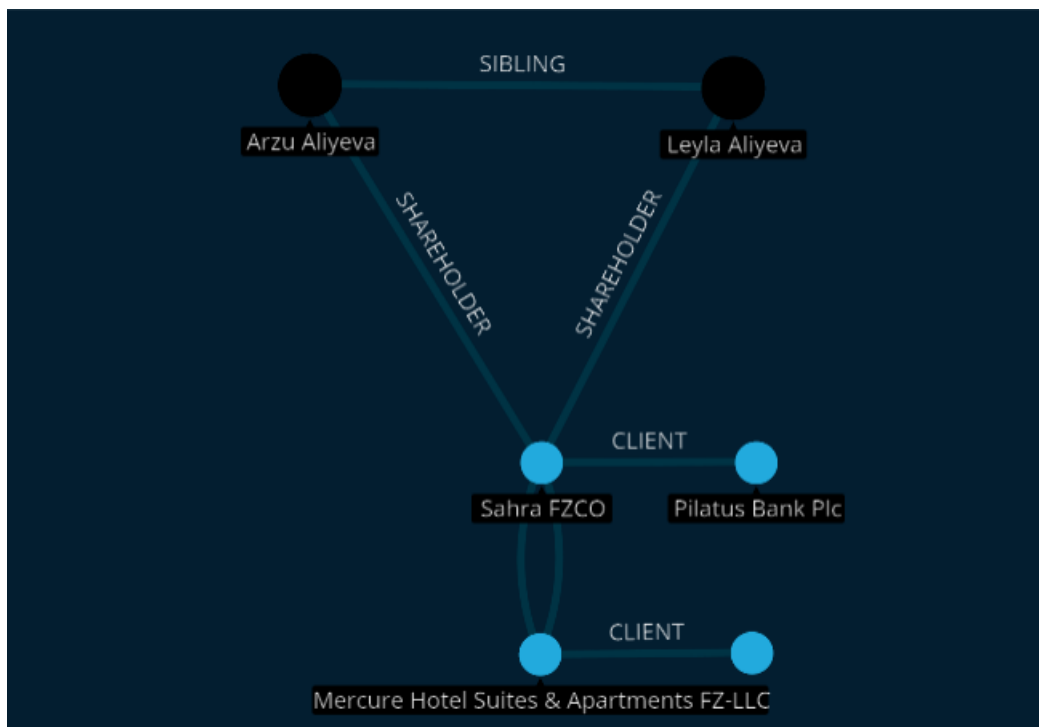


Network Insight: The Mercure Hotel in Dubai

The transfers behind the sisters' hotel in central Dubai

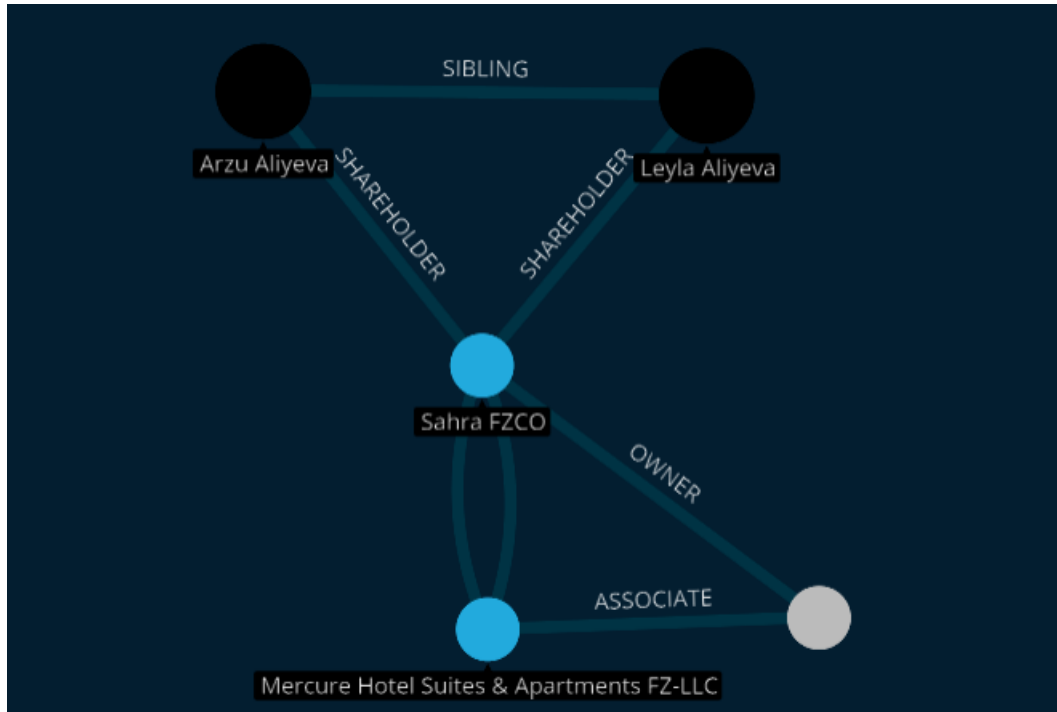
Leyla and Arzu Aliyeva relied on banks in Malta and Abu Dhabi to facilitate several large transactions related to a luxury Dubai hotel business, despite one of the banks failing to determine where the funds for the transactions really came from, according to a confidential report into money laundering at Malta's Pilatus Bank by New York-based investigators Duff & Phelps.^[341]

Between September 2015 and February 2017, the sisters' company Yassat Gloria Hotel Apartments—since renamed Mercure Hotel Suites & Apartments FZ-LLC—transferred a total of 140.7 million AED (\$38.3 million) from an account at the National Bank of Abu Dhabi (NBAD) to the account of Sahra FZCO, its parent company also owned by the sisters, at Pilatus Bank, a private bank headquartered in Malta. The payments were described as dividend distributions on SWIFT payment records.^{[11] [5] [341] [460] [433]}



The transactions were linked to the sisters' 41-story Mercure Barsha Heights hotel in central Dubai, which was formerly known as the Yassat Gloria Hotel Apartments.^{[11] [667] [1360]} The hotel was described as part of Leyla and Arzu Aliyeva's source of wealth when they became clients of Pilatus Bank, along with their five-star Sofitel hotel on Dubai's man-made Palm Jumeirah islands.^{[11] [5] [517] [667] [668]}

Under Maltese law, banks are required to undertake enhanced financial screening on clients who are politically exposed persons (PEPs) to determine the source of their wealth and funding for specific transactions.^[1293] However, the sisters' hotel transactions were among several flagged in a money laundering investigation by Duff & Phelps as examples of when Pilatus Bank failed to do so.^[341]



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