

# Compliance & Risk

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## Headlines

- UK introduces new food labelling laws, p.16
- £500,000 penalty for data security breach affecting 14m people, p.17
- Liberty challenges police use of facial recognition technology, p.18

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## Airbus settles corruption probes in UK, US and France

Airbus has confirmed that it has agreed a settlement with French, British and US authorities in respect of investigations into allegations of bribery and corruption that are ongoing in each of those jurisdictions. The settlements, which will remove a significant source of financial uncertainty hanging over the world's second largest aerospace manufacturer, are likely to result in the aerospace group paying very substantial fines, probably running into billions of pounds.

The probes concerned allegations of fraud, bribery and corruption in the

group's civil aviation arm, particularly relating to irregularities concerning middlemen, or "third-party consultants". The settlement will bring those investigations to an end, lifting the atmosphere of excessive legal risk that has surrounded Airbus for several years.

Confirming that it had reached agreement in principle with the French Parquet National Financier, the UK Serious Fraud Office (SFO), and the US authorities, the aerospace group said, "These agreements are made in the context of investigations into allegations of bribery

and corruption as well as compliance with the US international traffic in arms regulations. They remain subject to approval by French and UK courts and US court and regulator".

The SFO's investigation commenced in July 2016 after Airbus self-reported irregularities to the regulator, with the French investigation beginning in 2017 and the US following on the year after. Airbus has also faced investigations in the US over suspected violations of export controls.

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## Regulator fines ex-CEO of Swiss bank over 'serious' insider trading

The Swiss markets regulator, Finma, has found the former chief executive of one of the country's banks guilty of "serious" insider trading offences, and ordered him to repay SFr730,000 (\$752,000) in illegal profits.

The regulator did not disclose the name of the individual when it announced its decision on 24 January 2020, but said that the chief executive had "repeatedly and

systematically" violated supervisory law, and cited instances of insider trading. Finma also declined to indicate whether the employer bank held a significant position in Switzerland's banking market which includes more than 250 institutions.

The individual concerned is said to have used deposit accounts, held in his wife's name at other banks, to trade on sensi-

tive market information about companies that were clients of the bank – information to which he gained access as a result of his position.

Finma said, "Besides conducting insider trading the person concerned systematically breached the bank's internal directives as well as directives recognised by Finma as a minimum standard over

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