

# CORPORATE CRIME UPDATE, AUTUMN 2018

03 December 2018 | Global  
Legal Briefings

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Welcome to the **autumn 2018** 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.

## UNITED KINGDOM/ EUROPE

- High Court considers extraterritorial application of compulsory powers
- Sanctions clauses in a changing sanctions regime
- Unexplained Wealth Order upheld, anonymity order discontinued
- OFSI publishes Annual Review
- Treasury Select Committee inquiry into the Bribery Act 2010 hears evidence
- FCA TR18/3: Money laundering and terrorist financing risks in the e-money sector
- CMA launches new cartel awareness campaign
- HMRC: List of businesses that have not complied with the Money Laundering Regulations 2017
- Government launches Counter Fraud Profession
- Privilege no defence to notice requiring production of client's privileged documents to regulator

- Court of Appeal decision in ENRC: Orthodoxy restored on litigation privilege, but narrow interpretation of "client" remains for now
- European Commission communication on improving AML supervision
- FCA closing more investigations than ever
- SFO speeches at the Cambridge International Symposium on Economic Crime 2018:
  - All economic crime has victims
  - Rendering accountable the wealth of criminals
  - Ensuring our country is a high risk place for the world's most sophisticated criminals to operate
- NCA speech at the Cambridge International Symposium on Economic Crime 2018
- Five sentenced in FCA's second largest criminal prosecution of £2.8 million investment fraud
- House of Commons report: The future of sanctions

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## GERMANY

European Commission proposes new rules to protect whistleblowers

Raid on DZ Bank in connection with "cum ex" deals

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## SPAIN

- Amendment to law 10/2010 of 28 April, on the prevention of money laundering and terrorist financing

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## MIDDLE EAST

- Ten men accused of stealing Dh6 million from Abu Dhabi bank through financial fraud
- Abu Dhabi Financial Prosecution wants tougher sentences for commercial fraud
- Two on trial over Dh117,000 bribery case relating to petrol station staff in Dubai
- Commercial fraud crimes in Dubai amounted to over Dh 82 million in first half of 2018
- Man held in India for defrauding the Dubai IQRA Group of Dh3.79 million
- Manager of Dubai government company jailed for seeking Dh4.85 million in bribes
- Legal consultant convicted of online blackmail in extortion bid of Dh1.2 million

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# UNITED STATES

- Second wave of United States sanctions against Iran re-imposed
- FinCEN issues advisory regarding detection of illicit transactions related to Iran
- SEC halts ICO fraudulently claiming SEC approval
- SEC report: Cyber-related frauds perpetrated against public companies and related internal accounting controls requirements
- SEC: Emergency action to halt microcap fraud scheme
- FATCA update: First-ever conviction signals increased enforcement risk
- SEC awards almost \$4 million to overseas whistleblower
- SEC halts \$345 million fraud and obtains asset freeze
- Basler Kantonalbank enters into DPA with DOJ to settle tax evasion charges

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# HONG KONG

Courts clamp down on ancillary bribery offences

SFC publishes AML/CFT inspection findings and urges intermediaries to ensure compliance

Hong Kong Court of Appeal orders retrial in insider dealing case

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## **CHINA, SOUTH EAST ASIA & INDIA**

### **CHINA**

- China cracking down on tax evasion
- Review of vaccine manufacturers in China reveals no quality or safety problems
- China's new data rules should be factored into investigations

### **SOUTH KOREA**

- South Korea ex-president Lee appeals 15 year jail term
- South Korea cracking down on offshore tax evasion

### **SINGAPORE**

- Courts target private sector bribery
- Enforcement ramps up in relation to Ponzi schemes
- Machine learning to combat money laundering and expansion of AML/CFT regime to cover precious stones and metals dealers

### **INDONESIA**

- Indonesia's Corruption Eradication Commission arrests 41 regional lawmakers for bribery

- Indonesia targets palm oil sector for bribery

## **THAILAND**

- Thailand's Bank of Ayudhya chooses NICE Actimize to manage anti-money laundering compliance
- Former Colliers real estate broker pleads guilty to bribery

## **MALAYSIA**

- Update on 1MDB investigation
- Government to consider caning for bribery

## **PHILIPPINES**

- Banks, casinos and covered business required to digitise customers' records

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## **JAPAN**

- FSA report on anti-money laundering guidelines
- Suruga Bank sanctioned for corporate governance failings
- Falsification of earthquake safety inspection data

- Increased regulatory oversight of cryptocurrency exchanges

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## AUSTRALIA

Draft legislation to increase civil penalties for white-collar crime released

Commonwealth Modern Slavery Bill - update

Updates to Austrade anti-bribery publications

Whistleblower legislation - update

Australian businessman charged with conspiring to bribe foreign officials

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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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