

Fraud Newsletter No. 50

December 2020



RED LION
CHAMBERS

CASES

Euribor appeal dismissed: suggestion of juror bias rejected: [Birmingham and Palombo](#) [2020] EWCA Crim 1662.

Disclosure and Insider Trading: no legal points but interesting look at insider trading defence and disclosure issues: [Abdel-Malek](#) [2020] EWCA Crim 1730. [FCA press release](#): 16 Dec 20.

Search warrant - negative results of earlier searches should have been disclosed, but in context of other information available would have not led to refusal of warrant: [R\(Jordan\) v CC of Merseyside \[2020\] EWHC 2408 \(Admin\)](#)

SENTENCING & CONFISCATION

Private prosecutors entitled to costs out of central funds for enforcement proceedings under POA 1985: [Mirchandani v Lord Chancellor](#) [2020] EWCA Civ 1260.

Press usually entitled to see character references used in mitigation: criteria for anonymization: [Elphicke](#) Judiciary (Mrs Justice Whipple, Southwark) 9 Dec 20.

[Crown Court Compendium: Part 1](#) and [Part 2 \(Sentencing\)](#) updated 22 Dec 20.

BILLS, STATUTES & SIS

[Financial Services Bill](#) (as amended in Committee stage) 4 Dec 20: includes amendments to Market Abuse Regs (insider dealing and ML) and extending maximum penalties): [Explanatory Notes](#).

[Law Enforcement and Security \(Separation Issues etc.\) \(EU Exit\) Regulations 2020](#) SI 2020 No. 1408 re police and judicial co-operation. [Explanatory Note](#).

[Sanctions and Anti-Money Laundering Act 2018 \(Commencement No 2\) Regulations 2020](#) SI 2020 No. 1535 bringing into force s49 & Sched 2 – power to make regs re ML & TF detection, investigation and prevention.

CONSULTATIONS, GUIDANCE, CIRCULARS AND REPORTS

[Corporate Criminal Liability](#): HoC Briefing Paper CBP 9027: 18 Dec 20.

[Misconduct in Public Office](#): Law Commission Report: Law Com No, 397; HC 1027. [Summary of Report](#): 3 Dec 20.

[Outcome of investigation into the FCA's regulation and supervision of LCF](#) (The Gloster Report): HM Treasury: 17 Dec 20. [FCA's response](#) FCA 17 Dec 20.

[National risk assessment of money laundering and terrorist financing 2020](#): HM Treasury Policy paper: 17 Dec 20.

[COVID-19-related Money Laundering and Terrorist Financing Risks and Policy Responses: Update: Update](#): FATF: 16 Dec 20.

[Post-Brexit Sanctions regime changes](#): OFSI blog: 1 Dec 20.

[2020 Payment Threats and Fraud Trends Report](#): EPC (European Payments Council) 7 Dec 20.

[The Hidden Costs of CyberCrime](#): McAfee/CSIS (Centre for Strategic and Internat. Studies): estimated at \$1T: 9 Dec 20.

NEWS

[Gloster Report reveals FCA's flaws](#): failure to "effectively supervise and regulate" London Capital and Finance (LCF) which collapsed with losses for investors: BBC News 17 Dec. 20. [Report](#) and [FCA response](#) see above.

[Bounce Back Loan Fraud](#) 5 times higher than normal levels: Evidence before Treasury Select Committee: Reuters: 14 Dec 20. [Risk of UK taxpayer bailout on £26B of Covid Bounce Back Loans](#): not possible to determine proportion of credit risk to fraud: Public Account Committee Summary: HoC 10 Dec 20: [Full Report: HC 687](#): 16 Dec 20.

[Ex-Barclays traders' appeals for conspiracy to rig Euribor rates dismissed](#): no real possibility of juror bias: Reuters 9 Dec 20.

[Liverpool mayor arrested in bribery probe](#) (Operation Aloft): BBC News: 4 Dec 20. 4 others arrested including Derek Hatton, former deputy leader of Liverpool City Council: *The Times* 5 Dec 20.

Biggest UK cyber scammer (£113m - Freezan Hameed Choudhary – 11 years on [24 Sep 2016: The Times](#)) confiscation [appeal refused](#): 4 Dec 20.

[First 6 convictions of subpostmasters quashed at Southwark](#) after recognition of Horizon software accounting failures: Computer Weekly: 11 Dec 20. Approximately 40 more to be heard unopposed in CA.

FCA:

- [Barclays fined £26m over treatment of customers in financial difficulty](#): 15 Dec 20
- [Response to London Capital Report](#): 17 Dec 20
- [Charles Schwab fined £8.96m over safeguarding and compliance failures](#): 21 Dec 20

HOME:

[21 arrests in nationwide cyber crackdown](#): NCA 25 Dec 20

[Investment scams have quadrupled since July](#): £9.4m

since March: Investment Association: 27 Nov. 20.

[Pension Scam Red Flags at highest level recorded](#): 64% show at least one warning sign: XPS Pensions Group: Dec 20.

ABROAD:

[Bribes paid to private individuals will no longer be tax deductible](#) in Switzerland as from 1 Jan 2022: Ethics & Compliance: 25 Nov 20.

[World's Largest Oil Traders Caught In Global Corruption Scandal](#): OilPrice: 19 Dec 20.

[SEC orders Bluecrest Capital Management \(a British hedge fund\) to pay \\$170m to investors](#) for "failing to act in best interests of its investors": MarketWatch: 8 Dec 20. [SEC Findings](#) and order: 8 Dec 20.

[Massive cyber breach of US Government](#) including US Treasury and departments of homeland security, state, defence and commerce. Back doors smuggled into systems and operating for many months. Russian state hackers suspected: BBC News 15 Dec 20. [NCSC \(National Cyber Security Council – part of GCHQ\) assessing extent of impact on UK](#): BBC News 18 Dec 20. Regular updated guidance: [Dealing with the SolarWinds Orion Compromise](#): NCSC

[Corporate Transparency Act passed by US Congress](#): identifies beneficial owners: *The National Law Review* 15 Dec 20.

