

Recent Developments in Bribery and Corruption

Date : July 18, 2016

It was something of a good news, bad news week for the Serious Fraud Office last week with the announcement that they have agreed a second deferred prosecution agreement but with the news that the politician who previously sought their abolition is now Prime Minister.

Second DPA

We looked at the UK's first deferred prosecution agreement (DPA) in our alert and film in November (<http://www.corderycompliance.com/uks-first-dpa/>). On 8 July the SFO announced that they had secured a second agreement against an unnamed company for offences under the Criminal Law Act 1977 and Section 7 of the Bribery Act 2010. You can find out more about the significance of Section 7 prosecutions in our Bribery FAQs [here](#).

The company cannot be named due to ongoing, related legal proceedings.

As part of the DPA the company will pay £6,533,085 in disgorgement and penalties. Roughly a third of that money will be paid by the company's US parent to represent 'a significant proportion' of the dividends that it received from the UK company during the time that the bribery went on. In addition to the financial penalty the company has agreed to continue to co-operate fully with the SFO, to provide a report addressing all third party intermediary transactions and the completion and effectiveness of its anti-bribery and corruption controls, policies and procedures within twelve months of the DPA and every twelve months thereafter whilst the DPA runs. In the DPA "Approved Judgement" (<https://www.sfo.gov.uk/publications/>) the President of the Queen's Bench Division, Sir Brian Leveson, refers (at paragraph 15) to one of the relevant factors in which the interests of justice are served in imposing a DPA in this matter (as opposed to having a prosecution) as "*the attention paid to corporate compliance prior to, at the time of and subsequent to the offending.*"

New Prime Minister

As we said in our Brexit alert and film [here](#) the UK's bribery and corruption laws remain largely untouched by Brexit. However, the SFO may not be welcoming the appointment of Theresa May who has previously made attempts to merge the SFO with other Government organisations. Theresa May previously had a plan to move the SFO under the umbrella of the National Crime Agency which was controlled by her then Government department, the Home Office. Clearly it is likely that Mrs May will have much to do now that she has assumed office and this may be low on her list of priorities. The system by which the SFO has to secure 'blockbuster funding' for major investigations could however be the first test of the way the wind is blowing.

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