



Press Release: 31.07.2018

POLICE CONFIRMS FORGED BANK DOCUMENTS (3th July 2018)

A Brief history of the case: In May 2011 a group of individuals established an offshore shadow company in Delaware, U.S.A. named "European Chess Union LLC" Delaware and the same time, through this company, they opened a bank account in Slovenia. From 2011 to 2015, forging bank documents, invoices, letters and contracts they were abusing money from the Bulgarian state, Montenegro chess federation and possible other public or private entities or even executing money laundering services for clients 'sponsors'. It is officially confirmed that they have abused more than 1 million euros, however the information that is not yet official raises this amount to 3 million euros.

European Chess Union has the responsibility to inform its members as also the international media and public about the on-going investigations for the private shadow company "European Chess Union LLC", a Limited-Liability Company (LLC) registered in Delaware, USA on May 4, 2011. The company's File Number is listed as 4977764. The Registered Agent on file for this company is Harvard Business Services, Inc. and is located at 16192 Coastal Highway Lewes, DE 19958. The ECU LLC Delaware after its registration opened a bank account on 11th of May 2014 in the ABANKA d.d. based in Slovenia with no. SI56 0510 0801 3271 144.

1. As was stated several times by the European Chess Union and concluded by two CAS Awards, there is no legal or any financial relation between the "European Chess Union", an association established under Swiss law, with its seat in Hünenberg See, Switzerland, and the limited-liability company "European Chess Union LLC" registered in Delaware, USA.

- A. [ECU vs Bulgarian federation - CAS award](#)
- B. [FIDE vs Valdimir Sakotic - CAS Award](#)

2. According to the official documents received from the Bulgarian Ministry of Youth & Sports, as also informed [in a press conference](#) in Sofia, by the Bulgarian Minister of Sports, Mr. Krasen Kralev, the Bulgarian Chess Federation under the leadership of Mr. Silvio Danailov and his associates transferred to the Slovenian Bank account belonging to the Delaware Company **1,070,140 euros (Annex_1)** from 2011 till 2014, informing that these are payments/fees for the

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European Chess Union based in Switzerland. The amount of 1,070,140 euros represents only the state funds transferred to the offshore company while the Bulgarian Chess Federation refuses to provide any other information about the total transactions with this company.

3. The reports of the Financial Investigation Agency of Bulgarian described in detail all these invoices /transactions in the total of the 1,070,140 euros. The reports are available in public and was an agenda item in the ECU General Assembly in Baku:

[ECU GA Agenda 2016 \(annexes 6a, 6b, 6c\).](#)

4. According to the Bulgarian Financial Investigation Agency reports, Mr. Silvio Danailov presented to the Bulgarian authorities an alleged Bank Certificate from the Slovenian Bank "ABANKA d.d". (**Annex_2**). This document first appeared in the report of the Bulgarian Agency no. DI1SF-45, dated 03.08.2015 (pages 49,50 referring to Mr. Danailov claims). Later, this report was amended with the report-dated 16.02.2016 (reference of the certificate in pages 43, 44, 45). The document in the context of the inspections provided by Mr. Silvio Danailov (then President of the Chess Federation of Bulgaria and former President of ECU), and on this basis therefore the Chess Federation Bulgaria sought to prove that the funds, which were acquired by the Bulgarian Ministry of Youth and Sports, were used properly. The same bank certificate sent to the Bulgarian Ministry of Youth and Sports from the Bulgarian Chess federation for the state auditing. The Bulgarian Ministry of Youth & Sports sent officially this document to ECU (annex_2), after the FIDE and ECU meetings in Sofia in June 2017. The Bulgarian federation did not contact in 2015 the European Chess Union asking about the authenticity of such document.

5. This alleged Bank certificate is also manifestly contrary to official data from the Slovenian register of transaction accounts (**Annex_3**), which gives exclusive the account holder the company "CHESS EUROPEAN UNION LLC", with business address "161 COASTAL HIGHWAY Delaware, USA ".

6. European Chess Union after contacted the A.A. Bank in Slovenia and the officer that allegedly signed this certificate (annex_2) submitted a [criminal complaint in Slovenia](#) on 9th of January 2018, including all the Bulgarian investigation reports, a number of forged invoices, the CAS awards as also the alleged bank certificate.

7. The Slovenian Prosecutor informed ECU by a letter on 26.02.2018 that has accepted the case and asked Slovenia Police to start investigation. (**Annex_4**).

8. The Slovenian Police, through Interpol, informed officially ECU on 3rd July 2018 that the bank certificate in annex_2 that submitted to the Bulgarian authorities and Bulgaria Ministry of Youth and Sports is a forged document (**Annex_5**).

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"With regard to the document »CERTIFICATE«, which was supposedly issued by the ABANKA d.d. on 20.07.2015, an official explanation was obtained from the ABANKA d.d. that they did not issue this document and that the document is forged."

While the Police investigation continues, European Chess Union additionally has already informed about the case: a. the Slovenian Anti-laundering Authority b. the Slovenian Central Bank and preparing related information letters and to the EU institutions.

9. Apart the investigation in Slovenia, another investigation takes place in Bulgaria after criminal complaints submitted by the Ministry of Youth and Sports of Bulgaria as also Bulgarian citizens. From December 2016 the Bulgarian Prosecutor has concluded and informed that a heavy crime took place. **(annex_6).**

10. The known and confirmed transactions to the Slovenian Bank account are 1,070,140 euros sent from the Bulgarian Chess federation and 7,500 euros sent from the Montenegro Chess federation. However the ECU has the information, which is not yet official, that the total deposits in this account exceed the 3 million euros.

11. European Chess Union asks any legal entity, "sponsor" or individual who was asked to transfer money to the account with no. SI56 0510 0801 3271 144 in the ABANKA d.d. Bank in Slovenia to report it, in ECU or/and the Police.

12. European Chess Union will hold a Press conference in Batumi during the Chess Olympiad releasing more details and documents/invoices, about the case with the main purpose to inform the media as also the representatives of all National Chess federations.

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