

Investigative Report (IR)
On
Phillippe Martinez of MSR Media

By Mark Harris
Email: Markharrisgd@gmail.com

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Aim of the Report

This report provides a comprehensive analysis of Philippe Martinez's career and his activities in the Caribbean, particularly focusing on his involvement in St Kitts and Nevis. The study reveals a pattern of exploitation and corruption spanning multiple countries and sectors, highlighting Martinez's detrimental impact on local economies and governance.

The report introduces Philippe Martinez, detailing his initial attempts to establish a foothold in the Caribbean through ambitious film projects. Despite a promising start in Nevis with a significant film deal, his ventures faced setbacks due to poor reception and financial mismanagement. Allegations of financial misconduct and misuse of subsidies emerged, casting doubt on the legitimacy of his projects.

The report delves into Martinez's dealings in St Kitts and Nevis also known as St Christopher and Nevis, outlining his failures in film production and subsequent involvement in the Citizenship by Investment (CBI) Program. Martinez's activities led to allegations of corruption, including bribery and financial misconduct, which tarnished the reputation of the CBI Program and strained relationships with local officials.

The collection of facts explores Martinez's corrupt practices, particularly his manipulation of Leslie Khan, the former Head of the CIU. Through bribery and extravagant gifts, Martinez secured influential positions and investments, such as the Ocean Terrace Inn (OTI) hotel. This report also examines similar fraudulent activities involving the Caribbean Galaxy, drawing parallels between their corrupt practices and Martinez's schemes.

It highlights the broader implications of Martinez's activities, focusing on his systematic exploitation of vulnerable Caribbean nations. His manipulative actions, driven by a colonial mindset, contributed to the erosion of trust in local governance and economic stability. The report also compares his activities with other corruption cases, such as those involving Peter Virdee and Asot Michael, and Alan Stanford to underscore the pervasive issue of corruption in government-linked investment schemes.

The work centers on Martinez's ultimate exploitation of St Kitts and Nevis through blackmail and bribery. After failing to sell approximately 500 citizenship applications he acquired from the government, Martinez resorted to extortion, demanding over \$20 million from the government and threatening a RICO suit. His continued efforts to coerce financial gain and his mismanagement of the OTI investment further demonstrate his exploitative nature.

Overall, this report provides a detailed examination of Philippe Martinez's unethical practices, illustrating the severe consequences of corruption on the governance, economy, and reputation of Caribbean nations. The findings emphasize the need for stringent regulatory measures and

increased transparency to safeguard against such exploitation, restore confidence in investment programs and the implementation of the proper checks and balances on the functions of the Heads of the CIU.

Chapter 1: Philippe Martinez – An Overview of His Background

Introduction

Philippe Martinez is a French film producer, director, screenwriter, and actor with a career that spans several decades. His journey in the film industry has taken him from France to the United States, where he has worked on a variety of projects across different roles.

Martinez's career reflects his practical engagement with the industry, focusing on production and direction. Starting in theater and moving into film, Martinez has built a career marked by his involvement in various aspects of the entertainment industry. In addition to his work as a producer and director, he is the founder of MSR Media, a film production company that reflects his ongoing involvement with the global film market.

Biography

Philippe Martinez started his professional journey in the theater. From 1988 to 1990, he was the President of the Odéon Theater in Marseille, one of Europe's notable playhouses. This role was his introduction to the world of entertainment, providing him with a foundational understanding of managing theatrical productions.

In 1990, Martinez decided to transition from theater to film and moved to the United States. He took on a role as Chairman of the Board at Ulysses Entertainment, a distribution company with offices in Los Angeles, Paris, and London. This position helped him get involved in film distribution and establish a foothold in the American film industry.

Between 1996 and 1999, Martinez worked at Betar Entertainment, based in Los Angeles and Montreal. His role involved producing Canadian coproductions intended for international markets. During this time, he worked on films like "Ultimate Weapon" and "In Her Defense," which featured actors Hulk Hogan and Marlee Matlin.

In 1999, Martinez founded Bauer Martinez Studios. Through this venture, he produced a range of films, including "The Piano Player," "Out of Season," and "House of 9." His production work during this period shows a focus on a variety of film projects, often working with well-known actors.

Martinez has also directed several films, including "Citizen Verdict," "Wake of Death," and "The Chaos Experiment." His directorial work spans different genres and adds various dimensions to his career.

More recently, Philippe Martinez has continued producing films, including titles like "Irish Jam" and "Land of the Blind." He has also worked on holiday themed projects such as "Father

Christmas is Back" and "Christmas in Paradise." His recent activities indicate an ongoing presence in the film industry, engaging with various types of film projects.

Overall, Philippe Martinez's career reflects his steady involvement in the film industry, moving between different roles and projects over the years. His work spans across production and direction, illustrating a pragmatic approach to his career in cinema.

During his career, he faced several controversies and even went to jail at least once.

MSR Media

Philippe Martinez's involvement in the film industry extends through his company, MSR Media, which encompasses a variety of activities and locations. MSR Media Holding Ltd was incorporated on July 26, 2019, by the directors Lee Michael, Beasley, Philippe Francois, Martinez and Megan Brown, Martinez.

Financial Highlights for the Year Ended April 2022:

- Total Assets: £1.24 million, increased by £236.09k (+23.51%) compared to the previous year.
- Total Liabilities: £1.24 million, decreased by £240.16k (-23.94%) compared to the previous year. Net Assets: £-2.85k, decreased by £4.07k (-333.31%) compared to the previous year.
- Cash in Bank: £12.63k, decreased by £22.26k (-63.8%) compared to the previous year.
- Debt Ratio: 100.23%, increased by 0.35% compared to the previous year.

