

Regulator suspends LFP I director Mapley for four years

British national was put in charge of troubled investment fund to recover assets

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Photo: Anouk Antony

Luxembourg's financial regulator on Monday suspended David Mapley, a financial investigator who shareholders had brought in as a director at investment fund LFP I to retrieve money lost over previous years.

Mapley had provided "incomplete and incorrect" information to the regulator during an authorisation process, the *Commission de Surveillance du Secteur Financier* (CSSF) said. This means he no longer satisfies the requirements of good repute, the CSSF said, adding it had suspended Mapley for a period of four years.

"Mr Mapley is no longer suitable to take on any mandate subject to the CSSF's approval and may therefore, under such mandates, no longer act in the context of regulated entities falling under the supervision of the CSSF," the regulator said in an administrative measure.

Shareholders in LFP I appointed Mapley as a new director to the fund late in 2018, when they found millions of euros had gone missing from LFP I, a Luxembourg-based so-called umbrella structure, which allowed other fund managers to set up sub-funds within it.

With Mapley at the helm, the fund has since filed a flurry of lawsuits, amongst others against fund services firm Alter Domus, which had bought Luxembourg Fund Partners, the management company of LFP I, in December 2017.

LFP I is seeking more than \$50 million in compensation from Alter Domus over the collapse of one of LFP I's subfunds. In another case, it is seeking almost €6 million in damages from PricewaterhouseCoopers in Luxembourg, saying the audit firm should have warned of losses earlier.

It has also filed a criminal complaint against a Belgian businessman and his associates in an Antwerp court, alleging the group cheated it out of millions through a series of high-profile real estate deals with a third sub-fund, into which 92 investors had poured a total of €80 million.

There is no need for the court in Antwerp to act on the complaint, unless it sees merit in a case, which means that the businessman, Levi Dewaegenaere, might never have to formally defend himself. He has denied all the allegations, and has said that he has the documents to show all his transactions were legitimate.

Tudor Fedeles, another director at LFP I who worked closely together with Mapley, said that the fund would continue pursuing all the lawsuits. "From that point of view, nothing changes," he said.

Mapley said he would appeal the CSSF's "unilateral judgement".