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15 UNITED STATES OF AMERICA

16 UNITED STATES DISTRICT COURT
17 FOR THE CENTRAL DISTRICT OF CALIFORNIA

18
19 UNITED STATES OF AMERICA,

20 Plaintiff,

21 v.

22 THE SUM OF \$20,000,000 IN FUNDS
23 AND SECURITIES TRACEABLE
24 DIRECTLY OR INDIRECTLY TO UBS
ACCOUNT NO. XX-XX715-WB AND
25 FIDELITY INVESTMENT ACCOUNT
26 NO. XXXX XX7922, INCLUDING
27 8,268.80 SHARES OF VANGUARD
ETF FORMERLY VANGUARD
28 INDEX TR VIPERS (TICKER: VUG),

No.

**VERIFIED COMPLAINT FOR
FORFEITURE *IN REM***

[18 U.S.C. § 981(a)(1)(A) and (C)]

[F.B.I.]

1 12,539.22 SHARES OF VANGUARD
2 INDEX FDS VANGUARD VALUE
3 ETF FORMERLY VANGUARD
4 INDEX TR (TICKER: VTV), AND
5 17,860 SHARES OF AKRE FOCUS
6 IND INSTL (TICKER: AKRIX),

7
8 Defendant Assets.

9 The United States of America brings this complaint against the above-captioned
10 assets and alleges as follows:

11 **NATURE OF THE ACTION**

12 1. This is a civil action *in rem* to forfeit assets involved in and traceable to an
13 international conspiracy to, among other things, launder money misappropriated from
14 1Malaysia Development Berhad (“1MDB”), a strategic investment and development
15 company wholly owned by the government of Malaysia. The United States seeks
16 forfeiture of property pursuant to 18 U.S.C. § 981(a)(1)(C), on the ground that it was
17 derived from violations of U.S. law, and pursuant to 18 U.S.C. § 981(a)(1)(A) on the
18 ground that it is property traceable to property involved in one or more money
19 laundering offenses in violation of 18 U.S.C. §§ 1956 and/or 1957.

20 2. 1MDB was ostensibly created to pursue investment and development
21 projects for the economic benefit of Malaysia and its people, primarily relying on the
22 issuance of various debt securities to fund these projects. However, between
23 approximately 2009 and at least 2014, multiple individuals, including public officials
24 and their associates and various corporations, conspired to fraudulently divert billions of
25 dollars from 1MDB through various means, including by defrauding 1MDB’s Board of
26 Directors and financial institutions, and sending or causing to be sent foreign wire
27 communications in furtherance of the scheme, and thereafter, to launder the proceeds of
28 that criminal conduct, including in and through U.S. financial institutions. The funds

1 diverted from 1MDB were used for, among other things, the personal use and benefit of
2 the co-conspirators and their relatives and associates, including to purchase luxury real
3 estate in the United States and overseas, acquire stock in United States companies, pay
4 gambling expenses at Las Vegas casinos, acquire more than \$200 million in artwork,
5 purchase lavish gifts for family members and associates, invest in a major New York real
6 estate development project, and fund the production of major Hollywood films and to
7 cover up and conceal the scheme. 1MDB maintained no interest in these assets and saw
8 no returns on these investments.

9 3. The criminal conduct alleged herein occurred in at least four principal
10 phases:

