

# *Huawei CFO to Seek Extradition Stay Citing Trump Comments*

By Reuters

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VANCOUVER/NEW YORK — Huawei's chief financial officer intends to seek a stay of extradition proceedings in part based on statements by President Donald Trump about the case, which her lawyers say disqualifies the United States from pursuing the matter in Canada.

CFO Meng Wanzhou, 47, the daughter of Huawei Technologies Co Ltd's billionaire founder, Ren Zhengfei, was arrested at Vancouver's airport in December on a U.S. warrant and is fighting extradition on charges that she conspired to defraud global banks about Huawei's relationship with a company operating in Iran.

After the arrest, Trump told Reuters he would intervene in the U.S. case against Meng if it would help close a trade deal with China.

Meng's defense lawyers said in a document presented to the British Columbia Supreme Court on Wednesday that they intend to apply for the stay of the extradition proceedings based on abuses that go beyond Trump's comments.

The lawyers also claim Meng was unlawfully detained, searched and interrogated at the airport, with her arrest delayed under the guise of a routine immigration check.

In addition, Meng's counsel argued there is no evidence she misrepresented to a bank Huawei's relationship with a company operating in Iran called Skycom, thereby putting the bank at risk of violating U.S. sanctions law, or that the bank relied on her statements to its detriment.

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The lawyers claim the bank understood the relationship between Huawei and Skycom.

A spokesman for HSBC, which has been identified as the bank, declined to comment.

Huawei has previously said Skycom was a local business partner in Iran. The United States maintains it was an unofficial subsidiary used to conceal Huawei's Iran business.

Meng defense lawyer Scott Fenton told the court that during Meng's three-hour detention at the airport in December, Meng's rights "were placed in total suspension."

## NEXT COURT APPEARANCE

The lawyers also argue Meng cannot be extradited because the conduct at issue would not be criminal in Canada.

The bank and wire fraud charges do not meet that criteria because Meng is accused of misrepresenting HSBC to engage in transactions that violate U.S. sanctions laws, the lawyers said. They also note that, under 2019 Canadian sanction law, there would be no risk of fines or forfeiture for any bank in Canada.

"Put another way, the alleged offense could only exist in a country that prohibits international financial transactions in relation to Iran," the lawyers said in court documents. "Canada is no longer such a country."

Meng's lawyers did not say when they would apply for the stay of the extradition hearing, whose date has not been set. She will next appear in court on Sept. 23, when her defense will make more applications for further disclosure surrounding her arrest at the airport. The process could take years.

Meng's case has attracted global attention and sparked a diplomatic crisis between Beijing and Ottawa. China has repeatedly demanded Meng's release.

Huawei said in a statement on Wednesday that the criminal case against Meng is based on allegations that are simply not true, adding that the U.S.-ordered arrest was "guided by political considerations and tactics, not by the rule of law."

Huawei and Skycom are also defendants in the U.S. case, accused of bank and wire fraud, as well as violating U.S. sanctions on Iran.

Meng was released from jail in December on C\$10 million (\$7.5 million) bail and must wear an electronic ankle bracelet and pay for security guards. She has been living in a Vancouver home that was valued at C\$5 million in 2018.

Meng arrived at court on Wednesday wearing an elegant full-length black and gray weave-pattern dress, with the ankle monitor prominently visible.

At the hearing, her lawyers requested she be allowed to move to a second Vancouver mansion, one which has been under renovation and was assessed at C\$13 million last year. Justice Heather J. Holmes granted Meng's request to move to the larger home for security reasons.

The relocation is sure to deepen the anger of some Canadians at the difference in her lifestyle and how two Canadians are being held in a Chinese detention center, said Paul Evans, a professor at the University of British Columbia's School of Public Policy and Global Affairs.

Chinese police detained the two Canadian citizens after Meng's arrest.

In recent weeks, China has upped the pressure on Canada and halted Canadian canola imports and suspended the permits of two major pork producers.

(Reporting by Evan Duggan in Vancouver and Karen Freifeld in New York; Additional reporting by David Ljunggren in Ottawa; writing by Denny Thomas; editing by Bill Rigby, Lisa Shumaker and Leslie Adler)