Financial Summary for Year Ended April 2023:

- - Total Assets: £29.09k, decreased by £510 (-1.72%) compared to the previous year.
- - Total Liabilities: £-3.45k, decreased by £1.8k (-108.96%) compared to the previous year.
- - Net Assets: £25.64k, decreased by £2.31k (-8.26%) compared to the previous year.
- - Debt Ratio (%): 11.87%, increased by 6.29 percentage points (+112.72%) compared to the previous year.

The above-mentioned financial statements demonstrate the profit and loss of the MSR Media Limited company.

One critical section of MSR Media is MSR Media SKN, which is dedicated to production in St Kitts and Nevis, while the broader company, MSR Media International, manages international sales and distribution.

- **MSR Media International**

MSR Media International is the global sales and marketing arm of MSR Media. The company was incorporated on October 14, 2020. It focuses on commercial feature films and television series, working to bring these projects to audiences worldwide.

Based in the United States, the company aids filmmakers by offering expertise in script development, production financing, and marketing. The company has been active in producing films over the past thirty years. Their goal is to help content creators navigate the international market and connect with potential buyers.

- **MSR Media SKN**

MSR Media SKN is a division of the broader MSR Media that is entirely dedicated to film production in St Kitts and Nevis and was incorporated in 2019.. Under MSR Media SKN, Philippe Martinez has produced and shot over 10 films within 30 months in St Kitts and Nevis, working with distribution partners such as Lionsgate, Saban, and Screen Media.

Filmography

Philippe Martinez's career spans various roles in the film industry, from producing, directing, and screenwriting to acting. Below is an overview of his works across these different areas:

- **As a Producer**

Martinez has produced a wide range of films, including:

The Night and the Moment (1994)

Getting In (1994)

Musketeers Forever (1998)

The Ultimate Weapon (1998)

In Her Defense (1999)

The Collectors (1999)

The Piano Player (2002)

The Contract (2002)

The Good War (2002)

Shoreditch (2003)

Citizen Verdict (2003)

Absolon (2003)

Out of Season (2004)

The Defender (2004)

Wake of Death (2004)

Modigliani (2004)

Harsh Times (2005)
House of 9 (2005)
Van Wilder: The Rise of Taj (2006)
The Groomsmen (2006)
Irish Jam (2006)
Land of the Blind (2006)
The Number One Girl (2006)
The Flock (2007)
The Christmas Miracle of Jonathan Toomey (2007)
I Could Never Be Your Woman (2007)
Mexican Sunrise (2007)
The Chaos Experiment (2009)
Game of Death (2010)
General Commander (2019)
Salvage Marines (2022)

- **As a Director**

Martinez has also directed several films, showcasing his versatility behind the camera:

Citizen Verdict (2003)
Wake of Death (2004)
The Steam Experiment (2009)
Viktor (2014)
General Commander (2019)
Father Christmas Is Back (TBA)
Christmas in the Caribbean (2022)

- **As Screenwriter**

In addition to producing and directing, Martinez has contributed to screenwriting for several projects:

Musketeers Forever (1998)

Citizen Verdict (2003)

Wake of Death (2004)

Viktor (2014)

General Commander (2019)

- **As an Actor**

Martinez has taken on acting roles in various films, including:

Déjà mort (1998)

The Piano Player (2002) as Fernand

All About April (2012)

Little Reaper (2013) as Zombie Victim

Personal Life

Philippe Martinez's personal life is deeply influenced by his family, who are also involved in the film industry. His wife, Megan Brown Martinez, and their son, Rafael Emmanuel Martinez, are key figures in his life.

- **Megan Brown Martinez**

Megan Brown Martinez, Philippe Martinez's wife since 2009, has carved out her own path in the entertainment industry. She began her acting career in 1998 and has had the opportunity to work with notable actors such as Kevin Costner, William Hurt, Brad Pitt, and Val Kilmer. Her recent projects include roles in "Mister Mayfair" alongside Armand Assante and "My Dad's Christmas Date" featuring Jeremy Piven.

Megan holds a Bachelor of Arts degree from Columbia University, earned in 2005. Her studies focused on the intersection of Science and Religion, with an emphasis on human consciousness. Megan now enjoys a quieter life in the rolling green hills of Yorkshire, England.

- **Rafael Emmanuel Martinez**

Rafael Emmanuel Martinez is Philippe and Megan's son, born in Marbella, Spain. From an early age, Rafael reportedly had a strong interest in the film industry, following in his parents' footsteps.

He has also appeared in several films, including "My Dad's Christmas Date," "Father Christmas is Back," "Christmas in the Caribbean," and "Christmas in Paradise."

Rafael has a passion for Greek Mythology, enjoys playing Minecraft, swimming, and has a love for animals.

Philippe Martinez's controversial background

Philippe Martinez's background is marred by significant legal troubles, including a fraud conviction for fraudulent activity. In 2005, he was convicted and sentenced to five years in prison for fraud but evaded authorities by remaining in the U.S. unlawfully. He later served six months in jail upon returning to France. These legal issues have significantly impacted his credibility and business dealings.

Martinez has faced numerous accusations related to unethical business practices. His handling of various projects, including "City Girls," resulted in substantial debts and incomplete films, leaving freelancers and suppliers unpaid. His recent failure to sell citizenship shares for the MSR Media project has been attributed to alleged corruption and discounting schemes, reflecting persistent issues in his business approach.

