

#5292283

14 March 2019

[personal information]

Dear [personal information]

YOUR REQUEST UNDER THE OFFICIAL INFORMATION ACT 1982 (OIA)

We refer to your email to the Financial Markets Authority (FMA) dated 19 February 2019, in which you requested the following information in respect of *R v Bublitz & Ors - CRI- 2014-004-2293*:

Can't seem to find how much was spent on the first trial

We would also like to know if you can assess the internal staff cost estimate for both if possible.

Please find our response below.

Cost breakdown of the Bublitz First Trial

As previously advised in the FMA's letter to [personal information] dated 12 June 2017 (attached), the FMA's external costs in respect of the *R v Bublitz & Ors - CRI-2014-004-2293* from mid-2011 (when the investigation commenced) to 13 June 2017 in relation to Viaduct Capital and Mutual Finance (the **Bublitz First Trial**) were as follows:

| | |
|------------------------|----------------|
| [personal information] | \$562,366.33 |
| [personal information] | \$883,280.95 |
| Other | \$209,079.28 |
| Total: | \$1,654,726.56 |

Please note:

- The above costs exclude GST.
- The 'other costs' include litigation software services, other IT support services and administrative costs.

Internal staff cost estimate – first and second trial

As previously advised in the FMA's letter to the [personal information] dated 10 August 2017 which enclosed the FMA's redacted letter dated 22 June 2017 (both **attached**), the FMA no longer provides a calculation of the internal staff time. As previously explained, this is because:

- The internal cost calculation the FMA previously undertook of internal staff time, was created specifically to respond to OIA requests. It was not information the FMA held and therefore was not required to be disclosed, pursuant to the OIA.
- The internal cost calculation was based on the amount of staff time incurred on a litigation matter, and using an hourly rate prescribed in regulations. On reflection, it was decided that this calculation maybe misleading.

We can however again advise internal staff time spent on *R v Bublitz & Ors - CRI-2014-004-2293* is as below:

- first trial covering the period mid-2011 to 13 June 2017: 12,911.39 hours (see **attached** letter of 10 August 2017); and
- second trial covering the period 20 June 2017 to 5 February 2019: 2,661.10 hours (see **attached** letter of 19 February 2019).

If you have any questions about this information, please call [personal information]

Yours sincerely

[personal information]
Manager, Policy and Governance

Publication
Schedule