

Compliance & Risk

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Headlines

- New regulations for UK gender pay gap reporting, p16
- First conviction for Bribery Act corporate offence, p17
- Olympus pays record anti-kickback settlement, p18
- JPMorgan traders sacked over compliance, p19

Contents

<i>Invalidity of EU-US Safe Harbor: Practical Implications Part 1</i>	2
<i>New guidelines on sentencing for health and safety and food safety: Will they make a difference?</i>	8
<i>Financial services sector update: new rules on regulatory references and whistleblowing</i>	11
<i>Book review</i>	13
<i>News & Views</i>	15

EU and US agree new pact for data transfer across the Atlantic

On 2 February 2016, the European Commission announced that it had reached a "political agreement" with its US counterparts on a regime to replace the Safe Harbor framework, which the European Court of Justice (ECJ) declared invalid in October 2015.

The ECJ ruled against Safe Harbor in October 2015, following leaks by whistleblower Edward Snowden that alleged that the US security services were scrutinising foreigners' personal data held in the US.

Negotiators for the Euro-

pean Commission and the US State Department had already been attempting to formulate a new deal, and the European Court's ruling put them under pressure to conclude the talks.

For the last 15 years, thousands of US companies had been able to self-certify that they had taken the necessary steps to protect personal data, thus avoiding them having to seek permission for each new type of data transfer.

The new agreement is called the EU-US Privacy Shield and its terms are

still to be drafted and finalised. Initial terms to be included are that:

- The US will create an ombudsman to handle complaints from EU citizens about the Americans spying on their data;
- The US Office of the Director of National Intelligence will give written commitments that Europeans' personal data will not be subject to mass surveillance;
- The EU and US will

[\(Continued on page 15\)](#)

Qualcomm agrees to settle bribery charges for \$7.5m

US chipmaker Qualcomm has agreed to pay \$7.5m (£5.4m) to settle allegations that it violated bribery laws between 2002 and 2012 by, amongst other things, hiring younger relatives of Chinese officials.

The results of the probe by the US Securities and Exchange Commission ('SEC') revealed that Qualcomm went to "extraordinary lengths to gain a business advantage", providing gifts,

travel and entertainment to try to influence officials, as well as hiring the relatives of senior Chinese political and state-business figures.

Qualcomm makes chips used in smartphones and tablets, especially the Snapdragon processor found in many mid- and high-end Android devices, but it has faced increasing competition from Asian manufactur-

ers. Michele Wein Layne, Director of the SEC's Los Angeles regional office said, "For more than a decade, Qualcomm went to extraordinary lengths to gain a business advantage with foreign officials deciding between Qualcomm's technology and its competitors,"

In one case, Qualcomm gave \$75,000 for a research grant to a US

[\(Continued on page 15\)](#)