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The President of the European Parliament  
Rue Wiertz  
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Luxembourg January 25 2011

Att : The Petition Committee  
Re : **PETITION<sup>1</sup>** for action on Corruption / Fraud and other serious irregularities in Luxembourg. Violations of the Charter of Fundamental Rights Article 47: Preliminary investigation.  
Case # :  
Your reference :  
Our reference :  
Posting by : Mail and fax  
Your fax # : + 32 2 284 69 74 (+ 32 2 230 69 33 )  
Numbers of pages : 6  
Attachment : 17  
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Notice : Attachments is dispatched by mail, only.

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Dear Sir/Ms.

The focus of our petition is – in the light of violations of the Charter of Fundamental Rights – aimed on the conduct and misconduct of four different institutions in Luxembourg in regards to a dispute between us and our bank:<sup>2</sup> 1) CSSF (the financial supervisory body); 2) the Public Prosecutor; 3) the Police; and 4) the courts.

Our main allegations are:

**CSSF:** We can prove that this institution is largely responsible for the financial crisis in general and for our loss in particular. CSSF has closed and reopened our case three times, i.e. every time we have provided CSSF with information (of which the bank in question is concealing) they have opened the case, only to close it again after talking secretly with the bank. If CSSF had conducted their responsibility and task according to national law and international treaties, the bank wouldn't have been able to defraud us and most likely there wouldn't have been a financial crisis of such magnitude.<sup>3</sup> It should be noted that CSSF still accepts that a given number of Luxembourg-situated banks continue to carry out unauthorised financial service in different European countries, in spite of our notification about this unlawful activity. CSSF is not a financial supervisory

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<sup>1</sup> Rules of Procedure: Rule 202

<sup>2</sup> Danske Bank International S.A. From December 2008 through September 2010 we have filed 21 criminal complaints against this bank. On December 16 2010 we filed a €53 million lawsuit against Danske Bank International S.A.

<sup>3</sup> CSSF is (partly) responsible for the development of the downfall of the Icelandic banks, the Madoff-fraud and UBS-involvement, Lehman Brothers collapse, etc. and hence the investors loss of billions of €. As claimed below, the courts of Luxembourg acts in collaboration with the financial interests, hence it was no surprise that a close to € 1 billion litigation against UBS was rendered inadmissible on March 4 2010.

authority in the normal meaning of the term. During the years we have been in contact with this authority, it has by action and passivity demonstrated that its main objective is to protect any financial institution regardless of its activity, and conceal any information which could be detrimental to the bank and Luxembourg financial interests.

**Document list** for this part of the petition – allegations against CSSF:

**Document 1:** 260110 Letter to the minister of Justice - minister of Finance, Luxembourg

**Document 2:** May 3 2010 Letter from CSSF

**Document 3:** June 25 Letter to CSSF

**Document 4:** July 15 Letter to CSSF

**Document 5:** July 16 2010 Fax from CSSF

**Document 6:** July 20 Letter to CSSF

**Document 7:** July 30 2010 Letter to CSSF

**Document 8:** August 13 2010 Letter from CSSF

**Document 9:** September 8 2010 Letter to CSSF

**Public Prosecutor:** We have filed 21 criminal complaints against the bank. Approximately three times the prosecutor has reverted to us in regards to these complaints, stating that all referred activities are of legal nature in Luxembourg; i.e. churning, violation of the Secrecy Act, fraud, fraudulent concealment, perjury etc. The Public Prosecutor has stated in a taped conversation that he has never heard of a bank defrauding its clients, which gives the Committee an indication on the situation in Luxembourg at large. This public institution is responsible for our loss as it has consequently refused to investigate criminal activity of which have been duly documented with conclusive evidence. We have obviously no reason to trust this institution.

**Document list** for this part of the petition – allegations against the Public Prosecutor:

**Document 10:** September 8 2010 Criminal Complaint Public Prosecutor

**Police:** The police force is at least covering up for criminal activity, like illegal private covert surveillance carried out by private companies engaged by national and international criminal structures, but it is more likely that the police force is *part* of this criminal activity. In a taped conversation on September 1 2010 the police revealed that it is in fact collaborating with an organised criminal structure and in this attempting to cover up this collaboration. We have thus no reason to trust the police force, on the contrary we believe that this force at any time will harm us or in any other manner will obstruct our right to protection.

