



Beirut, November 17, 2021

## **Statement from Governor of Banque Du Liban Mr. Riad Salamé**

In light of the relentless attacks against my person, I am publishing this press release.

The attacks revolve around certain transactions of the Central Bank during the term of my office and my personal wealth.

I have therefore requested a first rank and renowned audit firm to audit the transactions and investments which have been the subject of continuous media speculation. The audit firm conducted its mission in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*.

I will set forth below the conclusions of the audit firm which are the factual results of the work it has performed.

### ***1. Transactions of the Central Bank***

The transactions around which unsubstantiated and misleading information has circulated are the following:

- a) Transfers from a clearing account opened at BDL to Forry Associates Ltd.
- b) Asset Linked Notes Transactions

Thorough documentation on the above transactions was provided to the audit firm and the conclusions came as follows:

#### ***a) Transfers from a clearing account opened at BDL to Forry Associates Ltd.***

The conclusions of the audit firm in respect of this matter were as follows:

- The amounts credited on the clearing account opened with BDL were paid by third parties different from BDL.
- No funds from BDL were deposited on this account.

- Fees and commissions mentioned in the debit entries of such account were funded with deposits by third parties different from BDL.

These conclusions show clearly that not a single penny was used from public funds to pay fees and commissions to Forry Associates Ltd. My opponents, who have relentlessly campaigned against me, have misled the public by disseminating the false information that public funds were used. This is a pure distortion of the facts intended to tarnish my reputation and harm me and others. The only truth is that no public funds were used at all.

### **b) *Asset-Linked Notes Transactions***

Certain media have relayed inconceivable reports that the price of certain asset-linked notes formerly held in the portfolio of BDL, and redeemed in 2012, may not have been cashed in by BDL upon their redemption.

Despite the ridiculousness of the insinuation that funds amounting to more than USD 150,000,000 could have been diverted from BDL, I have asked the audit firm to review the documents pertaining to this transaction and its conclusion was obviously that the amount representing the principal of, and interest accrued on, the redeemed notes were paid to BDL.

My opponents seem to have forgotten that BDL is officially audited by two international audit firms!

## **2. *My Personal Wealth***

My opponents have kept speculating about my wealth for about two years now and some of them have used forged reports to mislead the public.

### **➤ *My wealth is clear, documented and not hidden***

The source of my wealth is clear and documented. For the sake of transparency, I disclosed it to the Lebanese public in a public appearance on the MTV television station on 8 April 2020. As clarified, prior to becoming the Governor of the Central Bank of Lebanon, I was a successful private banker at Merrill Lynch for about 20 years. My monthly remuneration was in the region of USD 167,000 before leaving Merrill Lynch in 1993, that is an annual salary of about USD 2,000,000.

My wealth amounted in 1993, that is 28 years ago, to USD 23,000,000 in addition to inherited assets. I also made it clear that I have entrusted persons I trust and professionals with the duty to invest and grow my wealth, manage and supervise my assets without involvement of my person as my position does not allow me to do so.

A wealth of USD 23,000,0000 plus inherited assets in 1993 represents substantially more in 2021. My wealth was wisely invested and has substantially grown in 28 years. It enabled me to acquire my assets.

Unlike my opponents which never provide evidence, I have always relied on documentary evidence that I have provided to the judicial authorities which show both the **origin** of my wealth and its **growth over 28 years**. I have also declared my wealth in accordance with Lebanese law, including recently in accordance with the Law No. 189/2020 relating to the declaration of wealth and interests and the punishment of illicit enrichment.

It is also a fact that I have never hidden my wealth. I have always declared being the owner of the investment companies belonging to me and my name appears in various records, including company records and public registries, pertaining to the ownership of the vehicles in question. This is precisely the reason why my assets are so easily identifiable. In the circumstances, I fail to see where a lack of transparency exists and how the allegations that I have been hiding my assets can stand.

➤ ***My personal accounts***

I have asked the audit firm to review my USD and Euro personal accounts opened with BDL in accordance with Article 110(d) of the Money and Credit Code which allows BDL to open deposit accounts to members of its staff. The conclusions were as follows:

1. The accounts are opened in the name of Riad Toufic Salameh
2. The accounts are unrelated to the accounts on which funds belonging to BDL are deposited.
3. Such accounts have not received funds from BDL.

➤ ***My investments***

I have asked the audit firm to review investments which have continuously hit headlines for the past year.

After a tracing exercise, the factual findings of the audit firm show that these investments were made by me personally with funds coming from my personal accounts.

Nothing prevents me from investing my personal wealth and growing it as these are purely personal real estate and financial investments. I have therefore never breached Article 20 of the Money and Credit Code contrary to what has been said.

*In conclusion*, it is revealing to note that, while I rely on precise figures and documentary evidence, only unsupported speculations about my wealth is set out in the media and put forward by my opponents. Evidence is based on facts, not speculations. As part of such

evidence, the report prepared by the audit firm will be submitted to the judicial authorities and other persons if relevant.

**PR & Communication Unit**