

## **FGI PRESS RELEASE RE 7 APR PBS FRONTLINE SHOW & PRINCE BANDAR**

### SUMMARY

- The “new” Frontline show recycles “old” allegations against Prince Bandar
- Alleged “bribes” of \$2B and an Airbus 340 jet, known for years by prosecutors of three countries(USA, UK, and Saudi Arabia), were actually authorized intergovernmental transfers from the UK to the Saudi Government thru Saudi Embassy accounts in Washington, D.C. as required by the 1985 secret treaty between UK and Saudi Arabia in the “oil for planes” barter portions of the treaty
- Core fact missing in Frontline show – Prince Bandar has not been charged by anybody with bribery(for further facts, see [www.FreehGroup.com](http://www.FreehGroup.com) for the full transcript of the 90 minute taped interview given to Frontline by Louis J. Freeh, attorney for Prince Bandar)

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Frontline’s recently aired show, which is characterized as “The Business of Bribes” has been in production over the last year. Among the subjects treated in the show are the repetition of allegations that Prince Bandar received, as alleged bribes from BAE Systems, two billion dollars in cash, purportedly sent to Saudi Government bank accounts in Washington DC, and a fully equipped Airbus 340 airplane as a personal gift. Not only have both these reckless allegations not been proved in any court or fair factual forum, but neither has been the subject of any charge or official government accusation. Rather these allegations have been bandied about and recycled by various news sources or by a few former UK Government officials anonymously trying to make their case by leaks to the media rather than by legal process. In fact, the primary British newspaper which has insistently highlighted these allegations has made a habit of this sort of reckless and sloppy reporting. In 1994 this particular British newspaper falsely accused Prince Bandar of making a large cash campaign contribution to a British Conservative Party candidate. After the real facts were determined, this newspaper was forced to run a front-page apology to Prince Bandar and make a substantial contribution to a charity.

Both directly and through his legal representatives, Prince Bandar has consistently denied the receipt of any two billion dollar bribe and a free Airbus 340 from BAE Systems.<sup>1</sup> Immediately thereafter, Frontline provided to select news organizations interested in the story a partial and heavily redacted transcript of this interview and refused a request to post a complete and accurate Freeh transcript on its website. Moreover, BAE Systems has publicly and consistently also denied such cash payments or gifting of the Airbus 340 to Prince Bandar. The Airbus 340 was provided by BAE to the Saudi Ministry of Defense and Aviation has always been the property of the Government of the Kingdom of Saudi Arabia. It has been used by Prince Bandar and other Saudi government officials, as well as by former US Presidents, former UK Prime Ministers and other governmental officials. A simple, public registry search confirms that the aircraft always was the property of the Saudi Government.

The Al-Yamamah Treaty between the Kingdom of Saudi Arabia and the United Kingdom is a long running, complex, and secret (under UK law) treaty between two sovereign governments. Under the Al-Yamamah Treaty, which essentially was an oil-for-planes barter agreement money flowed from the UK ministry of Defence to the Kingdom of Saudi Arabia Ministry of Defense and Aviation accounts at Riggs Bank in Washington DC, after the sale of Saudi oil by the British. Prince Bandar, as the Ambassador to

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<sup>1</sup> Prince Bandar’s attorney, Louis J. Freeh, gave a 90 min. interview for the Frontline show explaining the inaccuracies of characterizing these two allegations as bribes.

the United States from the Kingdom of Saudi Arabia, had signatory authority over the Riggs accounts. These accounts were always under the strict control, supervision, and responsibility of the Government of Saudi Arabia. The Ministry of Finance of the Kingdom of Saudi Arabia in turn audited these accounts on a regular basis and the British Government was paid a two percent fee (of an eighty- three billion dollar treaty) for administration of the treaty contracts and was responsible for their accuracy and adherence to all international accounting standards. The Federal Bureau of Investigation (FBI) conducted an investigation of the Kingdom of Saudi Arabia accounts at Riggs Bank in 2002, after allegations were made that such accounts were used for money laundering and terrorist financing. The FBI took possession of the accounts, reviewed all the documentation, and interviewed a large number of people, including representatives of the Saudi Embassy, who fully cooperated with the FBI. All the money transfers into and out of the Riggs accounts, which were fully examined by the FBI, were a fully audited stream of intergovernmental transfers, pursuant to the Al-Yamamah Treaty. The FBI investigation exonerated Prince Bandar and his family with respect to any money laundering or terrorist activity.

The claim that Prince Bandar attempted to interfere with the Serious Fraud Office's investigation of the Al-Yamamah Treaty is also refuted by the facts. As the United Kingdom Queen's Counsel Jonathan Sumption stated before the Law Lords in 2008, "The director [of the Serious Fraud Office] has not given evidence one way or the other about the involvement of Prince Bandar in the utterance of these threats [to shut down the SFO investigation]". The facts are that the Prime Minister of the UK, with the support of his Attorney General, independently determined that the SFO investigation needed to be closed because of its adverse impact on the UK's national security. The House of Lords, the highest judicial authority of the UK, approved the decision of the UK Prime Minister and the appropriateness of closing the SFO's investigation.

Prince Bandar has served the Kingdom of Saudi Arabia over many decades with great distinction and honor. He has personally acted as a counselor and trusted intermediary for US Presidents and UK Prime Ministers. The unfortunate, and totally unproven, allegations of bribery resuscitated in Bergman's story have no basis in fact and for that important reason have never been contained in a government charge or allegation in any country. Prince Bandar continues to serve as the National Security Adviser to his Majesty King Abdullah and as a respected diplomat in the White House and 10 Downing Street.