of the legal proceedings?

It is difficult for me to even enumerate them all. With regard to the criminal proceeding, I'd assume you know that after two years of travail in vain, they came up with a simple trick to postpone the submission of the case to the court and devised that an organized criminal group under my leadership had been draining the bank for five years. For this purpose, they transferred the case to the specialized prosecutor's office, seconding there the same great team from the city prosecution and investigation service, with the sole purpose of gaining time. Apparently, this is the case of their lives. Not that it is not of the same importance for me. It is obvious that the case will be heard and decided in the same, handy for them, specialized court. I agree that there is an organized criminal group, but not mine, but of those who organized the plot against CORPBANK. Against all of them I will file claims, after some political changes happen.

I will go back to the wider picture in a while. Before that, I want to ask you about the current events. Recently the results of the stress tests of banks in Bulgaria have been published. Would you comment on them?

It is no a secret that almost not a single bank has actually passed the stress test. Moreover, these tests have nothing to do with the test to which CORPBANK was subjected two years ago. The assets of CORPBANK were evaluated according to the most conservative methodology AQR, which has never been applied in Bulgaria and which is definitely not designed to be applied to a bank that has survived a run.

I'm not an adversary of the banks, although a substantial portion of my colleagues did their best to help the organizers of the putsch against CORPBANK. I am convinced that there cannot be a healthy banking system in an unhealthy economy.

Yet, both previous and current management of Bulgaria's central bank (so-called Bulgarian National Bank) are part of the criminal group which forced CORPBANK to close down. During the attack against CORPBANK, the central bank took an absolutely shameful position. Unwillingly Iskrov came up with a declaration only when information was intentionally leaked about the indictment against Deputy Governor Gounev. Then, they played a key role in ultimately ruining CORPBANK through inadequate policies during the conservatorship (special supervision). Of course, the most important decision that the organizers of the plot forced them to make was to liquidate the bank by revoking its license on the basis of the AQR appraisals that no one has yet seen. For that, they invented that shareholders have no legal interest in appealing the withdrawal of the license, so that the "appraisals" do not become public and are not discussed. This, incidentally, is in sharp contravention of the practice of the European Court of Human Rights in Strasbourg.

At present, of course, they play a different role - to sweep the traces and prove the thesis that CORPBANK was a specific bank and it was the only exception to the system because there was a thief named Vasilev who, imagine, had been robbing it for five years.

With the exception of very few banks, without quoting names to avoid accusation of destabilizing the banking system, almost all have a capital shortage. The main reason is the dysfunctional economic environment. The other is the imbecile high standards set for capital adequacy. To please Trichet and the ECB, Iskrov forced a 12 percent capital adequacy on the banks, while all others just fought to reach 6-7 percent. Now, since 2014 they have introduced another 1.5% additional capital buffer, thus prompting the auditors and the central bank to close their eyes in the review of the banks' assets.

After nearly a year now, the Vivacom deal was proclaimed finalized. It was one of the most important assets financed by CORPBANK. What is your comment on this?

This should be seen as the apotheosis of shame. To allow a leading telecom to be sold at a price less than 4 times EBITDA is simply a crime.

When in 2012 Vivacom was acquired by "Bromak" and VTB, the company was of much higher value than now, regardless of its large debt. It had three types of lenders, which could not reach an agreement among each other, there was a claim of the state for over 120 M Euro, it had a golden share, which the state held to control the company's owners. All these issues were resolved by my team and Vivacom became a complex telecom number one in Bulgaria.

What happens now is a classical criminal theft involving a Russian state bank and tolerated by the Bulgarian state. Apparently, they have promised to protect the interests of those on whom it depends.

The state, in order to impede the transfer of ownership in Vivacom, has included the company in the list of claims by the Assets Forfeiture Commission. This was done on purpose – anyone who wants to acquire Vivacom must go and kiss the hand of those currently in power, so the blockages on assets is lifted. Let's now have a look at the position of the state and of the head of the Commission who is under the command of Borisov. Since this semi-literate, low leaning clerk prosecutes my family for 490 M Euro for the "illegal" acquisition of Vivacom by me, will he dare to oppose the thieves, patronized by the Russian state bank. By the way, my deal was then endorsed by DG Competition of the European Commission. This alone is enough to block the deal on the Bulgarian side and ask for the release of the shares sought from my family. Let it be, but I do not believe it. Because the promised booty is large.

In what form?

Well, the form can only be one: money. A lot of money.

Then, you say that those on whom the future deal depends will get a commission?

100 percent.

Who would it be?

Well, there are two clans – the one of Peevski, which is omnipresent, the other is that of the Prime Minister.

Be specific.

I've heard many things, but does it really matter? I say that with certainty the value of this package of 77 percent funded by CORPBANK, and I have never kept this a secret, at the time of the attack was 500 M Euro. This does not include NURTS (Bulgaria's DVB-T Network).

