

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

United States of America,

Plaintiff,

V.

All Assets Held in Account Numbers 102162418400, 102162418260, and 102162419780 at Bank of New York Mellon SA/NV, et al.,

Defendants *in rem*.

United States of America,

Plaintiff,

V.

All funds held in Account Number  
CH1408760000050335300 at Lombard Odier  
Darier Hentsch & Cie Bank, Switzerland, on behalf  
of Takilant Limited, et al.,

Defendants *in rem*.

## STIPULATION OF SETTLEMENT

This Stipulation of Settlement (the “Stipulation”) dated November 27, 2024, is made and entered into by Plaintiff United States of America (the “United States”) and Claimant the Republic of Uzbekistan (“Uzbekistan”) (collectively, the “Parties”).

## RECITALS

1. WHEREAS, on June 29, 2015, the United States filed a verified complaint *in rem* (the “First Complaint”), alleging that the following defendant assets are subject to forfeiture pursuant to 18 U.S.C. §§ 981(a)(1)(A) and (C) as proceeds traceable to a felony violation of a

U.S. criminal statute, the Foreign Corrupt Practices Acts of 1977 (“FCPA”), 15 U.S.C. §§ 78dd-1 *et seq.*, or a conspiracy to commit such offense, or as property involved in money laundering or a conspiracy to commit money laundering, in violation of 18 U.S.C. §§ 1956(a)(1)(B)(i), 1956(a)(2)(B)(i), 1956(h), and 1957:

- a. Any and all assets held in account numbers 102162418400, 102162418260, and 102162419780 at Bank of New York Mellon SA/NV, Brussels, Belgium, on behalf of First Global Investments SPC Limited’s “AAA Rated Fixed Income of Developed Economies Segregated Portfolio,” Fund ID AAARATEDFIX01, General Account Number 216241, and any property traceable thereto,
- b. Any and all assets held in account numbers 102165527100, 102165528400, and 102165529780 at Bank of New York Mellon SA/NV, Brussels, Belgium on behalf of First Global Investments SPC Limited’s “Single Funds Segregated Portfolio” Fund ID FGISINGLE01, CID number 3178750045, and any property traceable thereto,
- c. Any and all assets held in account numbers 102165517100, 102165518400, and 102165519780 at Bank of New York Mellon SA/NV, Brussels, Belgium, on behalf of First Global Investments SPC Limited’s “Hedge Fund of Funds Segregated Portfolio,” Fund ID HEDGEFOFS01, CID number 3178750029, and any property traceable thereto,
- d. Any and all shares of First Global Investments SPC Limited’s “AAA Rated Fixed Income of Developed Economies Segregated Portfolio,” “Single Funds Segregated Portfolio,” and “Hedge Fund of Funds Segregated Portfolio” held by or for the benefit of SWISDORN LIMITED in account number 11333701 at Bank of New York Mellon Investment Servicing (International) Limited in Ireland (the “SWISDORN Shares”),
- e. Any and all shares of First Global Investments SPC Limited’s “Single Funds Segregated Portfolio” and “Hedge Fund of Funds Segregated Portfolio” held by or for the benefit of TAKILANT LIMITED in account number 11243201 at Bank of New York Mellon Investment Servicing (International) Limited in Ireland (the “TAKILANT Shares”),
- f. Any and all shares of First Global Investments SPC Limited’s “Single Funds Segregated Portfolio” and “Hedge Fund of Funds Segregated Portfolio” held by or for the benefit of EXPOLINE LIMITED in account number 11333801 at Bank of New York Mellon Investment Servicing (International) Limited in Ireland (the “EXPOLINE Shares”),

