

Iceland

OFFSHORISATION
of an economy

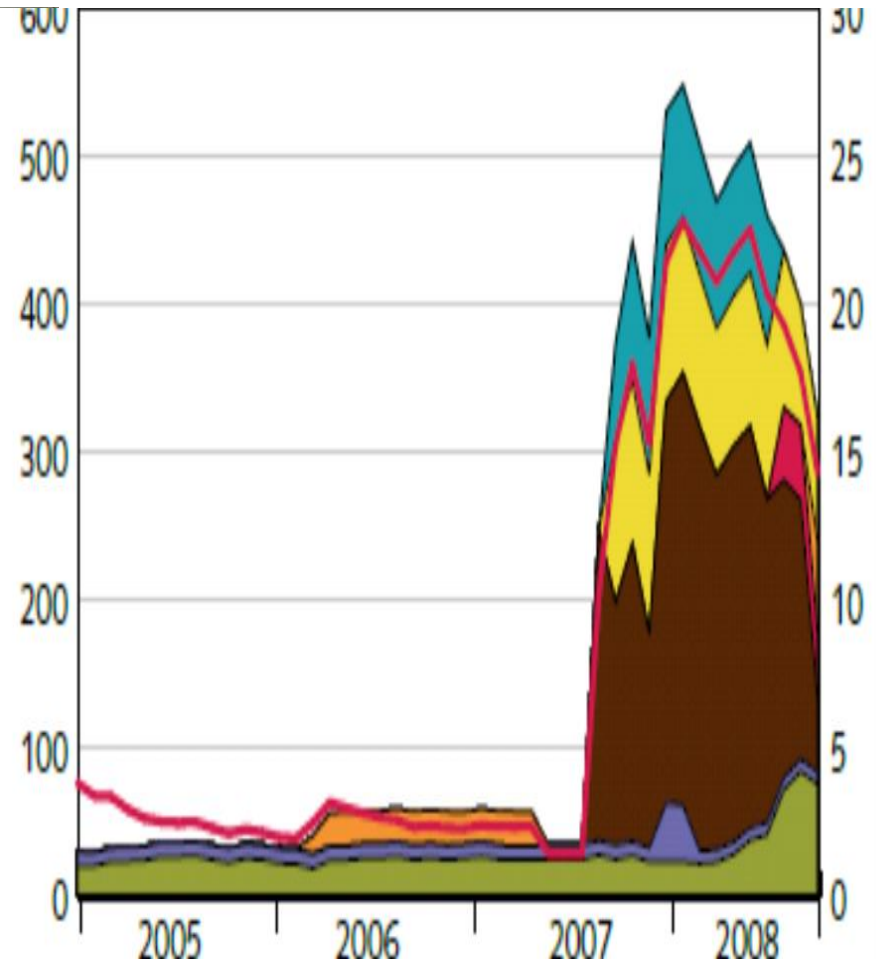
Sigrún Davídsdóttir

Facts and figures

- Iceland – republic since 1944
- 330.000 inhabitants
- GDP per capita: OECD – nr. 13 / 2010

The '08 saga – in 2 pictures

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What Icelanders knew

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- 1990s: major privatisations / politics
- 1998-2002: banks privatised
- 1998-2008: banks expanded abroad, i.e. Luxembourg, London, Nordics; '08: 10 x GDP
- -2008: companies owned by banks' big shareholders/clients expand abroad
- **GLORY & SUCCESS...**

What Icelanders **didn't** know

What Icelanders **didn't** know

- Extensive **offshorisation** – of companies & private individuals

The offshore view

33073

MEMORIAL

**Journal Officiel
du Grand-Duché de
Luxembourg**



MEMORIAL

**Amtsblatt
des Großherzogtums
Luxemburg**

RECUEIL DES SOCIÉTÉS ET ASSOCIATIONS

Le présent recueil contient les publications prévues par la loi modifiée du 10 août 1915 concernant les sociétés commerciales et par loi modifiée du 21 avril 1928 sur les associations et les fondations sans but lucratif.

C — N° 690

25 septembre 1998

The offshore view

- Oct. 2008: banking collapse

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- Stories, rumours & media reports
- April 2010: SIC reports
- 20+ charges brought by OSP

The offshore view

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- Unique Icelandic offshorisation: more wide-spread than anywhere else
- Enriched vocabulary: “Tortola-company”

PAPANAMA
PAPERMA

PANAMA
PAPERMA

Many more names +
details of use

Examples of use

- Companies
- Individuals

Offshore : companies

- Example 1:
- *Meidur & Gaumur*

Meidur

COMPAGNIE FINANCIERE SCANDINAVE HOLDING S.A., Société Anonyme.

Registered office: L-1417 Luxembourg, 18, rue Dicks.

STATUTES

In the year one thousand nine hundred and ninety-eight, on the twenty-second day of June.
Before Us, Maître Paul Frieders, notary residing in Luxembourg.

There appeared:

1. - QUENON INVESTMENTS LIMITED, a company incorporated under the laws of the British Virgin Islands, having its registered office at P.O. Box 3186, Road Town, Tortola, British Virgin Islands
duly represented by Maître Francis Kass, lawyer, residing in Luxembourg, by virtue of a proxy given in Luxembourg, on 18 June 1998.

2. - SHAPBURG LIMITED, a company incorporated under the laws of the British Virgin Islands, having its registered office at P.O. Box 3186, Road Town, Tortola, British Virgin Islands
duly represented by Maître Francis Kass, lawyer, residing in Luxembourg, by virtue of a proxy given in Luxembourg, on 18 June 1998

which proxies, after having been signed ne varietur by the appearing partie and the undersigned notary, shall remain attached to this document in order to be registered therewith.

Such appearing parties, acting in their here above stated capacities, have drawn up the following Articles of Incorporation of a public limited company which they declare organised among themselves.

Gaumur

COMPAGNIE FINANCIERE POUR L'ATLANTIQUE DU NORD HOLDING S.A., Société Anonyme.

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- Example 1:
- *Meidur & Gaumur*
- Meidur: major shareholder in Kaupthing (1-2); financed by Kaupthing – changing owners
- Gaumur: large exposure to Kaupthing

Offshore : companies

- Example 2:
- *Landsbanki & its 8 offshore companies*

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= major owner hidden +50%

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- *Wintris – owned by PM's wife; PM Gunnlaugsson w/PoA*

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- Wintris – claims in fallen banks = creditor; PM negotiating w/creditors
- Wintris – capital controls 2008–

Offshore : individuals

- Example 2:
- *Hrólfur Ölvisson – Progr. Party official*
- On-+offshore companies; hidden acquisitions of companies; favourable loans; ties to Progr. ex-MP+minister

Offshore : individuals

- Example 3:
- *Bjarni Benediktsson MinFin, Cons.*
- Falsson & Co., Seychelles – Dubai inv.
Revision of BB's earlier stance on offshore, i.a. buying leaked documents

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Multiplying effect in a tiny economy

Better understanding now – all
well?

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- “It’s difficult to own money in
Iceland...”



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