Yet, who should get how much to "release" the deal, as you affirm?

I have heard about specific amounts, and about concrete partaking in the ownership. The actual distribution of shares is as follows: the fictional company of the ever stand-ready Spas Rusev should

acquire it, and then “put options” should be given to several groups of buyers that will distribute the pie of the difference between 700 M Euro and the real Enterprise Value of the company that is over 1 billion euros. Yes, a telecom of 170 M Euro annual EBITDA was sold in practice for the achieved price of 700 M Euro as the total of the auction price of 330 M Euro and the balance on the Vivacom bond issue of just over 370 M Euro. It’s about the redistribution of some 300 M Euro minimum in the ratio of 20% in favor of VTB, about 20% for the ubiquitous scammer brothers Velchevi and Krasimir Katev as servants to VTB, and 43 to 46 % for the decoy that Spas Rusev is. However, the figurehead will need to share a large part of the so-called profit—in absolute terms it is around 135 M Euro—with those currently in power. With those who are even currently draining the company and already made it a first-rank fan and sponsor of the “team of the people”.

You mean Borisov and Peevski?

Well, so people say. And Peevski requested from me 10% of the company in his famous blackmailing in May 2014 because, you know, they had helped me. In what way had they helped me since I worked on the deal with the investment arm of VTB—VTB Capital, and with the Royal Bank of Scotland? But they believe it, that is the way they construe things in Bulgaria. That you cannot do big business if you don’t pay back. That is why I say that after 2009 in Bulgaria there is not just corruption, there is mafia in power, which tries to control everything and profit from everything.

Speaking about deals— how did the deal for Bulgartabac happen and how it turned out eventually that Peevski owns the company?

Well, Peevski is not the owner, but only for the Bulgarian public. If someone had wanted to investigate, he would have discovered the truth. I have documents showing that not Peevski, but Irena Krasteva is the owner. She is present in the files of the legal company Walch & Schurti. It was agreed that Irena Krasteva would be one of the nominal owners of the foundations that held LIVERO. This was the company that had a special agreement with VTB Capital in respect of BT Invest as a transferee of 80 percent share in the capital of Bulgartabac. No big secret here. Peevski or his family are the owners of BT Invest, especially after the redemption of the obligations of LIVERO to EFV and to Ventracor - there’s no doubt.

Afterwards the original foundations—owners of LIVERO—are displaced and new foundations pop up there. What was the distribution then...I do not know the details. But these are games within BT Invest and transfers in exchange of liabilities. In fact, the loan of one of the company-creditor was bought by TGI Middle East, a company in Dubai, which is part of the chain for cigarettes smuggling through Kurdistan into Turkey [a company associated with Peevski, note of the interviewer]. So, I think I can figure out what the origin of the money that was used for refinancing all of this.

That said, for me the question is not whether Peevski or his mother are the owners, but how many the owners are and how the ownership has been redistributed. I do not exclude Peevski to have ceded

part of Bulgartabac in exchange of his dues to the main dealer in the Middle East, Salam [Salam Kader Faraj, note of the interviewer]. Such thing can only be said by those who hold the register of BT Invest, respectively the files of the founding companies.

Then, you suspect that Salam has a share in Bulgartabac?

I do not exclude this, so that Peevski could save his own skin. At the end of 2013, when he launched a campaign to overpower Bulgartabac, he cheated Salam. Salam transferred a substantial amount of money in advance, so that Peevski could pay off first to EFV, and then to Ventracor [EFV and Ventracor are two companies that have provided funding for the privatization of Bulgartabac in 2011. At that time EFV was under the control of Vassilev and was funded through CORPBANK. Behind Ventracor hides the interest of Peschtera Winery; note of the interviewer]. Probably in a similar way the debt of Bulgartabac to CORPBANK was refinanced in April and May 2014 by transfers through a large foreign bank.

To your knowledge, what sums have been transferred by Salam?

Over 150 M dollars. According to information I have, Peevski has not repayed to this day. And given the current financial situation of Bulgartabac, his ability to do so is even lesser.

By the way, the sale of Bulgartabac is one of the best initiatives of the first government of Borisov because if the company was not privatized then, it would be in the eye of the smuggling scandal that burst in 2014-2015. At that time it would have been still a state company. I am convinced that because of this scandal Peevski, became a "persona non grata" in Turkey. Anyway, before the privatization, the business of Bulgartabac basically was dependent on this channel and on the main distributor Salam. Now, how far has Peevski become involved into this, certainly a lot of people know, including the services and his puppet Ventsislav Cholakov, who represented him all the way the laundry chain. These are all companies registered in Dubai and are used for transfers of cash from smuggling by the companies owned by Peevski. Prior to the privatization "Caledon" was in the role of a company mediator, while after the privatization Peevski transferred everything to his companies in Dubai. This story is about illegal income of large-scale for the Peevski family and for those who had additional interest in Bulgartabac.

