

# Lefkoniko in trouble

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CNH is believed to have secured a court injunction freezing the deal with Lawford, pending a thorough investigation to establish whether Lawford paid the funds as agreed, how and through which channels.

There are suspicions that Lawford never paid the funds, according to the preliminary

hearings.

Somehow connected to the whole issue is Nick Kyprianou, a leading figure of the Cyprus Diaspora in the US, who was recently arrested on tax fraud charges in New York.

Lefkoniko is alleged to have charged up to 78% interest plus massive charges on some of the accounts belonging to CNH, while it is also accused of wiping out any credit balances

showing on all the accounts in July 2001.

In a separate, though somehow related development, the Engelados Fund, an internal investment company controlled by Lefkoniko, which owed CYP 300,000 by May 2001, managed to cover its deficit and end with a CYP 300,000 surplus by August, when the market making between the firm and CNH had stopped.

# Milosevic "cover up" continues

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Dinkic, who visited Cyprus to raise information but supposedly left empty-handed, is also credited with shutting down Beogradska Banka's home operations in Belgrade, thus preventing any further investigation into the company's archives and accounts.

The bone of contention is none other than the 'leftovers' from the millions that Milosevic & Co. laundered through front companies in Greece, Cyprus and elsewhere, primarily through the failed Beogradska Banka, by far the main financier of the Milosevic family and their close associates.

Other shell companies, operated by Greek Cypriot lawyers, accountants and businesspeople have also been used and are under investigation by officials from the E.U. as well as Washington.

Dusan Lalic, the General Director of the legal department of the Yugoslav National Bank, the ultra-powerful regulator of the country's financial sector, has been to Cyprus several times in

the past ten months, probably to cover up any investigation into the Milosevic debacle, which leaves corrupt officials in Belgrade tight-lipped and Cypriot public personalities exposed for blundering in the whole affair.

Lalic, who assisted the law firm Tassos Papadopoulos & Co., counsel to Beogradska Banka, in law suits filed by other plaintiffs in Cyprus, is also the future son-in-law of the Yugoslav government's Vice prime minister Labus, chief negotiator on behalf of the state with many international institutions for debt repayment, such as the London Club.

According to Belgrade media sources, Lalic is alleged to have arranged for key evidence to be overlooked or distorted, fearing that an impending election victory by Kostunica in December will reopen the case, digging deeper into the activities of Milosevic cronies, the Beogradska Banka and affiliated companies and directors of such companies.

He is also responsible for "arranging for payoffs" of leading Cypriot politicians, according to the media sources, as they allege

that some funds are still operational and are in private control.

The name of another Serb official, Batic, is also mentioned in the investigations, who was the person who paid an "official visit" to the Presidential Palace, as arranged by senior ruling Disy party member Panayiotis Demetriou, without himself holding any official public office in Yugoslavia.

Linked to Dusan Lalic's visits to Cyprus is a pending case involving Liljana Radenkovic, currently in London where she heads the Anglo-Yugo Bank (also linked to Beogradska Banka) whose name was used as Director of one of the many money-laundering companies in Cyprus, namely Antexol Trading Co.

She has persistently asked the Attorney General to investigate the company's activities as she claims she was unaware she had been a director of the company between 1992 and 1995.

During this period millions were funnelled in a well-planned operation that included Beogradska Banka. She was only

aware of being made a director of the said company after 1995.

As a result, Radenkovic has been labelled a "terrorist" by Washington, as she and her company have been placed on the U.S. Treasury "wanted list" as a Milosevic collaborator.

Radenkovic used to report directly to former Partizan hero Borka Vucic, the shrewd financial advisor to Milosevic, who headed the Beogradska Banka in Cyprus in the early 1990s. She was later rewarded by the Yugoslav leader with her appointment as Minister for Relations with International Financial Authorities.

In a similar move, Predrag Djordjevic, a Yugoslav national residing in Cyprus has also persistently asked the Attorney General to investigate complaints filed against Beogradska, Antexol and others, but to no avail.

He has since lost a personal fortune, his company was destroyed and his offshore operating license revoked by the Central Bank, for which he claims there is a conspiracy involving lawyers, accountants, banks, the Central Bank and police investigators.

# Milosevic "cover up" continues

A high-ranking Yugoslav official has been travelling between Belgrade and Nicosia in a clandestine attempt to cover up a paper trail that proves disgraced Serb leader, Slobodan Milosevic and his cronies used Cyprus to launder millions in public and private wealth.

*Dusan Lalic is  
"The Weakest  
Link"*

Despite all denials by state officials here, Cyprus-registered companies mentioned in other court cases in the past are reappearing as having laundered millions stolen from the Yugoslav people. This confirms the Financial Mirror's concerns all along that Cyprus had in fact been used to launder money with the full knowledge of officials in the government, the Central Bank, the police and private banks.

This act of desperation has exposed many high-ranking officials in Yugoslavia who find themselves on either side of a political rift between incumbent President Kostunica and Prime Minister Djindjic that is expected to culminate with general elections by the end of the year.

Investigators are focusing their efforts on trying to expose the alleged links Djindjic has had with National Bank Governor Dinkic, leader of the third faction called G17, mentioned in the Yugoslav press as alleged to have made a deal with the Cyprus authorities.