

Our Ref: FOI2015-215

Date: March 2016

Subject: Press lines

This request asked for information about press lines prepared for publication on a conditional basis from 1 January 2015.

Information which can be released under FOI is provided in the following pages.

	15 January 2015
Context	Closure of the HP Autonomy investigation
Lines prepared	<ul style="list-style-type: none"> We conducted an investigation in response to very serious allegations. Terminating an investigation does not mean that it was wrong to start it. Obviously, decisions are made on the information available at the time and this investigation met our take on criteria. We followed the evidence where it took us and explored the allegations as thoroughly as possible on the material available. Our investigations usually take a comparatively long time. That's why we have investigations. I'm afraid that we cannot give a readout of our investigation, at least, not at this time. We do not give details of investigations. We utilised the powers available to us, as appropriate. The DSFO took the decision to open the investigation and he took the decision to close it. <p>Which are the US authorities involved? The DoJ and the SEC.</p>

Date	20 January 2015
Context	Discharge of Ukraine restraint order
Lines prepared	<p><i>What does this mean for the rest of the case? Who else is under investigation?</i> Unable to say at this time as our investigation continues.</p>

Date	28 January 2015
Context	Supplementary estimates
Lines prepared	<p>On extra £24.237m funding from the Reserve:</p> <ul style="list-style-type: none"> This additional funding is required to cover the costs of the SFO's "blockbuster" investigations (including Libor, Rolls-Royce and Barclays Qatar). It is also required to cover settlement of the Tchenguiz brothers' litigation and associated costs. <p>On £17M increase in AME</p> <ul style="list-style-type: none"> This increase in Annually Managed Expenditure is required to cover the costs of a number of potential case liabilities where the timing and amounts are uncertain. The SFO is unable to provide any further information at this stage due to the sensitive nature of the claims. <p>What is your usual AME allocation?</p> <ul style="list-style-type: none"> £2m pa.

- This is to cover a number of potential liabilities which must be accounted for this financial year. We cannot assist further at this time; details will be published in due course. [but see additional Tchenguiz lines below]

On the £7.5m already paid in respect of the Tchenguiz cases:

- This forms part of the £24.2m Reserve funding
- The SFO operates within government accounting rules. That means some pots of money can be transferred. The ICT spend is essential and the case for all the money we have requested has been made – for specific purposes.

On settling costs with the Tchenguiz brothers:

- The Tchenguiz damages claims against the SFO were all settled with no admission of liability in July 2014 for relatively small sums compared to the enormous amount (approximately £300m) the claimants were seeking to obtain from the SFO. (That is, the claimants were paid about 1.5% of what they had been looking to obtain from the SFO.) The potential costs liability associated with a lengthy trial were thereby avoided.
- The terms of Part 36 of the Civil Procedure Rules require the SFO to cover the reasonable, proportionate costs incurred by the Vincent Tchenguiz (VT) Claimants to the date when they accepted the offer to settle. The SFO is still awaiting further information from the VT Claimants on this, but the SFO has paid them £3m on account of costs in the expectation that the final figure will be higher than this. No final position been reached in relation to the Robert Tchenguiz (RT) Claimants' costs and the SFO's liability for them.
- Accordingly, it is not yet possible even to estimate the SFO's final costs liability for the damages claims. The SFO will publish its total costs liability in due course, when the final position is clear.
- Since the settlement in July 2014, the RT Claimants have made a number of applications in the High Court to use some of the SFO's disclosure and witness statements (from the Tchenguiz damages claims) in extraneous civil proceedings. To date all those applications have been successfully opposed by the SFO, both in the High Court and in the Court of Appeal, and the SFO has been awarded its costs for the work it has had to do in this regard.

