

Transcript of an article, by Dominic Prince, which appeared in The Sunday Time on 12th August 1990:

## **Swiss Link in Polly Peck Dealings Probed**

The Inland Revenue is investigating the beneficial ownership of at least two Swiss-based "letterbox" companies that have traded in millions of pounds worth of Polly Peck shares over a four-year period.

The investigation is being carried out by Special Office London 2 and centres on the purchase of Polly Peck stock two days before the agreed bid for Del Monte in September last year. It is known that several London brokers received orders to buy tranches of more than 100,000 shares during the period in the run-up to the bid. At least one is known to have received a buy order of 400,000 two days before the bid was announced.

The Revenue has written to various London broking firms, requesting information under Section 20B (1) of the Taxes Management Act 1970.

The request covers at least two Swiss-based companies, Gateway Investments and Riverbridge Investments. The Revenue has asked for all client account statements, contract notes, notification forms to the Mutual Reference Society and all documents, records and correspondence relating to the Swiss companies. It is also known that the International Stock Exchange surveillance department is co-operating with the Revenue.

One London broker has confirmed to The Sunday Times that he has also informed the Revenue about another Swiss-based company called Tristan on which he took orders from the same person who ordered stock on behalf of Gateway and Riverbridge.

Our source confirms that Jason Davies, a former stockbroker and half-commission man with the now defunct firm of A.J. Bekhor, ordered stock on the three company accounts in question and, at the end of each account, used to visit various London brokers with settlement cheques.

Until July last year, Davies was a director of a company called South Audley Management. Two of his co-directors there were Elizabeth Forsyth and Arseven Gumush, the corporate development director of Noble Raredon, and former finance director of Polly Peck's Turkish subsidiary. Noble Raredon is chaired by Bilge Nevzat, the sister of Polly Peck's chairman Asil Nadir.

The address given at Companies House for South Audley Management was, until May 18, 1988, 73 South Audley Street, the registered address of Noble Raredon.

Documents in the possession of The Sunday Times show that the three companies traded heavily in only two stocks, Polly Peck being far and away the largest, although purchases were also made in Noble Raredon. During a five-month period more than £2m worth of stock in Polly Peck was traded with one broker alone. The stock notes show trading on behalf of Riverbridge Investments, a company registered at a Post Office box number at Geneva airport, Gateway Investments, also registered at Geneva airport and Tristan which gives its address care of Confidas Finance Et Placement.

Bilge Nevzat owns a dominant interest in Noble Raredon through a company called Fairweather Investments whose address in Switzerland is the same as Tristan's. Earlier this year Davies recorded an address on the Swiss-French border in official company documents. When we tried to contact Davies for comment we were told by the local police in Divonne les Bains that there was no such address

Nadir was unavailable for comment yesterday but a Polly Peck spokesman said: "There is no connection between Gateway, Riverbridge, Tristan and Polly Peck or between them and Asil Nadir."

Polly Peck's shares closed on Friday at 393p.

Additional reporting by Patrick Masters and Emma Ross