Paris, 4 March 2024

Our references: JFM / Rachel Tayza

Subject: Continued presence of Rachel Tayza in Italia

Dear Sir or Madam,

We are honoured to address you as counsel For Justice For Myanmar (the “Client”), an organization campaigning for justice and accountability for the people of Myanmar (Burma, Asia).

As you may know, in February of 2021, the Myanmar military — one of the most brutal armed forces in the world — attempted a coup.

Htoo Group of Companies, a major crony conglomerate owned by Tay Za and his family, is a significant business associate of the Myanmar military.
Htoo Htwe Tay Za (“Rachel Tayza”), the adult daughter of Tay Za, is currently living in Italy and our Client has strong reason to believe that her studies and living costs in Italy have been supported by funds from her family and, eventually, Htoo Group of Companies, in which she continues to hold shares and directorships.

**Sanctions against Tay Za and Htoo Group of Companies conglomerate**

As it is outlined below, both Tay Za, his family members and his companies are subject to sanctions in multiple jurisdictions, including in the EU.

Htoo Group of Companies has been included in the EU list of natural and legal persons, entities and bodies subject to restrictive measures set out in Annex IV to Regulation (EU) No 401/2013, as it is “a private conglomerate founded and chaired by U Tay Za, who is closely connected to the top leadership of the Myanmar Armed Forces (Tatmadaw)” and has, notably, “provided the Tatmadaw with financial support in 2017 in connection to the Rakhine ‘clearance operations’ and thus contributed to serious human rights violations in 2017 against the Rohingya population” (Council Implementing Regulation (EU) 2022/239 of 21 February 2022, Amendment 1).

The listings also include (i) Tay Za as he is the founder and Chairman of Htoo Group of Companies through which he has been “contributing to the military’s capabilities to commit serious human rights violations and the repression of the civilian population, as well as to carry out activities undermining democracy and the rule of law in Myanmar/Burma” (Council Implementing Regulation (EU) 2022/2177 of 8 November 2022, Amendment 2), (ii) the Quartermaster General as he is the sixth highest position in the military of Myanmar/Burma (Council Implementing Regulation (EU) 2023/1497 of 20 July 2023, Amendment 3) and (iii) the Myanmar Office of the Quarter Master General as a department under the jurisdiction of the Ministry of Defense that is involved in arms and military equipment procurement for the Myanmar Armed Forces (Council Implementing Regulation (EU) 2023/378 of 20 February 2023, Amendment 18) – yet the Myanmar military’s Office of the Quarter Master General has build-operate-transfer agreements with Ayeyarwaddy Resorts and Lodges Company Limited, a Htoo Group company.

Numerous sanctions against Htoo Group of Companies and Tay Za have also been taken by the US in application of the Executive Order No. 14014 of 10 February 2021, Blocking Property With Respect to the Situation in Burma (Amendments 4 and 5), as well as the Canada with the Special Economic Measures (Burma) Regulations of 27 October 2023 (Amendment 6) and the UK (Amendment 7).

**Rachel Tayza’s involvement in the Myanmar military**

Tay Za and his family have a stake in more than 60 businesses in Myanmar and Singapore across many industries, including economy, mining, forestry, logging, timber, petroleum, construction, manufacturing, food and beverage, property development, agriculture, transportation, banking and finance, insurance, aviation and hotels and tourism. Our Client has documented, in
September 2021, his business dealings with Myanmar’s military through several firms (Amendment 8).

On the 31 January 2023, the US sanctioned Rachel Tayza because of her involvement as a director and shareholder of subsidiaries and associated companies of the Htoo Group (Amendment 9), as shown on the Notice of OFAC Sanctions Actions (Amendment 10).

Rachel Tayza is in fact involved in several Htoo Group of companies’ entities that were established after the military’s attempted coup in 2021 while she was already living in Italy.

These companies include **Central Black Gold Production Company Limited, One Fibre Company Limited** and **Pegu Wood Company Limited**. According to data from Myanmar’s corporate registry, One Fibre is partly owned by Htoo Tech Company Limited and Pegu Wood is a subsidiary of Htoo Capital Company Limited. Rachel Tayza is also a director and shareholder of **Ayeyarwaddy Resorts and Lodges Company Limited**, a Htoo Group company that has build-operate-transfer agreements with the Myanmar military’s Office of the Quarter Master General.

The table below provides an overview of the companies in which Rachel Tayza is currently involved, either as a director or as a shareholder.

<table>
<thead>
<tr>
<th>Company</th>
<th>Registration No.</th>
<th>Registration Date</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Black Gold Production Company Limited</td>
<td>13452 2003</td>
<td>2022-08-12</td>
<td>No.(12/A), Khapaung lane, Hlaing Township, Yangon</td>
</tr>
<tr>
<td>One Fibre Company Limited</td>
<td>13024 5056</td>
<td>2021-06-21</td>
<td>No.(5), Pyay Road, Hlaing Township, Yangon</td>
</tr>
<tr>
<td>Pegu Wood Company Limited</td>
<td>12985 4340</td>
<td>2021-04-29</td>
<td>No.(519), Pyay Road, Kamaryut Township, Yangon</td>
</tr>
<tr>
<td>Nova Assets Company Limited</td>
<td>10964 5265</td>
<td>2015-09-22</td>
<td>No.(531-H), Marlar Myaing Yeik Thar Street, Kamaryut Township, Yangon</td>
</tr>
<tr>
<td>One Kandawgyi Hospitality Group Company Limited</td>
<td>11604 4072</td>
<td>2016-08-18</td>
<td>Kandawgyi Palace Hotel, Kan Yeik Thar Road, Mingalar Taung Nyunt Township, Yagon</td>
</tr>
<tr>
<td>Ayeyarwaddy Resorts and Lodges Company Limited</td>
<td>11019 8450</td>
<td>2004-09-08</td>
<td>No.(11/A), Khapaung lane, Hlaing Township, Yangon</td>
</tr>
</tbody>
</table>

**Rachel Tayza’s presence in Italy and origin of resources used to finance her life and studies**

According to Rachel Tayza’s social media presence, she is currently living in Milan, Italy.

