

SPECIAL REPORTS

Investigators looking at ties between Madoff and Stanford

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[\(WMR\)](#) -- The emergence of a connection between Bernard Madoff, the \$50 billion Ponzi scheme fraudster, and R. Allen Stanford's collapsed \$50 billion Stanford Financial Group may center round the Bank of New York (BONY) Mellon's Pershing LLC, which bills itself as "a leading global provider of clearing and financial services outsourcing solutions to more than 1,100 institutional and retail financial organizations and independent investment advisers who collectively represent more than five million active investors."

Headquartered in New Jersey, Pershing's involvement with both Stanford and BONY, which has had a checkered past with some of Madoff's closest friends in the Russian-Israeli Mafia, including individuals like Grigory Loutchansky and Marc Rich, may provide investigators with an important key to unraveling the complex world of Russian-Israeli organized crime penetration of the global financial system.

Germany's *Wirtschaftsblatt* reported on February 19, 2009, that Pershing began transferring funds from Stanford's international headquarters in Antigua after Madoff was arrested in December 2008. After Stanford came under federal investigation, Pershing ceased the money transfers, according to the paper.

On March 18, 2008, WMR reported: "In 2002, OPERATION SPIDERWEB, a joint FBI-EUROPOL operation, resulted in the arrest of 20 Russian-Israeli dual citizens on charges of money laundering. The laundering primarily involved the Bank of New York (BONY), the Russian bank Menatep, and an 'Internet bank' called the European Union Bank. More importantly, the money laundering network also included Benex, a firm connected to Bill Clinton-pardoned Mossad figure Marc Rich, who still resides primarily in Switzerland. Benex's office was located on Queens Boulevard in Forest Hills in the same building where Grigori Loutchansky headquartered two of his companies. Loutchansky is a Latvian-born Israeli who laundered billions through his Vienna-based NORDEX firm. National Security Agency (NSA) signals intercepts have reportedly yielded intelligence on Loutchansky's role in the smuggling of nuclear materials. Loutchansky also was closely linked to Clinton's 1996 re-election campaign through New York real estate magnate and Democratic donor Sam Dombs."

Menatep was owned by Russian tycoon Mikhail Khodorkovsky, who was justifiably imprisoned by the Putin government for fraud and tax evasion.

Where was the European Union Bank headquartered and chartered? Stanford's one-time playground, Antigua.

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