Who has additional interest in Bulgartabac?

The names leaked so many times, no point to repeat them.

They have never been released officially. Do you confirm them?

Well, I confirm, of course. At least, those were the arrangements. The concrete details can be found in the companies' files in Liechtenstein, you may ask Alexander Angelov.

To close this topic, what was at the beginning the agreement for sharing the ownership of Bulgartabac?

Borisov, Dogan and Staliyski to receive bonuses [10% ownership of the shares that were privatized, according to the scheme published in the blog of Miroslav Ivanov, note of the interviewer] so that a green light is given to the deal. A little known fact is that my initial idea was for my group to participate in the privatization of Bulgartabac in consortium with Korean Tobacco. It was explicitly suggested that such deal will not be approved. Notwithstanding I had consulting contracts with Rothschild in Paris. Then I paid for the consultancy and abandoned the idea because the will of the "Sultan" was different.

Do you realize what you're saying right now—the Prime Minister of a European country has a hidden interest in the ownership of Bulgartabac.

Well, that is what he was promised. This was true at that time. Whether it is still true now, I cannot know. If someone wants to dig into things, they should go and dig. Two or three Liechtenstein law firms hold the whole secret.

Peevski is a big topic. Tell us about your initial contact? What was his role in the bank? In general, what did you need Peevski for?

I have been asked this question many times. We met by chance, as always. Little by little he entered into my business life. At certain stages he was useful, helped me at times ...

In what way was he helpful?

He was helpful in many ways. He is a very energetic and active person. In 2003-2004 he somehow became very close to Dogan and was somewhat of a broker between me and the Movement for Rights and Freedoms (DPS). This comforted me in dealing with DPS because ultimately the role of the Turkish party as a corporation is well-known.

I've had very difficult moments in the development of the bank. In 2004, the then Chairman of the Board and holder of more than 20% of the shares tried to blackmail me. We are talking about Yanko Ivanov, supported by the energy lobby around Bogomil Manchev. I did not succumb to the pressure. Then Peevski helped me in dealing with DPS to secure support for me in preventing a more serious attack on the bank. At that time the bank was very small.

In what way was DPS helpful at that time?

Not in any specific way, but business relationships and the intrusion of politicians is not always something concrete. I guess at this point someone just said: 'Well, do not touch there, because DPS might have an interest.' I do not know how this was presented. The bank has often been portrayed as the bank of DPS, but it has never been associated with DPS—neither in the acquisition nor subsequently. But I was dependent on DPS as far as big businesses in Bulgaria are to an extent dependent on some more aggressive political players. Then you can always rely on a good word...

Similarly, in 2008 there was tension around the attempts of Alexey Petrov, at the time of Stanishev's mandate as prime minister, for a takeover of the bank. At least, according to information from Peevski. Through the prism of time I'm not sure what the truth was. To what extent Petrov was really interested in the bank, but Petrov was then for DANS and for the prosecution service, what now Peevski is. At that time Petko Sertov was at the head of DANS and the flying command of Roman Vasilev "butchered and hanged" at their discretion.

Weren't you and Roman Vasilev on good terms?

I have had meetings with Roman Vasilev, but that has no relevance at all. There is famous photo taken at one of the receptions of the bank that our friends from "Capital" continuously publish to suggest I had special relationship with Roman Vasilev. This is not serious. If such relationships have to remain hidden, they remain hidden. If I depended on something from Roman Vasilev, I would not have shown it at a reception of the bank.

Let's continue about Peevski ...

So, step by step this man became very close to me, I let him become very close. That is why I say it was one of the biggest mistakes I have ever made. Actually, Peevski has been speaking and acting everywhere on my behalf. He presented all his wishes to be mine. Such things ultimately led to my encapsulation, to my nomination for Oligarch number one. Of course, a major role here played the group around Prokopiev. I remember the statements of the former American ambassador Warlick in

2011, who said that the capital of CORPBANK is of unclear origin as there allegedly was ownership that was not clear. In 2016 Prokopiev even had the arrogance, after I gave an interview to Dikov, to approach him and say that, you see, this does not mean that the Oman State stood behind its participation in CORPBANK. I do not know why then the Omani Fund and the State of Oman are currently suing Bulgaria in the international investment arbitration court in Washington, D.C.

So, little by little Peevski settled permanently around me. And so until 2014.

In addition to political protection, in what other way did Peevski contribute?

He was proactive. When the US ambassador deliberately made this statement, Peevski did much to reduce the tension around the bank... At the time, the messieurs around Prokopiev organized an investigation by the European Commission, which was widely publicized in Bulgaria. It is interesting, by the way, that when the investigation was completed and found no violations, the Capital's journalists forgot about the subject and did not cover this development.

