
ARMENIAN LAW ENFORCEMENT DROPS INVESTIGATION OF \$11 MILLION LOS ANGELES HOME PURCHASED BY SONS OF FORMER FINANCE MINISTER; HETQ DENIED COPIES OF DECISION

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Armenias National Security Service (NSS) has decided to drop a criminal investigation into the purchase a private house in Los Angeles for \$11 million by the sons of Gagik Khachatryan, a former finance minister and chief of the State Revenue Committee.

Responding to a Hetq inquiry as to what triggered the decision, Armenias Prosecutor Generals Office (PGO) says the case was dropped on July 16, 2016 because there was no evidence of any crime being committed.

The NSS sent the same response to Hetq, adding that it never filed for legal assistance from U.S. law enforcement to pursue the matter.

Law enforcement in Armenia, it now seems, dropped the case a scant two weeks after a June 30, 2016 Hetq article revealed that Gourgen and Artyom Khachatryan, the sons of Gagik Khachatryan, had purchased a sprawling private house in the affluent Los Angeles neighborhood of Westwood for \$11 million in 2010 and had placed it on the market for \$35 million.

Both the NSS and the PGO refused a Hetq request to provide copies of the decision to drop the case, arguing that Armenias Criminal Judicial Code had no clause obligating law enforcement to hand over copies of judicial decisions to the press if those decisions are a result of the courts ascertain if information circulated by the press are correct or not.

Hetq has spoken to two attorneys, asking them if positions taken by the NSS and the PGO are in fact legal in cases involving government officials.

Just last month, the NSS also refused to provide Hetq a copy of its decision to drop a criminal investigation into the offshore business interests of Mihran Poghosyan, a former head of Armenias Compulsory Enforcement Service.

Attorney Ara Ghazaryan told Hetq that Articles 262 and 290 of Armenias Criminal Procedure Code regarding giving information to third parties are theoretically thorny clauses and it must be debated whether a news outlet, upon whose information a case has been launched, can be considered an interested party with the right to demand and receive information. This is a matter, Ghazaryan says, for the countrys constitutional court, since opinions vary regarding the meaning

of the above two articles.

For example, in the case of primates being smuggled into Armenia from Guinea, which was dropped after a two-year case, the State Revenue Committee did provide Hetq a copy of the decision.

Someone participating in a court case is an interested party, explains Ghazaryan. But the code does not equate this with an interested party. It is noted separately, otherwise it would be directly noted; a court case participant. The issue we face is to clarify who an interested party is by law.

Looking at the issue from the perspective of decisions handed down by the European Court of Human Rights (ECHR), Ghazaryan says, While the Convention does not recognize information accessibility as a right on its own. However, its a different matter if a news outlet demands information, such information that others would want to see the state body provide. (For example, information in the public interest. In that case, the ECHR recognizes the right of information accessibility in the context of the right to receive information. See: Társaság A Szabadságjogokért v. Hungary, April 14, 2009)

According to attorney Hayk Aloumyan, the matter is clear-cut. Bothe the NSS and the PGO should have provided Hetq copies of the decision since there is no legal norm preventing it.

If the decision isnt provided, then, what must be referred to is such a norm preventing you from having the information. Such a norm doesnt exist, says Aloumyan, adding that this is especially true when it deals with individuals in the public realm.

We should note here that the NSS, rather than officially pursuing the case, merely debated whether it made sense to launch a criminal investigation at all, deciding in favor of a government official while neglecting to review none of the evidence pointing to the possible embezzlement of huge amounts of state resources. Furthermore, neither the NSS, or the Special Investigation Service in Mihran Poghosyan case, never attempted to get in touch with Hetq, demanding verification of the information we published.

Surprisingly, the Khachatryan family never asked Hetq to publish a denial of the story. In a July 1, 2016 interview with Hetq, Gourgen Khachatryan, one of the sons of the former finance minister, shied away from specifics when explaining where he and his brother got \$11 million to buy the private house in Los Angeles. Gourgen told Hetq that the transactions were on public record in the U.S. and that the Hetq article revealed nothing new. When asked how they got the money to buy the Westwood mansion in the first place, Gourgen merely mentioned that the money derived from business savings.

In an attempt to come across as clean, Gourgen said, Everyone knows that the process for such transactions in the U.S. is minutely investigated by the appropriate bodies and can only be carried out if they comply with the law.

(No one with any knowledge of the U.S. real estate market believes this. Pay cash on the barrel head, and its no questions asked.)

On July 6, 2016, Radio Liberty asked Gagik Khachatryan if he had recently assisted his sons in their business ventures or had helped them purchase the \$11 million mansion. Khachatryan responded, Every person is obligated to respect the private life of another and must not get involved in the

publicizing of information regarding problematic issues, even if it relates to ones sons.

The former head of the State Revenue Service overlooks the fact that he isnt just every person, but rather a government official who for years ran agencies dealing with large amounts of public resources and who wielded great influence.

When it comes to Armenian government officials disclosing their assets and income, the law states that other relations also must file disclosures □ the officials spouse, live-in parents, and even adult or unmarried children living at home.

The law, as it stands, does not obligate married children still living with their parents to file financial disclosures.

Was this, perhaps, the reason that Armenian law enforcement dropped the case into Gourgen and Artyom Khachatryan and their \$11 million Los Angeles house? That would be more than somewhat naive.

So why did the PGO and the NSS decide to drop the Khachatryan case?

Given that they refused to provide Hetq copies, we can only speculate and say that they decided to sweep the entire matter under the rug rather than pursue the matter in the public interest.

Kaynak/Source: