

14 May 2019

[personal information]

By email: [personal information]

Dear [personal information]

YOUR REQUEST UNDER THE OFFICIAL INFORMATION ACT 1982 (OIA)

1. We refer to your email to the Financial Markets Authority (**FMA**) dated 19 March 2019, in which you requested the following:

We would like to know the FMA's five most expensive trials, what they involved and a summary of the costs.

2. Please find our response below.
3. The FMA's five most expensive trials (the **Five Trials**) and a summary of the costs are:

Case Name	Trial start date	External Costs	FMA Staff Hours
The Queen v Paul Bublitz & Ors	Aug 16	737,711	6,547
Financial Markets Authority v Mark Warminger	26 Sep 16	520,544	1,041
Financial Markets Authority v Jeffrey Peter Honey	March 18	3,559	1,853
Financial Markets Authority v Vivier & Anor	Aug 15	75,340	405
The Queen v Edward Oral Sullivan & Ors	Mar 14	59,262	403

4. Please note:
 - 4.1. The external costs for the Five Trials listed above exclude GST; and
 - 4.2. As previously advised in the FMA's letters to the National Business Review dated 10 August 2017 (which attached the FMA's redacted letter dated 22 June 2017) and 14 March 2019, the FMA no longer provides a calculation of the internal staff time which was spent on a matter.

5. A summary of the Five Trials is attached below.

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

Yours sincerely

[personal information]

Manager, Policy and Governance

Publication
Schedule

The Queen v Paul Bublitz & Ors CRI-2014-004-2293

This case involved charges under s377 of the Companies Act and ss220 and 242 of the Crimes Act against directors of Viaduct Capital Limited (in receivership) and Ex-MFL Limited (in receivership) (formerly Mutual Finance Limited). Charges were laid in March 2014 and a trial commenced in the Auckland High Court on 8 August 2016. A mistrial was declared on 10 May 2017 and the matter was reheard in August 2018 in the Auckland High Court.

In February 2019 Mr Bublitz, Mr McKay and Mr Blackwood were found guilty of the charges that related to Mutual Finance Limited. They were sentenced in March 2019.

Financial Markets Authority v Mark Warminger CIV-2015-404-001727

Civil proceedings were filed alleging market manipulation in June 2015. A hearing in the Auckland High Court commenced on 26 September 2016. In March 2017 the Court released its reserved decision, finding Mr Warminger liable for two contraventions of the Securities Markets Act.

Mr Warminger appealed the liability decision, and the FMA cross-appealed.

The penalty decision was delivered in June 2017, and both appeals were subsequently withdrawn in July 2017.

Financial Markets Authority v Jeffrey Peter Honey CRI-2007-004-002446

Insider Trading charges were filed in March 2017. One defendant pleaded guilty in April 2017 and was sentenced in June 2017.

A trial for the other defendant commenced in March 2018, resulting in a hung jury. The matter was re-tried in September 2018, resulting in not guilty verdicts.

Financial Markets Authority v Vivier & Anor CIV-2015-485-513

The FMA directed the de-registration of Vivier from the Financial Service Providers Register in June 2015. In July 2015 Vivier appealed that decision and a hearing was held in the Wellington High Court in August 2015.

FMA appealed the High Court decision and the Court of Appeal hearing was held in February 2016.

In May 2016 the Court of Appeal released their decision finding in favour of the FMA and ordering that the direction to deregister Vivier be restored and awarding costs to the FMA.

The Queen v Edward Oral Sullivan & Ors CRI-2011-076-1948

FMA supported the SFO's prosecution, involving charges filed under sections 220, 240, 242 and 260 of the Crimes Act. The trial commenced in August 2014 in the Timaru High Court.

Mr White and Mr McLeod were found not guilty. Mr Sullivan was found guilty on 5 charges (ss240 and 242 of the Crimes Act) and was sentenced in December 2014.