- g. Any and all assets underlying the shares of First Global Investments SPC Limited's "AAA Rated Fixed Income of Developed Economies Segregated Portfolio," Fund ID AAARATEDFIX01, held in the custody of Bank of New York Mellon Trust Co. (Ireland) Limited, and any property traceable thereto,
- h. Any and all assets underlying the shares of First Global Investments SPC Limited's "Single Funds Segregated Portfolio," Fund ID FGISINGLE01, held in the custody of Bank of New York Mellon Trust Co. (Ireland) Limited, and any property traceable thereto,
- i. Any and all assets underlying the shares of First Global Investments SPC Limited's "Hedge Fund of Funds Segregated Portfolio," Fund ID HEDGEFOFS01, held in the custody of Bank of New York Mellon Trust Co. (Ireland) Limited, and any property traceable thereto,
- j. Any and all assets underlying the shares of First Global Investments SPC Limited's "Single Funds Segregated Portfolio," account ID BNY MIS/BNY AIS NOM.-FGI SPC S.FDS, held in account number 16780 at Clearstream Banking, S.A., Luxembourg, and any property traceable thereto, and
- k. Any and all assets underlying the shares of First Global Investments SPC Limited's "Hedge Fund of Funds Segregated Portfolio," account ID BNY/B. AIS N. AC F G IN SPC H FD FD, held in account number 16747 at Clearstream Banking, S.A., Luxembourg, and any property traceable thereto.

*See* 1:15-cv-05063 (Dkt. No. 1).

2. WHEREAS, prior to filing the First Complaint, on April 8, 2014, this Court found that there was probable cause to believe that the defendant assets described in subparagraphs 1(a)-(k) above were subject to forfeiture and issued a warrant authorizing their seizure. Between approximately April 11, 2014, and April 18, 2014, the United States transmitted mutual legal assistance requests to Ireland, Belgium, and Luxembourg requesting restraint of the Defendant Assets listed in subparagraphs 1(a)-(k) above, in accordance with this Court's seizure warrant.

3. WHEREAS, on February 18, 2016, the United States filed a related verified complaint *in rem* (the "Second Complaint"), alleging that the following defendant assets are

subject to forfeiture pursuant to 18 U.S.C. §§ 981(a)(1)(A) and (C) as proceeds traceable to a felony violation of the FCPA, 15 U.S.C. §§ 78dd-1 *et seq.*, or a conspiracy to commit such offense, or as property involved in money laundering or a conspiracy to commit money laundering, in violation of 18 U.S.C. §§ 1956(a)(1)(B)(i), 1956(a)(2)(B)(i), 1956(h), and 1957:

- l.** All funds held in account number CH1408760000050335300 at Lombard Odier Darier Hentsch & Cie Bank, Switzerland, on behalf of Takilant Limited, and any property traceable thereto ( “Takilant’s Lombard Odier Account”),
- m.** All Funds up to an amount totaling \$198,919,748.00 held in account number CH3408760000050982900 at Lombard Odier Darier Hentsch & Cie Bank, Switzerland, on behalf of Tozian Limited, and any property traceable thereto ( “Tozian’s Lombard Odier Account”), and
- n.** All Funds up to an amount totaling \$3,500,000.00 held in account number CH2308657007007159821 at Union Bancaire Privee, Switzerland, on behalf of Tozian Limited, and any property traceable thereto ( “Tozian’s UBP Account”).

*See* 1:16-cv-01257 (Dkt. No. 1).

**4.** WHEREAS, since the United States filed the Second Complaint, the Government of Switzerland has completed its own forfeiture proceedings against Tozian’s Lombard Odier Account and Tozian’s UBP Account described in paragraphs (m) and (n), above (collectively, the “Tozian Assets”). Accordingly, the Parties agree that their claims against these assets are moot and respectfully request that the Court dismiss all claims to the Tozian Assets.

**5.** WHEREAS, collectively, the two complaints are hereinafter referred to as the “Forfeiture Actions” and the defendant assets identified in the Forfeiture Actions, except the Tozian Assets discussed above, are hereinafter referred to as the “Defendant Assets.”

