
Joint Press Release

19 June, 2015

Man Convicted in Landmark Case for Providing False and Misleading Information

Mr Andrew Crawford Norman Fleming, has been convicted and sentenced, in a landmark case for Jersey, to 12 months imprisonment for providing the Jersey Financial Services Commission (JFSC) with false and misleading information in an effort to acquire a regulated trust company business.

In meetings and correspondence with the JFSC, Mr Fleming portrayed himself as a high net worth individual capable of acquiring the trust company and providing the necessary working capital both in the short and long term to gain control of the business.

Subsequent enquiries revealed that Mr Fleming was subject to bankruptcy proceedings and had been untruthful concerning several key pieces of information on his application. The JFSC made a complaint to the Police who reacted immediately by arresting Mr Fleming and subsequently charged him with the offence of providing false and misleading information to the Commission.

Barry Faudemer, Director of Enforcement commented:

“This is the first case of its kind in Jersey and the custodial sentence sends a strong message that the Island will not tolerate criminals seeking to take control of regulated businesses here.

Jersey operates robust defences to protect those that we regulate and the Commission would like to thank the Officers from the Joint Financial Crimes Unit for reacting so quickly to protect the trust company and safeguard the Island’s reputation.”

Detective Sergeant Andrew Smith of the Joint Financial Crimes Unit, added:

“The Joint Financial Crime Unit are committed to maintaining and developing the good reputation of Jersey’s Finance industry. This investigation highlights the beneficial partnership approach with the JFSC in preventing criminals gaining a foot hold within the Jersey Finance industry.

The subsequent arrest and investigation surrounding Mr Fleming, involved the collation of evidence from a number of jurisdictions, this evidence put before the Court was instrumental in attaining a guilty plea.”

Ends.

For further enquires, please contact:

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Notes to Editors:

Details of known names, date of birth and addresses Mr Fleming:

Names: Mr Andrew Crawford Norman Fleming (also known as Andy Fleming or Crawford Fleming)
Date of birth: 30 October 1967, or November 1968

Further details on application submitted by Mr Fleming to the JFSC:

Mr Fleming was seeking to acquire a trust company business (TCB) and had indicated that he would be the sole shareholder and therefore fell within the definition of a Principal Person, as he would have been a person who directly or indirectly would hold 10% or more of the share capital of the TCB. The TCB that Mr Fleming was seeking to acquire was in need of an urgent injection of capital, which Mr Fleming had indicated to the JFSC that he would provide.

The JFSC operates a “no objection” regime for any person seeking to become a Principal Person of a (TCB) and carefully assesses if that person is “fit and proper” to hold such a senior position or exert significant influence over the company. As part of its assessment, the JFSC requires any potential Principal Person to provide it with a Personal Questionnaire (PQ), which details not only their personal details but also past/current financial status and if they have been subject to any judicial/regulatory enquiries.

On 23 July 2013, Mr Fleming submitted his PQ to the JFSC and confirmed in writing that:

He had never been subject to bankruptcy proceedings anywhere in the world. However, JFSC enquiries subsequently revealed that according to an extract from the Register of Insolvencies in Scotland (case Reference Number 2010/12618), on 9 July 2010 Mr Fleming was declared bankrupt in the Aberdeen Sheriff Court. This bankruptcy was discharged on 9 July 2011 by process of law.

The full list of false and misleading information provided to the Commission is listed in the attached Royal Court of Jersey indictment.



BEFORE THE ROYAL COURT OF JERSEY

Her Majesty's Attorney General

- v -

Andrew Crawford Norman **FLEMING**

Andrew Crawford Norman **FLEMING** is charged with the following offence:

COUNT 1

Statement of Offence

Supplying false or misleading information to the Jersey Financial Services Commission, contrary to Article 28(1) of the Financial Services (Jersey) Law, 1998.

Particulars of Offence

Andrew Crawford Norman **FLEMING**, between 25th June, 2013 and 25th July, 2013, in the Island of Jersey,

(a) in purported compliance with a requirement imposed under the Financial Services (Jersey) Law 1998, namely the notification in writing of his intention to become a principal person of Herald Trust Company Limited, and

(b) in circumstances in which he intended or could reasonably be expected to know that the information would be used by the Jersey Financial Services Commission for the purpose of exercising its functions under the Financial Services (Jersey) Law, 1998, namely to assess whether he was fit and proper to be a principal person in relation to Herald Trust Company Limited,

knowingly provided the Jersey Financial Services Commission with information which was false or misleading in a material particular, namely:

(a) that he possessed sufficient personal wealth to purchase the business of Herald Trust Company Limited, by representing inter alia:

- i. that he was able to utilise millions of pounds to fund the acquisition of the business of Herald Trust Company Limited
- ii. that he would fund the acquisition of Herald Trust Company Limited from €35 million commission earned on currency transactions;


Her Majesty's Acting Attorney General

- iii. that those currency transactions involved no external funding from third parties but were funded entirely with his own money;
- iv. that he was not dependent on the €35 million commission in order to be able to fund the acquisition of Herald Trust Company Limited;
- v. that he had numerous trust structures and companies around the world;
- vi. that between 1988 and 1999 his personal earnings were US\$24 million together with annual bonuses of between US\$ 24 million and US\$96 million;
- vii. that in 1999 he had sold a company called EXS for an undisclosed sum to Citi Bank, Goldman Sachs and Merrill Lynch;

(b) that he had never been the subject of bankruptcy proceedings anywhere in the world;

(c) that he had never been convicted of an offence.



Her Majesty's Acting Attorney General