I have been always concerned that something might trigger a panic among our clients. Obviously this all was abused by people like Peevski, knowing my fears regarding the bank. To protect CORPBANK, I was more conciliatory to all of their moronic projects, so that we have enough comfort in the media and in politics. Such nonsense was, of course, the purchase of the "Weekend" newspaper and then of numerous other media.

Did you have any direct contact with Dogan?

I know Ahmed Dogan, but for those 14 years, we have seen each other two or three times.

What for?

In general, small talk of general nature. He regards himself as energy expert. Once or twice we've talked about the economy of Bulgaria, where the problems in the energy sector are, etc.

In order to protect the bank, what was DPS getting in return?

Nothing but financing for various ideas that have come through Peevski. And how Peevski reported up

the line of command, I do not know.

What kind of relationships did you have with the other political parties in the different stages of development of the bank? For example, what was the role of Rosen Karadimov during the Triple Coalition?

The whole plan for digitization of Bulgaria was developed by the tandem Peevski-Karadimov, together with Veselin Bozhkov. That is the reason for the problems with digitization. In Austria there is one multiplex of 12 channels, while in Bulgaria it was decided that there should be four multiplexes with 52 channels, so that we had a free market. There are not that many TV stations. Anyway. It is ridiculous to claim that big businesses can keep a distance from the politicians in Bulgaria. Here, big business has to comply with the strong people of the day because they set the rules. And especially after 2009. Until then, the market was still growing and there was enough business created by the market itself. Then the business went under exclusive dependency on the state. This, of course, increases the appetite of those who represented and represent the state.

Before 2009, with whom of the strong people of the day did you have relationships?

I know everyone, but practically with few exceptions because of my work in one or two sectors of the economy, I have not had any special relationship with the state. We worked in the energy sector and it required that I have contacts with the ministers and with the prime ministers, as far as energy is a strategic sector of the economy. Similarly, related to our work with the defense complex we had a relationship with the Ministry of Defense or with the interagency committees. But that was all related to the business logistics.

What was that politicians wanted from you, so that you do your business at that time?

If someone claims he was able to do big business in Bulgaria without having to pay back in some way, he should say so before a lie detector test. The Bulgarian political elite requires from businesses to corrupt them as otherwise it mobilizes the levers of the government machine against business.

After 2009 when Borisov came to power, the bank enjoyed the most rapid development and its strongest period. What kind of relationship did you have with Borisov?

The first government of Borisov coincided with the period of the global crisis, which hit the markets. We followed a different strategy and instead of limiting our activity, we expanded following the ancient Chinese proverb: "When the storm is coming, build windmills, not walls." This is the main

reason for the development of CORPBANK, not the proclaimed thesis that, you see, the Borisov government was pumping state money into the bank. This is an outright lie. Simeon Djankov is a cold-blooded liar who claimed he did not want to withdraw the money as CORPBANK would go bankrupt. This is not true. The bank has worked with the current accounts of several companies in the energy sector and two or three transport companies, which had deposits. They were not especially big amounts and did not exceed 10 or so percent of the total portfolio. This whole thesis was proven false, but unfortunately after the closure of CORPBANK.

Well, I do not hide that I had a good relationship with Borisov, although it was very inconsistent. I have had his understanding, but I have encountered a lot of misunderstanding, mainly by his ministers.

During that time there were many opportunities on the market as a result of the crisis and the withdrawal of foreign banks. Our philosophy has always been to make merchant and investment financing – that means to look for project financing, to look for challenges and during the crisis there were plenty. Thus, during the the crisis, we acquired companies that otherwise would not have survived. These are the "Rubin" Pleven, and the factory in Paracin and the Rousse Shipyard. "Petrol" survived thanks to us. We have had also targeted acquisitions as "Vivacom". I thought it was a good deal that will bring profit. Notwithstanding, the media of Peevski wrote that, you see, Vassilev participated in the privatization of Bulgartabac to make money. What a shame! As if it is not a shame to participate covertly, without disclosing yourself and the other beneficiaries. Well, I did this with such explicit purpose— to make money. It should be known that my practice was to return to the bank the profit of the so-called “shell” companies, established by Peevski’s servant Biser Lazov. That was my goal. So, it is no wonder that we grew so much.

How often you were in contact with Borisov and what did you talk about?

About women ... We have been seeing each other quite often. Especially now, he is vulnerable, so he may deny it. I have talked to him about different things, including problems in the energy sector, the defense sector, the multiplexes, as the first Borisov government had completely inadequate policies in these areas. I have arranged for him meetings with investors from China, Oman and Austria. I cannot say I have had a bad relationship with Borisov. I was annoyed by the behaviour of some of his ministers—inadequate and downright hostile. I was also annoyed by his narcissism, as I am a narcissit myself. He literally lied that in 2012 he provided the wages for the Vazov Factory while in fact these were Dunarit money and he knew this very well. Then I became angry and we quarreled on the phone.