11 4. The “Good Star” Phase: The fraudulent diversion of funds from 1MDB
12 began in approximately September 2009, soon after 1MDB’s creation. Between 2009
13 and 2011, under the pretense of investing in a joint venture between 1MDB and
14 PetroSaudi, certain senior officials of 1MDB and senior officials of PetroSaudi and
15 others arranged for the fraudulent transfer of more than \$1 billion from 1MDB to a Swiss
16 bank account held in the name of Good Star Limited (“Good Star Account”). Officials at
17 1MDB caused this diversion of funds by, among other things, providing false
18 information to banks about the ownership of the Good Star Account. Contrary to
19 representations made by 1MDB officials, the Good Star Account was beneficially owned
20 not by PetroSaudi or the joint venture, but by LOW Taek Jho, a/k/a Jho Low (“LOW”), a
21 Malaysian national who had no formal position with 1MDB but who was involved in its
22 creation and exercised significant control over its dealings. LOW laundered more than
23 \$400 million of the funds misappropriated from 1MDB through the Good Star Account
24 into the United States, after which these funds were used for the personal use and benefit
25 of LOW and his associates. LOW and 1MDB officials tried to cover up this diversion of
26 funds by converting 1MDB’s interest in the joint venture into opaque securities and then
27 causing those securities to be fraudulently overvalued.

1 5. The “Aabar-BVI” Phase: In 2012, 1MDB officials and others
2 misappropriated and fraudulently diverted a substantial portion of the proceeds that
3 1MDB raised through two separate bond offerings arranged and underwritten by
4 Goldman Sachs International (“Goldman”). These bond offerings were internally known
5 as “Project Magnolia” and “Project Maximus.” The bonds were guaranteed by both
6 1MDB and the International Petroleum Investment Company (“IPIC”), an investment
7 fund wholly-owned by the government of Abu Dhabi, in the United Arab Emirates
8 (“U.A.E.”). Beginning almost immediately after 1MDB received the proceeds of each of
9 these two bond issues, 1MDB officials caused a substantial portion of the proceeds –
10 approximately \$1.367 billion, a sum equivalent to more than forty percent of the total net
11 proceeds raised – to be wire transferred to a Swiss bank account belonging to a British
12 Virgin Islands entity called Aabar Investments PJS Limited (“Aabar-BVI”).

13 6. Aabar-BVI was created and named to give the impression that it was
14 associated with Aabar Investments PJS (“Aabar”), a subsidiary of IPIC incorporated in
15 Abu Dhabi. In reality, Aabar-BVI has no genuine affiliation with Aabar or IPIC, and the
16 Swiss bank account belonging to Aabar-BVI (“Aabar-BVI Swiss Account”) was used to
17 siphon off proceeds of the 2012 bond sales for the personal benefit of officials at IPIC,
18 Aabar, and 1MDB and their associates. Funds diverted through the Aabar-BVI Swiss
19 Account were transferred to, among other places, a Singapore bank account (the
20 “Blackstone Account”) controlled by TAN Kim Loong, a/k/a Eric Tan (“TAN”), an
21 associate of LOW. Those funds were thereafter distributed for the personal benefit of
22 various individuals, including officials at 1MDB, IPIC, or Aabar, rather than for the
23 benefit of 1MDB, IPIC, or Aabar.

24 7. A high-ranking executive of the actual Aabar, Mohamed Al-Husseiny
25 (“HUSSEINY”), was instrumental in creating and maintaining the shell BVI entity
26 known as Aabar-BVI and facilitating the diversion of \$1.367 billion to Aabar-BVI. For
27 his role in the conspiracy, HUSSEINY received a significant portion of the diverted
28 funds.

1 8. The “Tanore” Phase: In 2013, several individuals, including 1MDB officials,
2 diverted more than \$1.26 billion out of a total of \$3 billion in principal that 1MDB raised
3 through a third bond offering arranged by Goldman in March 2013. This bond offering
4 was internally known as “Project Catalyze.” The proceeds of this bond offering were to
5 be used by 1MDB to fund a joint venture with Aabar known as the Abu Dhabi Malaysia
6 Investment Company (“ADMIC”). However, beginning days after the bond sale, a
7 significant portion of the proceeds was instead diverted to a bank account in Singapore
8 held by Tanore Finance Corporation (“Tanore Account”), for which TAN was the
9 recorded beneficial owner. Bond proceeds transferred into the Tanore Account were used
10 for the personal benefit of LOW and his associates, including officials at 1MDB, rather
11 than for the benefit of 1MDB or ADMIC.