Blockbuster funding

- Our funding model is very unusual in that we are a comparatively small organisation taking on quite expensive cases. The blockbuster approach allows us to do these cases whilst avoiding the maintenance of very high permanent staffing levels which we may not always need. As

	<p>the SFO's caseload currently contains larger cases than it did in the past, it is not surprising that our call on BB funding has increased.</p> <ul style="list-style-type: none"> • The SFO has recovered £10.7m through its proceeds of crime work this financial year. This has resulted in substantial payments to victims and the public purse • HMT doesn't drive the course of our work but this is public money so we need to set out the case to HMT why extra funds may be needed in any one financial year. Blockbuster funding allows us to meet these additional costs. • For operational reasons we don't always confirm whether a case is attracting blockbuster funding, nor how many such cases we currently have. However, the BB status of Libor, RR and Barclays Qatar is in the public domain. • [We don't provide breakdowns per case] for operational case investigation reasons. Providing an exact breakdown could compromise an investigation ie by proving useful to the people or companies we are investigating. • We have agreed with HMT that cases where the annual expenditure is expected to exceed an agreed percentage of our core budget can attract blockbuster funding <p>Total budget:</p> <ul style="list-style-type: none"> • The SFO's annual budget (core funding) for 2014-15 is £33.2m (plus £2m advanced at the start of the FY). The supplementary estimate brings the total for this year to £59.4 (excluding AME) • The SFO's budget (core funding) for 2015-16 is £34.2m. In 2013-14 the budget was £52m including 'blockbuster' funding of £24m for the progression of high profile cases.
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Date	4 March 2015
Context	Bank of England liquidity auctions investigation
	<p>Reactive statement SFO spokesperson said: "The SFO can confirm it is investigating material referred to it by the Bank of England concerning liquidity auctions during the financial crisis in 2007 and 2008."</p> <p>What are the implications of this for other market manipulation investigations? We approach each case on its individual facts and features and apply our criteria in the light of all the circumstances. Nothing to add to that.</p>

	<p>What institutions are involved? We can neither confirm nor deny.</p> <p>How many bank officials were involved? How high does it go? No comment</p> <p>Would I be wrong to speculate that x y or z are suspects? We can neither confirm nor deny. We would caution against speculating.</p> <p>When did the BoE refer this to you? November 2014.</p> <p>Why publicise now? It is practice for the SFO not to announce investigations for operational reasons and reasons of fairness, unless and until the company under investigation announces it, the investigation results in criminal charges, or there are other operational or public interest reasons to do so. However when info comes into public domain as in this example we need to consider in the circs how the public interest, operational imperatives and fairness to interested parties are best served - the SFO may confirm the position for the sake of clarity.</p>
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Date	16 March 2015
Context	Tax avoidance and role of the SFO
Lines prepared	<p>“The SFO is currently assessing material contained within the Swiss disk, as provided by HMRC. We have not at this stage reached any view as to whether the disk contains material sufficient to justify us commencing an investigation”</p> <ul style="list-style-type: none"> • The disk was passed over to the SFO on 9 March 2015. • We have participated in a number of inter-agency meetings and will continue to liaise with HMRC as necessary. • Given the amount of material to review, we cannot say how long it will take. The review will inevitably take some time. • Given that we have only recently received a copy of the disk, it would be premature at this stage to draw any conclusions. We will need to review the material provided to us and see where that leads us. • We follow the evidence. As a general statement if new evidence emerges to support reopening a closed investigation, we will of course consider that. Can't comment on the specifics put to us.

Date	17 March 2015
Context	Justice Committee on Tchenguiz costs and SFO supp estimates
Lines prepared	<p>“The SFO accepts that mistakes were made in the Kaupthing criminal investigation in early 2011. We settled all claims for a fraction (around 1.5 per cent) of the total sum initially claimed, which was in the region of £300m. Inevitably in defending commercial litigation of this complexity and scale, the SFO has incurred high costs – we did all that we reasonably could to keep these costs to a minimum.”</p>