Martinez is known for his litigious nature. He has engaged in legal battles across multiple jurisdictions, including the U.S. and the Caribbean. His lawsuits against Caribbean Galaxy Real Estate Limited and individuals involved in St Kitts and Nevis and Saint Lucia's Citizenship by Investment program illustrate his tendency to resort to legal action to address grievances, often involving complex and high-profile bribes.

Martinez's past legal issues and controversial business practices have severely affected his reputation. Despite claims of corruption, his credibility remains compromised due to his history of fraud and financial impropriety. This tarnished reputation has hindered his ability to attract investors and successfully execute business ventures, such as the citizenship-by-investment shares in St Kitts and Nevis.

Martinez's difficulties in managing and executing business projects are evident from his struggles with the MSR Media project and other ventures. His inability to sell the allotted citizenship shares and his problematic past contribute to a perception of instability and unreliability, complicating his business efforts.

List of all insolvent companies of Phillippe Martinez

1. Bauer-Martinez Studios- Bauer Martinez Studios was founded in 1999 by its CEO Philippe Martinez.

The company faced financial difficulties and closed in 2007. In addition to that, the trademark of the company was also cancelled under Section 8 on April 11, 2014.

Later the principals decided to branch out and opened offices in London and established Lucky 7 Productions (a UK production company), Bauer Martinez Entertainment (as its US distribution arm) and Bauer Martinez International (as the International Sales arm). Establishing key

distribution deals with MGM, The Weinstein Company, Universal Music Group among many others. But with the shutting down of Bauer-Martinez Studios, other subsidiary companies have also been closed due to the losses and the financial crises.

Martinez has shown a tendency to avoid facing the consequences of his actions. His attempts to evade justice in France and his contentious claims of being a victim of corruption suggest a pattern of evading accountability. This behavior undermines trust and complicates his business dealings.

Overall, Philippe Martinez's character is defined by a blend of legal troubles, unethical business practices, and a reputation for escaping accountability. His past and ongoing controversies significantly impact his ability to succeed in the business world, underscoring the importance of integrity and transparency in professional and legal dealings.

Chapter 2: Philippe Martinez and St Kitts and Nevis

How It All Started

- **Background and Initial Failures**

Philippe Martinez, before coming to St Kitts and Nevis, tried to work with the government of Barbados. As a filmmaker, he initially faced setbacks in his film ventures to the Caribbean with his ambitious projects. The partnership between the Barbados officials and Martinez went the wrong way as the government was not satisfied with his working and business tactics. After that, in the year 2020, the onset of the COVID-19 pandemic significantly impacted his plans, as global lockdowns and disruptions severely affected the film industry.

- **Opportunity in Nevis**

During this challenging period, Premier of Nevis Mark Brantley of Nevis extended an opportunity to Martinez. In 2020, Martinez was offered a two-year deal, running from 2020 to 2022, to produce a series of films on Nevis Island. This agreement promised Martinez a monthly payment of USD \$150,000.

- **Expansion and Formal Approval**

The scope of Martinez's project expanded significantly in November 2021. The deal grew to encompass a total of 28 films across the Federation of St Kitts and Nevis.

By May 2022, the St Kitts Investment Promotion Agency (SKIPA) had granted approval for Martinez's company to acquire approx 500 application under the Alternative Investment Option (AIO). This agreement permitted the production of seven films over a four-year period, as detailed in a letter from SKIPA dated May 6, 2022.

- **Government Support and Subsidies**

The former government of St Kitts and Nevis not only provided Martinez with film production facilities but also offered substantial subsidies to support his projects. The intention was to boost local tourism and economic activity through high-profile film productions. Despite these efforts, the films produced under Martinez's contract did not resonate with audiences and failed to achieve commercial success. The lack of positive reception at the box office led to criticisms of the deal's effectiveness and its perceived value to the government.

- **Allegations of Financial Misconduct**

Concerns about Philippe Martinez's handling of the subsidies emerged as the financial performance of the films remained disappointing. Allegations surfaced accusing Martinez of misusing the funds provided. Reports suggested that he may have engaged in fraudulent activities, including diverting funds away from the intended use and indulging in extravagant expenditures. These allegations, coupled with the failure of his films, cast a shadow over the project and raised questions about financial oversight and accountability.

- **Involvement in the Citizenship by Investment Program**

Martinez's involvement in St Kitts and Nevis extended beyond film production. He became entangled in government missions like the Citizenship by Investment (CBI) Program, where his activities further contributed to controversy. His role in the CBI Program, while intended to support economic growth, has been marred by additional allegations of scams and corruption. Martinez's actions within the CBI Program have been scrutinized, as his past legal issues and ongoing disputes have affected perceptions of the program's integrity.

Legal Disputes and Controversies

- **Dispute with Dr. Timothy Harris and the Caribbean Galaxy**

The legal landscape involving Philippe Martinez in St Kitts and Nevis is further complicated by his dispute with former Prime Minister Dr. Timothy Harris and the Real Estate company Caribbean Galaxy. Initially stemming from contract disagreements, the conflict escalated to include allegations of defamation and breach of contract.

- **Impact on the Business Environment**

The ongoing legal battle has significant implications for the business climate in St Kitts and Nevis. Martinez's accusations and public statements have intensified scrutiny of the CBI Program and the broader regulatory environment. Concerns about how legal disputes and allegations of misconduct might affect the nation's attractiveness to foreign investors have emerged. The case has become a focal point for discussions about legal stability and business integrity in the Caribbean nation.