12 9. The “Options Buyback” Phase: In 2014, an additional roughly \$850 million
13 in 1MDB funds was misappropriated under the guise of paying Aabar to relinquish
14 certain options it had been given in consideration of IPIC’s guarantee of the 2012 bonds.
15 1MDB borrowed a total of \$1.225 billion from a syndicate of banks led by Deutsche
16 Bank in Singapore to fund these payments to Aabar. In fact, however, 1MDB and Aabar
17 officials diverted more than \$850 million to Aabar-BVI and another similar entity
18 incorporated in the Seychelles (“Aabar-Seychelles”) that appeared to be, but was not,
19 affiliated with IPIC and Aabar. From there, the funds were used, among other things, to
20 purchase a luxury yacht for LOW’s personal benefit. A portion of the diverted loan
21 proceeds was also used in an elaborate, Ponzi-like scheme to create the false appearance
22 that 1MDB’s earlier investment in the PetroSaudi joint venture had been profitable. The
23 funds were predominantly diverted to and through an account controlled by LOW called
24 the Brazen Sky account.

25 10. The proceeds of each of these four phases of criminal conduct were
26 laundered through a complex series of transactions, including through bank accounts in
27 Singapore, Switzerland, Luxembourg, and the United States. Use of the U.S. financial
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1 system was an essential feature of both the fraudulent diversion of 1MDB funds and of
2 the subsequent movement of ill-gotten proceeds around the world.

3 11. The DEFENDANT ASSETS are securities and funds up to the amount of
4 \$20,000,000 traceable directly or indirectly to a business venture that was created and
5 maintained with funds fraudulently obtained from 1MDB. As a result, the
6 DEFENDANT ASSETS are subject to forfeiture to the United States pursuant to 18
7 U.S.C. § 981(a)(1)(A), because they are property traceable to property involved in one
8 or more money laundering transactions in violation of 18 U.S.C. §§ 1956 and/or 1957,
9 and 18 U.S.C. § 981(a)(1)(C) because they are property constituting or derived from
10 proceeds traceable directly or indirectly to one or more violations of U.S. law defined as
11 a specified unlawful activity in 18 U.S.C. §§ 1956(c)(7).

12 12. The DEFENDANT ASSETS are the sum of \$20,000,000 in funds and
13 securities traceable directly or indirectly to funds deposited in UBS Account No. XX-
14 XX715-WB (“UBS Account”) and Fidelity Investment Account No. XXXX-XX7922
15 (“Fidelity Investment Account”), including:

- 16 ■ 8,268.80 shares of VANGUARD INDEX FDS VANGUARD
17 GROWTH ETF FORMERLY VANGUARD INDEX TR VIPERS
(Ticker: VUG);
- 18 ■ 12,539.22 shares VANGUARD INDEX FDS VANGUARD
19 VALUE ETF FORMERLY VANGUARD INDEX TR (Ticker:
20 VTV); and
- 21 ■ 17,860 AKRE FOCUS IND INSTL (Ticker: AKRIX)
(collectively, the “Defendant Securities”).

22 13. The Defendant Securities are currently held in the Fidelity Investment
23 Account and have an approximate current value of \$6.6 million. The remaining balance
24 of the Defendant Assets are funds constituting the difference between the sum of
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1 \$20,000,000 less the net proceeds of the liquidation of the Defendant Securities.¹

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3 **JURISDICTION AND VENUE**

4 14. This is a civil forfeiture action brought pursuant to 18 U.S.C. § 981(a)(1)(A)
5 and (C).

6 15. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1345
7 and 1355.

8 16. Venue lies in this district pursuant to 28 U.S.C. §§ 1355(b)(1)(A-B) because
9 acts and omissions giving rise to the forfeiture took place in this District.

