

The Prince Who Blew Through Billions

THE PLAYBOY PLAINTIFF From left, the Sultan of Brunei (No. 1) and his brother Prince Jefri after a polo match in England in 1994; a fleet of Rolls-Royce sedans parked outside the Dorchester, the London hotel owned by the sultan; Prince Jefri at the Peninsula hotel in New York during the trial, last year; leaving the State Supreme Court in Manhattan with some of his lawyers. By Muhammad Basil (sedans), Barry Batchelor/PA Archive/Press Association Images (Sultan).

When two British lawyers, Faith Zaman and Thomas Derbyshire, signed on in 2004 to manage the affairs of Prince Jefri Bolkiah, notorious playboy brother of the Sultan of Brunei, they entered a world of orgiastic wealth: 250 companies, 2,000 cars, luxury hotels, planeloads of women and polo ponies, colossal diamonds. Caught in a feud between the prince and the sultan, they ended up in a court battle over \$23 million. Following the couple's legal victory, Mark Seal gets an exclusive on the story the jury didn't hear.

by

Mark Seal

Photographs by

Jonathan Becker

For six weeks, starting last November 8, in the Supreme Court of the State of New York, in Manhattan, the two sides in a most unusual trial presented equally outlandish stories. The plaintiff, Prince Jefri Bolkiah, Brunei's notorious royal playboy, who has probably gone through more cash than any other human being on earth, tried to convince the jury that he was extremely naïve when it came to financial matters. He claimed that he never signed checks and that his business affairs had been managed entirely by four private secretaries and a coterie of advisers and attorneys, who ran his estimated 250 companies and all his other concerns.

By casting himself in that light, Prince Jefri, 56, hoped to make the jury believe that two of his own lawyers, Faith Zaman and Thomas Derbyshire, the attractive British husband-and-wife team sitting at the defense table, had ripped him off to the tune of a reported \$23 million. This wasn't necessarily a bad strategy, because soon it seemed that only a simpleton would not have noticed the blatant chicanery he was accusing these attorneys of committing.

"Numerous acts of theft and deception, self-dealing, embezzlement and fraud, all designed to benefit themselves and their family members," read the prince's original complaint, filed in federal court in December 2006. He charged the couple with arranging a fraudulent sale of his mansion on Long Island's exclusive North Shore at a cut-rate price, with depositing a \$5 million check paid to one of his companies into the account of a "cloned" company under their control in the Cayman Islands, and with putting improper personal expenses—totaling more than \$650,000—on company credit cards. After the prince installed the then 29-year-old Zaman as managing director of one of his hotels, the New York Palace, in 2006, she proceeded, according to him, to award herself an exorbitant contract (\$2.5 million a year), sign herself to dirt-cheap, long-term leases on a luxury apartment in the hotel and the steak house on the ground floor, and hire her inexperienced brother as a systems analyst. "The words 'Faithless servants' do not do justice to the scope of their perfidy," read Prince Jefri's complaint.

The lawyers for the defendants attempted in turn to show the jury that Jefri was not a financial simpleton at all but “an unabashed and unreformed serial liar,” charged with stealing \$14.8 billion from Brunei when he served as its finance minister, from the mid-1980s to the mid-1990s. The defendants claimed that he had used his stolen billions to finance a 10-year orgy of extravagance and deceit, which culminated only when his brother the Sultan of Brunei set out to recover the fortune Jefri had supposedly hidden. The lawyers argued that Zaman and Derbyshire had stolen nothing, and that the prince’s charges against them were part of an elaborate scheme to funnel money through them in all manner of nefarious ways to fuel his insatiable need for cash. The defense lawyers also claimed that Jefri had stiffed Zaman and Derbyshire for millions in salaries and travel expenses, then fired them when they finally refused to comply with his increasing illegal demands.

I studied the diminutive prince on the witness stand, with his dark business suit, swept-back hair, and copper complexion. As he testified—for the first time in a courtroom—there was no hint of the high-flying Jefri whose well-publicized expenses had once been estimated at \$50 million a month. In his place was a rather ordinary man, shy and uncomfortable, reduced to sharing courthouse hallways with reporters and being chaperoned by a representative of the sultan. “Good morning, Prince Jefri,” I said to him every day. “Good morning,” he always replied. Once, he asked me about the Macy’s Thanksgiving Day parade.

In his testimony, he gave only the briefest answers. “I think so,” he responded in a falsetto voice when asked if he had attorneys spread all over the world. “Just visit there,” he said to describe his duties at a Hong Kong shipping company, one of the many concerns from which he received a salary. “There is a lot,” he answered when asked how many companies were in his name. “I own them; I do not run them,” he added. “So who ran the companies?” he was asked. “Professional lawyers that I appointed.”

In stark contrast to the subdued prince were the defendants: Zaman, a 34-year-old, effervescent beauty, her fine figure packed into smart business outfits, and her husband, 43, who spoke with a Liverpool accent and appeared almost every day in a different bespoke suit and silk pocket foulard. Losing this case would bankrupt them and destroy their reputations. If the jury found for the prince, the attorneys representing him would seize everything they owned. Nevertheless, they smiled, laughed, shook their heads at things they didn’t agree with, and seemed ready and eager to get on the stand and tell their story.

Someone had to be lying, and for weeks the jury tried to decide who that was. “In its way, this case begins like a fairy tale,” Jefri’s lawyer Linda Goldstein, a fast-talking whippet of a New York City litigator, told the jury in her opening argument. “Once upon a time there was a prince. His name was Prince Jefri Bolkiah.”

Dodi Fayed’s life in the fast lane (Sally Bedell Smith, December 1997)

An over-the-top 60th birthday for Prince Johannes von Thurn und Taxis (Bob Colacello, September 1986)

The Bolkiah Brothers

Once upon a time, on a corner of the large island of Borneo, in Southeast Asia, there was a tiny nation the size of Delaware called Brunei, where for 600 years its royals had married their cousins. Few people took notice of the place until 1926, when oil was discovered there. The current sultan, the 29th in a long line of rulers subservient to Great Britain, hit the jackpot when his country gained independence, in 1984. By 1987 he was the richest man in the world, worth \$40 billion. Unleashed from obscurity and unable to tell friends from sycophants, the sultan, then 41, quickly gravitated to the gambling clubs of London and began transforming men into moguls: bankrolling the early exploits of the Saudi arms dealer Adnan Khashoggi, allegedly financing the purchase of Harrods department store, in London, for the Egyptian entrepreneur Mohamed Al Fayed. As word spread of the sultan's gaping wallet, merchants from all corners of the globe swarmed into Brunei, selling him practically everything they had to offer—17 private jets, thousands of luxury cars, what one diamond dealer called “a Smithsonian” of major jewels, and a trove of art masterpieces, including a Renoir for a record \$70 million.

The sultan's biggest extravagance turned out to be his love for his youngest brother, Jefri, his constant companion in hedonism. They raced their Ferraris through the streets of Bandar Seri Begawan, the capital, at midnight, sailed the oceans on their fleet of yachts (Jefri named one of his Tits, its tenders Nipple 1 and Nipple 2), and imported planeloads of polo ponies and Argentinean players to indulge their love for that game, which they sometimes played with Prince Charles. They snapped up real estate like Monopoly pieces—hundreds of far-flung properties, a collection of five-star hotels (the Dorchester, in London, the Hôtel Plaza Athénée, in Paris, the New York Palace, and Hotel Bel-Air and the Beverly Hills Hotel, in Los Angeles), and an array of international companies (including Asprey, the London jeweler to the Queen, for which Jefri paid about \$385 million in 1995, despite the fact that that was twice Asprey's estimated market value or that Brunei's royal family constituted a healthy portion of its business).