**Document list** for this part of the petition – allegations against the police force:

**Document 11:** 300810 Criminal complaint I Police Grand-Ducale Covert Surveillance Cardoso

**Document 12:** 010910 Transcript from tape Conversation Baranyi Police Cents Car Picture Violation

**Document 13:** 080910 Criminal complaint II Police Grand-Ducale Covert Surveillance

**Document 14:** 130910 Criminal complaint III Police Grand-Ducale Covert Surveillance Request for Access to case file

**Courts:** The courts are concealing the existence of court cases, hearings and decisions. Furthermore the courts obstruct any defence and appeals from a party to a case where a bank is involved (i.e. where financial interests important to the state are at stake). In our cases we have yet to experience any courts administering their cases in line with the Charter of Fundamental Rights. Quite on the contrary our experience is that the courts consistently are violating the said charter, deliberately. We have thus no reason to trust the courts, on the contrary we have strong reasons to believe (as there are no other reasonable explanations for their criminal conduct) that the courts carry out their business according to wirepullers' demands, and will continue to harm us as well as obstructing any attempts of having our rights tried/reviewed.

As the Committee will understand from reading Document 15 and 16 below, there are a great numbers of problems with the Luxembourg Procedural Act as well as with the Huissier-system. The Procedural Act states for instance – in contradiction with the ECHR and the Charter of Fundamental Rights – that a person is *not* allowed to defend him-/herself or his/her rights in person in a Luxembourg court, i.e. self-representation is not allowed in Luxembourg. The problem grows even bigger when it appears that no lawyer in Luxembourg can or will represent our case. Another problem, which seems insolvable, is the Huissier-institution in Luxembourg, which in fact – even though it is not a court or a tribunal – can flatly reject an appeal, and thus determine your rights and obligations which is for the court, only, to decide. Furthermore the Huissiers/bailiffs in Luxembourg have vested interests in their private business, and operate with "clients"; the creditors, totally in conflict with what one would normally expect from an independent and impartial judiciary. In fact the bailiffs in Luxembourg are on a daily basis swimming around in an environment of conflict of interest and should obviously not have the competence to enforce decisions, reject appeals, and seizure belongings on behalf of their clients. This is court tasks, not meant for a private collector company as the bailiffs for all practical purposes are in Luxembourg. To put it bluntly: A bailiff/huissier in Luxembourg only knows the rights of his clients, the plaintiff.

**Document list** for this part of the petition – allegations against the courts:

**Document 15:** 161210 Appeal to Tribunal d'arrondissement

**Document 16:** 050111 Appeal to Tribunal d'arrondissement Re Tapella's rejection of our Appeal

**To sum this up:** We have been – and still are – exposed to serious crimes committed by a bank in collaboration with at least four different public institutions of which one normally would believe would be our protectors. Our situation at present is very serious, as the courts and the police together with a bailiff now have decided to force us (a family of three (8 year old son)) out of our home and out on the street, and sell everything we own to hand it over to the bank which previously has defrauded us of all our savings. One of the worst parts of this picture – which best can be described as torture – is that the situation has been created due to continuous criminal activity from a bank together with invaluable help from the said four institutions and this unique crime-protective system. Without this assistance, the bank would have lost its authorisation and we would have got our savings back. As for now the situation has been turned up-side-down which might be described like this: A car thief breaks into your garage and steal your car. When he comes home he notices that he forgot to steal the motorcycle as well. He then goes to

court and gets a secret decision that he can go on and take whatever is left in the garage. This is absurd, as is the whole situation we live through in Luxembourg.

We are aware of that the Human Rights Subcommittee recently has discussed the Khodorkovsky-case, and that Maria Logan from the Khodorkovsky legal team stated to the committee that:

*"The Khodorkovsky case clearly shows that you cannot count on the Courts to protect you against the government of Russia."*

In his reply to this, the Parliament's President Jerzy Buzek stated:

*"I am very disappointed. The trials of Mikhail Khodorkovsky were the litmus test of how the rule of law and human rights are treated in today's Russia. In effect it has become the emblematic symbol of all the systemic problems within the judiciary."*

The litigation process against our little family in Luxembourg is of the same value and magnitude, only taking place in the heart of EU, in the country of the European Court of Justice. Not only can we confirm that the rule of law has lost its fight against the rule of power in Luxembourg, but we can prove it.