Does the prime minister have an interest in other companies connected to you similarly to the way he does in Bulgartabac?

These people are not interested in the companies: they are interested in money. They are brokers—two groups of brokers. They are interested in passing the companies cheaply to someone

who is interested and willing to pay. This is the case with 'Dunarit'. Peevski doesn't have an interest to be an industrialist in 'Dunarit'. Peter Mandzhukov has an interest there and Peevski performs the role of a broker, ensuring he can provide 'Dunarit' at the low price Mandzhukov has offered. It is said to be about 20 or 25 M euro from which a negligible part went to CORPBANK and the rest to Peevski. Gebrev [the other candidate for 'Dunarit' is 'Emko', owned by Emilian Gebrev, note of the interviewer] offered 30 M euro as a repayment for the obligations to CORPBANK. On the one hand, Peevski now attacks 'Dunarit' through Mirolio's takings via an offshore company, and on the other hand, CORPBANK attacks the cession.

And it all happens under the gaze of Vladislav Goranov and of Borisov. In fact, I wonder whether Borisov rules the state, or it is Peevski that does. Or both of them. But Borisov has not in any way demonstrated that he has distanced himself. On the contrary, he demonstrates he is still dependent.

Dependent on what? Be specific.

Apparently dependencies exist, I don't know. Or they like each other so much despite the fact that he called him 'Pumpkin' in the 2008 - 2009 campaign. I only remember how in 2013 as suddenly as they started investigating 'Avio Squad 28' and 'Hello, Vanyo', everything quickly faded away thereafter.

What was the reason for that?

A deal. Between Borisov and Peevski. And I hardly doubt that the deal was my head. This was a classic raid attack. Peevski is the chief organizer and main beneficiary of the attack against me.

Can someone please tell me how the firm that acquired 'Sofia Press' has now guaranteed loans to Peevski's Vodstroy in the First Investment Bank? How much money did this firm pay to acquire 'Sofia Press'? I don't even want to start talking about 'Technomarket'. It is a secret to nobody how CORPBANK's insolvency mass is being drained through contracts for legal services and 75% are returned back to Peevski's pocket and his teammates. It is a secret to nobody that Alexander Angelov works on a shameful contract for Parachin here.

What Peevski stumbled on are his main targets - Vivacom, Dunarit and Petrol. These are the most delicious pieces of the CORPBANK cake and he has always had an interest in them.

In the period 2012 - 2014 you were still in a team with Peevski. Then a big portion of the public procurement deals went to firms close to him. How did this happen?

Well, ask Borisov. How come each of his mayors has signed contracts with 'Vodstroy'? What is 'Vodstroy'? There were only two broken tip trucks. This is a theft postbox.

How does it operate?

In an uncomplicated way. You eliminate the competition, sign a contract with 'Vodstroy', which signs with sub-contractors and takes its 10-15% share while the rest is thrown to the other firms. It doesn't give them even that because they are indebted to half of Bulgaria. They threaten them if someone asks for his money. Also check what contracts Ivaylo Moskovski signed for the railway infrastructure with 'Vodstroy' – framework contracts, which is a crime. Look at the contracts with the 'State Reserve' – how the renovation of the oil bases from 'Vodstroy' and IPS was made.

What kind of contracts are those?

Minimum 100 M lev are stolen from there during the term of Stanishev's government and the first Borisov government. The price of the renovations in the bases of the State Reserve for storage of oil and grain is excessively inflated. I do not name specific numbers so that no one can blame me for inaccuracy. From the times of Emel Etem until today, Peevski has always controlled the state reserve. Another grand theft-the exchange of oil products.

What does Borisov get from this?

I don't know what he gets, but he definitely knows. And also, he is not one of those who do not know how to ask for things.

How does he ask for things then?

How he asks... In the last couple of years, the exchange of the oils in the state reserve happens with the active participation of 'Lukoil'. 'Lukoil' is one of the outside keepers of fuel for the reserve. So the fuel doesn't even move. But it is mandatory that it is sold at low price from the state reserve and is then bought again at a high price. As a rule, the prices go up on the international markets when the state reserve has to buy the new fuel.

What part of it goes for commissions?

I can't say. But for sure Peevski participates. Until today the chief secretary of the state reserve is Emil Kolev—a man assigned by Peevski from Emel Etem's time.

You said that the two clans are Borisov and Peevski. Is there any distribution of areas of interest?

I say this again, check the distribution of the public procurement and you will see that they are one and the same – 'Glavbolgarstroy', 'Trace', 'Agromach', PST. And a couple of satellites around Peevski like 'Technoexportstroy'. We financed its privatization and the damage for the bank was around 30 M lev.