Public Response and Future Implications

The public reaction to Martinez's legal disputes has been varied. There are debates about the legitimacy of the claims made by both sides, and social media platforms have been active with discussions and opinions. The resolution of these legal matters will be crucial in shaping the future of St Kitts and Nevis's economic and business landscape. Ensuring transparency, accountability, and stability will be essential to restoring confidence and maintaining a favorable business climate.

Philippe Martinez's ventures in St Kitts and Nevis have been marked by a series of controversies, from his initial film project failures to allegations of financial misconduct and legal disputes. His involvement in both the film industry and the CBI Program has raised significant concerns about financial management, and the overall business environment.

As legal proceedings continue and investigations unfold, the impact of these issues on the reputation and future of St Kitts and Nevis remains a critical concern for stakeholders, investors, and the public. The resolution of these challenges will be instrumental in determining the country's economic trajectory and maintaining a stable business climate.

Hence, he introduced the bribery culture in Caribbean as he looted money from the government, investors and the funds he received for the film production. But, when he failed to make any beneficial impact, he started blaming the common citizens and demanding extortion from the public.

Chapter- 3: A close relationship with Les Khan (Leslie Khan)

After his unsuccessful attempts to make an impact on Nevis with his film ventures, Phillippe Martinez began to forge a close relationship with Leslie Khan, the former Head of the Citizenship by Investment Unit (CIU). Martinez engaged in a series of fraudulent activities, including bribing Khan by hosting lavish dinners, giving luxury gifts and hosting parties for him at opulent hotels.

Martinez's bribery extended to offering Khan more than two significant gifts, with the clear intent of gaining favors to advance his interests in St Kitts and Nevis. His primary target was the Ocean Terrace Inn (OTI), a project under the Citizenship by Investment Program. Martinez aimed to acquire shares in the hotel and secure a strong foothold in the small island nation.

In his efforts to woo Khan, Martinez devised a strategy that involved not only gifting but also covering luxurious expenses such as hotel bills and other services. This manipulation paid off as Martinez successfully acquired the US\$5 million OTI hotel resort through his MSR Hotels- a sister company of MSR Media, leveraging his relationship with Khan to his advantage.

By establishing a strong connection with at the time CIU Head, Martinez ensured that Khan acted in his favor in exchange for bribes, which included expensive gifts, luxury hotel stays, and other lavish services. This allowed Martinez to strengthen his position in St Kitts and Nevis, exploiting the vulnerabilities of the small island state.

This incident mirrors a similar case of corruption involving Caribbean Galaxy, where Les Khan was bribed to facilitate the company's acquisition of a massive "Prison Project" in St Kitts and Nevis. The pattern of fraudulent behavior and bribery observed in both incidents highlights the steps Philippe Martinez took to ensure everything goes in his favour.

Caribbean Galaxy and Les Khan (Leslie Khan)

Caribbean Galaxy, a real estate corporation operates extensively in the Caribbean, including St Kitts and Nevis. In pursuit of a significant project in St Kitts and Nevis, the company also cultivated a close relationship with Leslie Khan, the former Head of the Citizenship by Investment Unit (CIU) and engaged in bribery.

Leveraging their personal relationship with Khan, Caribbean Galaxy secured the contract for the construction of a multi-million-dollar Prison Project in St Kitts and Nevis. Martinez secured a contract from Les Khan, allegedly due to the influence he exerted through bribing him with luxurious gifts, rather than on the basis of professional merit. Despite securing this substantial project under the Citizenship by Investment Program, the prison project was never completed.

The European Union also raised concerns about Caribbean Galaxy, presenting substantial evidence of fraud associated with the prison project. It was revealed that the citizenship was being undersold under the guise of this massive infrastructural initiative. Caribbean Galaxy exploited the project to misappropriate funds from St Kitts and Nevis, benefiting at the expense of the nation's citizens.

This incident mirrors the fraudulent behavior of Phillippe Martinez, who similarly manipulated Khan to advance his personal interests. Martinez's activities in St Kitts and Nevis, much like those of Caribbean Galaxy, involved bribery and exploitation, undermining the integrity of the Citizenship by Investment Program and the trust of the people.

Martinez's time in St Kitts and Nevis has been marked by fraudulent practices. Instead of contributing to the country's development through his film projects, he misused the nation's resources for his gain. His actions, along with those of Caribbean Galaxy, highlight a troubling pattern of corruption that has had detrimental effects on the government's reputation and the welfare of its citizens.

It is crucial to note that if any politician receive election funding from Caribbean Galaxy, this is constitutionally right and is accordance with the laws of St Kitts and Nevis. So, taking election funding from the company is legal and if any politician has shown favoritism, it could be considered corruption, but there is no evidence of such an occurrence.

Actions against Caribbean Galaxy

It is worth mentioning that since the St Kitts and Nevis Labour Party formed the government in 2022, Prime Minister Dr. Terrance Drew has taken strict actions against Caribbean Galaxy in their official capacities.

The government initiated a thorough investigation into the company's operations and the prison project. Rigorous vetting procedures have been implemented for applications approved by Caribbean Galaxy under the prison project.

Additionally, the current administration under Prime Minister Dr. Terrance Drew has suspended Caribbean Galaxy from operating any projects in St Kitts and Nevis to investigate their alleged frauds and scams and to enhance the reputation of the Citizenship by Investment (CBI) Program. The processing of CBI Program applications approved by Caribbean Galaxy, especially those related to the prison project, has been halted by the government after some months of taking office.

The current government has actively taken measures to ensure transparency and accountability, distancing itself from any potential malpractices by Caribbean Galaxy.