**6.** WHEREAS, prior to filing the Second Complaint described in paragraph 3 above, on March 20, 2015, this Court found that there was probable cause to believe that funds described as defendant assets in subparagraph 3(l) above were subject to forfeiture and issued a

warrant authorizing seizure of up to \$472,503,169.11. On March 25, 2015, the United States transmitted a mutual legal assistance request to Switzerland to restrain up to \$472,503,169.11 described as defendant assets in paragraph 3(l) above, in accordance with this Court's seizure warrant.

7. WHEREAS, this Court issued arrest warrants *in rem* for all Defendant Assets in the Forfeiture Actions on July 9, 2015, and February 23, 2016, again finding probable cause to believe that the Defendant Assets are subject to seizure and forfeiture. *See* 1:15-cv-05063 (Dkt. No. 5-7) and 1:16-cv-01257 (Dkt. No. 5).

8. WHEREAS, Uzbekistan filed claims to all Defendants Assets in the Forfeiture Actions on January 26, 2016, and April 27, 2016. *See* 1:15-cv-05063 (Dkt. No. 24) and 1:16-cv-01257 (Dkt. No. 11). Uzbekistan's claims asserted that Uzbekistan owns the Defendant Assets based upon the Tashkent Regional Criminal Court's final judgment of criminal conviction against Rustam Madumarov, Gayana Avakyan, and others, which was issued on July 20, 2015. The Tashkent court's final judgment states that, under Uzbek law, all Defendant Assets passed to Uzbekistan as compensation for the public harm suffered by Uzbekistan as a result of the criminal defendants' violations of the laws of Uzbekistan.

9. WHEREAS, after Uzbekistan filed its claims, the Parties agreed to stay the litigation of the Forfeiture Actions to negotiate an agreement to amicably resolve the Parties' claims to the Defendant Assets. Accordingly, the Forfeiture Actions have remained stayed since on or about February 2, 2016, and April 27, 2016. *See* 1:15-cv-05063 (Dkt. No. 110) and 1:16-cv-01257 (Dkt. No. 86), respectively.

10. WHEREAS, pursuant to the arrest warrants described below, the United States has arrested the following funds, which are traceable to the Defendant Assets described in

paragraph 1(i) above, *i.e.* “Any and all assets underlying the shares of First Global Investments SPC Limited’s “Hedge Fund of Funds Segregated Portfolio,” Fund ID HEDGEFOFS01, held in the custody of Bank of New York Mellon Trust Co. (Ireland) Limited, and any property traceable thereto” and such funds have been substituted for the original Defendant Assets described in paragraph 1(i) above:

- (1) On or about November 12, 2019, this Court issued an arrest warrant for all funds traceable to the redemption of First Global Investment’s ‘Hedge Fund of Funds Segregated Portfolio’ shares in Eagle Global Limited, as a substitute *res* in lieu of the redeemed Eagle Global Limited shares. *See* 1:16-cv-01257 (Dkt. No. 56). The United States subsequently arrested approximately \$2,023,352, which is presently held in the United States’ Treasury Suspense Account;
- (2) On or about April 2, 2021, this Court issued an arrest warrant for all funds traceable to the redemption of First Global Investment’s ‘Hedge Fund of Funds Segregated Portfolio’ shares in QFR Victoria Fund Ltd., as a substitute *res* in lieu of the redeemed QFR Victoria Fund Ltd. shares. *See* 1:16-cv-01257 (Dkt. Nos. 71, 72). The United States subsequently arrested approximately \$3,812,951, which is presently held in the United States’ Treasury Suspense Account;
- (3) On or about April 4, 2022, this Court issued an arrest warrant for all property traceable to the redemption of First Global Investment’s ‘Hedge Fund of Funds Segregated Portfolio’ shares in the Dynamic Offshore Fund Limited, as a substitute *res* in lieu of the redeemed Dynamic Offshore Fund Limited shares. *See* 1:16-cv-01257 (Dkt. Nos. 87, 88). The United States subsequently arrested approximately \$1,076,839, which is presently held in the United States’ Treasury Suspense Account.

