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To: Secretary of State for Transport (SOSFT)
% Planning Inspectorate,
National Infrastructure Planning

Date: 11 March 2022
Our Ref: SoS/R/110322a

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Important new evidence regarding national security for the attention of the Manston Airport Case Team (UPDATED and resubmitted 11/3/22)

1. This submission is in response to the SoSFT's letter of 21 October 2021, specifically paragraph 8, and his letter dated 11 March 2022, specifically paragraph 11.
2. We resubmit our comment as Redetermination Correspondence which we wish **to be treated as a formal consultation response** in relation to currently unfolding events and in the interests of national security.
3. **Current context**
 - 3.1. As you will be aware, airports were amongst the first wave of strategic targets in the Russian invasion of Ukraine¹ in an effort for Russia to seize control of these airports.
 - 3.2. Since control and ownership of an airport may be achieved more easily during peacetime through financial means than through military force in a conflict, the question of who has ultimate control and ownership of the UK's airports - specifically for cargo and/or military use - is clearly of paramount importance.
4. **Strategic importance of the Manston site**
 - 4.1. The strategic importance of the Manston site is further underlined by the long-standing objections to the application and safeguarding concerns

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submitted by the UK's Defence Infrastructure Organisation² - a department of the Ministry of Defence (MoD). These concerns are in relation to the High Resolution Direction Finder (**HRDF**).

- 4.2. The importance of the HRDF to the UK's security infrastructure was summarised by the UK Planning Inspectorate in its Recommendation Report of 18 October 2019 as follows:

"A HRDF is an antenna and associated equipment which, in conjunction with similar units in other locations, provides a navigational aid to aircraft operating within its range. The HRDF is used to precisely locate transmissions from emergency transponder beacons on aircraft (military and civilian) or any military aircrew that have bailed out of their aircraft."

5. Ultimate ownership and control of the Proposed Development

- 5.1. As you will be aware, the Draft Economic Crime (Transparency and Enforcement) Bill³ was introduced on 1 March 2022, ("Economic Crime Bill") which includes a Register of Overseas Entities.
- 5.2. Announcing the Economic Crime Bill, Business Secretary Kwasi Kwarteng said⁴:

"The Bill we will introduce tomorrow will crack down on foreign criminals using UK property to launder their money. The new register will require anonymous foreign owners to reveal their real identity to ensure that criminals can't hold property behind secretive chains of shell companies. By legislating now, we will send a clear warning to those who have, or who are thinking about using the UK property market to launder ill-gotten gains - particularly those linked to the Putin regime".

²

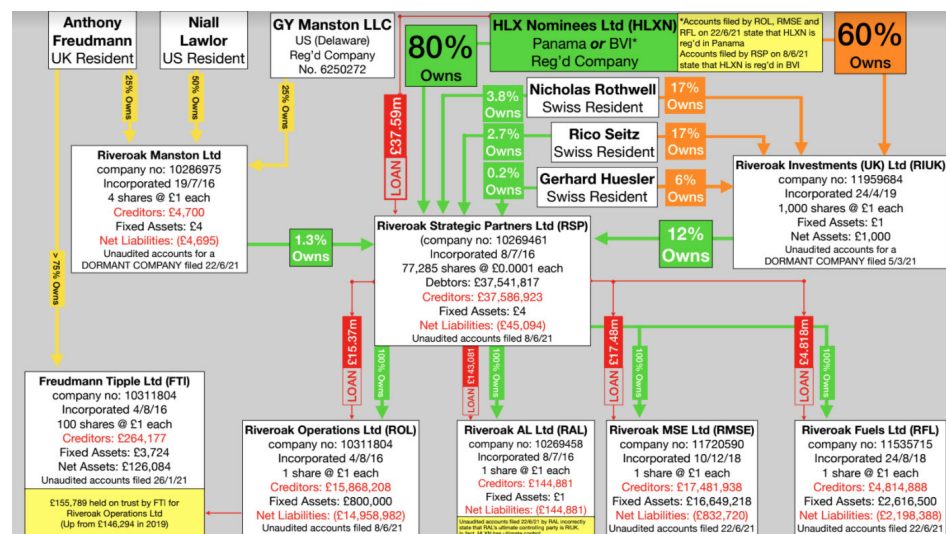
<https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020002/TR020002-005755-Defence%20Infrastructure%20Organisation.pdf>

