

Court confiscates US\$500,000

Creed to be sentenced today

2nd June, 2006

By CAROL WINKER / Cayman Free Press Ltd.

Chief Justice Anthony Smellie has made a confiscation order in the sum of US\$500,000 against Raymond Frank Creed after he was found guilty of four money-laundering offences.

Creed's attorneys advised the court that the defendant was still in hospital on Wednesday, when the confiscation hearing took place. However, he was scheduled to be discharged and is expected to be in court today (Friday, 2 June) for sentencing.

The Proceeds of Criminal Conduct Law requires that, if the court is going to make a confiscation order, it must be done before sentence is passed.

On Wednesday, therefore, Solicitor General Cheryll Richards and Defence Attorney Delroy Murray, instructed by attorney Steve McField, made their submissions to the Chief Justice, who had presided over Creed's trial.

An 11-member jury returned unanimous guilty verdicts on 19 April. The trial had begun on 20 March. After the verdicts, sentencing was adjourned in part because Creed was undergoing knee surgery and in part because both Prosecution and Defence asked for time to research precedents and confirm Creed's financial assets.

On Wednesday, when Creed did not come to court, the Chief Justice adjourned briefly so that Mr. McField could obtain a letter confirming the defendant's hospitalisation and another letter authorising his attorneys to proceed with the confiscation hearing.

The only witness was Inspector Claudia Brady of the Financial Crimes unit. She submitted two affidavits.

One concerned Creed's assets, which totalled US\$2,696,378.11. This amount includes his home at Rum Point, which the court was told has a market value of US\$547,500.

Other realisable assets included a vehicle valued at \$1,990; a 14-foot boat, engine and trailer, valued at a little over \$6,300; and bank accounts totalling US\$1,983,931.92.

Inspector Brady's second affidavit concerned the money which the jury found that Creed had laundered. This total was US\$6,199,982.

Mr. Murray agreed that, by law, whatever amount had passed through accounts which the jury found had been controlled by Creed, that amount was subject to a confiscation order.

However, according to the evidence, the profit to Creed was \$100,000 from one account and \$400,000 from another account.

To confiscate more would effectively bankrupt the defendant and leave him and his wife with nothing to live on, Mr. Murray submitted. He asked the court to consider Creed's age –72 – and poor health.

Mr. McField advised the court earlier that Creed's knee surgery had been successful, but he was suffering from kidney and diabetes complications.

Ms Richards confirmed that there were no compensation orders against Creed in this jurisdiction that she was aware of. There are compensation orders totalling over \$37 million against Ken Taves, the American whom Creed was found to have assisted in retaining the proceeds of criminal conduct – Taves' credit card fraud in 1998–99.

The Chief Justice said he would put his reasons in writing for the confiscation order against Creed, but he had wanted this part of the matter settled so he could proceed to sentencing.

Reach reporter Carol Winker at carol@cfp.ky.

Copyright © 2006 Cayman Free Press Ltd.