**11. WHEREAS**, as of the date of this Stipulation, all Defendant Assets other than those described in paragraph 10 above, are located outside the United States and have been restrained by other sovereign nations that are not parties to the Forfeiture Actions (hereinafter, the “Non-Party Nations”).

**12. WHEREAS**, this Court issued a Partial Default Judgment and Order of Forfeiture on January 11, 2016, ordering that “Plaintiff United States of America shall have

judgment by default against Gulnara Karimova, Bekhzod Akhmedov, Alisher Ergashev, Rustam Madumarov, Gayane Avakyan, Shokrukh Sabirov, Expoline Limited, Swissdorn Limited, Takilant Limited, First Global Investments, and all potential claimants, other than the Republic of Uzbekistan, who have not otherwise filed a claim to the Defendant Property,” with respect to all defendant assets in the First Complaint, described in subparagraphs (1)(a)-(k) above. *See* 1:15-cv-05063 (Dkt. No. 21).

**13.** WHEREAS, this Court issued a Partial Default Judgment and Order of Forfeiture on April 5, 2023, ordering that “Plaintiff United States of America shall have judgment by default against Gulnara Karimova, Bekhzod Akhmedov, Alisher Ergashev, Rustam Madumarov, Gayane Avakyan, Sodikjon Sokhibjonov, Shokrukh Sabirov, and the entities Tozian and Takilant Limited, and all potential claimants, other than the Republic of Uzbekistan, who have not otherwise filed a claim to the Defendant Property,” with respect to all defendant assets in the Second Complaint, described in subparagraph (3)(l)-(n) above. *See* 1:16-cv-01257 (Dkt. No. 72).

**14.** WHEREAS, in furtherance of the Parties’ settlement discussions, Uzbekistan submitted a petition to the United States Department of Justice’s Money Laundering and Asset Recovery Section (“MLARS”), pursuant to 28 C.F.R. Part 9 on or about August 29, 2022, seeking remission of the Defendant Assets. The petition sought compensation in the amount of approximately \$187.6 million for pecuniary harm that Uzbekistan suffered as a result of the telecommunications corruption scheme orchestrated by G. Karimova, R. Madumarov, B. Akhmedov, and others —*i.e.*, the criminal conduct described in the Forfeiture Actions.

**15.** WHEREAS, on or about August 4, 2023, MLARS notified Uzbekistan by letter that its petition for remission had been preliminarily granted for losses suffered by

Uzbekistan attributable to the conduct alleged in the Forfeiture Actions, with the final grant of remission contingent upon this Court's entry of a final non-appealable order of forfeiture for the Defendant Assets in favor of the United States and resolution of any other third-party petitions for remission or requests for reconsideration.

**16. WHEREAS,** the United States investigated and brought the Forfeiture Actions in furtherance of the United States Justice Department's Kleptocracy Asset Recovery Initiative, which seeks to forfeit the proceeds of foreign official corruption and, where appropriate and authorized by law, to use those recovered assets to benefit the people harmed by corruption and abuse of office.

**17. WHEREAS,** Uzbekistan agrees that the Defendant Assets should be used for the benefit of the people of Uzbekistan and notes that Uzbekistan and the Government of Switzerland have established a fund administered by the United Nations Multi-Partner Trust Fund Office to utilize funds forfeited to Switzerland under Swiss law for projects to benefit the people of Uzbekistan.

**18. WHEREAS,** the Parties wish to resolve this matter expeditiously without further litigation.

Accordingly, this Stipulation serves as definitive documentation of the Parties' agreement to resolve the above-captioned Forfeiture Actions.

### **STIPULATION**

The Parties HEREBY STIPULATE AND AGREE, subject to the Court's entry of their proposed Judgment of Forfeiture (as defined below), as follows:

**1.** Uzbekistan hereby waives any right it may have to challenge the forfeiture of the Defendant Assets pursuant to 18 U.S.C. § 981(a)(1)(C) because they constitute or are derived



from the proceeds of violations of the Foreign Corrupt Practices Act of 1977, 15 U.S.C. §§ 78dd-1 *et seq.*, or a conspiracy to commit such offense, and pursuant to 18 U.S.C. § 981(a)(1)(A) because they constitute property involved in a money laundering transaction or attempted transaction or a money laundering conspiracy in violation of 18 U.S.C. §§ 1956 and 1957, or are property traceable to such assets.

2. The Forfeited Assets: The Parties consent to forfeiture of the Defendant Assets to the United States under the laws of the United States and agree to request that the Court enter a final Judgment of Forfeiture (the “Judgment of Forfeiture”) in favor of the United States. Upon execution of this Stipulation by the Parties, the United States shall submit the proposed Judgment of Forfeiture, as agreed to by the Parties, to this Court. Upon this Court’s issuance of the Judgment of Forfeiture, the Defendant Assets shall be referred to as the “Forfeited Assets.”

3. The Recovered Forfeited Assets: Following the Judgment of Forfeiture being entered by this Court and becoming final and not subject to appeal, the United States will transmit mutual legal assistance requests forthwith to register and enforce the Judgment of Forfeiture to the Non-Party Nations in which Forfeited Assets are located. If the Non-Party Nations agree to enforce the Judgment of Forfeiture against the Forfeited Assets per the United States’ requests and transfer them to the United States, the United States shall cause any funds received from the Non-Party Nations to be deposited in the United States’ Treasury Forfeiture Fund. Such funds, along with the funds that the United States has already seized—those described in paragraphs 10(1)-(3) of the Recital Section, above—and any additional funds traceable to the Forfeited Assets that the United States is able to recover through other means, are hereinafter collectively defined as the “Recovered Forfeited Assets.” The United States shall coordinate in good faith with Uzbekistan and Non-Party Nations in support of the Parties’ mutual

goal of ensuring that the maximum amount of Forfeited Assets become Recovered Forfeited Assets.

4. The Parties further recognize and agree that the determinations of appropriate authorities or tribunals in the Non-Party Nations regarding the execution of any Judgment of Forfeiture or the transfer of any Forfeited Assets to the United States may affect the extent to which Forfeited Assets are recovered. The Parties are committed to ensuring that the Final Judgement of Forfeiture is enforceable by the Non-Party Nations. Consequently, the Parties agree that, in the event that a Non-Party Nation is unable to enforce the Judgment of Forfeiture, the Parties shall work together in good faith and, if appropriate, will jointly petition this Court to amend or clarify the Judgment of Forfeiture as necessary to facilitate its enforcement by such Non-Party Nation.

5. Upon entry of a Final Order of Forfeiture, the United States represents that, in accordance with 28 C.F.R. Part 9, it will fully consider the petition for remission submitted by Uzbekistan with respect to the Forfeited Assets. As provided by law, before any remission payment, the United States shall deduct from the Recovered Forfeited Assets the costs and expenses of the United States related to and/or incurred in connection with the investigation, litigation, and recovery of assets in the Forfeiture Actions (the “United States’ Costs”).

6. If the amount of Recovered Forfeited Assets exceeds the sum that the Attorney General, in his discretion, may have awarded as remission to any petitioner, Uzbekistan may submit supplemental information in support of additional remission.

7. The U.N. Multi-Partner Trust Fund: Unless otherwise agreed by the Parties, Uzbekistan agrees that any funds awarded as remission to Uzbekistan shall be directed in payments (“Remission Payments”) to a trust fund operated by the United Nations Multi-Partner

Trust Fund Office, in accordance with a framework to be agreed by the Parties, which shall specify, *inter alia*, the timing of deposits, the Parties' oversight roles, and approved uses of the Remission Payments.