Back home, the sultan erected a 1,788-room palace on 49 acres, “which is without equal in the world for offensive and ugly display,” in the words of one British magnate, and celebrated his 50th birthday with a blowout featuring a concert by Michael Jackson, who was reportedly paid \$17 million, in a stadium built for the occasion. (When the sultan flew in Whitney Houston for a performance, he is rumored to have given her a blank check and instructed her to fill it in for what she thought she was worth: more than \$7 million, it turned out.) The brothers routinely traveled with 100-member entourages and emptied entire inventories of stores such as Armani and Versace, buying 100 suits of the same color at a time. When they partied, they indulged in just about everything forbidden in a Muslim country. Afforded four wives by Islamic law, they left their multiple spouses and scores of children in their palaces while they allegedly sent emissaries to comb the globe for the sexiest women they could find in order to create a harem the likes of which the world had never known.

In 1983 the sultan appointed Jefri head of the Brunei Investment Agency (B.I.A.), which manages the country's vast oil revenues. Three years later he made him minister of finance. Jefri simultaneously ran his own conglomerate, the Amedeo Development Corporation (A.D.C., named for the artist Amedeo Modigliani, whose work he collects), which built roads, bridges, office blocks, power stations, and hotels at home and overseas. In Brunei, he built a school and a hospital, as well as a huge hotel complex and amusement park, and introduced satellite TV and his favorite London radio station.

In true fairy-tale style, the kingdom eventually woke up, some insist at the prodding of a third Bolkiah brother, Prince Mohamed, who disdained the fast-living Jefri and his influence on the sultan. "Up until March 1998 Prince Jefri enjoyed a very close relationship with the Sultan," Jefri's attorneys declared in a legal filing. "In this respect, Prince Jefri had incurred the enmity of another of his brothers, Prince Mohamed, whose views are cast in a much more conservative and religious mold." Watching his brothers from the wings, Mohamed, who had only one wife and flew commercial, waited for his chance to stop the party.

He found it in 1997, when a former Miss USA named Shannon Marketic sued Jefri and the sultan for \$10 million, claiming that she and six other young women had been hired for \$127,000 each to travel to Brunei for professional appearances, supposedly involving "intellectual conversations" with visiting dignitaries, but instead were forced to serve as "sex slaves." Her passport was seized, she claimed, and she was made to undergo testing for sexually transmitted diseases and to report to all-night "parties" where women of many nationalities, for fees spiraling up to \$1 million, danced, sang karaoke, and warred for the attention of Prince Jefri in a massive disco-cum-sports-complex he had installed in his home, called Assurur Palace. Whenever the prince and his posse were on their way to the disco, a mirrored ball would drop from the ceiling, signaling the women to start dancing. Jefri and his friends would then invite their favorites to "tea" (code for sex). "It would be the biggest honor of my life if I was permitted to sleep with Jefri, because he is half-man, half-god, like Jesus Christ to the Christians," Marketic said an aide to the prince had told her.

Jillian Lauren, who wrote about her time in Jefri's harem in her book *Some Girls*, published last year, said that sex with the prince was quick, impersonal, and unprotected. After their first encounter was over, she wrote, he slapped her ass, bolted out of bed, and said, "That was very nice for me. I am late for a meeting." She adds, "Robin [the pseudonym Jefri insisted his lovers call him] was always famished behind the eyes. It was the kind of hunger you could never really feed, the kind that keeps you up until five A.M. every night, the kind that drives you to fuck girl after girl, to buy Maserati after Maserati." Jefri would give his favorites "bonus boxes" of jewelry (one woman auctioned off a gift necklace at Christie's for \$100,000), pay their rents back home, and approve "boob jobs," according to Lauren, who so pleased him in bed that he paid her the ultimate compliment: passing her on to the sultan, who flew her across his kingdom by helicopter to a hotel where, she wrote, she honored him with a blow job.

Jefri denied the allegations in Shannon Marketic's lawsuit, which was dismissed, owing to the royal family's sovereign immunity, but the media backlash was blistering. One British paper said that "American girls" were no longer invited to Brunei because of the scandal.

Headlines blazed again in 1998, when a lawsuit was filed in London by Bob and Rafi Manoukian, Armenian brothers whom Jefri had enriched after frequenting their London tailor shop, called Vincci, in 1981. The Manoukians went from selling the prince suits to selling him jewelry, cars, planes, boats, and real estate. But when Jefri allegedly reneged on \$130 million in property deals, the Manoukians sued. Jefri countersued, charging that the brothers had breached their fiduciary duty by marking up the goods they sold him by anywhere from 100 to 600 percent. Jefri didn't testify at the trial, but his lawyers, according to *Fortune*, presented the prince as "a sucker too out of touch to notice the markups because the Manoukians had posed as close friends." In court, the Manoukians described Jefri's "sex parties" at home and abroad. (The manifest on his 747 usually comprised mostly young women.) Their attorney called him a

man of “unlimited tastes,” a “one-man walking market,” who bought practically everything he saw, including a rug woven with jewels in threads of solid gold (\$7 million), 10 jewel-encrusted wristwatches that depicted on the hour a couple copulating (\$8 million), and similarly erotic fountain pens (\$1.3 million). In London alone, the Manoukians charged, he kept 40 prostitutes at the Dorchester hotel and spent \$34 million for the former Playboy Club at 45 Park Lane—more than four times the market price, according to the brothers—so that he could house more hookers and secretly indulge his passion for gambling. (Jefri denied employing prostitutes.)

The case was settled, but the collateral damage was severe. Prince Mohamed launched what Jefri would call “an attack,” a palace coup, against him. “I believe the real reasons for the events of 1998 is the fact that there was a cash crisis within Brunei caused by the Asian financial meltdown of 1997–8 and the decline in the price of oil,” Jefri wrote in an affidavit from his case against Derbyshire and Zaman. “The payments made to the B.I.A. by Brunei Shell were greatly reduced. There were insufficient monies to fund the commitments entered into by A.D.C. and to pay His Majesty the money he required by way of Special Transfers at that time [approximately \$83 million a month] In these circumstances, His Majesty commanded me to transfer assets I controlled to the B.I.A.”

Meanwhile, Islamic fundamentalists were jockeying for power. “Mohamed convinced the sultan that Jefri was going to take them down,” said one insider. Launching an investigation into the B.I.A., the sultan dispatched 200 forensic accountants to examine its books and records. They said they discovered that during Jefri’s 15 years as head of the agency \$40 billion in special transfers had been drawn from its accounts: \$14.8 billion had been paid to or used by Jefri himself, \$8 billion had gone to the sultan, and \$13.5 billion remained unaccounted for. Jefri claimed that the sultan had authorized all withdrawals (“It is inconceivable that this \$40 billion could have been withdrawn without anyone having noticed it over the previous 15 years,” he wrote); the sultan countered that Jefri had embezzled the money.

Jefri lamented that he had no means of protest, for he was a wazir, the highest officer in a Muslim government, “a pillar of support for the Sultan,” as he wrote in his affidavit. “My duty as a subject and a Wazir was to obey any commands of His Majesty Accordingly, when His Majesty indicated in 1998 that he wished assets under my control to be transferred to the Plaintiffs [the B.I.A.] or himself, I felt his request had to be carried through.” When the transfers didn’t occur fast enough, extreme measures were taken. “I was anxious to resolve this dispute in the ‘Bruneian way,’ that is between the parties involved without the intervention of lawyers and accountants who in my experience only complicated the issues.” Instead, the lawyers arrived in an onslaught. “On February 22, 2000, a Writ was issued from the Brunei Court against me and many members of my family alleging that I had misappropriated very substantial funds from the B.I.A.,” Jefri wrote.

