

# Standard Life caught up in Spanish hunt for the assets of Pinochet

BY HUGH O'SHAUGHNESSY

Standard Life, the Edinburgh-based insurer, has been caught up in a drive by the Spanish judiciary which is collaborating with Interpol to track down and freeze the assets of General Augusto Pinochet and his family.

The Spaniards are looking into reported sales of Standard Life pensions to the Pinochet family by the Bermudan office of its Canadian subsidiary. The financial dealings were carried out by a Chilean lawyer and financial adviser to the former dictator, Oscar Custodio Aitken, whom the Spanish courts are seeking to question.

Mr Aitken has made no secret of his efforts to protect the Pinochet family's assets.

Estimates of the value of these have risen to about \$300m (£158m) and form part of the serious charges being brought in Madrid against the former dictator of Chile on behalf of 3,420 of his victims.

The bulk of the Pinochet fortune is judged to have come from the privatisation of state

enterprises at knock-down prices during the 17-year-long dictatorship which followed his 1973 coup.

Spanish Judge Baltasar Garzon issued a request through diplomatic channels earlier this month - to the British, US, Canadian and Bermudan governments - to freeze the Pinochet family's assets, including insurance policies, and to impound the records of them. A previous request in 1998 got nowhere. At the time, the British government said it had no information about any such funds and Judge Garzon couldn't supply any detail.

However, in new inquiries - including a report prepared in July for the US Senate's Permanent Committee on Investigations - many of the resting places of the cash were identified and Judge Garzon issued a new order on 16 September that the Spanish foreign ministry is submitting to the UK and other governments. The resting places included the London office of Riggs, a Washington-based bank whose directors briefly included



General deception: during his dictatorship in Chile, Augusto Pinochet is alleged to have amassed a £158m fortune, mainly through the sale of state enterprises. Spain is pursuing his assets on behalf of his 3,420 victims AP

Sir Christopher Meyer, the former UK ambassador in the US who is now head of the Press Complaints Commission. Riggs was fined for misconduct and sold off soon after the report was published.

Riggs helped the Pinochets create two shell companies in the 1990s, Althorp Investment and Ashburton Trust, which Judge Garzon is investigating. They were based at Riggs's branch in the Bahamas, which

had no office or employees in the country but was run from the office of accountants Deloitte and Touche in the capital, Nassau. Althorp had assets of at least \$1m in London but the London branch of Riggs helped Pinochet to send funds out of Britain when all his assets were supposed to be frozen.

According to Judge Garzon, other shell companies, Abanda and Belview, were set up in 1999 by Mr Aitken at Tortola in the

British Virgin Islands to hide Pinochet assets.

In addition, the Spanish courts asked the authorities in British-controlled territories - including the Virgin and Cayman Islands, the Channel Islands and Gibraltar - for a similar freeze earlier this month. New requests are going to Switzerland, the Bahamas, the Netherlands and the Netherlands Antilles.

A spokesman for Standard Life said: "An internal review by our

Canadian operation has shown that no accounts were held in our Bermuda subsidiary by Augusto Pinochet, members of his family or any of his associates."

Deloitte confirmed that its Bermuda office had acted for Riggs from 1989 to 2001. In Spain, the judge is pursuing Pinochet funds which he believes were deposited in Banco Santander Central Hispano, the Spanish banking giant which last month bought Abbey National