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HEADLINE: Maxwell's sons charged with fraud

BYLINE: CHRISTINA SPENCER; CITIZEN

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BODY:

Seven months after the sudden death of media tycoon Robert Maxwell and the dramatic collapse of his empire, his two sons were arrested and charged with conspiracy to defraud Thursday.

Ian Maxwell, 36, and Kevin, 33 appeared in a London court. They were released after posting a combined bail in excess of \$1 million.

Larry Trachtenberg, a former director of the company that handled the Maxwell empire's pension funds, was also charged.

Both Trachtenberg and Kevin Maxwell face several additional charges of theft, said John Todd, detective superintendent with the City of London Police. A total of 15 charges have been laid.

Officials from Britain's Serious Fraud Office have been trying for months to track millions of dollars missing from several Maxwell companies and a fund meant to support 32,000 Maxwell company pensioners, many of whom face destitution as a result of the missing money.

The media baron was found dead last November after he went missing from his yacht off the Canary Islands.

Maxwell's empire -- thought to be intact when he died -- stretched across the Atlantic and included both the Mirror Group of newspapers in Britain and the New York Daily News.

Maxwell's sons have been the focus of attention since last December, when the empire collapsed under the weight of more than two billion pounds of debt.

The Serious Fraud Office has been investigating more than 450 million pounds missing from the pension fund, a further 100 million pounds missing from the Mirror Group and a loan of 55 million pounds to the Swiss Bank Corporation, which first called in British investigators.

One charge against Kevin Maxwell is that he conspired, along with Trachtenberg, to defraud the Swiss Bank Corp. of more than five million pounds.

He and Trachtenberg are also charged with five other counts of theft for a grand total of 43 million pounds, news reports said today, adding all three men are charged with conspiracy to defraud the Swiss Volksbank of more than \$35 million U.S.

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