Armed troops searched Jefri’s palace, and he was ordered to turn over his passport until he signed a settlement agreement in which he promised to return assets including “over 600 properties, over 2,000 cars, over 100 paintings, 5 boats and 9 aircraft,” as well as billions of dollars in possessions he had stored in 21 warehouses. After swearing to comply fully with the agreement, Jefri left the country.

The sultan’s lawyers and accountants soon claimed that Jefri had been funding his supposedly successful company A.D.C., which employed thousands, not with profits from the business but with B.I.A. money. Once the funding stopped, A.D.C. wasn’t just insolvent—it was, the

investigators claimed, more than \$590 million in debt. Their uneasiness turned to panic when they pored over the list of assets Jefri had drawn up for them, in which he had promised to include everything. “The disclosure list provided by Prince Jefri was incomplete and wholly inadequate for a number of reasons,” the B.I.A.’s lead attorney, Richard Chalk, wrote in an affidavit. Entire companies had allegedly been omitted, as had account numbers and balances for the prince’s multiple bank accounts. There was no mention of the fabulous art and jewelry collections they believed he had acquired. “The list was mainly limited to information which Prince Jefri knew the [sultan and the B.I.A.] already had,” Chalk wrote.

Jefri’s spending continued unabated abroad, causing one B.I.A. representative to say that unless the prince had “won the lottery or had some good evenings in the casino” his lifestyle must still be funded by his B.I.A. assets. Jefri shot back that the sultan, in an unwritten pact he wanted kept secret, had allowed him to support himself by retaining six properties as “lifestyle assets”: the New York Palace hotel; Hotel Bel-Air; two palatial London residences, St. John’s Lodge and Clavell House; his home at 3–5 Place Vendôme, in Paris; and PT4200, a trust fund maintained by Citibank.

The feud between the brothers would turn into the world’s most expensive legal battle as the B.I.A. and the sultan spent an estimated \$400 million on tracking down Jefri’s wealth, much of which the B.I.A. would claim was squirreled away in bank accounts and shell companies registered in remote tax havens. Revising the Bruneian constitution in order to have absolute rule over his brother, the sultan, starting in 2000, froze Jefri’s assets through injunctions—to little effect. Jefri allegedly sold off untraceable hoards of art, cars, and jewels included in the freezing order and somehow milked money from his properties to keep himself and his family afloat. When he failed to respond to a British summons in 2008, the court issued a bench warrant for his arrest. Facing a potential two-year prison term for refusing to divulge his bank accounts, Jefri lay low in his five-star hotels and palatial homes until he finally reconciled with his brother and returned to Brunei, with an alibi for at least a small portion of the lost fortune: he hadn’t spent all of the money, he said; his lawyers Faith Zaman and Thomas Derbyshire had stolen at least \$23 million of it in “seven breaches of trust, the seven frauds,” which his attorneys would detail in court and which Zaman and Derbyshire would contend were schemes to funnel money through them to benefit the prince.

“His modus operandi has been to try to ‘salt away’ or realize assets which are frozen, then try to blame his advisors if he is caught out,” Thomas Derbyshire wrote in an affidavit in December 2006 in response to a supplemental U.K. lawsuit Jefri filed to freeze the couple’s assets. “I regret to say that my wife and I have been drawn into this web of deceit.” The federal suit was dismissed, but Jefri immediately refiled in New York State. Four years passed, with detours through courts in London and Delaware, before a jury heard the case in New York City.

Order in the Court

When the trial began, in Courtroom 242 of New York Supreme Court last year, those in the know assumed that the louché secrets of Prince Jefri's boundless excesses would finally come to light. However, Judge Ira Gammerman soon decreed that the case was not about the prince or his extravagant lifestyle but strictly about whether Zaman and Derbyshire had stolen money from their client.

The 81-year-old judge was a well-known veteran of the courts. He had presided over Woody Allen's 2002 civil case against his former producer Jean Doumanian, and when Allen attempted to respond to a question with a rambling answer, Gammerman interrupted him midsentence, barking, "Stop talking I'm the director here." Now, slouched behind the bench, he surveyed a surfeit of lawyers in his courtroom: nine attorneys from blue-chip firms on each side, getting hourly fees of up to \$1,000 apiece, all paid by the Sultan of Brunei. The sultan was picking up not only his brother's legal fees but also the Derbyshires', owing to their role as officers of Prince Jefri's Delaware-based entities, which provided indemnities and paid legal fees in work-related claims. "It's a lawyer's dream, but not good for the system," one attorney told me, adding that the legal fees on the case were then up to \$100 million.

Why Prince Jefri's family would spend \$100 million to sue two lawyers for taking \$23 million in graft—"chump change for the sultan," as Gammerman put it from the bench—was a mystery in itself. Most people believed that the sultan was running the show, and that Jefri had been forced to testify as punishment for dragging his family through years of embarrassment. However, Richard Chalk, the B.I.A. lawyer who attended the trial, told me over lunch one day that it was all about recovering assets. "There are three things of significant value," he said, enumerating back salaries (which, in Zaman's case, included 5 percent of the gross operating profit of the New York Palace during her year as managing director) and the couple's leases on the hotel's private apartment and steak house, which all together Chalk valued at almost \$50 million. If Jefri were to win, Chalk said, the B.I.A. would "go after [Derbyshire and Zaman] for everything, and we'll be entitled to reimbursement of legal fees." (Zaman's and Derbyshire's legal costs alone would exceed \$30 million.)

Before the trial began, the defense had released photographs to the press of sculptures Prince Jefri had commissioned from J. Seward Johnson for \$800,000, allegedly portraying the prince and his fiancée at the time, Micha Royale Raines, in the throes of sex. (One of the prince's lawyers insists that the statues were meant to depict an anonymous couple, not Jefri and Raines.) An infuriated Judge Gammerman promptly issued a gag order, forbidding attorneys and witnesses to speak to reporters. Worse still for the defense, the judge pronounced that "this case is not about the relative wealth of the people. It's not about lifestyle, it's not about sex. It's about the claim that the two lawyers breached their fiduciary obligations ... and I'm going to limit the evidence to that issue."

Gammerman kept a tight rein on the proceedings, blaring at attorneys and witnesses whenever they tried to introduce personal evidence about the prince, "Stop talking! When I talk, nobody else does!" He interrupted witness after witness if they attempted to elaborate after a mere yes or no, shouting, "That's the answer!" In the end, what had been expected to be a trial of shocking revelations devolved into a dry procedural, its 22 witnesses reduced mostly to short answers.

“How do you greet your father when you see him?,” Jefri’s youngest son by his first wife, the portly Prince Bahar, 29, was asked. “Kiss his hand,” he replied. Although Bahar had the title of president of the New York Palace hotel and had signed off on many of the contracts and leases the defendants were accused of wresting from his father, he testified that he had only “skimmed” the documents and would sign whatever Zaman placed in front of him. “Shopping, restaurants, enjoyed life,” he replied when asked how he had spent his time while performing his seemingly minimal duties in New York. During his two days on the witness stand, he answered “I don’t remember” to an estimated 285 questions.

When defense attorney Mark Cymrot attempted to discredit the characterization of Jefri as a business neophyte by showing a slide of a diagram he claimed documented Jefri’s blinding constellation of holdings—including 250 companies, seven hotels, and 150 residential properties in 12 countries—the judge went ballistic. “Turn that off!” he boomed. “That’s a complete violation of my instructions!”