Rachel Tayza’s LinkedIn profile confirms that in 2022, she completed a BA degree in Fashion design Fashion/Apparel Design at Polimoda, Italy (Amendment 11).
A recent portrait of Rachel Tayza, published by Italian fashion blog Colory, confirms her permanent living location as Milan, Italy (Amendment 12). Rachel’s former presence as a student of Polimoda was also confirmed by Polimoda itself through recent publicity for its Anthos – Graduation Show 2023 (showcased on the runway at the 104th Pitti Uomo), confirming the showcasing of collections designed by “Rachel Tay Za for Myanmar” (Amendment 13). Social media postings on Instagram by Rachel Tayza also confirm her attendance at the Polimoda graduation event and her collection being part of the formal graduation programme (Amendment 14). Rachel Tayza’s continued presence in Italy is also confirmed by media reports of her participation in the GloLoCo exhibition of the Afro Fashion Association during Milan Fashion Week in September 2023 (Amendment 15).

Our Client notes that according to credible sources, Rachel Tayza’s studies and living costs in Italy have been supported by funds from Htoo Group of Companies through transfers to Rachel Tayza’s account with the Italian Bank Banca Nazionale del Lavoro S.p.a., a subsidiary of the French bank BNP Paribas.

**Legal framework for Myanmar’s military-related sanctions**

In accordance with Article 4a of the Council Regulation (EU) No 401/2013 concerning restrictive measures in view of the situation in Myanmar/Burma (Amendment 16):

“1. All funds and economic resources belonging to or owned, held or controlled by any natural or legal person, entity or body listed in Annex IV [including Taz Za and Htoo Group of Companies] shall be frozen.

2. No funds or economic resources shall be made available, directly or indirectly, to or for the benefit of natural or legal persons, entities or bodies listed in Annex IV [including Taz Za and Htoo Group of Companies].

3. Annex IV shall include:

   […]

   (b) natural and legal persons, entities or bodies whose actions, policies or activities undermine democracy or the rule of law in Myanmar/ Burma, or who engage in, or provide support for, actions that threaten the peace, security or stability of Myanmar/Burma;

   […]

   (f) natural or legal persons, entities or bodies associated with those referred to in points (a) to (e).”

In accordance with Article 10, this Council Regulation shall apply within the territory of the Union.

It is reminded that in application of Article 288 of the Treaty on the Functioning of the European Union, “a regulation shall have general application. It shall be binding in its entirety and directly applicable in all Member States”. 
In addition, the **Italian Legislative Decree No. 109/2007 of 22 June 2007** provides the framework for implementing UN/EU financial sanctions against the financing of terrorism and activities threatening peace and international security *(Amendment 17)*.

In particular, Article 7 of this Legislative Decree provides that all operators (including banks, insurance companies and other financial institutions) shall notify the *Ufficio Italiano dei Cambi* of measures applied under this act within 30 days of the date of withholding of funds and economic resources.

Pursuant Article 3 of this Legislative Decree, the Financial Security Committee may establish relations with similar organizations in foreign countries for the sake of vital international coordination, without prejudice to the official secrecy obligations and shall propose designate individuals or entities to the competent international authorities of both United Nations and European Union.

If sufficient elements exist to propose appointments to the competent international authorities of both United Nations and European Union, as well as the risk that the funds and economic resources to be frozen may be dispersed, hidden or used to finance terrorist activities, the Financial Security Committee shall alert the public prosecutor.

**Conclusion and requests**

As Rachel Tayza’s continued presence in Italy undermines sanctions on her father and Htoo Group of Companies because she continues to serve in various functions for these companies from Italy and, according to the Council Regulation (EU) No. 401/2013 and the Italian Legislative Decree No. 109/2007, our Client asks the Italian Bank Banca Nazionale del Lavoro S.p.a. to take action against Rachel Tayza, and in particular:

- **to report** to competent Italian authorities the nature of the assets and economic resources held by Rachel Tayza in the Banca Nazionale del Lavoro S.p.a.;

- **to ask the competent Italian authorities to freeze** the assets and economic resources held by Rachel Tayza in the Banca Nazionale del Lavoro S.p.a..

We understand that these sanctions have already led to asset freezes in Europe.

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Looking forward to hearing from you, we remain at your disposal should you wish to supplement or clarify this note.

Yours sincerely

[Signature]

William BOURDON

[Signature]

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ATTACHMENTS

1. Council Implementing Regulation (EU) 2022/239 of 21 February 2022
2. Council Implementing Regulation (EU) 2022/2177 of 8 November 2022
4. US Executive Order No. 14014 of 10 February 2021
5. List of US Burma sanctions
6. Special Economic Measures (Burma) Regulations of 27 October 2023
7. UK sanctions list publication (Myanmar sanctions extract) generated 28 February 2024
8. Justice For Myanmar release dated 27 September 2021
9. US Department of the Treasury release dated 31 January 2023
10. OFAC Sanctions List Search and Notice of OFAC Sanctions Actions
11. Rachel Tayza’s LinkedIn profile accessed on the 29 February 2024
12. Rachel Tayza’s portrait in the Colory fashion blog (2023)
13. Instagram Polimoda Firenze’s publication on the 16 June 2023
14. Rachel Tayza’s Instagram profile accessed on the 29 February 2024
15. Vogue Italia’s article dated 20 September 2023
17. Legislative Decree No. 109/2007 of 22 June 2007