- Costs incurred by the SFO have to be seen in the context of the magnitude of the claim (£300m) and the sheer – possibly unprecedented – complexity of the SFO’s disclosure process. The settlements of July last year avoided the need for a lengthy, costly trial in the Commercial Court.
- The SFO is tasked with tackling the most serious and complex cases of fraud, bribery and corruption. Civil litigation relating to such investigations may therefore be high. Part 36 of the Civil Procedure Rules gives rise to liability on the part of a defendant for the claimants’ reasonable, proportionate costs if a defendant’s offer to settle is accepted by the claimants within a specified period.
- David Green CB QC, Director since April 2012, has previously stated that the SFO deeply regrets the errors for which it was criticised by the High Court following the judicial review in July 2012. The SFO has changed a great deal since the searches in March 2011, and the Director is determined that mistakes of the sort made over four years ago will not be repeated.
- The extent to which the SFO is liable for the claimants’ legal costs has not yet been determined. The SFO continues to be represented by Slaughter & May in this regard.
- Since the settlements in July 2014, the RT Claimants have made a number of applications in the High Court to use some of the SFO’s disclosure and witness statements (from the Tchenguiz damages claims) in extraneous civil proceedings. To date all those applications have been successfully opposed by the SFO, both in the High Court and in the Court of Appeal, and the SFO has been awarded its costs for the work it has had to do in this regard.
- The Tchenguiz damages claims against the SFO were all settled with no admission of liability in July 2014
- The provisions of Part 36 of the Civil Procedure Rules require the SFO to cover the reasonable, proportionate costs incurred by the Vincent Tchenguiz (VT) Claimants and the company R20 Ltd (one of the RT Claimants) to the date when they accepted the offer to settle. The SFO is still awaiting further information from the VT Claimants on this, but the SFO has paid them £3m on account of costs in the expectation that the final figure will be higher than this. No final position been reached in relation to the other RT Claimants.
- Accordingly, it is not yet possible even to estimate the SFO’s final costs liability for the damages claims. The SFO will publish its total costs liability in due course, when the final position is clear.
- The SFO has an annual core budget (of around £30m), which needs to be supplemented from time to time in order to meet the demand-led nature of its work – which is to pursue the most serious and complex cases of fraud, bribery and corruption – these are self-evidently cases of high public interest. As with all such investigative and prosecutorial work, this work carries high risks and liabilities. The SFO must set out the case to HMT why extra funds may be needed in any one financial year – it is by no means a ‘blank cheque’.
- Our funding model is very unusual in that we are a comparatively small organisation taking on quite expensive cases. The blockbuster approach allows us to do these cases whilst avoiding the maintenance of very high permanent staffing levels which we may not always need. As the SFO’s caseload currently contains larger cases than it did in the past, it is not surprising that our call on BB funding has increased.
- A corollary can be seen in the way our confiscation proceeds are now treated. Rather than trying to manage a completely unpredictable income stream, we pass all confiscation monies to HMT whilst our core budget was increased by £2.5m. This eliminates the uncertainty (and also any perception of perverse incentives in terms of case selection).
- The extra £2.5m covers the running costs of the Proceeds of Crime unit.

	<ul style="list-style-type: none"> The SFO has recovered £10.7m through its proceeds of crime work this financial year. This has resulted in substantial payments to victims and the public purse. <p>AME/Resource DEL and Capital - see previous lines on this plus:</p> <ul style="list-style-type: none"> The [£750k] transfer from resource to capital is required to cover essential investment in the SFO's Information and Communications Technology infrastructure. The majority (75%) of the £750k which has been transferred from revenue to capital is required for our colocation project, which will involve moving our core IT infrastructure to a shared data centre. After assessing our options, our strategy has shifted from renting to buying this equipment as it represents substantially better value for money, and it was necessary to vire these funds to support this approach. The remaining 25% will be used to procure additional storage arrays, essential hardware for new staff, and additional software licenses. The SFO operates within government accounting rules. That means some pots of money can be transferred. The ICT spend is essential and the case for all the money we have requested has been made – for specific purposes. <p>Blockbuster funding – see previous lines plus:</p> <ul style="list-style-type: none"> For operational reasons we don't always confirm whether a case is attracting blockbuster funding, nor how many such cases we currently have. However, the BB status of Libor, RR and Barclays Qatar is in the public domain. [Cases may come in or out of BB status over their lifecycle, since some stages can be more expensive than others.] <p>Why do you not publish a breakdown of blockbuster spending?</p> <ul style="list-style-type: none"> For operational case investigation reasons. Providing an exact breakdown could compromise an investigation ie by proving useful to the people or companies we are investigating. <p>What is the SFO's budget right now and in future?</p> <ul style="list-style-type: none"> The SFO's annual budget (core funding) for 2014-15 is £33.2m (plus £2m advanced at the start of the FY). The supplementary estimate brings the total budget for this year to £58.3m (excluding AME), after taking account of the virement to Capital. The SFO's budget (core funding) for 2015-16 is £34.2m. In 2013-14 the outturn was £52.1m including 'blockbuster' funding of £24m for the progression of high profile cases.
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Date	27/29 May 2015
Context	FIFA arrest coverage
Lines prepared	<p>"There is no information which has so far been brought to the SFO's attention that shows that the UK criminal courts would accept jurisdiction. We continue to monitor the situation and to keep the jurisdictional position under review."</p> <p>"The SFO continues actively to assess material in its possession and has made plain that it stands ready to assist ongoing international criminal investigations."</p> <ul style="list-style-type: none"> We have not launched a formal criminal investigation.