The defense finally reached its limit when attorney Peder Garske, questioning Zaman, was repeatedly interrupted and muzzled while asking about her personal background. When Garske dared to shoot back, “May I represent my client?,” Gammerman exploded. He instructed the jury to leave the room and threatened to place a court officer behind Garske in order to restrain him if he didn’t toe the line.

The trial dragged on for six weeks, giving rise to more questions than answers. On the last day, I hoped to pin down Prince Jefri, since he had indicated that he might consider talking to me once the trial was over. But by then the prince was nowhere to be seen. However, once the gag order was lifted, I was able to interview Zaman and Derbyshire as well as lawyers for the B.I.A., including Richard Chalk, and Jefri’s attorney Geoffrey Stewart. With the addition of Jefri’s own words in various affidavits, an extraordinary story comes to light. It is the story the jury was not able to hear.

Working for Prince Jefri

It began, as fairy tales often do, with an unforeseen messenger, a London hairdresser named Jay Maggistro, who was something of a celebrity within the London jet set. “From his gold Cartier watch (£35,000, ‘a present from my brother’) to his £1,000 Gucci suit, the 38-year-old entrepreneur’s style is pure Eurocash,” wrote one London newspaper in 2002. He met the prince after answering the phone in his North London salon near closing time one day. “Can you come to cut a boy’s hair on the Bishop’s Avenue?” the caller asked; that was such a tony address that the hairdresser went in person. It was Prince Bahar he had been called about, but within a short time he was styling Prince Jefri too. According to Derbyshire, “Jay became the royal hairdresser when Jefri was Brunei’s minister of finance, and he flew Jay all over the world.”

As Prince Bahar grew, he and his hairdresser forged “an unbreakable friendship,” says Derbyshire. They eventually opened a London hotel, restaurant, and club together, No. 5 Cavendish Square. When the partners were sued in a civil matter, they turned to a rising barrister they had met at No. 5, Thomas Derbyshire, who specialized in cases involving money-laundering and fraud and who was then representing Terry Adams, one of Britain’s most notorious gangsters. Derbyshire won the case for Bahar and Maggistro, worth \$1.6 million, he

says, and they were impressed enough to mention him to the Boss, as intimates call Prince Jefri.

Celebrating a court victory with fellow barristers in a private dining room at No. 5 one evening in 2004, Derbyshire was interrupted by a knock on the door. "Prince Jefri would like to meet you," said Maggistro, and Derbyshire says he entered a dimly lit drawing room where the prince was holding hands with Micha Raines, whom he had met in a Las Vegas hotel, and with whom he would soon have a child. After five minutes of small talk, the meeting was over.

"I met Prince Jefri today," Derbyshire told his 27-year-old fiancée, Faith Zaman, who had recently been laid off from a job at an investment bank. Within a few days a call came from Maggistro: the prince wanted to see Derbyshire. "And bring Faith," Derbyshire says Maggistro added. The next day the hairdresser picked up the couple in a convertible Bentley Jefri had given him and drove them to St. John's Lodge, in the Inner Circle of Regent's Park, which, next to Buckingham Palace, is the grandest residence in London. After clearing intense security, they were escorted into a vast hall and then into a dining room with a table that could seat 50, where a battalion of servants brought out drinks and silver trays of appetizers. Prince Jefri and Micha Raines greeted them.

'I was paid a salary when I was working for him and then as a fiancée I was given gifts,' Raines testified at the trial. The \$45,000 a month she testified she received surely paled compared with the gifts Jefri and the sultan were known to bestow. An official list from 2002, exposed in Jefri's legal battle with his brother, details more than \$17 billion in payments and presents to family, friends, V.I.P.'s, and entourage, including \$18 million to the father of one of the Bolkiahs' wives, nearly \$1.5 million to a badminton coach, and millions more to government officials, some of whom got Porsches, real estate, and jewelry. (Raines now lives in an \$8.5 million house in Las Vegas that Jefri gave her.) After Jefri came under siege by the sultan, he made Raines his aide-de-camp: she acted as his spokesperson, especially with women. "When Prince Jefri asked a question at his first meeting, he looked at Tom," says Zaman. "But when he wanted to ask me a question, he prompted Micha, and Micha would ask me the question."

"At the first meeting with Mr. Derbyshire and Ms. Zaman at St. John's Lodge, Jay [Maggistro] and I explained the difficulties I was having with the B.I.A., with Joe Hage [Jefri's previous attorney] and The New York Palace Hotel," Jefri wrote in an affidavit. Derbyshire, Zaman, and Richard Chalk agree on Jefri's situation at the time of his initial meeting with the couple. Frustrated over still being unable to get full disclosure of his assets, the B.I.A. was reviving proceedings against the prince, refreezing assets in his name, leaving him "without access to monies that were in his direct accounts," says Chalk. "So that starts the process," he continues, meaning Jefri's by then well-known habit of accessing undisclosed accounts in companies that weren't under his name but were under his control. He had to sell real estate, art, diamonds, cars, and other possessions that hadn't been disclosed to the B.I.A. and the sultan and place the funds in his secret accounts in order to support his exorbitant lifestyle and pay his far-flung lawyers. It was an intricate game that involved moving billions of dollars among individuals, accounts, and companies around the world—a game that, Jefri's attorney Geoffrey Stewart insists, Zaman and Derbyshire would come to orchestrate. According to Stewart, any financial trickery Jefri was charged with, the barrister couple "were at the center of it."

Several more meetings ensued, which Jefri always insisted be "four-eyes meetings," meaning face-to-face. Eventually he was ready to engage the couple. His life, he said, was run by a

tangle of teams of lawyers around the world, defending him against the B.I.A. and the sultan's ongoing campaign to "crush" him. Because there was no coordination among these legal teams, he was concerned that he was paying too much for duplicated work. He wanted Derbyshire to act as his lead attorney, liaise with his other lawyers, and coordinate his defense against his brother and the B.I.A. As for Zaman, Jefri would later insist that he didn't initially intend for her to be part of his legal team at all, but he named her a director of some of his companies, responsible for everything from hiring to paying the bills. In short, the couple's mandate, they claim, was to streamline and obtain an accounting of Jefri's empire of businesses—a difficult process, since most of them were registered in the names of persons or companies acting on his behalf, "barriers of protection that would make it hard for his brother to seek to take the assets from him," Derbyshire alleges.

"Prince Jefri was incapable of doing any of this himself," says Chalk. "It was all done through his legal advisers. They're the ones who came up with the ideas and schemes. I mean, that's basically what Tom and Faith were doing for him. They were helping to try and see which assets could be utilized for the purpose of raising funds—which weren't caught by the freezing injunction."

"We agreed that we would work for the same basic retainer that he paid his previous legal adviser, a British barrister, which he calculated would be around \$8 million a year, plus expenses," says Derbyshire, adding, "He got two people for the same price, and he was delighted with it." (Geoffrey Stewart's response: Prince Jefri insists that the payment was \$2 million apiece for the two lawyers, including expenses, and that it was Derbyshire's idea to include Zaman, who Jefri claims was not a practicing barrister at the time—"she was a legal advisor to me more than anything else.")

"He told us he could not pay us immediately, because he didn't have a bank account that wasn't frozen," says Derbyshire. "He had no access to money himself. He had no credit card, no checkbook, no liquid assets, and he said he relied upon the generosity of family members and friends who supported him financially. I just thought, This is the most ludicrous thing I have ever heard. Because he was living a billionaire's lifestyle. The staff alone would be a quarter-million dollars a month."