Due to the rigorous vetting of Galaxy's business practices by the new government, the company switched their operation of underselling to Saint Lucia.

Impact and Solutions

The incidents involving Phillippe Martinez and Caribbean Galaxy reveal a disturbing pattern of corruption and exploitation within the Citizenship by Investment Program (CBI) in St Kitts and Nevis. Martinez's manipulative relationship with former CIU Head Leslie Khan and the subsequent acquisition of the OTI hotel, as well as Caribbean Galaxy's fraudulent activities and bribery, underscore the vulnerabilities in the governance and oversight of the CBI Program at the time of the former administration. These cases highlight the necessity for stringent regulatory measures to safeguard the integrity of the program and restore public trust.

In addressing these concerns, the current administration under Prime Minister Dr. Terrance Drew has demonstrated a commitment to transparency and accountability. The rigorous investigations and suspension of Caribbean Galaxy's operations reflect the government's proactive stance in combating corruption. By taking decisive actions to reform the CBI Program and ensure fair governance, St Kitts and Nevis can enhance its international reputation and secure a prosperous future for its citizens.

Chapter 4: Corruption Unveiled

The Pattern of Philippe Martinez's Ventures

Philippe Martinez's background reveals a troubling pattern of targeting small, vulnerable nations for his business ventures. His track record with MSR Media shows a consistent approach: entering countries that are economically disadvantaged, consisted of innocent and simple people. He used similar fraudulent tactics, which he had previously employed in the US and France, in the small island states.. Martinez's method involves establishing a foothold through film-making projects or other business ventures, only to gradually entangle himself in more lucrative, often illicit activities. This approach has led to significant issues in various Caribbean nations, including St Kitts and Nevis.

- **A History of Controversy**

Martinez's history of legal troubles spans several countries, underscoring a troubling pattern of involvement in fraudulent and corrupt activities. In his native France, Martinez faced convictions related to financial misconduct, which resulted in insolvency. His ventures often begin with seemingly legitimate projects, such as film productions or business investments, but frequently spiral into complex scams and corruption.

- **Involvement in St Kitts and Nevis**

Martinez's connection with St Kitts and Nevis, particularly through the Citizenship by Investment (CBI) Program, exemplifies this troubling pattern. His role in the program, which is vital to the nation's economic strategy, raised alarms due to his controversial background. Martinez's activities in St Kitts and Nevis were not confined to legitimate business endeavors. He used his monetary power to exploit governmental structures for personal gain, contributing to a broader pattern of corruption and financial misconduct.

- **Corruption and Government Misuse**

The most glaring example of Martinez's problematic influence is his association with Leslie Khan, the former head of the CBI Program in St Kitts and Nevis and the current CEO of the Caribbean Galaxy. This relationship highlighted how Martinez maneuvered within the governmental framework to further his own interests. By leveraging his position within the CBI Program, Martinez was able to misuse the program for his personal benefit, undermining national security and economic stability.

The misuse of the CBI Program and other governmental resources for personal gain, as demonstrated by Martinez's actions, not only affects the immediate financial environment but also has broader implications for the nation's reputation and economic health. The people of St Kitts and Nevis have become increasingly aware of the detrimental impact of such corruption, recognizing the threats it poses to their economic and political stability.

National Crime Agency (NCA) Conviction of Peter Virdee and his bribery of Asot Michael- Minister of Energy- Antigua and Barbuda

The case involving Peter Virdee, a prominent British businessman, and Asot Michael, a former Member of Parliament in Antigua and Barbuda, highlights significant issues of corruption within government-linked programs. Virdee, known for his investments in the Caribbean, including Antigua and Barbuda, has been embroiled in allegations of bribery and corruption that connect him directly with Michael, who was overseeing the Citizenship by Investment (CBI) Program in Antigua.

- **Background on the Involvement**

Peter Virdee, facing a major scandal, is under investigation for bribery and financial misconduct. His connection with Asot Michael, a key figure in Antigua's CBI Program, has become a focal point of this investigation. Michael was responsible for overseeing the CBI Program, a critical initiative for attracting foreign investment to the nation.

- **Bribery and Gifts**

The investigation has revealed that Peter Virdee also engaged in a series of indirect bribes to gain favorable treatment for his business ventures. The bribery activities included Gifts, Dinners, and Hotel Booking.

Virdee reportedly provided a gift to Asot Michael, aimed at securing his favor. Three dinners were arranged as part of the bribery, which were intended to establish and reinforce a personal connection between Virdee and Michael. A hotel booking was also used as part of the bribe, designed to further influence Michael.

These gestures were part of a broader strategy by Virdee to leverage Michael's position to gain advantages for his business operations in Antigua.

- **Investment and Exploitation**

The relationship between Virdee and Michael facilitated significant investments and financial dealings. Virdee invested approximately \$7 million in a solar power project in Antigua, a venture that benefitted from the favorable treatment allegedly secured through bribes.

The most significant aspect of the corruption involved the CBI Program. Virdee is accused of manipulating the process to acquire around US\$26 million Citizenship by Investment Program applications. These applications were intended for sale, generating substantial profits at the expense of the integrity of the CBI Program.

Legal Proceedings and Investigations

- **National Crime Agency**

The National Crime Agency (NCA) of the United Kingdom is leading the investigation into this corruption case. The probe has uncovered evidence of bribery and misuse of public office, leading to serious allegations against both Virdee and Michael.