In our initial conversation you said that in 2014, after the bank closed, Borisov promised you he will save it and then he backed down. Why?

I suspect two things. Firstly, if CORPBANK was saved, they had no chance to get the cash while I would have been rehabilitated. The rest is a dirt story that was invented in 2014 and for which I was recently informed about. As a result of it I was framed from the Bulgarian authorities to the foreign ones for criminal activities I allegedly took part in, while in fact it was Peevski who participated.

What is the information that you have?

For now I will keep it for myself because heads will fall as a result. But these are false claims given by the Bulgarian authorities to their partnering offices for my role in processes in which I haven't participated. This is something that in 2015 - 2016 became known to the concerned departments. This is how the information reached me.

What processes?

Everything Peevski has ever done.

What has he done?

The things because of which he is declared “persona non grata” in Turkey.

Other than smuggling?

Including working with ISIS and so on and so forth. How do you think the smuggled cigarettes reach regions controlled by the Islamic state?

You mean this was attributed to you?

Yes.

What is the connection to Borisov? What is Borisov’s role in that?

I suppose that Borisov could have been informed about my participation in that which made him resistant. I don’t blame him. He just made a mistake, which would cost him a lot. I have information that then he said he chose the lesser evil, meaning Peevski. After he chose the lesser evil, he should take care of it now.

You mean he was deceived or he was part of the scenario?

I would like to believe he was deceived.

You said that one is the scenario with your framing and the other is they wouldn’t get the cash...

I say again that this whole process is managed by Peevski. It is public secret that the assignees report to Alexander Angleov. They even don’t go to Peevski. He is above it all. Everything is coordinated with Angelov. They don’t even hide. They didn’t hide in the past either. They walked on their feet, they were waiting in the basements of ‘Berlin’ [hotel ‘Berlin’ is owned by Peevski, note of the interviewer], until the boss invites them. Including ministers.

Which ministers?

Well, whom have I not seen?

Whom have you seen?

Well... Peter Chobanov, Dragomir Stoynev during Oresharski's time.

And from the current government?

I believe that in the current government Peevski has more ministers than Borisov.

For example?

For example, the one who is ready to do anything to protect the interest of Peevski is Goranov, Ivaylo Moskovski, the hopeless Lukarski. They are absolutely subservient. Peevski should not be underestimated.

Who is Alexander Staliyski?

Who he is now, I do not know. It has been said that he has spoiled his relationship with Borisov. He was his most trusted man and was dealing with everything connected with Borisov, including as a collector of the due amounts together with his friends—the trio from Pernik.

Where do they collect them from?

From those who have to give back.

Did they collect from you?

They did not miss me.

In what form did they collect?

It varied. Including through the acquisition of shares—overt and hidden, in companies for which they didn't pay a single dime.

Where could Staliyski's interest be seen?

Other than from his bank accounts, part of which were in CORPBANK and he cashed literally after blackmailing and then acquired and stole 'Rubin' Pleven. Other than that I suppose that in his or Sechkova's accounts or the accounts of firms like KM Trade, KC Trade etc., a lot of money can be found.

Was everything left for him or was it distributed?

Borisov only knows what kind of relationship he had with Staliyski, but one of the reasons why I was with him on June 6, 2014 was to show him what Staliyski and his group took as a result of one thing or another.

What did you show him?

He knows. When the time comes, I will show it as well.

Until 2013 you worked together with Peevski. When did the breakup start?

It started when Oresharski came to power. I already said that in my mind the deal between Borisov and Peevski was my head. This was around the end of the summer: September 2013.

It appeared that Peevski succeeded to replace the tithes and the centurions of Borisov and alone managed to swallow what others didn't manage to take as a group. He was everywhere. This is the time of the boom of 'Vodstroy' with the procurements, which were awarded my name in the front: this is for Vasilev, and that is for Vassilev. Sergey and Monika Stanishevi admitted that during my meeting with them in May-June. But Peevski was not alone in the procurements.

He had a place of honor during the first Borisov government. As you can see, he has his place in the second one as well. Willy-nilly Borisov stopped procurements for him for 1 billion lev. How did he win procurements for so much money? This never stopped. Even now if you look at Turkey's interconnector, you will see it is being built by 'Vodstroy' and 'Glavbulgarstroy'.

He had his hand on almost everything. He appointed his people in the judiciary, in DANS, in the prosecution. I was terrified to learn I had 'appointed' all prosecutors and judges even though I don't know a single one of them. I haven't seen neither Sarafov, nor Tzatzarov and it appeared that I appointed them. Obviously he did his job well and I obviously slept through this moment.