In regards to the protection of life, freedom and property, fostering of fundamental rights and justice, security and safeguarding liberties of citizens in the EU, Luxembourg, in 2008, received some € 11 million from the European Union, this in addition to the € 1.18 billion regarding EU administrative expenditure.

As the Committee will understand from reading the attached documentation, the police, the prosecuting authority, the financial supervisory authority (CSSF) as well as the courts have acted – willfully it seems – in direct violation with the Charter of Fundamental Rights.

The fact is that we experience no protection at all in spite of the funds Luxembourg receives from the European Union. Basically the bank in question has through specified unlawful actions defrauded us of all our savings (+ € 500.000), the financial supervisory authority is approving the bank's actions and its unlawful activity, while the public prosecutor is protecting this system and thus covering up what under normal circumstances would be assessed as serious financial crimes.

According to the documentation in this case, we will – as indicated – be able to prove that CSSF, and thus Luxembourg, most likely is one of the main reasons for the so called financial crisis. There are reasons to believe that if CSSF had performed its obligations according to law, the financial crisis could have been avoided.

Luxembourg as a nation is totally dependent on investors, and financial institutions managing the investor's savings/funds, thus it is understandable (from the "ruler's" point of view, that is) that powerful institutions as CSSF and the public prosecutor will do whatever is in their power to nurture and protect this business no matter whether its activity is lawful or not. As this scenario could be hard to believe for some readers, we would like to stress that our allegations are based on conclusive evidence (documents and voice recordings).

These EU funds mentioned above are actually allocated to national institutions which are accepting and protecting unauthorized and unlawful financial activity, thus these serious irregularities have an impact on the EU budget. Taken into consideration the situation Luxembourg has put us into, the Grand Duchy's protective approach to financial crimes, and the fact that EU is providing Luxembourg with the said funds, we are inclined to

believe that these EU-funds are being used to stop us and numerous other victims of financial crimes from pursuing our rights. Our experiences from more than two years of futile correspondence with these institutions are supporting this view.

We would like to stress that we are in possession of voice recordings proving that both the police as well as the public prosecutor act – as far as possible – in compliance with a national policy of never pursue any allegations against the financial industry, large companies or renowned persons. Furthermore we are in possession of documents and voice recordings nailing the bank to the alleged crimes. Both the public prosecutor as well as CSSF have been provided with extracts of transcripts of some of these recordings. Nevertheless they consistently reject to investigate, thus incurring liability. We are also in possession of documents and voice recordings proving that the public prosecuting authority / police is obstructing investigations of crimes committed by high profile persons and/or companies, hence protecting the perpetrators and, again, incurring liability.

On August 27 2010 one of the larger constructing firms in Luxembourg, Cardoso & Fils, was caught in the action carrying out covert surveillance on us.<sup>4</sup> A local police officer did (at first) his job in an excellent manner that Friday. He took Ms. Baranyi's statement, looked up the registration number of the car, found and called the owner asking whether one of his employees had been at our address, and whether this person had taken photos at the given time. The owner confirmed both questions (although with an excuse which does not add up with the evident facts). This statement of the owner of the company – when pieced together with later statements from the same person – nails the company to covert surveillance. The problem is that this police officer – shortly after telling us what he had found – seems to have been instructed to obstruct further investigation and tell us a cover-up story, hence protecting the company and whoever is behind this illegal surveillance activity. For half an hour this officer vigorously tried to mislead Ms. Baranyi not to press charges against Mr. Cardoso, instead of investigating and persecuting what obviously is assessed as unlawful covert surveillance. Our criminal complaints against this covert surveillance have been covered up by the police, and nobody knows (or wants to tell us) what the status of these complaints are.

