

# CORPORATE CRIME UPDATE, WINTER 2019

14 March 2019 | Global  
Legal Briefings

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Welcome to the **Winter 2019** edition of our corporate crime update - our round up of developments in relation to corruption, money laundering, fraud, sanctions and related matters. Our update now covers a number of jurisdictions.

**For the full update on each jurisdiction, please click read more for the full article of each jurisdiction.** Below we provide a brief overview of what is covered in each update.

## UNITED KINGDOM/EUROPE

### UNITED KINGDOM

- Four more sentences imposed in F.H. Bertling Ltd corruption case
- SFO opens investigation into three property developments
- SFO announces new General Counsel
- HM Treasury publishes advice on money laundering and terrorist financing controls in high-risk jurisdictions
- HMRC guidance on failure to prevent facilitation of tax evasion self-reporting
- New taskforce to tackle economic crime
- Manraj Virdee sentenced for illegal operation of unauthorised CIS
- NCA granted forfeiture orders relating to accounts held by the son of the ex-Prime

Minister of Moldova

- NCA publishes Suspicious Activities Reports (SARs) Annual Report 2018
- UK falls out of global top 10 in anti-corruption index
- Anonymous safety deposit boxes and amendments to JMLSG guidance
- JMLSG 2019 Workplan
- Brexit preparedness - new technical guidance on interception and monitoring prohibitions in sanctions
- New criminal offences for mishandling a pension scheme
- Independent review of the quality and effectiveness of audits
- Attorney General's new framework agreement with SFO
- Home Office approves extradition of Vijay Mallya to India
- Treasury Committee - FOS letter highlights complaints about fraud and scams
- Review of non-disclosure agreements and whistleblowing laws
- EU Exit: HM Treasury guidance on financial sanctions
- OFSI Financial Sanctions Notices
- OFSI issues first ever fine for financial sanctions breaches
- FCA concerns around payments to governments reporting requirements
- SFO closes investigations into Rolls-Royce Plc and GlaxoSmithKline Plc
- SFO publishes Deferred Prosecution Agreement with Tesco Stores Limited
- High Court orders disclosure of SFO documents in s.90A FSMA shareholder class action
- Former Petrofac senior executive pleads guilty to eleven counts of bribery
- EU Exit: draft and final statutory instruments

## **EUROPEAN UNION**

- New European Commission 'high risk third country' list rejected
- MLD4: Commission Delegated Regulation on minimum actions to mitigate money laundering and terrorist financing risk
- European lawmakers reach informal agreement on AML information sharing
- EBA: updated final report on fraud reporting guidelines under PSD2
- EUROPOL: EU member states agree 2019 money laundering action plan
- EU TAX3 Committee calls for stiffer AML rules after Danske bank issues

## **INTERNATIONAL BODIES**

- FATF consolidated assessment ratings
- FATF Plenary 20-22 February 2019
- Wolfsberg Group guidance on sanctions screening
- IPSFF guide to managing fraud for public bodies

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## **GERMANY**

- Regional Court of Dortmund: Lawsuit against German textile discounter KiK – responsibility for human rights violations in subsidiaries and down the supply chain?
- Germany moves up one space in global anti-corruption index despite a reduced score

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## MIDDLE EAST

- Dubai expat jailed for life for embezzling Dh 13.4m from employer
- Bank manager sentenced for embezzling Dh 10 million in Dubai
- 30,000 counterfeit goods seized in Sharjah
- Sharjah Police warn of latest investment fraud
- Heera Ponzi scheme victims welcome charge sheet against CEO

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## HONG KONG/CHINA

- Hong Kong Court of Appeal considers constitutionality of the requirement to disclose suspicious transactions
- SFC issues HK\$15.2 million fine for failure to report money-laundering activity
- Guides to investigations in Hong Kong and China updated for 2019

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## INDIA, KOREA & SOUTH EAST ASIA

### INDIA

- RBI imposes monetary penalties on 10 banks for breaches of anti-money laundering standards

## **KOREA**

- OFAC imposes fine in North Korean sanctions case

## **MALAYSIA**

- Malaysia launches National Anti-Corruption Plan
- Wave of anti-corruption enforcement in Malaysia
- Securities Commission introduces new rules for digital payment

## **SINGAPORE**

- Procurement officer pleads guilty to receiving bribes of \$740,000
- New law to govern precious stones and metals
- "Zero-tolerance in corruption" as Singapore charges Korean engineers

## **PHILIPPINES**

- Bank manager jailed and fined \$110 million for money laundering
- Former mayor sentenced to 10-year imprisonment for graft

## **INDONESIA**

- Garuda sues Rolls-Royce over allegedly fraudulent contract

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## AUSTRALIA

- New whistleblower legislation passed through Parliament
- New corporate and financial sector penalties legislation passed through Parliament
- Commonwealth Modern Slavery legislation passed
- Treasury Laws Amendment (Combating Illegal Phoenixing) Bill 2019 - Explanatory Memorandum released

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## UNITED STATES

- OFAC imposes blocking sanctions on PDVSA
- SEC files insider trading charges
- SEC charges Cognizant and two former executives with FCPA violations
- False Claims Act "kickback" whistleblower wins appeal
- False Claims Act defendant argues statute is unconstitutional
- Government puts electronic health records companies "on notice" of vigorous False Claims Act enforcement

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# KEY CONTACTS

If you have any questions, or would like to know how this might affect your business, phone, or email these key contacts.



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