Peter Virdee faces charges related to bribery and failing to prevent bribery. Asot Michael is under investigation for his role in accepting bribes and facilitating corrupt practices. If found guilty, Michael faces significant legal repercussions, including potential imprisonment. The investigation underscores the severity of the corruption and its impact on the integrity of government programs.

- **Impact on Antigua and Barbuda**

The corruption case has profound implications for Antigua and Barbuda. The scandal has tarnished the reputation of the CBI Program, a crucial component of the nation's economic strategy. The exposure of these corrupt activities undermines confidence in the program and raises questions about the effectiveness of regulatory oversight. The misuse of the CBI Program for personal gain has economic repercussions, potentially affecting investor confidence and the overall attractiveness of the program to future foreign investors.

Deductions

The case of Peter Virdee and Asot Michael serves as a stark example of how corruption can infiltrate and undermine vital economic programs. Their actions highlight the need for rigorous oversight and accountability within government-linked investment schemes. As legal proceedings continue, the investigation into their activities will be crucial in restoring trust and ensuring that such abuses are addressed effectively. The case also serves as a reminder of the broader implications of corruption on national economic strategies and international perceptions.

As Martinez and Khan's actions mark a similarity to that of Virdee's conviction by the NCA, there should be a similar investigation of bribery conducted by the FBI.

FBI conviction of Alan Stanford in Antigua and Barbuda

R. Allen Stanford, the former chairman of the board for Stanford International Bank (SIB), has been sentenced to 110 years in prison. He was found guilty of running a 20-year investment fraud scheme in which he diverted \$7 billion from SIB to fund his personal business ventures.

At the age of 62, R. Allen Stanford was found guilty on 13 out of 14 charges by a federal jury after a six-week trial overseen by U.S. District Judge David Hittner. The jury deliberated for around three days before reaching their verdict. They also determined that 29 overseas financial accounts, valued at roughly \$330 million, were the proceeds of Stanford's fraudulent activities and should be forfeited.

During the sentencing hearing, victims' representatives Angie Shaw and Jaime Escalona spoke about the severe impact of Stanford's actions on investors, highlighting the financial and emotional toll. Judge Hittner called Stanford's scheme "one of the most egregious frauds" ever presented in federal court. Stanford received a total of 110 years in prison for various charges, including conspiracy to commit wire and mail fraud, obstruction of a U.S. Securities and Exchange Commission (SEC) investigation, and money laundering. The sentences for these charges will run consecutively or concurrently, amounting to 110 years.

Additionally, the court imposed a personal money judgment of \$5.9 billion on Stanford, which he is obligated to repay. All recovered forfeited funds will be returned to the victims and credited against this judgment. The vehicle for Stanford's fraud was Stanford International Bank (SIB), an offshore bank based in Antigua and Barbuda, which sold certificates of deposit (CDs) to depositors, falsely claiming that the proceeds were invested in secure and highly liquid assets. In reality, only a small portion of the funds were invested as promised, while billions were diverted to finance Stanford's personal businesses and lavish lifestyle.

The fraud scheme continued by using new CD sales to pay existing depositors until the 2008 financial crisis caused a collapse in new CD sales and record redemptions. Stanford falsely claimed to have personally invested \$741 million to strengthen the bank's capital base and inflated the value of real estate to support this lie. The scheme also involved paying bribes to officials and auditors to perpetuate the fraud.

Several co-conspirators, including former executives of Stanford's businesses, were also indicted. The investigation was conducted by multiple U.S. agencies, with significant international cooperation from countries such as Antigua and Barbuda, Switzerland, and the United Kingdom. The case was prosecuted by a team from the U.S. Department of Justice and the Southern District of Texas.

The trial evidence also showed that Stanford perpetuated his fraud by paying bribes from a Swiss slush fund at Société Générale to C.A.S. Hewlett, SIB's auditor (now deceased), and Leroy King, the then-head of the Antigua Financial Services Regulatory Commission.

Philippe Martinez and Leslie Khan

The corruption involving Philippe Martinez and Leslie Khan in St Kitts and Nevis is notably more extensive, and complex compared to the Virdee-Michael and Alan Stanford case in Antigua and Barbuda.

Martinez's corrupt practices included providing Leslie Khan with indirect bribes, involving high-profile figures and even services of a personal nature to secure benefits and further his business interests. These revelations highlight a more deeply entrenched pattern of corruption, where illicit activities are interwoven with governmental operational functions to achieve personal gain.

In response to inquiries about his relationship with Philippe Martinez, Leslie Khan has remained notably evasive. Despite numerous questions about the bribes and corruption associated with Martinez's activities, Khan's refused to provide clear answers. This mannerism of Khan validated the corruption charges being concrete and suggests an underlying acknowledgment of guilt. However, to safeguard his position, Khan has hinted at an aggressive stance against Martinez, asserting that if he had made the recordings of their conversations and bribes offered by Martinez to Les Khan, MSR Media would end up in big trouble.

Answering the questions, Les Khan outlined that Martinez did not inform them about his previous and ongoing criminal proceedings in any country whatsoever.

Notably, Former CIU Head Les Khan also outlined substantial aspect of the entire case of the corruption and stated that the contract was signed with Phillippe Martinez through which he invested a total of **US\$5 million** to acquire the OTI hotel in St Kitts and Nevis. In exchange for the investment, he took around 500 Citizenship by Investment applications to sell from his end and gain profits. This claim introduces a potential legal battle that could further expose the extent of the corruption and misconduct.