	<ul style="list-style-type: none"> • There are two ways the SFO would get involved: if the SFO opened a criminal investigation itself or provided mutual legal assistance to overseas law enforcement. The Solicitor General made this clear in Parliament in December 2014. The SFO has made plain to both the Americans and the Swiss that it stands ready to assist.
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Date	15 June 2015
Context	Publication of Transparency International report
Lines prepared	<p>“We welcome TI’s work on this and recognise the challenges in this difficult area as identified in their paper.</p> <p>“Policy development is a matter for the government and the SFO has been contributing to the discussions.”</p>

Date	15 June 2015
Context	South Wales mining case costs
Lines prepared	“The SFO can confirm that a payment of £1.72m has been made [on 17 June] to all parties involved in the Celtic Energy Ltd case.”

Date	16 July 2015
Context	Annual Report and Accounts 2014-15
Lines prepared	<p>Performance indicators</p> <ul style="list-style-type: none"> • We have fewer but much more substantial cases on our books (ie LIBOR, Rolls Royce, Tesco, GSK, Barclays Bank, Forex etc). We follow the evidence in any given case and these cases will be at different stages in any one financial year – such cases can take time to reach a charging decision due to the complex nature of the work we take on. I would urge caution around drawing conclusions from these stats therefore. <p>Public expenditure</p> <p>On £10k decrease in funding for investigations in 2015-16:</p> <ul style="list-style-type: none"> • This is a baseline. The SFO has a core budget which is supplemented as necessary by additional funding agreed with the Treasury. This includes “blockbuster” funding, which enables us to take on large cases where the annual expenditure on the case is over an agreed percentage of our core budget. • Rolls Royce is one of such SFO cases alongside others that were publicly highlighted including Libor and Barclays-Qatar. • The figure is therefore likely to be revised upwards. • We never refuse to take on a case on the grounds of costs. <p>Staffing</p>

	<ul style="list-style-type: none"> We currently have over 400 members of permanent staff in post and a further 100 contractors. Due to the demand-led nature of our work we have some flexibility built in. <p>Underspend?</p> <ul style="list-style-type: none"> Not a big underspend. It's responsible to have a little contingency to avoid an unexpected requirement putting us over our budget. <p>Glide</p> <ul style="list-style-type: none"> This was a highly complex case, but one which the SFO maintains was right to bring before a criminal court. [See conduct as set out in the judgments]. We hope that the Court of Appeal will have an opportunity to consider the ambit of the offence in the near future. The Voluntary Bill application was an exceptional course, but the only route of challenge open to us in the circumstances. We took advice from 3 eminent QCs and from a distinguished legal academic before making the application for a voluntary bill. A payment of £1.72m was made [on 17 June] to all parties involved in the Celtic Energy Ltd case. There will be further payments once the final VBI costs are settled. An original figure of 7m was a figure that the defence were asking for – some at the time interpreted this to be the amount that the SFO would have to pay which was incorrect. It's a lot less.

Date	21 July 2015
Context	Speculation about DPAs and Barclays
Lines prepared	Decline to comment.

Date	29 July 2015
Context	Tom Hayes trial outcome
Lines prepared	<ul style="list-style-type: none"> We welcome the jury's verdict. This was a challenging case both to investigate and prosecute – it involved three years of hard work and dedication from the SFO's case team. There were challenges and obstacles all along the way (ie the framing of the offence, the sheer volume of the material involved, Tom Hayes' withdrawal from the SOCPA process, as well as a number of pre-trial legal applications to deal with etc etc) We would like to thank the FCA, CoLP, the US DoJ and CFTC and other law enforcement partners. This verdict follows a guilty plea from a senior banker in our other LIBOR (USD) trial.