Their first assignment was to fly to New York and review the books of Jefri's most important asset, the New York Palace hotel, which was then turning an annual profit of \$50 million, and determine why the invoices to the hotel from a company they would later learn Jefri controlled—averaging between \$550,000 and \$1.5 million a month—had suddenly stopped being paid. Jefri had registered the hotel in a limited partnership in New York owned by two Delaware corporations, which in turn were owned by a third Delaware corporation, followed by two shell corporations in Labuan, the tax haven off the coast of Malaysia, and finally ending in a Malaysian trust company. But now the hotel was under siege, as Jefri outlined in his affidavit: its directors had passed an order preventing their removal by him, and a former director had filed suit challenging Jefri's very ownership of the New York Palace and Hotel Bel-Air. "I thought there was no time to lose," Jefri wrote of sending Derbyshire, Zaman, and Jay Maggistro to the New York Palace.

The day the couple left for New York, they and Maggistro signed a letter that would later be repeatedly shown in the New York courtroom. In order to give them full and absolute authority to act on his behalf, the prince granted them power of attorney. "Looking back at it now, I think he

gave us power of attorney so that at some stage in the future he would be able to turn around and deny knowledge and involvement in things he'd done," says Derbyshire. (Prince Jefri's lawsuit claimed that it was Zaman and Derbyshire, not he, who suggested they be given power of attorney in order to work most effectively on his behalf. Maggistro declined to respond concerning specific issues of the case.)

Money Problems

On August 11, 2004, they arrived at the New York Palace. Along with Maggistro and Jefri's Manhattan lawyer, they had arranged a meeting with the hotel's managing director, John Segreti. He greeted them in the lobby, and they presented letters of introduction and their power of attorney and requested to review the books. "We have a very amicable chat, and he says he is going to his office and will be with us again in a few minutes," says Derbyshire.

"Then he didn't return," says Zaman. Hotel security showed up and asked them to leave the premises. They discovered that the managing director and a former director had filed a temporary restraining order in a New York court against Jefri "to prevent him from asset-stripping the hotel," Derbyshire wrote in an affidavit. (Jefri claimed that the hotel's directors did this to prevent him from removing them as directors.)

Zaman and Derbyshire later alleged that they had unearthed documents showing that the hotel had been making large payments to individuals and companies that performed no services that they could determine. "These payments were made to banks in Switzerland and Liechtenstein," Derbyshire wrote in an affidavit. Even more alarming, a \$30 million mortgage had been taken out on the hotel. (Jefri claimed in an affidavit it was \$35 million.) "But \$25 million of this sum was repaid very quickly," Derbyshire wrote. "Our further investigations revealed that a number of properties (which appeared as Prince Jefri's assets on the freezing orders) had, in fact, been sold in breach of those injunctions." (According to Stewart, the property had been sold without Jefri's authorization.)

Next Derbyshire visited Hotel Bel-Air. While he determined that the hotel was in good financial order, he found that at least \$10 million worth of Jefri's supposedly frozen properties in California had been sold. (A Los Angeles lawyer who represented Jefri's real-estate interests declined to comment.)

When Derbyshire presented his findings to the prince, he stated in an affidavit, Jefri had an easy explanation. He claimed that one of his previous attorneys had taken out the mortgage and sold the properties without his consent. Why didn't the prince report him? According to Geoffrey Stewart, the prince is "conflict averse." Stewart speculates, "Any kind of public proceeding sooner or later would get back to the B.I.A and Jefri by then heard that the B.I.A. was going to be coming after him, and I think his view was 'Why create trouble for myself?'"

Having no reason to disbelieve Prince Jefri, Derbyshire and Zaman say, they continued to petition the courts on his behalf, eventually winning a ruling that he was indeed the owner of the New York Palace. According to the Derbyshires' attorney, distributions from the Palace to Argent International, one of the prince's companies, began flowing again, overseen by John Segreti.

Next assignment: representing the prince before the Brunei supreme court. Their first visit was in late 2004. The B.I.A. had filed a motion to force Jefri to comply with the settlement agreement

he had signed back in 2000 and return all property. Because only a member of the British Queen's Counsel can be heard in Brunei courts, and because the Derbyshires contend that by then many of Jefri's lawyers refused to work for him, owing to not being paid, the couple enlisted Sir John Nutting, a friend of Prince Charles's, to travel with them to Brunei. Nutting won an adjournment of the sultan's case against Jefri until the following February. (In 2006, the case was decided against Jefri and in favor of the B.I.A.)

"The family had a rule: 'We don't come to you, you come to us, however inconvenient that may be,'" wrote Zaman in an affidavit. She and her husband were soon living out of suitcases, flying to wherever the prince, his sons, or his lawyers ordered them. By February 2005, Jefri had regained full control of his biggest asset, the New York Palace, and installed Zaman to represent his interests there.

Meanwhile, Derbyshire often met with Jefri's legal teams. "I was effectively a conduit of information between the different lawyers in all the different jurisdictions around the world," he testified in New York, adding that because this information frequently had to do with the prince's frozen and hidden assets, it was necessary to deal with those lawyers in person. When asked on the witness stand how many lawyers he had met or retained for the prince, Derbyshire disgorged a startling list of attorneys in every conceivable corner of the globe.

Derbyshire would routinely rush to the airport, where a private plane would fly him off to wherever Jefri had a lawyer, in order to sign papers, retrieve documents, or receive further instructions. Many of Jefri's lawyers refused him further service, saying they had not been paid or they had been paid with tainted funds—proceeds from the sale of assets that the sultan and the B.I.A. had not seized. (According to Stewart, "Some attorneys claimed that they suddenly realized that funds they had been receiving and depositing for years were under injunction by the freezing order—but wouldn't return any of the money.")

Zaman claimed in an affidavit she worked a full year without receiving any of her \$4 million annual salary, although Jefri would write in an affidavit that he believed both Derbyshires had received payment for services. Derbyshire contended that he worked for more than seven months before receiving his first payment, which was \$660,000 in expenses instead of \$4 million in salary, and by then, he claims, he had spent approximately \$600,000 of his own on travel expenses for himself and lawyers he had recruited to travel with him to Brunei. At one point, according to Derbyshire, when Jefri said he was desperate for untainted funds, Derbyshire even returned \$600,000 that the prince had reimbursed him for expenses, so that Jefri could pay other lawyers who were threatening to stop their work in defending him against the sultan and the B.I.A. (Jefri disputed this in his affidavit. "I have no idea about how many law firms [Derbyshire] contacted," he wrote. "I do not recall him mentioning having any difficulties in retaining solicitors or any problem with clean funds.")

Why did Derbyshire and Zaman continue to work without payment, as they claim? First, they say, because they felt sure payment would eventually come. Second, they say, because they believed what Jefri told them: the sultan had reneged on the lifestyle agreement, and the properties were rightfully his. Zaman says, "Under the terms of the lifestyle agreement, the sultan had made it legally permissible for Jefri to maintain his lifestyle by keeping for himself certain assets, including the Palace and Hotel Bel-Air, and any assets in Jefri's own name, including his jewelry and paintings. Insofar as Jefri's argument that he was entitled to deal with these assets as his own, he was correct. To this day ... Jefri has never been held in contempt in

Brunei.” (The B.I.A. maintained that there never was a finalized “lifestyle agreement,” and a British court agreed.)

