

## **Caritas Pro Vitae Gradu Trust** briefing note for the Grand Chancellor

ACE International is a firm specialized in corporate engineering. The firm is owned 90% by Ariane Slinger, who is the Director General. Ace manages more than 800 entities amongst which 350 Trusts, for families and institutions, with very important assets. .

### Facts :

November 2009 : a French resident (important point because it explains the legal moves Ariane Slinger had to take as a Trustee) contacts ACE through his Swiss banker. The purpose is to replace a Liechtenstein foundation by a New Zealand Trust.

The Trust is created with a written instruction of the client to ACE. It received the funds. (I understand the present amount is slightly above 120 million Swiss Francs). The Trust is discretionary, irrevocable, without protector. Ariane Slinger is the Trustee.

A letter of intent, which does not oblige the Trustee in a discretionary trust, is written on November 18<sup>th</sup>. 2009, with two French persons as beneficiary, and two catholic organizations. With an indicative allotment on interests and capital of 15%, 35%, 25% and 25%.. This again, does not oblige the Trustee under the trust laws for a discretionary trust.

2010 : Ariane Slingers visits the client twice, with the banker, to get more verbal instructions.

January 1st, 2011 : the client deceases.

The trustee starts to look to identify the beneficiaries (and other catholic causes, the trust being discretionary, and the client having verbally mentioned that he wanted to oust one of the person, and expand to other catholic causes).

July 2011 : Frances passes a new law which basically makes every beneficiary of a trust liable of 60% taxes, solidarily, on the whole amount, even if there is no distribution by the Trustee.

The Trustee, to protect the future beneficiaries, (who get an "equitable right "only at the time of the distribution, not before, and thus have no acceptance to give to any decision taken by the discretionary Trustee) transforms the Trust into a Charitable Trust, (which is not impacted by the new French law,) before January 1st, 2012, date when the declaration of existing trusts become obligatory to the French tax authorities.

The Trustee hires a detective to identify the beneficiaries. She starts to approach the Order of Malta end of 2011 (SHOMS) . But she starts only to develop a real donation scheme when she meets with me in October 2012. (the previous contact having been very weak in conveying real donation opportunities.). She confirms her donations, discussed in November 2012 with me, in January 2013, I inform the various associations and projects. I inform the Grand Chancellor and the Grand Hospitalier. I invite her and her husband to Rome to meet all the parties involved at our 900<sup>th</sup> anniversary. The Grand Chancellor writes that he does not know the donor, insults me not to have informed him beforehand, to make the allocations himself. Then he refuses to talk to me or answer my mails.

## **ARAGO and Order of MALTA POWERS TO ARAGO**

December 2012 : ARAGO, law firm in Paris, calls the Trustee and requires a meeting without indicating the name of their client. Meeting refused on that ground. ARAGO sends a letter, indicating that they are informed of the confidential information about the Trust, (and defines the two persons and the two Catholic organizations : St Jean de Dieu and the Order of Malta, entitled from their point of view each to 25 % of the trust funds, thereby confusing a testament, which imposes the executor, and a letter of intent, which does not oblige a discretionary irrevocable trustee, per definition). This info can only come from an insider at ACE. The trustee files a penal plaint (suspecting the compliance officer of ACE, fired for alcoholism, anti capitalist statements and pro Hitler inputs on a blog).  
January 16th, 2013 : Jean Pierre Mazery , as Grand Chancellor of the Order of Malta, delegates all powers to ARAGO to irrevocably attribute the funds it claims to have to a trust (which is a negation by itself, even a named beneficiary does not have a right, as the trustee is totally discretionary, per definition) and to irrevocably approve any decisions that the law firm will take. In the motives, the power pretends that the Order has not been contacted by the Trustee (which is wrong, as I had already met the Trustee in 2012 to discuss a list of donations, which I gave after having checked the amounts and beneficiaries with Gilles de Weck) : The trustee confirmed this list end of January 2013, when Mazery claimed he knew nothing about Ariane Slinger (I have the exchange of mails).

April 2013 : after the payment of the donations, I visit the Grand Chancellor in Rome, to understand why he refuses to meet with Ariane Slinger to unwind this ARAGO power. The same day, I am informed by Ariane Slinger that Arago has filed a sue against ACE . I ask the Grand Chancellor why this going on, he claims he does not know about it, than says that it rings a bell. Thanks me for the info. And tells me I should know for whom I work. I tell him I work for our Lords the Sick, and not for him . He tells me this is ok, and that if this whole process is a mistake, he could use a 1 mio donation every year for costs of the diplomatic service of the Order. He invites me to the table of the Grand Master, and does not address the subject any more.

All my subsequent mails are left without response.

May 2013 : as I do not progress, and I am flabbergasted by all this, I speak to the Grand Chancellor and Winfried v. Donnersmark about the subject. And to Gilles de Weck.