- Our work continues - further LIBOR manipulation trials involving other defendants follow and we have to be careful not to prejudice the outcome of those.
- Our investigation also still continues and more individuals will be charged.
- The SFO's case made it clear that Hayes was a ringmaster at the centre of the manipulation of Yen LIBOR. Hayes was far from junior – over the indictment period (2006- 2010) he received total compensation of over £4,500,000 gross. His resignation from UBS did not bring the manipulation to an end at that bank. However, it is clear that the methods used by Hayes, in particular his use of the interdealer brokers in London and his direct contact with traders at other Panel Banks, elevated Yen Libor manipulation to a new level. As such, it was entirely appropriate for the SFO to bring proceedings against him.

Generic LIBOR

What is LIBOR?

Intercontinental Exchange London Interbank Offered Rate, or ICE LIBOR, is the benchmark interest rate at which banks can borrow from one another. Yen LIBOR is the benchmark interest rate at which banks on the London money market are prepared to lend one another unsecured funds denominated in Japanese yen. It was formerly known as BBA LIBOR (British Bankers' Association LIBOR) before the responsibility for the administration was transferred to Intercontinental Exchange

What effect did the manipulation of Yen Libor have on the UK economy and society exactly? Can we define the value of the alleged fraud?

Estimates of the global value of contracts referencing LIBOR range from \$300 trillion to \$800 trillion. It underpins trillions of pounds of investments and contracts both in the UK and around the world. The manipulation of LIBOR, therefore, jeopardised not just the UK economy but economies and industries around the world.

The integrity of Yen LIBOR and other denominations of interbank borrowing rates is fundamental to the operation and confidence of both the United Kingdom and international financial markets. From its inception and, for a substantial period of time, LIBOR enjoyed the confidence and trust of financial institutions, small and large, to become one of the principal benchmarks against which financial transactions (ie loans and mortgages) were set. That trust, the SFO alleges, was destroyed by individuals such as Tom Hayes.

How many individuals have been charged so far?

We have so far charged 13 individuals on the LIBOR investigations which remain ongoing. One individual has so far pleaded guilty in relation to USD LIBOR. In relation to this plea, from a senior banker HHJ Leonard Q.C. ordered that reporting could only be in the following terms: "A senior banker from a leading British Bank pleaded Guilty at Southwark Crown Court on 3 October 2014 to conspiracy to defraud in connection with manipulating LIBOR. This arises out of the Serious Fraud Office investigations into LIBOR fixing.

How was the investigation into Libor manipulation instigated?

The DSFO opened a criminal investigation on 6 July 2012 following a review of the legal position (the previous Director decided not to take it on). Allegations of LIBOR manipulation, and the action being taken by the FCA and in other jurisdictions, was a wide matter of knowledge and intense public interest. Tom Hayes was arrested on

11 December 2012 and interviewed under caution. He was charged on 18 June 2013.

Can we say anything about where the SFO received info?

The SFO received material from numerous institutions, including financial institutions

Will Hayes' conviction be used as evidence in the September trial?

Can't comment on a case to be presented in September.

It has been said that 22 people have so far been identified as having played a role in suspected LIBOR manipulation, yet only 13 have been charged [this number includes those who have been charged in the Barclays case]– what is happening to the other 9?

Numerous individuals have been identified in the trial proceedings. 25 co-conspirators were previously named on the Hayes indictment, 6 of which have been charged. The SFO's LIBOR investigation is on-going.

What happened to the others arrested at the same time as Hayes? Were they charged?

Terry John Farr and James Andrew Gilmour were arrested by the SFO on 11th December 2012 and were both charged on 15th July 2013. They are due to stand trial at Southwark Crown Court on 21st September 2015.

When are the next trials taking place?

The other two of our LIBOR trials currently scheduled to take place at Southwark Crown Court:

- 21 September 2015 – Inter-dealer brokers (Darrell Read, Colin Goodman, Danny Wilkinson, Terry Farr, James Gilmour, and Noel Cryan)- JPY LIBOR (Mr. Justice Hamblen is presiding over this trial)
- 11 January 2016 – Barclays (Stylianos Contogoulas, Peter Johnson, Jonathan Mathew, Jay Merchant, Alex Pabon and Ryan Reich) - USD LIBOR (HHJ Leonard QC is presiding over this trial)

Tom Hayes specific questions

Was Hayes acting as a rogue trader or was he operating under instruction from senior bosses?

Tom Hayes acted in furtherance of his desk's trading positions

How senior was Hayes at UBS and Citigroup?

By the time Hayes left UBS, he was Executive Director. He joined Citigroup in December 2009, but left in September 2010 when his employment was terminated.