After September-October 2013 I understood I had to find a way to break up my relationship with this person. This is why I agreed to remove myself without any claims from 'Bulgartabac' so that I have no quarrels with him. I wanted to find a solution. Unfortunately, I didn't estimate the extent of the conspiracy and the participation of the government institutions in it on Peevski's side.

Did the initiative come from you?

In general yes, but he had already started taking action. His steps were mainly in the dirt. With Alexander Angelov he had internal information and they started an investigation on me thorough DANS so that they can hit me after that. He prepared everything well. He managed to create intrigue between me and the key political factors. To Dogan he explained what money I took from the bank. He told them I had taken 500 M to 1 billion Euro out of CORPBANK. Of course, for the constantly greedy people like Dogan this could have been a serious reason to stand against me. I suppose he created the intrigue between me and Borisov in the same way. In one word—he was taping me and did everything in his power to isolate me.

At a certain point in April-May 2014 I started receiving signals from all political leaders that they gave up on me because I was going to become a prime-minister and I wanted to overthrow Oresharski.

Up until this moment how much money did Peevski have in the bank?

Directly probably around 150 – 200 M Euro, together with the limit of guarantees issued to the benefit of the companies controled by him. These are 'Bulgartabac', 'Lafka', 'Technoexport-stroy', Industrial Construction Horlding, 'Vodstroy' and not to forget his printing house where he owed 80 M lev. We financed this printing house so that he can repay some part of his debts and the condition was that the 'Yuriy Gagarin' factory will add to the debt for the lease contract with the printing house. This is something he didn't do. Apart from that he refused to take the share in the financing of TV7 where he

had to pay 50% of the expenses. In these years 300 Mlev were spent and he used it as his private TV station.

You showed a list with assets Peevski requested from you. Is there a prequel to this list?

Yes, there is. We started negotiating how to separate. At a certain moment Alexander Angelov came. He showed a list and said: 'This is it'. I said there is no way this will happen and we have to meet with Peevski. He said that Peevski does not want to meet with me because he was offended. To my proposal to divide our business and to even absolve his obligations at TV7 he refused. Then, you know what happened. Immediately in a criminal manner pre-trial proceedings were initiated and the steps for the whole plot were planned.

If this is true, why did they have to liquidate the bank?

I keep thinking that there was another plot and probably they didn't imagine things would develop in this way. A plot similar to the one that happened to Slavcho Hristov and CBank. If I were to be arrested in connection to the laughable proceedings for the so-called plot to kill Peevski, I might have had to transfer 'Bromak' and a couple of other companies.

I still can't understand why did you become inconvenient and had to be removed?

Apparently I became inconvenient because of my growing influence, with Barekov's result, which apparently to a great extent was my merit.

OK, but what was the point of having Barekov?

Barekov seemed to be the necessary evil. I was disappointed by Borisov, then by the Socialist Party and by DPS and thought that it is better to have something to support the national business. I was tired by the constant blackmailing by politicians. In this final stage—the end of 2013-2014— I made my biggest mistakes. Including Barekov. And not so much that I financed him, but because of my involvement with him.

Why exactly Barekov?

At that time I hired an American consulting company that had worked for Clinton. They did special research and couldn't identify anyone better than Barekov.

Obviously they make mistakes too. But I say again, at that moment I was not prepared for that war.

Somewhere in your interviews you say: 'Peevski is just a tool, a coordinator in a bigger scenario'. What is this scenario and who stays behind it?

This is the big question. Who is behind Peevski?

Two years later you should have found an answer.

For me the answer is still not clear, but apparently the root and source is somewhere in the "reformed" state security services.

And more precisely?

Those who for a long time represented "Monterey", as well as those who were named their heirs. Apparently Peevski is the youngest "son of the regiment". Apparently they liked him and they shaped him in their classic "janissary" style. To what extent he emancipated from them, I don't know. If someone answers that question, we will understand everything else. None of those who came to power has not gone through the vetting of this center.

What are the tools this center uses?

Apparently these are the shameful secrets of the transition and the shameful secrets of every person. Everyone has his weaknesses—women, alcohol, drugs, corruption. Everyone ...

How does this center get this type of information?

Firstly, from the period of the reign of Aleksey Petrov in DANS. Do you think that all databases and files remained hidden from him? And not to mention Peevski after him. He is much more inventive. I even wonder about those who say he was allowed just for a day to the database of DANS. Pisanchev was like his courier. Not to mention the people who are active now—Yulian Kolev, the so called "Bobby the Asshole" and so on.

Who are the people in this center?

I don't know them. If this is uncovered, it will lead to that dreamed lustracion for which we talk so often.

Aren't the members of Monerey quite old now?

Yes, I suppose that most of them need diapers now. But there are younger colleagues. I do not want this to sound like a "hearsay", but this is the conclusion that I have reached.

Did this center appear to you personally?

