

### **Tzvetan Vassilev on his declaration before the Bulgarian court, Sotir Tsatsarov, Ivan Geshev, DP and DP1, as well as the insinuations about the spy scandal**

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Tzvetan Vassilev

On 20 November 2019, Tzvetan Vassilev gave an interview for “Frankly Said” with journalist Luba Kulezich. The banker discussed pressing issues such as [his declaration before the Bulgarian court of 13 November 2019](#), the DP and DP1 (ДП, ДП1) initials which Ivan Geshev purposefully ignored, and the speculations around the so-called “spy affair.”

### **The role of the prosecution in Corpbank’s artificial bankruptcy**

Vassilev stressed that he had submitted his statement before the court “mostly because of the prosecution’s unlawful approach” in the investigation — namely, the Prosecutor’s Office repeatedly refused to question him even though it is required to do so by law. Moreover, although in February 2019 Judge Petrova decided to question him, to this day this has not been done. Therefore, Vassilev was advised by his lawyers to provide clarifications to the court on several main issues, including the key role which the prosecution played in inducing Corpbank’s artificial bankruptcy.

“[General Prosecutor] Sotir Tsatsarov was tasked with putting Corpbank on its knees by causing panic among the depositors and a run on the bank,” Vassilev said. “Moreover, the prosecution had to convince the Bulgarian National Bank and the government that the bank should not be rescued by using their traditional methods,” he added [*ed. note: Vassilev alludes to the prosecution’s repressive practices*].

### **Dual standards: Corpbank and First Investment Bank (also known as FIB or Fibank)**

Vassilev explained that although Tsatsarov completed his first task, there were surprises, such as panic among depositors in other banks. Another bank which faced a run was FIB. However, FIB was granted state aid even though according to Vassilev’s calculations, which are based on FIB’s balance sheets from 2013 to 2018 and the shortage of capital established by the European Central Bank, at the time of panic in 2014 it most likely had negative capital of more than 600 million BGN. This clearly shows the dual standards which have been applied respectively in Corpbank’s case and FIB’s case. Corpbank was purposefully destroyed, so that its assets could be plundered.

## **On the election of Ivan Geshev as Bulgaria's General Prosecutor and Sotir Tsatsarov's nomination as Head of the Anti-Corruption Agency (KPKONPI)**

The banker explained that both Geshev's election and Tsatsarov's nomination were rewards for their work in the Corpbank case. Unlike Tsatsarov, who was able to cope with his task, which was lighter, Geshev indeed had to land on the Moon with a diesel engine [ed. note: In 2017, Ivan Geshev compared the investigation into the Corpbank case with the landing on Moon with a diesel engine]. "First, Geshev had to criminalize standard banking practices. Second, the prosecution had to implicate me into things that I did not do. Here I should emphasize that no criminal activity was carried out at Corpbank, but I have not even participated in the things they have implicated me in. Third, during this landing on the Moon, Corpbank had to be cleared of all its assets, so that they could be plundered. Fourth, a huge corpulent presence [ed. note: Delyan Peevski] had to be ignored — presence before and after Corpbank's artificial bankruptcy," Vassilev noted.

The banker also commented on the sudden amnesia of the main witness in the case, Biser Lazov, who could not remember what the initials DP and DP1 meant in the courtroom, although he had been preparing daily reports for years. "I suppose that those who follow the proceedings are amused by this amnesia, because the person who quotes figures up to a penny cannot think of an item in the balance sheet of his own company worth more than 575 million BGN," he emphasized.

Vassilev also stressed that in a country governed by the rule of law, Biser Lazov would have changed his procedural capacity from a witness to an accused party a long time ago not so much because of his actions prior to Corpbank's closure but because of the hundreds thefts of assets he carried out after the bank's closure for his benefit or for the benefit of third parties like Delyan Slavchev Peevski.

### **On Delyan Slavchev Peevski**

Delyan Peevski has avoided paying indirect loans worth 575 million BGN these are indirect —these commitments should not be confused with loans to Peevski's companies. The vast majority of these indirect loans are related to acquisition and financing of media. Of course, as the main organizer of the attack against Corporate Commercial Bank, Delyan Peevski has cashed in his active involvement. According to Vassilev's estimation, in addition to the 575 million BGN that Peevski has avoided repaying, the direct profit of the assets that Peevski has misappropriated after Corpbank's closure exceeds 450 million BGN. This estimation does not include the profit from the resale of Vivacom, which was stolen by Russia's VTB with the assistance of all Bulgarian state institutions. Peevski's actual "profit" from Corpbank's bankruptcy could exceed 1.5 billion BGN.

Vasilev explained that these indirect loans were provided by debtors of Corpbank to companies directly or indirectly related to Delyan Peevski. This was also the case of TV7. Vassilev underlined that

this was the reason why he asked Judge Petrova to demand all reports prepared by Biser Lazov and his team, because these reports will show the movement in the indirect loans dubbed DP (ДП), including the repayments, which ceased in the fall of 2013. It was then that Vassilev requested that the relations regarding the DP loans be contractually settled, but Peevski refused. Although the conflict between him and Peevski started then, Vassilev is convinced that Peevski just used this occasion, because he was fulfilling other tasks of the status quo as well. Vassilev plans to discuss those at a later stage.