10 **THE DEFENDANT ASSETS ARE TRACEABLE DIRECTLY AND**
11 **INDIRECTLY TO THE FOREGOING CONDUCT**

12 17. In or about November 2012, a shell company owned by HUSSEINY called
13 MB Consulting entered into a consulting contract with a company owned by
14 INDIVIDUAL 1. Pursuant to that contract, MB Consulting paid \$20 million to
15 INDIVIDUAL 1's company between December 2012 and April 2013. While this \$20
16 million nominally came from MB Consulting, MB Consulting was a mere pass-through
17 for the money. In reality (and unbeknownst to INDIVIDUAL 1), the first \$10 million was
18 illicit proceeds of the Project Maximus bond offering discussed above. Also unbeknownst
19 to INDIVIDUAL 1, the second \$10 million was illicit proceeds of the Project Catalyze
20 bond offering discussed above.

21 18. In or about September 2013, another company controlled by INDIVIDUAL
22 1 entered into a joint venture agreement with 1MDB to develop an infrastructure project
23 in Malaysia; that agreement included development rights for additional projects. Initial
24 work on the infrastructure project commenced in 2014. In October 2014, 1MDB proposed
25 to buy out INDIVIDUAL 1's company's interest in the joint venture. 1MDB eventually
26 bought out the joint venture interest of INDIVIDUAL 1's company for \$69 million,
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¹ The liquidation of the Defendant Securities is set forth in a Stipulation and Request for Entry of Consent to Forfeiture to be filed contemporaneously with the filing of this Complaint.

1 structured as a \$19 million initial payment and a \$50 million balance payment.
2 Unbeknownst to INDIVIDUAL 1, the \$19 million payment and \$50 million payment
3 were both funded with proceeds of the Options Buyback scheme discussed above.

4 19. INDIVIDUAL 1 used these streams of money—all of which, unbeknownst
5 to INDIVIDUAL 1, represented criminal proceeds of the 1MDB misappropriation
6 scheme—to deposit in and/or invest in securities and to purchase and/or improve certain
7 real property in the United States using funds deposited in various accounts at financial
8 institutions in the United States including the Fidelity Investments Account and the UBS
9 Account.

10 20. The DEFENDANT ASSETS, funds and securities purchased with funds in
11 the amount of \$20,000,000, are traceable directly or indirectly to 1) the funds received
12 and deposited and/or invested with the proceeds of the 1MDB misappropriation scheme
13 as alleged above, and 2) the proceeds of the sale of real property purchased and/or
14 improved with the proceeds of the 1MDB misappropriation scheme as alleged above.

15 **FIRST CLAIM FOR RELIEF**

16 **(18 U.S.C. § 981(a)(1)(C))**

17 21. Paragraphs 1 through 20 above are incorporated by reference as if fully set
18 forth herein.

19 22. The DEFENDANT ASSETS are property that constitutes, and is derived
20 from, proceeds traceable directly and indirectly to one or more violations of: (i) a foreign
21 offense involving the misappropriation of public funds by or for the benefit of a public
22 official (18 U.S.C. § 1956(c)(7)(B)(iv)); (ii) wire fraud (18 U.S.C. § 1343); and
23 (iii) international transportation or receipt of stolen or fraudulently obtained property (18
24 U.S.C. § 2314) and receipt of stolen money (18 U.S.C. § 2315), each of which is a
25 specified unlawful activity under 18 U.S.C. §§ 1956(c)(7)(A), 1956(c)(7)(B)(iv) and
26 1956(c)(7)(D), and a conspiracy to commit such offenses.

27 23. The DEFENDANT ASSETS are therefore subject to forfeiture to the
28 United States pursuant to 18 U.S.C. § 981(a)(1)(C).