As Zaman and Derbyshire pushed forward, they say, little by little the prince showed them his hand. “He was [Brunei’s] finance minister for a reason: he is a very, very smart man,” says Zaman. “And he had hidden assets so well that the sultan, with all of his resources and all of his private investigators, couldn’t find [them].” The assets were registered in layer upon layer of “bearer shares,” according to Derbyshire, with “nominee directors” in jurisdictions around the world. Derbyshire adds, “Eventually we gained his trust, and then he opened up and we got to know everything: the art vaults full of paintings, the jewelry, gold, diamonds, bullion, and secret bank accounts.”

Geoffrey Stewart groans at the Derbyshires’ portrayal of the prince as a financial mastermind: “Prince Jefri dropped out of school at 15. I’ve never seen him add numbers. He has no concept of money that I’ve seen. He has been raised to preside over things as a prince. But all this was run by other people in the Brunei civil service. In terms of hiding money, he certainly didn’t want the B.I.A. to know where he had his personal bank accounts. He wanted to keep his personal financial affairs private. Where he was not required to disclose assets, he wouldn’t. If there was any hiding of assets, it was done by his lawyer advisers.” Jefri’s corporate structures were set up by tax accountants in the 1980s, says Stewart, when Jefri was still on good terms with the sultan, “to help keep taxes down.” As for allegations of hidden art, cars, and jewels, he says, “I’ve certainly never seen it. It’s very hard to move that stuff.”

Princely Trappings

On April 17, 2005, Jefri’s oldest daughter, Princess Hamidah, was married in Brunei to Jefri’s sister’s son, her first cousin. According to Derbyshire, Jefri sent Zaman and him to the wedding as his emissaries, and they sat at the family tables inside the sultan’s palace. Jefri then hosted a second wedding for Hamidah in the ballroom of London’s Grosvenor House, near the Dorchester, the sultan’s hotel. “It was a massive wedding,” says Derbyshire, who also attended that one with Zaman. “Jefri came with Micha Raines, and the sultan’s son Aziz turned up with Val Kilmer and Jerry Hall. Everybody was drinking Dom Pérignon, and there were millions and millions of dollars of tiaras and diamonds and emeralds.”

According to Derbyshire, “After the second wedding, a letter comes through the B.I.A.’s lawyers, [essentially] saying, ‘Prince Jefri, sons Prince Hakeem and Prince Bahar, and Princess Hamidah: All of your property in Brunei is being repossessed, and you have until June to vacate.’ They were given about four weeks.” (Richard Chalk confirms the eviction: “Title had been transferred, but physical possession hadn’t. He was ordered to leave [the palaces] because he no longer owned them.”)

Jefri was upset over the eviction notice, according to Zaman and Derbyshire. “This is an act of war,” they say the prince declared. (Stewart denies that Jefri declared the eviction notice an act of war.) Not only were his two sons being booted from their palaces, but his eldest daughter, “married to my sister’s son, pregnant with a child,” was effectively being evicted from her home as well. The fight with his brother had escalated from a legal battle to a personal war. “I am never going to put myself in a position again where he can tie up my assets,” Jefri said, according to Derbyshire, and he dispatched Derbyshire and Zaman to Brunei to pack up his belongings.

Before the couple left for Brunei, Jefri named Princes Hakeem and Bahar as directors of the New York Palace. According to Zaman and Derbyshire, the big, burly princes are true heirs to Jefri's life of extravagance. Rod Stewart performed at one of Hakeem's birthdays, and when Bahar turned nine, the sultan threw a bash at Claridge's in London, transforming a ballroom into a Teenage Mutant Ninja Turtle headquarters. According to Fortune, when Hakeem wanted to learn football, Jefri imported N.F.L. stars Joe Montana and Herschel Walker to Brunei, at a cost of seven figures each, to teach him the game. Hakeem and his friends showed up in brand-new uniforms, the gargantuan prince weighing 300 pounds, trailed by a valet and guarded by a state security force. Hakeem was not able to catch the ball, so a teammate would hand it to him, and he would then shuffle down the field for an easy touchdown, because no one was allowed to tackle a prince. When Hakeem turned 18, his father gave him \$1 billion as a birthday present, according to one of Zaman's affidavits. Bahar, for his 16th birthday, received \$400 million. (Of the money allegedly given to Jefri's children, Stewart says, "I don't know any of that to be true.")

In June 2005, Derbyshire and Zaman flew to Brunei to oversee the packing of the personal possessions Jefri had left behind in his two palaces and in his children's palaces—the structures had about 1,000 rooms each. "Anything that could be salvaged Prince Jefri instructed be moved to [another] location in Brunei," says Derbyshire. When they arrived, a crew was waiting to help.

"The first thing that met you was this rock-crystal waterfall, probably 30 to 40 feet high, and in front of it was a life-size statue of Prince Jefri with a polo mallet in solid gold," says Derbyshire. "That was on a crane that was being swung out the front doors, probably to be chopped up and sold." They packed up art, furniture, and jewelry. Then they moved the cars—a total of about 2,300. "Every one of the cars was a Bentley, Ferrari, or Rolls-Royce," says Derbyshire. "All had been built individually, where you open the door and along the running board it says, BUILT BY ROLLS-ROYCE FOR HIS ROYAL HIGHNESS PRINCE JEFRI, and you look at the odometer and it would be four miles. The rubber around the windows had melted in the heat." Zaman says the tires were melting, too, because the air-conditioning had been cut off. (Stewart's response: The state of the cars wasn't due to lack of air-conditioning but to a "lack of necessary maintenance." As to the contents of the palaces, they were legally Prince Jefri's to take.)

According to Derbyshire, Jefri had instructed that all these possessions be taken to Gurkha-guarded warehouses, where they would be crated and shipped to other locations, then marketed. "I think it's fair to say that, between 2004 and probably August 2008, there were still instances where suddenly we would become aware of blatant breaches by Prince Jefri of the freezing order, where an asset had obviously been sold," says B.I.A. attorney Richard Chalk.

It's called "trickle feeding": selling off assets bit by bit, in this case to avoid B.I.A. suspicion. Three of Jefri's wristwatches, gem-encrusted and reportedly worth more than \$850,000 total, were sold in November 2009 in London's Hatton Gardens jewelry quarter. A collection of 48 rare "supercars," including 27 Ferraris, was rumored to have been shipped out of Brunei for sale in Singapore. Diamonds and gold were sold through brokers in Britain, according to Derbyshire and Zaman. (Of Jefri's alleged trickle feeding, Stewart says, "He didn't need to," since he had "a setup" with the New York Palace that paid his company Argent enough to cover his expenses. "It was running, safe to say, a million to a million and a half a month, and that's how he was living.")

Zaman and Derbyshire say that the art was sold in Paris, where Jefri's fourth wife, the New Zealand-born Claire Kelly (who adopted the Bruneian name Madame Salma), lived with the

prince in his palatial residence in the Place Vendôme. At the trial, Derbyshire testified that an important sale had been pending, which included one of Jefri's most valuable remaining paintings, Jean-Léon Gérôme's Napoleon and His General Staff, which he kept in a secure Swiss vault with more than 200 other paintings. (Stewart says, "Prince Jefri loved art and bought fantastic amounts of it. Actually had a pretty good eye. But Jefri had nowhere to hang a lot of it.")

Micha Raines was concerned about the sale, since the British court was pursuing Jefri. "She did not want to see him committed to prison for contempt [should it be] discovered he was selling assets which he had never disclosed," according to an affidavit submitted by Derbyshire, who called a meeting in Paris with Jefri and Claire Kelly. (Raines could not be reached for comment.) They agreed to stop the sale, but Jefri still wanted the entire collection appraised, because he planned to sell the art as a job lot—which he eventually did. (According to Stewart, the prince sent Derbyshire to sell the artwork, which had been a wedding gift to Claire Kelly.)