Will he face confiscation proceedings and how much can be returned to victims?

The court will determine by how much Hayes benefitted from his activities. Confiscation is to be determined at a later date.

What has Hayes been doing for work since his arrest and charge?

Refer to defence.

What's the maximum penalty Hayes faces?

Conspiracy to defraud carries a maximum penalty of 10 years' imprisonment.

What are his bail conditions? (if applicable)

Tom Hayes was on bail throughout the court proceedings. Those conditions including residence and reporting.

	<p>Can you confirm that the DoJ has also charged Hayes? Yes, Hayes is still charged in the US.</p> <p>What are the prospects for Hayes being extradited to face these charges? The SFO cannot comment.</p> <p>Why did you not cede authority to the US authorities on this, when you have done so in other cases? The US Department of Justice has charged a number of Britons as part of its own probe into LIBOR, including Hayes. We are in regular contact with them about our mutual intentions on these investigations.</p> <p>The decision as to which is the appropriate jurisdiction is guided by principles published and agreed. Decisions are based upon (amongst other things): where the impact of the criminality was greatest, which jurisdiction is best placed to advance the case expeditiously, location of witnesses, location of defendants etc etc.</p> <p>Inevitably, there are suspects of mutual interest to both the SFO and the DoJ in our respective Libor investigations and we cannot both prosecute the same individuals for the same offences, however we can prosecute the same people for different offences.</p>
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Date	3 August 2015
Context	LIBOR manipulation (Tom Hayes) trial verdict – lines and Q&A
	<p>Further Q&A</p> <p>Orders regarding reporting restrictions The reporting restrictions will remain in place until the end of second trial, currently listed to commence on 21 September 2015 or earlier order. See order.</p> <p>Access to prosecution opening, closing speeches, graphics, audio and transcripts The SFO is unable to provide such material to the press, based on the need to avoid prejudicing other trials, the rules set out by the Court (during the trial itself) and the impossibility of us servicing a large volume of varied requests for material fairly and consistently. Media can request transcripts of court proceedings from Merril Legal, for a fee.</p> <p>Access to a photo of Hayes <i>Pictures of Tom Hayes have been published in newspapers and on-line during the trial.</i></p> <p>Statistics</p> <p>Number of SFO staff that worked on this 65 individuals are currently working across all of the SFO’s LIBOR investigations – they include a mixture of permanent investigators and lawyers, forensic accountants and computer experts as well as contracted lawyers etc. Some have a background working in private law firms.</p>

	<p>Length of the investigation Three years.</p> <p>Cost of the investigation including the “Blockbuster” funding amount Can't say as the investigation continues and more trials follow. The SFO will be making an application for costs in relation to the Tom Hayes investigation and prosecution. The amount is currently being quantified. <i>If needed</i> - We would not usually disclose a breakdown per case as it's operationally sensitive / useful to the companies or individuals we are investigating. Our overall figures are published in the annual report each financial year.</p> <p>Quantity of data involved In respect of this investigation, there were in excess of 2.4 million documents.</p>
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Date	27 October 2015
Context	Appearance of the Director of the SFO before the Culture Media and Sports Committee on FIFA allegations
Lines prepared	<p>Statement The SFO is keeping the matter under review.</p> <p>[As the Director has said] we are examining information including in relation to possible money laundering offences.</p> <p>If needed</p> <ul style="list-style-type: none"> • In order to open an investigation, we need to suspect that an offence has been committed which appears, on reasonable grounds, to involve serious or complex fraud, and which is justiciable in this country. • To date, materials and information assessed by the SFO do not meet this threshold. • The SFO liaises with other UK authorities and assists overseas investigations where appropriate but UK Government policy and international convention is not to comment.