SECOND CLAIM FOR RELIEF

(18 U.S.C. § 981(a)(1)(A))

24. Paragraphs 1 through 20 above are incorporated by reference as if fully set forth herein.

25. The DEFENDANT ASSETS are traceable to property involved in one or more transactions or attempted transactions in violation of section 18 U.S.C. § 1957 and a conspiracy to commit such offenses in violation of section 18 U.S.C. § 1956(h). Specifically, the DEFENDANT ASSETS are traceable directly or indirectly to property involved in one or more monetary transactions, attempted transactions, and a conspiracy to conduct or attempt to conduct such transactions in criminally derived property of a value greater than \$10,000 that was derived from specified unlawful activities, that is: (i) a foreign offense involving the misappropriation of public funds by or for the benefit of a public official (18 U.S.C. § 1956(c)(7)(B)(iv)); (ii) wire fraud (18 U.S.C. § 1343); and (iii) international transportation or receipt of stolen or fraudulently obtained property (18 U.S.C. § 2314) and receipt of stolen money (18 U.S.C. § 2315).

26. The DEFENDANT ASSETS are therefore subject to forfeiture pursuant to 18 U.S.C. § 981(a)(1)(A).

THIRD CLAIM FOR RELIEF

(18 U.S.C. § 981(a)(1)(A))

27. Paragraphs 1 through 20 above are incorporated by reference as if fully set forth herein.

28. The DEFENDANT ASSETS are traceable to property involved in one or more transactions, or attempted transactions in violation of section 18 U.S.C. § 1956(a)(1)(B)(i) and a conspiracy to commit such offenses in violation of section 18 U.S.C. § 1956(h). Specifically, the DEFENDANT ASSET is traceable directly or indirectly to property involved in one or more financial transactions, attempted transactions, and a conspiracy to conduct or attempt to conduct such transactions

1 involving the proceeds of specified unlawful activity, that is: (i) a foreign offense
2 involving the misappropriation of public funds by or for the benefit of a public official
3 (18 U.S.C. § 1956(c)(7)(B)(iv)); (ii) wire fraud (18 U.S.C. § 1343); and (iii) international
4 transportation or receipt of stolen or fraudulently obtained property (18 U.S.C. § 2314)
5 and receipt of stolen money (18 U.S.C. § 2315), and were designed in whole or in part to
6 conceal or disguise the nature, the location, the source, the ownership or the control of
7 the proceeds of the specified unlawful activities in violation of 18 U.S.C.
8 § 1956(a)(1)(B)(i).

9 29. The DEFENDANT ASSETS are therefore subject to forfeiture pursuant to
10 18 U.S.C. § 981(a)(1)(A).

11 WHEREFORE, plaintiff United States of America prays that:

- 12 (a) due process issue to enforce the forfeiture of the DEFENDANT ASSETS;
13 (b) due notice be given to all interested parties to appear and show cause why
14 forfeiture should not be decreed;
15 (c) this Court decree forfeiture of the DEFENDANT ASSETS to the United
16 States of America for disposition according to law; and
17 (d) for such other and further relief as this Court may deem just and proper,
18 together with the costs and disbursements of this action.
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1 Dated: January 17, 2025

Respectfully submitted,

2 MARGARET A. MOESER
3 Chief, Money Laundering and
4 Asset Recovery Section
5 Criminal Division
6 U.S. Department of Justice

7 /s/ Barbara Y. Levy

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11 Assistant United States Attorney

12 Attorneys for Plaintiff

13 UNITED STATES OF AMERICA
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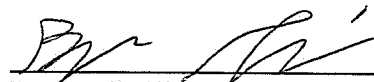
VERIFICATION

I, Ryan Collins, hereby verify and declare under penalty of perjury that I am a Special Agent with the Federal Bureau of Investigation, that I have read the foregoing Verified Complaint for Forfeiture *In Rem* and know the contents thereof, and that the matters contained in the Verified Complaint are true to the best of my knowledge and belief.

The sources of my knowledge and information and the grounds of my belief are official files and records of the United States, publicly available files and historical information, information supplied to me by other law enforcement officers, experts, and other witnesses, as well as my investigation in this case, together with others, as a Special Agent of the Federal Bureau of Investigation.

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed this 17th day of January, 2025, at New York, NY.



Ryan Collins
Special Agent
Federal Bureau of Investigation