The sultan and the B.I.A. continued to press their case against Jefri in every court they could, and soon they would have contempt charges against him in England, meaning that he could be jailed if he set foot there.

He Said, They Said

Jefri was ostensibly pleased with Zaman and Derbyshire's work, they claim. Micha Raines sent a fax to Zaman on September 18, 2005: "You and your husband are saving his life now and that is something we are grateful for May more blessings come this way—where truth prevails—and good people are rewarded for their good intentions."

Did their duties include devising ideas to help Jefri evade freezing orders and manufacture cash? "No," says Zaman. "Our job was to work with a group of Jefri's advisers and carry out Jefri's instructions We consulted with 50 to 70 independent advisers in various jurisdictions over the years."

In November 2005, as part of Zaman's contract with the New York Palace, she claimed in her affidavit, Jefri gave them a 17-year lease on a 2,800-square-foot apartment on the third floor of the hotel, which rented as a suite for \$20,000 a night. The prince gave the apartment to them rent-free for the first five years, they say. After that, the charge would be \$500 a month, with an option to renew for 51 years. Should the sultan ever be successful in taking over the hotel, he would have to deal with them for the rest of his life. They also contended that the prince gave them a second lease, also at a low price, for the Maloney & Porcelli steak house on the hotel's ground floor, on East 50th Street. (Prince Jefri flatly denied giving the Derbyshires the two leases. "I never even knew of the existence of the third-floor apartment at The New York Palace Hotel," he wrote in an affidavit. Of the couple's contention that Prince Bahar signed both leases, Jefri insisted that Bahar didn't recall signing either one. "Although I understand that he often signed whatever was put in front of him by Ms. Zaman," he wrote in an affidavit.)

In February 2006, John Segreti, the managing director of the Palace, dropped dead of a pulmonary embolism. "I need someone who is loyal," Zaman recalls Jefri saying. According to Jefri's lawsuit, "Even though she had no experience in managing hotels or business operations, after interviewing a few candidates, [Zaman] informed Prince Jefri and Prince Bahar that there were no candidates as qualified as she was and recommended that she be appointed the

hotel's managing director." (Zaman's response: "Prince Jefri never let any person dictate to him how he should manage his assets. He's a prince in a dictatorship, used to getting his own way. He made me the general manager because he wanted someone he could trust who wouldn't kick him out of the hotel, as had happened to him before.")

"Relying on Zaman's position as a fiduciary to him, Prince Bahar appointed her as Managing Director of the Palace Hotel in late March 2006," according to Jefri's lawsuit. She claimed her annual salary included 5 percent of the hotel's gross operating profit, a car allowance of \$100,000 per year, and free use of the company credit card for personal expenses, and she showed Prince Bahar's signature on her employee agreement. ("Ms. Zaman did not inform [Prince Bahar] that she was to receive 5% of GOP," Jefri later wrote in an affidavit, insisting that Bahar didn't fully read the agreement before signing it.)

Zaman handled her duties well, by many accounts, maximizing occupancy, improving profits, and, most important, approving invoices for "consulting fees" of approximately \$1.3 million a month submitted by a company called Argent International, which she was told was owned by Prince Bahar. She claims in an affidavit that she paid consulting fees to Princes Hakeem and Bahar of between \$500,000 and \$1.5 million a month. (Stewart's response: "Much less. I want to say it was more like \$100,000 a month. It only happened for two months. The reason was there was no money.")

Zaman's job as managing director included dealing with the prince's family—four wives and 18 children—and their friends, few of whom carried cash or credit cards and, even if they did, often preferred that their charges go on the company's or Zaman's credit cards. Zaman goes through a list of costly items: \$140,000 in flights Princes Hakeem and Bahar charged on her credit card after getting it from her assistant without her knowledge (according to Stewart, Hakeem and Bahar "didn't know Faith had a credit card. Prince Jefri never knew she had a credit card, either"); a \$28,000 Cartier watch Zaman bought for one of Bahar's girlfriends; a \$200,000 diamond-encrusted watch from Jacob & Co. ("My wives and children do not require such items to be purchased by either Ms. Zaman or Mr. Derbyshire," Jefri wrote in an affidavit.)

Meanwhile, Prince Jefri was convinced that Mohamed and his men were spying on him, both when he was in Brunei and abroad, according to Stewart. He says Jefri commissioned J. Seward Johnson to make the sex statues to shock his brother. "Mohamed loved to buzz Prince Jefri's palace in his helicopter, and Prince Jefri decided that the thing to do would be to have these life-size statues made and put them around the pool. The next time Mohamed buzzed the house, he'd be appalled and shocked."

In repossessing the Brunei properties of Jefri and his family, the sultan had finally gotten the upper hand. According to Derbyshire, Jefri felt he had to strike back, hard, by cashing in his biggest assets, the New York Palace and Hotel Bel-Air.

Geoffrey Stewart says Zaman and Derbyshire pushed Jefri to sell the hotels and set up "dummy corporations" to hold the money, from which Zaman would receive a commission. Jefri acquiesced to selling the hotels, although he believed the freezing order would prevent it. (Zaman denies that she would have received a commission, saying that any commissions on the sale would have gone to members of Jefri's family.)

In the New York court, Derbyshire testified on Jefri's plan to sell the hotels. The prospective buyer was Ty Warner, the Beanie Babies billionaire. Warner particularly wanted Hotel Bel-Air, but it was a trinket in Jefri's world, priced at only \$200 million (and returning only \$3 million in annual profit), whereas the Palace was priced at \$600 million and had a \$50 million profit. (Through an executive at his company, Warner declined to comment.)

Warner agreed to Jefri's \$800 million asking price for the two properties, which would have netted the prince \$575 million after taxes. But one hurdle remained: where to bank the money? The sale would be a breach of the Brunei freezing order, which Derbyshire says he explicitly explained to Jefri, thinking that the deal would be off. (Stewart says that Jefri received no explanation from Derbyshire: "Prince Jefri was of the view that selling it would be tough, but if Derbyshire could close such a deal then Jefri was fine with it.")

In September 2006, however, the prince summoned Derbyshire and Zaman to a four-eyes meeting in his Place Vendôme residence. They were joined by two bankers from UBS Zurich. It was agreed that one of them should "open an account at UBS Zurich to receive the \$575 million, the sale proceeds, but [the banker] wasn't confident that UBS wouldn't treat those funds as being captured by the Brunei freezing order," Derbyshire testified. "And they wanted a written opinion from me." (Stewart says the UBS Zurich account had been disclosed to the B.I.A., and the B.I.A. had also heard rumors of the impending sale of the hotels. According to Richard Chalk, "We wrote a warning letter [to Ty Warner] that you ought to be aware that this is beneficially owned by the B.I.A. and there's a freezing order in place. And that really put the kibosh on it.")

Derbyshire continued: "So I was asked to give a written opinion indicating that there were no court orders in existence anywhere in the world which affected Prince Jefri or the sale proceeds. And I refused to do it." (According to Stewart, "No such request was ever made.")

Why didn't they inform the court or anyone else about what they saw as Jefri's alleged duplicity? They say they still felt they were under attorney-client privilege. So they pressed on to see his case through before the Privy Council in Great Britain, which would rule against Jefri in November 2006 on the various allegations the sultan and the B.I.A. had leveled against him.