³

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<https://www.gov.uk/government/speeches/statement-on-corporate-transparency-and-economic-crime-measures>

- 5.3. The nature of unfolding events in Ukraine and this rush by the UK Government to introduce emergency legislation underlines the urgency and importance of transparency regarding ultimate ownership of property, which includes the Manston site and associated land, which was purchased by the Applicant on the final day of the Examination in 2019. Transparency and security concerns as regards ultimate beneficial ownership is clearly a key consideration in relation to nationally significant transport infrastructure - now and in the immediate future - with the Economic Crime Bill to be applied retrospectively to property bought in England and Wales since January 1999. This must surely be an urgent consideration with regards to this application.
- 5.4. As you will be aware, questions regarding the ultimate owners of the Applicant company and therefore ultimate owners of the Manston Site housing the HRDF and of the Proposed Development have gone unanswered throughout the Examination, with the Applicant going to great lengths to avoid divulging this information.
- 5.5. The current state of the Applicant's secretive chain of shell companies and lack of transparency regarding ownership and ultimate control, as per up-to-date filings made at Companies House, was documented in our response to the SoS Second Consultation, ref TR02002-006245-350⁵ at paras 7.4 - 7.8 and illustrated in the chart below and attached:



- 5.6. The land associated with the Manston Site and that which houses the HRDF is owned by one of the Applicant's shell companies, Riveroak MSE Ltd. As the chart above and attached shows, Riveroak MSE Ltd is owned by Riveroak Strategic Partners Ltd, which is 87.2% owned by HLX Nominees Ltd (**HLXN**), with no transparency as to whether HLXN is registered in Panama or the BVI and no transparency as to the identity or nationality of HLXN's Directors, Members and ultimate controlling party.
- 5.7. We further draw attention to the strong Swiss connections via HLXN and the Applicant's Directors, Nicholas Rothwell, Rico Seitz and Gerhard Huesler, who jointly own a further 11.5% of the Applicant, Riveroak Strategic Partners Ltd, and who manage and administer the funds and circular loans funneled through from HLXN in BVI and/or Panama, via Switzerland . This is significant in relation to both the Credit Suisse leaks⁶ and to the recent reports that:

*"stocks controlled by Russian investors in Switzerland increased from 8 billion francs in 2014 to 29 billion in 2018, making the Russians the most significant direct investors in Switzerland"*⁷

- 5.8. We further draw attention to our intervention during the Examination with regards to the Applicant's lack of transparency in relation to the regulation of its Swiss operations, summarised in the UK Planning Inspector's Report at paras 9.8.64 - 9.8.66 as follows:

"9.8.64 In its repose to F.3.3 [Rep7a-002⁸] the Applicant stated that:
"For the avoidance of doubt, HLX Nominees Limited is a BVI registered company, but is managed and administered out of Switzerland. As it is owned by Helix and performs a role within legal structures for Helix Fiduciary AG it also falls

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<https://infrastructure.planninginspectorate.gov.uk/wp-content/ipc/uploads/projects/TR020002/TR020002-004084-Third%20Written%20Questions%20Answers.pdf>

under the review of the regulator of Switzerland".

9.8.65 *Evidence submitted by Five10Twelve [REP7a-030⁹] stated that Helix is not under supervision by FINMA (Swiss Financial Market Supervisory Authority) and is not a member of the Swiss Association of Trust Companies.*

9.8.66 *In response, the Applicant provided a letter from Helix at Appendix CAH2 - 10 of its written summary of oral submissions put at CAH2 [REP8-011] which stated that:*
"Since inception, Helix has chosen to be regulated by following fully FINMA-recognised SRO: Financial Services Standards Association VQF (see <https://www.vqf.ch/en/>)"

5.9. By definition, an SRO is a "Self Regulatory Organisation" which, whilst recognised by FINMA, clearly does not carry the same authority or levels of reassurance. It is questionable as to how much comfort can be gained - if any - from a self-regulating financial organisation in these times.

6. Conclusion

6.1. Security concerns with regards ultimate ownership of the Applicant, the Manston site housing the HRDF and of the Proposed Development, raised in our response ref TR02002-006245-350 at para 7.8, are now all the more urgent in light of unfolding global events and emerging national policy and legislation.

APPENDIX: FULL SIZE SHELL COMPANY / CORPORATE STRUCTURE CHART