**8.** Upon reasonable notice to the other Party, either Party may void this Stipulation and request that this Court vacate the Judgment of Forfeiture with respect to the Recovered Forfeited Assets within 60 days of entry of a Final Order of Forfeiture.

**9.** Uzbekistan agrees to not oppose any effort by the United States to obtain a certificate of reasonable cause under 28 U.S.C. § 2465(a).

**10.** Uzbekistan hereby waives any and all claims it has or might have against the United States, the United States Department of Justice, the Department of Homeland Security, the United States Marshals Service, the Internal Revenue Service, and all agents, officers, and employees thereof (hereinafter the "Released Parties"), relating to the Defendant Assets at issue in the Forfeiture Actions, including, but not limited to, any claims for lost profits or interest, except that if the terms of this Stipulation are not fulfilled and the Judgment of Forfeiture is vacated, Uzbekistan reserves the right to reassert the claims it has filed in this litigation.

**11.** Uzbekistan waives any right it may have to interplead the United States when defending against any and all claims of third parties against Uzbekistan relating to the Forfeiture Actions, the Defendant Assets, or any Remission Payments that may be made.

**12.** If any person or entity other than Uzbekistan makes a claim to the Defendant Assets and such claim requires further litigation regarding the Defendant Assets, the Parties agree to cooperate fully with each other in such litigation.

**13.** This Stipulation sets forth all terms of the agreement between the Parties. No amendments, modifications or additions to this Stipulation shall be valid unless they are in writing and signed by counsel for the United States and counsel for Uzbekistan.

**14.** Nothing in this Stipulation shall be deemed to be a waiver of Uzbekistan's rights, if any, to pursue claims against any parties who are not the Parties to this Stipulation.

**15.** Uzbekistan shall bear its own costs and attorney's fees incurred in connection with the Forfeiture Actions.

**16.** The Parties acknowledge that they are represented by competent counsel in connection with the negotiation, preparation, and execution of this Stipulation, and the legal effects thereof have been explained to them, and they are entering into this Stipulation freely and voluntarily, without coercion, duress or undue influence. Should any dispute arise about the interpretation of or compliance with the terms of this Stipulation or, the Parties shall attempt in good faith to resolve any such disputes. However, should the Parties be unable to resolve a dispute, either Party may move this Court to resolve the dispute and to impose any remedy this Court deems necessary to enforce the terms of this Stipulation.

**17.** It is contemplated that this Stipulation may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument. Signature pages may be scanned and such signatures shall be deemed as valid originals.

**18.** This Court shall retain jurisdiction over the Forfeiture Actions for the purpose of enforcing this Stipulation.

Dated: New York, N.Y. and Washington, D.C.  
November 27, 2024

HOLWELL SHUSTER & GOLDBERG LLP

MARGARET A. MOESER, CHIEF  
MONEY LAUNDERING AND  
ASSET RECOVERY SECTION

By:



Richard J. Holwell (rholwell@hsgllp.com)  
Daniel P. Goldberg (dgoldberg@hsgllp.com)  
Vincent Levy (vlevy@hsgllp.com)  
Andrei Vrabie (avrabie@hsgllp.com)  
425 Lexington Avenue, 14th Floor  
New York, NY 10017  
(646) 837-5151

*Counsel for the Republic of Uzbekistan*

By:

ALISON  
YEWDELL

Digitally signed by ALISON  
YEWDELL  
Date: 2024.11.27 16:51:11  
-05'00'

Mary K. Butler,  
Chief, International Unit  
Daniel H. Claman,  
Principal Deputy Chief, International Unit  
Adam J. Schwartz,  
Deputy Chief, International Unit  
Alison A. Yewdell  
Trial Attorney  
Money Laundering and Asset Recovery Section  
United States Department of Justice  
1400 New York Avenue, NW  
Bond Building, Suite 10100  
Washington, DC 20005  
Telephone: (202) 616-1674  
Email: alison.yewdell@usdoj.gov

*Counsel for the United States of America*