After Lourdes, I am told by the Grand Hospitalier and Gilles de Weck that at a meeting with the Grand Chancellor and Gilles de Weck, and possible Winfried v. Donnersmark, an important piece of evidence has demonstrated that the Trustee has very probably mishandled the whole case on purpose and that the Order cannot retrieve the power without being sued by other plaintiffs. I am told to stop seeing the Trustee. Gilles de Weck mentioned later a Maitre de Monseignat, member of the Order from Monaco, who produced a testament giving all assets of the Trust to the Order (which is contrary to the claim on 25% the law firm put forward). I decide that this looks very fishy : I know the Trustee by now, we have received donations in excess of 2.3 mios Euros, those are meant as yearly

donations in the future and I do not want to have them blocked for the Order or other catholic causes, I do not see how a beneficiary of a trust can delegate a right he does not have, I do not buy the argument that you can attribute an irrevocable power, without huge risks to the way those supposed rights can be mishandled, I do not understand how an important decision like this can be taken by one man alone (the Grand Chancellor), I do not understand why this very same man refuses any contacts with the Trustee, and then with me, why he signs powers and then claims to know nothing about it, refuses my allocations but pretends he needed the money for the Sovereign Counsel : I decide to maintain the relationship with the Trustee. Which I have done until today, and which enables us to meet with Ariane Slinger confidentially and without any preagreed agenda.

**Procedure :**

Without dates, which I do not know, this is the situation as I understand it:

the procureur in Geneva has frozen the assets, as well as any distribution (those for the Order in 2014, similar to 2013, could not be paid out , nor the commitment taken for the Communauté de St Martin in November 2012) to be paid in 2014.

As nothing progressed, Ariane sued the procureur for not handling the dossier (a constitutional obligation in Switzerland).

In response, the procureur started a penal process against the Trustee. Thus enabling Ariane to have access to the claims. She is now very relaxed, considering that the dossier is empty.

The trustee asked the procureur to release the committed funds. After checking with ARAGO, the procureur refused.

March 2014 : the trustee writes a letter, personal and confidential, to the Grand Master, to ask for the release of the donations for the Order and for St Martin. In May, I get this information, and ask the Nuncio, Mgr Tomasi, to check with the Grand Master, if he has received the letter. As the Grand Master confirms not having received it, the Nuncio sends it back to the Grand Chancellor, with the evidence that the letter arrived Via Condotti. Mazery, at the request of the Grand Master, had sent a note on the letter, and added a recent decision of the court concerning the process (note that Mgr Tomasi gave you) The Nuncio visits the Grand Master to ask this whole process to be clarified and the dossier being transferred for settlement to Marwan Sehnaoui and myself. The Grand Chancellor, present at the meeting, refuses brutally and threatens the Nuncio. The Nuncio reports the whole issue to Cardinal Parolin (who I had informed a week before in an audience in Rome, where had asked me to join the Board of AIF, nomination by the Holy Father announced beginning of June). The Grand Chancellor says that a decision is pending in June in Geneva, following a request by the trustee to disqualify all plaintiffs against the Trustee as the plaintiffs, indicative beneficiaries of the Trust, cannot claim a right, cannot delegate those absent rights to a law firm. The Trustee confirms this decision to be taken in June. Thierry de Beaumont Beynac calls the Econom of the Order of St Martin, asking to confirm an amount

Ariane had recommended to liberate for the Communauté de St Martin. The Econom confirms the letter of confirmation of November 2012, around 2.5 mio Euros. The interim amount of the letter, 450 000 Euros, is liberated by the procureur.

Marwan Sehnaoui, who has been introduced by me in 2013 to the Trustee, after Lourdes, as nobody wanted to approach the Trustee any more, nor me as a matter of fact, and has developed a trusted relationship with her, visits the Grand Master before the Chapter and recommends that he and me be appointed to solve this delicate issue.

End of May, the Chapter changes the environment. The dynamics become of the essence to agree with the Trustee on a settlement proposed by me before the chapter and accepted on principles by the Trustee with as principles the desires of the Client and the benefit of our causes on the ground, and the agreement on an amount and a timetable, the choice of the donations remaining in the hands of the Trustee (which is a legal, as well as moral, obligation). That the process be monitored by the new Grand Chancellor and that the team in charge benefits from the confidence of the Trustee., i.e.me and/or Marwan Sehnaoui, as I believe strongly the relationship is of the essence to solve this situation, not the procedural way. In exchange, the Order would retrieve its powers, have the other plaintiff retrieve theirs, agree on a global deal, and than decide what projects to propose to the Trustee.

After the Chapter, I did my best to organize a meeting between the parties, with, at the request of the Trustee, the Nuncio as facilitator for an agreement. I included Marwan Sehnoui to help press the decision with the new Grand Chancellor. Marwan Sehnaoui was of a great help, but prefers to put himself aside for the moment, as a "personal agenda" has been levied against him and he does not want this suspicion to even been mentioned.

The purpose of the meeting is to restore trust on both side, realize that the penal way leads to a dead end, and that an amiable way, based on respect and friendship, will attribute to the causes of the Order more than the Order claims today in court. So the result would be guaranteed, fast, and important. And the risks to loose it all, quite high at this point in time, strongly diminished.

Now that this meeting is organized, with the Order represented at its highest possible level, in a record time, with trusted parties, I consider the chances to solve this situation as very high. But it is essential to show openness and trust on both sides.

Marc Odendall, June 8th, 2014.