“When I wanted to settle this relationship contractually, Peevski offered me a classic example of racketeering through his lawyer Alexander Angelov,” the banker recalled. At this meeting, which was attended by Biser Lazov, not only did Peevski refuse to pay, but he also asked me to transfer assets of Corpbank for free to him.

Asked if Ivan Geshev might have missed DP’s role during the investigation, Vassilev commented ironically: “When one is focused on such difficult landing on the Moon, one may not notice.” He then clarified that it was absurd for Geshev not to notice for, as visible from the case file, the prosecution worked on Biser Lazov’s reports, including his reports on the TC-IME company.

In case Tsatsarov and Geshev did not notice, they should be reminded that the TC-IME company was involved *[ed. note: by Biser Lazov and Teodora Taneva]* in a fictitious contract with the family company of Delyan Peevski and his mother Irena Krasteva. TC-IME has purchased their participation in Balkan Media Company for 70 million BGN. This is pure money-laundering whose purpose was to prove income of Peevski and Krasteva.

### **Why was Corpbank forced into artificial bankruptcy?**

Vassilev explained that Peevski’s debt of 575 million BGN certainly motivated Peevski to attack the bank. However, it appears that Peevski had a deal with the status quo after he failed to become head of Bulgaria’s secret services (DANS). The goal was to destroy Vassilev and/or Corpbank in order to plunder its assets. Vassilev underlined that these 575 million could not demolish Corpbank because only the profit from Vivacom’s sale would exceed the debt under DP and DP1.

### **Russian pressure**

When Luba Kulezich asked Vassilev whether the money for the South Stream project was in Corporate Commercial Bank, Vassilev said: “No single penny from South Stream entered Coprbank. Corpbank was supposed to provide banking services to the project, including issuing bank guarantees to the Bulgarian subcontractors. South Stream - Bulgaria was under the complete control of Delyan Peevski through his proxy Ivan Mirinski. After realizing that the project did not receive the approval of the

European Commission, which was my condition for Corpbank to participate, and after seeing the way in which the investment costs were calculated, I refused that Corpbank service this project.” The banker also pointed out to a little-known fact — in March 2014, Peevski withdrew his two companies, Industrial Construction Holding and Technoexportstroy, from the South Stream-Bulgaria consortium in an attempt to prevent possible US sanctions.

The banker explained that Babakov, whose name was mentioned in the Anti-Corruption Fund (ACF) investigation, is not the only missing name in the Corpbank case. The names of Sergei Stanishev, Nikolay Barekov and Krasimir Karakachanov may also be mentioned. The latter are not directly related to the Corpbank’s bankruptcy, but are kept under control by the status quo because of their relationship to Corpbank.

Vassilev also recalled a meeting with Milen Veltchev and Georgi (George) Veltchev, which was also attended by a Russian businessman who threatened him that the Kremlin held him responsible for the failure of South Stream. When Vassilev asked why and in what capacity, the businessman had said that the government was his. “It becomes clear how much Oresharski’s government was mine if one sees how the same government tolerated the unprecedented criminal raid against Corpbank,” Vassilev emphasized. He also mentioned that he would continue to fight to defend the truth in the name of justice. The banker explained again that there were 13 defendants, who are former Corpbank employees, as well as numerous other people who have been accused based solely on the false testimonies of Biser Lazov.

### **On his framing before international secret services**

After Kulezic asked Vasilev if he had been framed in Moscow, he explained that he had been framed in both Moscow and Washington DC. “The mechanisms for sending false information are clear — the contacts of Bulgaria’s secret services (DANS) have been used. One should not forget the contacts of Tsvetlin Yovchev who served as Vice Prime Minister in Oresharki’s government, too. In what capacity did former US Ambassador to Bulgaria Marcie Ries visit Corpbank in 2015? What was she looking for there considering she refused to meet me in March 2014?,” the banker exclaimed.

“Although I am accused of having created the Peevski monster, my refusal to work in this way has brought me all these problems. I could have negotiated with them, but I just did not want to work that way,” Vassilev underlined.

### **On the spy scandal**

“The spy scandal is another soap opera with a scenario inspired by the communist police. The goal is to remove the stage light from Peevski in the USA because the proceedings under the Magnitsky Act

and the Racketeer Influenced and Corrupt Organizations Act (RICO Act) continue. One of Peevski's problems is his ties to the Kremlin. This speculation is an attempt to transfer the problem from the sick patient to the healthy person," Vassilev stressed.

He further recalled that he had no contract with Malofeev as Peevski was insinuating, but with Pierre Louvrier. Despite the noise on the 1-Euro deal, this was, in fact, a deal for the transfer of ownership against repayment of debt to Corpbank. Not only Louvrier failed to fulfill his contractual obligations, but also he met with Delyan Peevski. After this meeting, Louvrier tried to sell one of the main assets under the contract — a company, which was the main shareholder in Vivacom and as such was worth at least 240 million EUR — to Russia's VTB for only 7.5 million EUR.

[You can watch Tzvetan Vassilev's full interview in Bulgarian here.](#)

The interview was covered by [Fakti](#), [Frognews](#) and other Bulgarian media.