Date	9 November 2015
Context	Olympus case decision
Lines prepared	<ul style="list-style-type: none"> • We exhaustively considered other potential charges. • This case demonstrates the difficulty of prosecuting companies in this jurisdiction

Date	13 November 2015
Context	Q&A in relation to LIBOR charges
Lines prepared	Q&A

	<p>Are you going to charge Deutsche Bank, Barclays or Societe Generale? Our investigation into LIBOR and EURIBOR continues. We cannot provide further comment on the ongoing investigation.</p> <p>Defendants Christian Bittar, Achim Kraemer, Andreas Hauschild, Joerg Vogt, Ardalan Gharagozlou, Kai-Uwe Kappauf, Colin Bermingham, Carlo Palombo, Philippe Moryoussef, Sisse Bohart, Stephane Esper</p> <p>Who have the SFO hired as counsel? James Waddington Q.C. is our leading counsel Emma Deacon, 5 Paper Buildings James Hines QC, 3 Raymond Buildings</p> <p>Were any of the defendants extradited/ have there been any issues over extradition? Colin Bermingham is in the UK - the attendance of those outside the UK is voluntary at this stage.</p>
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Date	13 November 2015
Context	UK Acorn Finance
Lines prepared	<p><i>"We are reviewing material."</i></p> <p><i>If needed:</i></p> <p><i>We have not opened an investigation.</i></p>

Date	27 November 2015
Context	Q&A in relation Standard Bank Deferred Prosecution Agreement
Lines prepared	<p><u>Reactive Q&A</u></p> <p>Why wasn't this case announced previously? The investigation was not announced as the SFO does not announce all its investigations for operational and reputational / fairness reasons unless for example the company under investigation itself makes the information public or there is a call for witnesses. It has long been known since DPAs were introduced that the initial stages are confidential between the parties. DPA are subject to judicial scrutiny to ensure that it is in the interests of justice and that its terms are fair, reasonable and proportionate. It can only be approved in open court and the final Agreement is published. Only the initial stages may be held in private. At the end of the DPA process, details of the organisation's compliance will be published. The public will know what wrongdoing is alleged to have occurred and the steps taken to address it.</p> <p>Why is there a need to keep initial DPA discussions private when there is a high degree of public interest? A preliminary hearing may be held in private to ensure that parties are able to discuss the proposed terms of the Agreement openly. Organisations will be unlikely to enter into these voluntary agreements if there is a risk that their commercial position could be compromised prior to an agreement being reached. Once the final</p>

DPA is approved, the views of the judge in the preliminary hearing will be published to ensure transparency.

Why are no individuals being prosecuted?

Law enforcement authorities in the UK can only bring legal proceedings against those over whom they have jurisdiction, and in respect of whom a positive charging decision using the Full Code Test has been made. The SFO will always consider carefully whether any individuals meet those criteria. In this case they did not.

It's a get out of jail card?

A DPA is not a private plea "deal" or "bargain" between the prosecutor and the defendant company. It is way in which a company accounts for its criminality to a criminal court, and can have no effect until a judge confirms that the DPA is in the interests of justice and that its terms are fair, reasonable and proportionate.

This is about providing us with another tool in the appropriate circumstances and facts of a case. All our cases are serious and complex by nature so any cases where they will be applied will be significant ones.

This is about the efficient use of resources and where the public interest can be best served. They are one option for dealing with corporate economic crime. We will never refuse to investigate or prosecute due to a lack of resources and where we are satisfied that it is right to formally prosecute, we will not hesitate to do so. Prosecution will continue to be the preferred option where a DPA would not be in the public interest or an organisation's alleged wrongdoing suggests that prosecution is the only realistic and appropriate option.

As the Director has always said he is confident the SFO has sufficient access to the resources it needs.

It is well known that the bar in prosecuting corporates in the UK is very high when compared for example to the USA.

Except in cases where S7 of the Bribery Act is engaged (or some Health and Safety cases), a UK prosecutor must prove that a "controlling mind" – ie someone who speaks and acts for the company, in reality often someone at Board level – was complicit in the alleged criminality in order to obtain a conviction of a corporate. This is notoriously difficult to do.

Holding corporates to account for the actions of their employees and agents more frequently would involve moving away from the identification principle of corporate criminal liability in the UK's law and embracing something closer to vicarious liability, as in the USA.

Comment on Government's decision to drop changes to corporate criminal liability?

That's ultimately a matter for ministers and if this is ever revisited we will play a full contributory part in the debate. The Director considers that if the public wants to see more successful prosecutions of corporates a change is surely necessary.

When can I expect to have sight of the DPA and material?

	<p>Subject to approval the DPA will be published after the hearing - this consists of the Agreement and the Statement of Facts. The Agreement contains facsimile of the indictment. Timing of publication will be very shortly after any approval on Monday unless there are consequential changes to be made as a result of the hearing. There is a duty of publication but no duty for instantaneous publication of this material.</p>
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