However, with an investment of US\$5 million, Phillippe Martinez had received returns of US\$200 million, indicating a major scam and fraud. The sale of 500 citizenship by investment (CBI) applications at a minimum of US\$200,000 each totaled over US\$200 million in returns, meaning he would have earned 40 times more than his initial investment.

The entire scenario outlined that he was benefited from his investment into the OTI hotel, but there was nothing beneficial for St Kitts and Nevis and its local community. He never sold the 500 citizenship applications, hinting at the wicked motives of Martinez behind this.

As investigations continue and legal proceedings unfold, the full impact of Philippe Martinez's activities and his connections with Leslie Khan will become clearer. The corruption scandals in St Kitts and Nevis serve as a stark reminder of the vulnerabilities in governmental structures and the severe consequences of exploiting these weaknesses for personal benefit. The outcome of these cases will be closely monitored, as they hold significant implications for the future of governance and economic stability in the region.

Chapter 5: The Caribbean Offender: Extortion and Bribery

Phillippe Martinez acquired shares in the OTI hotel in St Kitts and Nevis in exchange for CBI applications worth minimum US\$200 million. He was expected to sell these citizenships through MSR Media but failed to make any sales, as he neither traveled to promote the citizenships nor devised any concrete plans to do so. His lack of effort demonstrated his true intent to exploit the country for personal profit.

When he failed to sell the citizenship applications, Martinez devised a new plan involving extortion to manipulate the government and extort money. It showed that he only targeted St Kitts and Nevis because of it is a small island state, exploiting its vulnerabilities due to limited resources and development.

Climate Change and Small Island States

Martinez strategically targeted small island states like St Kitts and Nevis, which are prone to climate change issues. These states face severe threats due to their limited resources and geographic locations. The adverse effects of climate change, largely caused by carbon emissions from the developed world, disproportionately impact these small island states. Hurricanes and other natural disasters result in significant economic, infrastructural, and human losses for these nations.

By exploiting these vulnerabilities, Martinez implemented his malicious schemes to profit at the expense of the innocent people of St Kitts and Nevis. He used the island's susceptibility to natural disasters and limited resources as leverage in his fraudulent activities.

Colonial Mindset of Martinez Behind His Wrongdoings in St Kitts and Nevis

Martinez executed his plans with a colonial mindset, believing himself superior to the small island states. He viewed the people of St Kitts and Nevis with contempt and sought to exploit their perceived inferiority. His arrival in St Kitts and Nevis was marked by fraudulent schemes and corrupt practices aimed at exploiting the local population.

Leveraging his previous experience with fraud in the United States and the UK, Martinez targeted St Kitts and Nevis and the wider Caribbean. His actions were driven by a desire to exploit vulnerable countries and their citizens for personal gain.

Demanding Extortion

When his initial schemes failed, Martinez resorted to extortion. He began demanding money from the governments of the Caribbean, engaging in extortion and fraudulent activities. The hotel investment he made has since faltered, failing to deliver significant benefits to St Kitts and Nevis due to his mismanagement.

Martinez is now extorting the government to take back the hotel, demanding over \$20 million in return from governments of the Caribbean. His demands are unjustifiable, as he has contributed nothing beneficial to St Kitts and Nevis or its people.

RICO Suit

Upon the current government's rejection in taking back the OTI Hotel, Philippe Martinez took another wicked step to extort the Government by filing a RICO suit (Racketeer Influenced and Corrupt Organizations Act). Martinez is using this legal action as leverage, demanding over \$20 million in exchange for withdrawing the suit. This strategy raises significant legal and ethical concerns, as it is fundamentally flawed.

A number of individuals have evidential messages and recordings of Martinez asking funds to withdraw RICO Suit.

Martinez's RICO suit is purportedly based on allegations of underselling citizenships in St Kitts and Nevis. However, this suit is problematic for several reasons. First, Martinez lacks the legal standing and jurisdiction to challenge another country's citizenship program or to file such a case. His actions appear to be driven by personal gain rather than any legitimate legal grievance.

The suit is emblematic of Martinez's unethical approach and colonial mindset. His filing of the case in the United States, despite having no substantive grounds or involvement in the alleged issues, illustrates his attempts to exploit the legal system for personal profit. Evidence and recordings have surfaced, showing that Martinez's demand for over \$20 million in exchange for withdrawing the suit is another blatant act of extortion.

The question arises whether Martinez's USA legal team are also blinkered by his accusations of playing victim. An understanding of whether they are on a no win- no fee would also provide further clarity to Martinez's modus operandi. With a potential FBI investigation into Martinez's bribery of a St Kitts official-would Martinez's same legal team be defending him?"

Whichever outcome, this should involve an investigation into Martinez's financial transactions in an anti-bribery case brought by the FBI by his use of USD. He has actively promoted unethical practices by bribing numerous government officials. Due to his involvement in introducing

bribery into the Caribbean region and degrading the business environment, he himself is implicated under RICO case.

Necessity of Fraud Case Against Phillippe Martinez

Martinez's actions reveal a deliberate targeting of small island states, including St Kitts and Nevis, through extensive fraud and corruption. His schemes—comprising blackmail, extortion, and bribery of government officials—constitute serious criminal misconduct.

Similar to the corruption cases involving Peter Virdee and Asot Michael, Martinez's activities warrant legal scrutiny. Peter Virdee is facing corruption charges in the United Kingdom under the “UK Bribery Act 2010”.

Similarly, Phillippe Martinez is also liable to face charges under the US Foreign Corrupt Practices Act (FCPA) of 1977, which is considered the equivalent of the UK Bribery Act 2010's anti-bribery provisions. The FCPA is a federal law that prohibits US individuals and companies from offering, paying, or promising to pay money or anything of value to foreign officials to obtain or retain business.

