

November 30, 2018

Mr. Mark Carney  
Governor  
Bank of England  
Threadneedle St  
London, EC2R 8AH

Dear Mr. Carney,

On behalf of all the Venezuelans who are persecuted, arrested, and even murdered for political dissent, we are writing this letter to ask the Bank of England ("BoE") to refuse the handover of fourteen tonnes of gold to the illegitimate dictatorship of Nicolás Maduro.

In 2011, there were over 99 tonnes of Venezuelan gold in the BoE's vaults, equivalent to \$4.5 billion. The gold was entrusted to the BoE in 1980 by the democracy. In 2012 Hugo Chávez withdrew forty percent of this gold as part of his plan to repatriate the majority of Venezuelan gold from American and European banks. Consequently, by 2015, the BoE's vaults held about fifty tonnes of Venezuelan gold. However, since 2015, Maduro's regime lost most of it as collateral in gold swap transactions, leaving fourteen tonnes, worth \$550 million.

Maduro's dictatorship asked the BoE to hand over the remaining 14 tonnes of Venezuelan gold. We assess that the repatriation of the Venezuelan gold would breach the BoE's legal obligations to prevent money laundering and corruption as set out, for example, in UK legislation No. 692 On Money Laundering, Terrorist Financing and Transfer of Funds, and in UN's Convention against Corruption, passed on the resolution 58/4 in 2003. Moreover, this transaction is a direct effort from the Venezuelan dictatorship to circumvent ongoing sanctions issued by US President Donald Trump in his Executive Order 13850 of November 1, 2018.

We assess that UK legislation, UN requirements against corruption and money laundering, and ongoing US sanctions should prevent the BoE from releasing the gold reserves. Therefore, we hereby want to call the BoE's attention to the illegitimacy of Maduro's request and its criminal motives for four main reasons.

First, this is the first transaction between Maduro's dictatorship and the BoE since the world recognized Maduro's government as a dictatorship, as a consequence of the formation of the illegitimate National Constituent Assembly in July 2017, and the unconstitutional and illegal suppression of the properly elected

National Assembly. This act was repudiated by the EU, US and all the countries of the free world. Furthermore, Maduro's regime's status as a dictatorship was further confirmed in May this year following elections widely condemned internationally, including by the US, EU and UK, as fraudulent and manipulated. These two events make clear beyond any possible doubt that the regime is illegitimate and does not have the authority *qua* State to request the repatriation of the gold of all the Venezuelans.

Second, unlike the BoE, the Venezuelan Central Bank is not independent from the executive power. On the contrary, the request the BoE received comes directly from the dictatorship. What is more, the legal owner of the gold ingots held at the BoE is the Venezuelan State, currently held hostage by an illegitimate regime led by Nicolás Maduro. Crucially, Maduro's dictatorship is not properly authorised to request the financial reserves of the Venezuelans, since Maduro is not the legitimate owner of the gold.

Third, this transaction is clearly prompted by illegal and immoral motives: Maduro and his associates have systematically used the assets of the Venezuelan state (including the gold) to sustain money laundering efforts, and to facilitate the widespread and damaging system of corruption and repression financed by the Venezuelan dictatorship using the money of the Venezuelans. Huge sums have been stolen by Maduro and his associates. Moreover, the release of the gold would extend a financial lifeline to the dictatorship, which has spent the windfall of money coming from oil, financial loans, illegal mining and drug trafficking to support a national system of corruption, and to finance weapons and instruments of war used to repress democracy-loving Venezuelans who seek political change for our country.

Fourth, the dictatorship's request clearly represents an effort to circumvent US sanctions, evident in the timing of the request. US sanctions are targeted at preventing transactions in gold with "corrupt or deceptive motive", and any other action directed at circumventing ongoing sanctions.

Without doubt the intention of Maduro and his regime is to steal these resources that rightly belong to the people, either for their own personal gain, or to finance further repression of the people.

The Venezuelan regime, in possession of the gold, would sell it without complying with Venezuelan legislation export formalities, as they have consistently done for over two years with a well-known route for illegal gold, laundered in Turkey. They circumvent ongoing sanctions and end up as part of Maduro's top government officials' efforts to money-launder assets.

Specific evidence to support the previous claims include:

- (i) That the National Assembly, the last and only legitimate organ of the public sector in Venezuela, has denounced in numerous occasions the stripping of assets done by Maduro's regime. The National Assembly has emphasized a particularly serious concern: that Maduro's efforts are not directed at tackling the humanitarian and social crisis in the country, but to favour the regime's apparatus of repression and corruption.
- (ii) Numerous reports and investigations of the National Assembly, since 2016, that have proven the systematic corruption of the regime of Nicolás Maduro, the destruction of the rule of law, and the massive theft of the resources of the Venezuelan State by an elite interested only in its own economic and political benefit.
- (iii) Investigations by the US Department of Justice which have unveiled a network of corruption directed from the high government and containing the military, judiciary and state enterprises.
- (iv) The conclusion of a panel of international experts, commissioned by the Organization of American States, issued on May 29, 2018, confirming that the systematic corruption of Nicolás Maduro's regime is combined with practices of political persecution amidst a major humanitarian crisis which has created a crisis of migration in the region.

For all the previous reasons, it is our understanding that there is enough legal grounding and evidence of wrongdoing for the BoE to refuse the handover of the gold, something we consider appropriate.

In the past, the BoE's reputation was damaged by handing over Czechoslovakian gold to Nazi Germany; the BoE now has the opportunity to make the right choice and to repudiate a request made by an illegitimate regime.

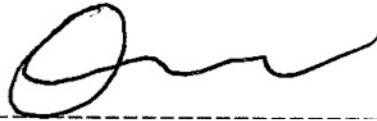
Finally, we want to ask you to consider the systematic and violent persecution against politicians, demonstrated in the recent killing of councilor Fernando Albán in the hands of the dictatorship, the unfair imprisonment of assembly member Juan Requesens, the systematic persecution of our political parties and the systematic violations of human rights by Maduro's regime, evidenced in the hundreds of political prisoners, cases of torture and forced exile.

All dissidents in Venezuela risk to be persecuted whilst millions of people are suffering from one of the worst economic and social crises ever reported. Maduro's regime steals their money for personal gain or uses it to buy weapons to repress and kill them. Let this be the best of all evidence on how exactly different the Venezuelan dictatorship is from all the rest of the BoE's clients.

Sincerely,

A handwritten signature in black ink, appearing to be 'C. Vecchio', written above a horizontal dashed line.

Carlos Vecchio  
Co-founder of Voluntad Popular (VP)  
Political Coordinator for VP

A handwritten signature in black ink, appearing to be 'Julio Borges', written above a horizontal dashed line.

Julio Borges  
Founder of Primero Justicia  
Former President of the National Assembly