

20 April 2018

[personal information]

YOUR REQUEST FOR INFORMATION UNDER THE OFFICIAL INFORMATION ACT 1982

We refer to your request made to the Financial Markets Authority (**FMA**) under the Official Information Act 1982 (**OIA**) on 4 April 2018. You have requested the following information:

How much it cost the FMA to prosecute Jeff Honey and how much it cost the FMA for the first trial of Hamish Sansom including but not limited to FMA staff hours, external costs (i.e. external law firms, evidence)

Background

In March 2017, charges were filed against Jeff Honey (**Honey**) and Hamish Sansom (**Sansom**) relating to insider trading in shares of EROAD.

Honey was sentenced on 13 June 2017 to six months home detention at the Auckland District Court, after pleading guilty to one charge of insider trading under section 253(1)(a) and section 244 Financial Markets Conduct Act.

The trial of Sansom commenced on 18 March 2018. On 29 March 2018, the trial concerning Sansom ended in a hung jury. On 11 April 2018 a retrial was ordered to commence on 10 September 2018.

Cost information requested

Unlike the external costs which are paid to external providers, we do not record, store or use any 'internal cost' calculation, as it does not involve any actual cost to the FMA. We have communicated to [you] (letter dated 10 August 2017) previously that we will not be calculating internal costs to respond to any requests for information.

FMA's records of external costs and staff hours spent on the investigation and initial stage of the prosecution of Honey and Sansom were recorded jointly and cannot, with any accuracy, be split. We note that under the OIA, there is no obligation for us to create information in order to respond to a request.

From 14 June 2017 (when Honey was sentenced), we can reasonably conclude that the costs incurred from thereon relate only to Sansom.

Internal staff hours relating to both Honey and Sansom until 13 June 2017 are 1,368.6 hours.

External costs incurred in relation to both Honey and Sansom until 13 June 2017 are \$77,861.66 excluding GST.

Internal staff hours relating to Sansom from 14 June 2017 until 5 April 2018 is 1,170.75 hours.

External costs incurred in relation to Sansom from 14 June 2017 until 31 March 2018 is \$11,232.05 excluding GST.

Please note that we do not hold records of any costs incurred by the Crown in relation to these proceedings.

Yours sincerely

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PUBLICATION SCHEDULE