Fines under the FCPA can be substantial, with individuals facing up to \$100,000 in fines, while entities with more than one person can face up to \$2 million per violation. Additionally, fines can double the amount of the expected bribery benefit. Certain willful violations can result in up to 20 years in prison.

Given the magnitude of Phillippe Martinez's fraudulent activities, his actions should be subject to similar legal consequences. His exploitation of vulnerable nations and the legal system reflects a level of corruption that may exceed even the cases of Peter Virdee and Asot Michael. It is imperative that Martinez faces legal action consistent with the standards set forth by US anti-bribery laws.

Chapter 6: Key Findings and Conclusion

Background and Initial Ventures

- **Career Beginnings:** Philippe Martinez, a filmmaker with an international background, initially attempted to establish himself in the Caribbean through film projects.
- **Challenges and Failures:** His ventures faced significant setbacks in Barbados due to dissatisfaction with his business practices and the global COVID-19 pandemic, which severely disrupted the film industry.

Involvement in St Kitts and Nevis

- **Opportunity and Expansion:** In 2020, Martinez received a substantial opportunity from Premier Mark Brantley of Nevis. A two-year deal was granted to produce films on Nevis Island, which later expanded to include 28 films across the Federation of St Kitts and Nevis.
- **Financial Terms:** Martinez's deal included a significant monthly payment of USD \$150,000 and approval from the St Kitts Investment Promotion Agency (SKIPPA) for acquiring shares and producing multiple films over several years.

Corruption and Misconduct

- **Bribery and Exploitation:** Martinez engaged in fraudulent practices by offering bribes to Leslie Khan, the former head of the Citizenship by Investment (CBI) Program in St Kitts and Nevis. His efforts included lavish dinners, gifts, and covering luxury expenses to secure favorable treatment.
- **Acquisition of OTI Hotel:** Martinez used his relationship with Khan to acquire the Ocean Terrace Inn (OTI), US\$5million hotel resort, through his company MSR Hotels. This acquisition was facilitated by bribery and manipulation of governmental resources.

Legal and Financial Allegations

- **Allegations of Misuse:** Martinez faced allegations of financial misconduct, including diverting funds intended for film production and engaging in extravagant expenditures. His films did not perform well commercially, leading to criticism of the deal's effectiveness.
- **Corruption in the CBI Program:** Martinez's involvement in the CBI Program raised concerns about the misuse of the program for personal gain. His actions undermined national security and economic stability, contributing to broader issues of corruption.

Relationships and Corruption Patterns

- **Connection with Leslie Khan:** Martinez's relationship with Khan exemplifies a troubling pattern of corruption. Through bribery and personal favors, Martinez exploited the CBI Program for his benefit, illustrating a systematic approach to corruption.
- **Comparison with Other Cases:** Martinez's practices are similar to those of Caribbean Galaxy and Peter Virdee, who also engaged in bribery and exploitation within government-linked programs. These cases highlight a broader issue of corruption impacting Caribbean nations.

Impact and Consequences

- **Economic and Reputational Damage:** Martinez's actions, along with those of his associates, have caused significant harm to the economic and reputational standing of St Kitts and Nevis. The misuse of the CBI Program has led to a loss of trust and potential long-term damage to investor confidence.
- **Ongoing Investigations:** The corruption scandals involving Martinez are under investigation, with potential legal repercussions for his fraudulent activities. The resolution of these cases is crucial for restoring integrity and stability in the affected nations.

Current Status and Future Implications

- **Legal Proceedings:** As investigations and legal proceedings continue, the full extent of Martinez's corruption and its impact on St Kitts and Nevis will become clearer. The outcomes will influence future governance and economic policies.
- **Need for Reforms:** The cases involving Martinez underscore the need for rigorous oversight and reform within government-linked investment programs. Ensuring transparency and accountability is essential for preventing future abuses and maintaining the credibility of economic strategies.

Scrutiny on All Sides

- The question arises whether Martinez's U.S. legal team is also blinkered by his accusations of playing the victim. An understanding of whether they are on a no-win, no-fee basis would also provide further clarity on Martinez's modus operandi. With a potential FBI investigation into Martinez's bribery of a St Kitts and Nevis official, would Martinez's same legal team be defending him? Regardless of the outcome, this should involve an investigation into Martinez's financial transactions in an anti-bribery case brought by the FBI.

Conclusion

The ventures of Philippe Martinez in St Kitts and Nevis, along with his fraudulent activities and legal disputes, underscore a significant breach of trust and integrity within the CBI Program. The cases of corruption involving Martinez and similar entities highlight the urgent need for regulatory measures to safeguard the program and restore public confidence. The current administration's efforts to address these issues are a crucial step toward ensuring transparency, accountability, and stability in St Kitts and Nevis's economic and governance systems.

The resolution of these cases will be pivotal in determining the nation's future economic trajectory and maintaining a favorable business environment. It is essential for stakeholders to remain vigilant and committed to combating corruption to secure a prosperous and transparent future for St Kitts and Nevis.

Notably, both Les Khan and Phillippe Martinez are USA citizens, and they introduced corruption in the Caribbean. Under US corruption law, a strong case against Phillippe Martinez shall be filed and must undergo trial.

As per the US Foreign Corrupt Practices Act (FCPA) of 1977, he must be charged and should face a fine up to \$2 million per violation. Additionally, fines can double the amount of the expected bribery benefit. Certain willful violations can result in up to 20 years in prison.