As far as we can see there is an inner context between this serious incident and what is mentioned in the correspondence with CSSF and the Public Prosecutor. Anyhow this incident could be an indication of a far more widespread problem: Covert surveillance of wealthy clients of banks in Luxembourg and of persons who are rocking and questioning the illegal crime-protective system.

During a meeting with the public prosecutor on January 6 2009 the prosecutor basically stated three points which could be read as follows: 1) banks don't commit crimes; 2) if you nevertheless should become a victim of any criminal actions from a bank, then you should go and talk to a lawyer (i.e. not the police), and 3) Danske Bank International S.A. is a big bank, not an insignificant fraudster<sup>5</sup> with a small office, thus this bank can not act in violation with the law, hence there will be no investigation. 21 criminal complaints later, the public prosecutor has kept his word: All complaints have been shelved, and there will be no investigation as long as a big company is involved.

Our simple wish and expectation when we were exposed to the consequences of these crimes in 2008, was that the financial supervisory authority as well as the prosecution authority would at least investigate our allegations against the bank in question. They didn't. Quite on the contrary they started protecting the bank.

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<sup>4</sup> Cf. Document 11 – 14 above.

<sup>5</sup> Today we can prove that the bank is a criminal entity/organisation still – with the consent of CSSF – carrying out illegal financial service in EEA countries.

It isn't too much to ask for – or to expect – to be protected by the law and by the entities which by law were established to protect us against any threats, potential criminal actions/activity and misuse of authority. Nevertheless we have become a victim of serious financial crimes and extended misuse of authority, and in spite of citizen-protective legislation and powerful institutions established to protect us and these laws, we have faced what you could call the “*national financial conduct defence system*” which by all available means supports, nurtures and protects the financial business and all its activities (whether lawful or not), whereas the consequences left in its wake are put in the hands of the victims.

As a consequence of the bank's criminal actions, and the highly effective “*defence system*”, we have been deprived not only of our right to protect and defend ourselves against this criminal activity, but also of all our savings and our right to vindicate what has been stolen.<sup>6</sup>

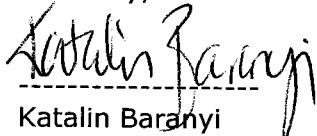
There is at least one reason why this could happen to us in Luxembourg: Luxembourg has refused to implement EU-regulations established to protect investors. For this lack of fulfilling its obligations towards the European Union, the European Court of Justice passed its decision (on February 5 2009 ) finding that Luxembourg has failed to:

*“...adopt, within the prescribed period, the laws, regulations and administrative provisions necessary to comply with Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council ('Unfair Commercial Practices Directive'), the Grand Duchy of Luxembourg has failed to fulfil its obligations under that directive.”*

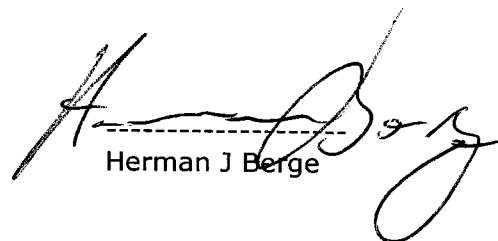
This protection of financial crimes, and crimes committed by government institutions like CSSF, the Public Prosecutor office, and the courts, have inflicted serious economic as well as non-pecuniary damage upon us. It is – let's say – unfortunate for EU as a whole (in regards to liability) to fund a country which so openly, directly and unchallenged is violating close to every single law which was established by an international community to protect its citizens.

Having said this, we petition the Committee on Petitions to investigate and pursue this matter to the widest extent of its competence. We highly appreciate your soonest response to this petition. Thank you.

Sincerely,

  
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Katalin Baranyi

Luxembourg January 25 2011

  
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Herman J Berge

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<sup>6</sup> The Luxembourg courts have deliberately held secret hearings and passed secret decisions on us. When attempting to appeal these unlawful “decisions”, our appeals are flatly rejected by a bailiff (not by a court of law), stating that we are not represented by a lawyer. As no lawyer will touch these cases, we are left with the coldest unjust imaginable. Even our right to self-representation (the conventional right to defend yourself and your rights before a court of law) has been rejected by the Luxembourg courts. The elite who control Luxembourg simply don't want to face our defence or our claims.