I suppose that Peevski was acting as a broker and making commitments without my knowledge. In fact Peevski was the political broker for those who took advantage of what I can do best. I can be an entrepreneur: to give meaning and life to an investment project.

Do they control Dogan?

I suppose.

Do they control Borisov?

I do not exclude this possibility. They control through discrediting.

Do they control the prosecutor general?

I suppose they figured him out as well, so that he will be obedient. It is not just a matter of money. Things did not happen without money but this is not the leading thing.

Were CORPBANK money directed to the Prosecution office?

In case someone gave money to the prosecution, it was not me, for sure. The person who was in charge there has always been Peevski.

Who will inherit Peevski?

Probably there are many candidate but such an accomplished heir will be hard to find. There will always be someone to satiate the constant hunger for money at DPS. But finding a person who will keep in his hands so many control panels of the country's government will be hard.

I want to talk about media for a while. What part of them were his direct ownership and were financed through the bank and where was the indirect control?

The media from Blaskov's group he officially recognized as his own. You can see it by the style. The moment a newspaper publishes in the piggish style of 'Monitor' and 'Telegraph' you can understand who owns it.

Good, let's go to the specifics. '24 chasa' and 'Trud'?

I do not know how they are split up now, but the actual ownership belongs to Peevski and the Peshtera Winery. For his share Peevski took money from the bank and the Peshtera people paid their part.

We talk about the deal after the newspapers were acquired from Donev and Pavlov.

Is there anyone else who has an interest there?

I suppose that after the blow against me they might have given some interest to Gocheva and Blaskov. The fact that Blaskov refinanced them through First Investment Bank means that the owners of the bank may also have some interest. But that interest will be connected with the policy of the publications, not with the business. These newspapers waste money and someone has to finance them.

Who is in 'Standart'?

Peevski, who else?

Who used to be in 'Presa'?

It was the same way - the Peshtera people and Peevski. Tosho Toshev was the face of the project together with Daniel Rutz from the group of the 'noble investors' who were first brought here by Ognyan Donev and Lyubomir Pavlov.

'Weekend'?

Peevski, Staliyski and Martin Radoslavov.

Staliyski?

He has to keep the control over 'Weekend' so that it will not to fall aside from the correct line. Nothing bad for Peevski, nothing bad for the 'Soleil'.

Is Domuschiev present in any media?

There are rumors that after my elimination he got involved. Mostly in 'Blitz' and 'Standart'. He is an ambitious person and it is normal that he would want to be represented somewhere. He may have been asked to help.

After everything you said about everyone else where is your fault about what happened with the bank?

My main fault is that I couldn't protect the bank. I do not say that I didn't make mistakes or that my employees didn't make mistakes. But we are not criminals. I say this again - the organized criminal

group are those who orchestrated the attack: the prosecution, DANS, the central bank, the current and the past ministers and politicians, the revenues agency, etc. And of course Biser Lazarov and his entourage.

Only a person who doesn't make decisions doesn't make mistakes. Apparently I allowed Peevski to come inadmissibly close to me, apparently I did not oppose some of his crazy financing ideas. But under the control of CORPBANK there has always been enough valuable assets, both in quality and liquidity that will cover its liabilities. The collapse and the theft happened after CORPBANK's closure. Before that not a single asset was stolen or lost.

You have said more than once that the goal was to invest in businesses that would later be sold through the specifically designed SPVs. But from a legislative standpoint the problem with the excess over the limitation for related lending remains. In your opinion why the regulator, the central bank, hasn't referred to it during the years?

De jure they were not connected.

And in reality?

In reality the only connection was the common control on behalf of the bank. And I am not sure whether this would start to become imposed more often on the banks worldwide. In Bulgaria this is regular practice. I have no doubt that almost all loans of certain banks have a connection to them. I speak mainly about Bulgarian banks. But still I say that the banking model in a time of crisis has to be defined by the market. In no case, rules that were developed in a different situation, should be applied.

Risk management is a very difficult process and having connected lending does not necessarily mean that the risk is huge. Because we didn't finance companies from one branch or my own companies. We financed companies we thought can be restructured and another solution can be found for them. Unlike other Bulgarian banks, we had real assets that now everyone is fighting for.

This is the big question that has always been present: whether we violate the laws somehow. For me now, the question is whether the bank had to be destroyed and not whether we did any violations. Moreover, these violations are not a subject of investigation by the prosecution. If the central bank thought that something threatens the bank, they had to react. The investigation of the prosecution aimed at one thing-to bankrupt the bank.

What do you count on from now on?

On a long and protracted battle, mainly in Strasbourg. I have already filed two claims against Bulgaria – one against the violation of my human rights and another against the unlawful revocation of the license of CORPBANK. More will follow. All this will take patience and health. May God give health to me and to my family.