In September 2006, the B.I.A. obtained from the Brunei court transfer orders for the remainder of Jefri's major assets, including the New York Palace. On October 23, the B.I.A. sent a letter to Zaman informing her that the B.I.A. was now the hotel's legal owner and that any member of management would be held liable for any payments made outside the ordinary course of business. That month, Zaman claims, she was presented with three invoices for "consultancy fees" from what she says she now knew was Jefri's company, Argent International, for a total of \$3.6 million. In the past, Argent invoices had been paid "immediately," says Zaman. But now, she adds, concerned that Jefri would attempt to "asset-strip" the hotel before the B.I.A. could actually take over, she refused to pay the invoices and says she told Jefri and Prince Bahar why. "They were livid with me and told me that unless I acted in accordance with their instructions, I would not only lose my job, but they would ruin me by destroying my reputation so that I would 'never work again,'" she wrote in an affidavit. Prince Bahar eventually authorized the payment. (Stewart denies that Jefri and his son threatened to ruin Zaman: "That's a total fabrication that they were livid with her.")

On November 7, Zaman and Derbyshire were summoned to Paris, where Jefri said he was “terminating” them, effective immediately. Derbyshire testified that Jefri had said it was nothing personal. He just wanted new representation. “It was very nice to know you,” he said.

“I hope you intend to pay me the fees we’ve agreed,” replied Derbyshire. By then, he claims, his outstanding fees exceeded \$10 million, and he and Zaman were owed hundreds of thousands of dollars in expenses. According to Derbyshire, Jefri said he intended to pay in full, as soon as “funds become available.” They signed the termination documents, after which, Derbyshire told the court, “we were politely asked to leave.”

Derbyshire claimed in his affidavit that, prior to their dismissal, “we were very concerned about what we had gotten ourselves into. It dawned on me that I had worked for the Prince for over two years for very substantially less than I had been promised, while Prince Jefri was telling me he had no money to pay me and yet all along he had been sitting on an illicit fortune.”

“I realized I may not have been told the whole truth about certain things by Ms. Zaman and Mr. Derbyshire,” Jefri claimed in an affidavit. Still, he didn’t think “anything very serious was wrong,” and the termination was amicable. Later that same November, though, after the couple’s departure, Jefri claimed in an affidavit, he discovered that two payments totaling \$1.4 million had been transferred from the New York Palace to a Wachovia Bank account, which neither hotel officers nor Prince Bahar knew anything about. Jefri was soon told by the assistant to the managing director that “Ms. Zaman had asked her to research banks with a branch in the Cayman Islands,” where the funds were banked in Zaman’s name. The prince also soon discovered that his Long Island estate “had been sold to a company which appeared to have been linked to Ms. Zaman,” as well as “misuse of credit cards” and other financial machinations. All of these accusations, Derbyshire and Zaman contended, were the prince’s own maneuverings to pay his lawyers and his lifestyle expenses.

If Jefri was going to blame Derbyshire and Zaman for mismanagement, which now they say they both felt likely, they would need proof that Jefri had approved the documents concerning the deals they had orchestrated on his behalf, all of which bore his signature or Prince Bahar’s. “In particular, we were concerned that documents which might exculpate us from any future allegations of wrongdoing ... might simply disappear,” Derbyshire wrote in an affidavit.

Zaman flew to New York, and Derbyshire flew to Los Angeles. Landing at midnight, Zaman went straight to the Palace and collected her belongings, even though hotel officials had called her to say she couldn’t remove anything from her office unless Jefri’s London attorney was present. A hotel video of Zaman rolling out two boxes at four A.M. was shown at the trial. In his affidavit, Prince Jefri maintained that it showed Zaman “tricking her way into the New York Palace,” retrieving the boxes of prohibited material. Zaman, meanwhile, claimed that the two boxes contained personal effects, most notably an urn holding the ashes of her unborn son, whom she had lost to a miscarriage during her time in the prince’s employ.

Derbyshire and Zaman were eventually able to produce documents with the signatures of Prince Jefri or Prince Bahar on them that seemed, to some extent, to exonerate the couple. Zaman alerted the hotel’s bankers about her concerns that Jefri would asset-strip the hotel before the B.I.A. could fully take over. The B.I.A. obtained a temporary restraining order against the prince in a New York court.

Trial by Jury

On December 1, 2006, Jefri filed a complaint in New York charging the Derbyshires with “pervasive fraud, breach of contract, conspiracy, and criminal enterprise.” He launched a simultaneous assault in the international media, hiring a London public-relations firm to publicize his lawsuit.

In late April 2008, a New York court officially transferred control of what was believed to be Prince Jefri’s last major asset, the New York Palace, to the B.I.A. After Jefri surrendered what he contended were the rest of his diamonds—five stones worth approximately \$200 million—and a hundred paintings, his 10-year odyssey had finally come to an end. (According to Stewart, “He’s a proud man, and he was reduced later on to borrowing a lot from old friends. He borrowed £2 million from [his first wife,] Jefrida. He borrowed money from his daughter Hamida He’s been living on borrowed money for a long time.”)

In the court case regarding the sultan’s attempt to seize the Palace hotel, Jefri’s attorney argued that the sultan had taken the prince’s two Brunei palaces without cause and that Jefri should be entitled to the value of at least one of the homes or “an equivalent palace somewhere else.” (“Buckingham is not for sale?” deadpanned the judge. “Maybe Windsor.”) The attorney added that the sultan and the B.I.A. were about to evict Jefri from St. John’s Lodge, in London, and the Place Vendôme property, in Paris, leaving him without a residence or suitable income, other than the paltry \$20,000 a month he receives for life as a member of the Brunei royal family. “The idea of Prince Jefri working for a living is on a level of when during the Russian Revolution they put the aristocrats in the streets of St. Petersburg in the middle of the winter without any clothes to sweep,” Jefri’s lawyer told the court. “Unimaginable wealth all his life. He’s 55 or so. Now he’s going to go and bus tables?”

In October 2009, Jefri returned to Brunei, staying in a hotel until his residence was ready. The sultan and the B.I.A. were apparently at last satisfied that the prince had revealed and turned over everything. “Insofar as we’re able to tell,” Richard Chalk replied when I asked him if his client, the B.I.A., was sure that Prince Jefri didn’t have another billion somewhere. “Objectively, you can say there’s been a history of concealing assets. So you can never be satisfied that this is right. But we’ve gotten to the position where he’s sort of said, ‘Well, I’ve told you everything, and if unbeknownst to me I become aware of something else I will of course hand it over.’ Because this is a man who in many respects is not completely aware of everything he had.”

Once this convoluted case was handed over to the jury, last December, they returned after a scant three hours, surprising everyone not only by the brevity of their deliberations but also by their verdict: they found for Zaman and Derbyshire on all charges. “I don’t think any of the parties are really innocent, actually,” one juror told me. “I think everybody was lying to some extent.” But the jury didn’t buy Prince Jefri’s depiction of himself as a financial neophyte. “There was no real proof that he didn’t know what was going on and he didn’t approve these dealings,” the juror said. Another juror remarked of Jefri and Prince Bahar, “To me they looked like Hollywood actors, trying to show us that by being royals they were fooled.”

The jury awarded Zaman and Derbyshire \$21 million in back wages and damages and allowed the couple to walk away not only with their money but also with their reputations intact. However, the case is far from over. According to Geoffrey Stewart, Prince Jefri is appealing.

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A journalist for 30 years, Mark Seal has written for a wide range of publications, including Esquire, Playboy, Rolling Stone, Condé Nast Traveler, Golf Digest, Texas Monthly, InStyle, Town & Country, Time, and The New York Times.