



# Parametric Insights

## Hello!

Happy New Year! Welcome to Issue 9 of the **new and improved** Parametric Insights, our corporate investigations and economic crime updates newsletter. We have an **exciting new format** this year, offering digestible and quick insights. Each month, we'll share **relevant updates and resources** to help you focus on key issues and navigate them successfully.

At Parametric Global, our primary focus is to help our clients **align conduct and culture**. We are passionate about helping organisations build healthy, productive compliance cultures and actively engage with senior leaders on how to strengthen and operationalise their ethics and compliance programmes.

**Get in touch** with us if you need our assistance with any investigations, conduct or compliance issues in your organisation.

Your thoughts and feedback are **always welcome**. Please feel free to share this edition, and new readers can sign up to our mailing list [here](#). Enjoy!

Best,

**Lloydette**  
Founding Partner

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## SANCTIONS UPDATES

### The OTSI: Government Announces Unit To Clamp Down On Sanctions-Evading Companies

**Companies found attempting to evade strict trade sanctions** are due to face tougher penalties. On 11 December 2023, a new Office for Trade Sanctions Implementation (OTSI) was announced. Intended to complement The Office of Financial Sanctions Implementation (OFSI), it will sit within the UK's Department for Business and Trade and will be responsible for civil enforcement of the UK's trade sanctions regime. It is designed to:

- Strengthen the UK's sanctions systems;
- Clamp down on companies evading Russian sanctions;
- Bolster impact of, and adherence to, UK trade sanctions;
- Increase power to issue penalties for trade sanctions breaches;
- Help businesses with trade sanctions engagement and guidance (and help ensure they understand trade sanctions), and support compliance;
- Investigate potential breaches;
- Monitor compliance with (and raise awareness of) trade sanctions;
- Issue civil penalties;
- Refer cases for criminal enforcement to HMRC;
- Detect and respond to suspected breaches;
- Maintain and build confidence in the UK's trade sanctions regime, and ensure proper implementation and enforcement.

The unit's remit will cover activity by companies who seek to avoid sanctions by routing their products through third countries. OTSI will launch in early 2024, once new legal powers are in force, and work with partners across government and in industry. Companies will need to reassess their sanctions compliance programmes to ensure that they capture and mitigate trade sanctions risks.

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## LEGISLATION UPDATES

### BRIEFING: Corporate Criminal Liability Expansion & The Failure To Prevent Fraud Offence

Last month, we released our updated briefing on the new Economic Crime and Corporate Transparency Act (2023).

Read on for an **updated overview** of the Failure To Prevent Fraud offence, the **expansion** of corporate criminal liability, and **practical questions and considerations** for organisations ...

[Read More](#)

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## CASE UPDATES

### \$28 million fine: SEC Obtains Final Judgments Against Mining Company and Former CEO

**In November 2023, the U.S. District Court** for the Southern District of New York entered final consent judgments against one of the world's largest mining companies, Rio Tinto, and its former CEO Thomas Albanese. This settlement closes the Securities and Exchange Commission's (SEC) civil lawsuit filed in 2017, that accused the mining company of fraud in handling a failed investment in a Mozambique coal project. Allegations included that some of Rio Tinto's public filings contained misleading statements about its Mozambican coal assets' value; they were charged with fraud for deceiving investors about the value of coal assets purchased for \$3.7 billion and sold a few years later for only \$50 million. The judgment includes that Rio Tinto will have to pay a \$28 million fine, retain an independent consultant to review and evaluate its compliance with accounting standards, and cooperate in the SEC's ongoing litigation against former CFO Guy Elliott. Albanese must also cooperate in the SEC's ongoing litigation and pay a \$50,000 penalty to settle related SEC claims.

### Solicitor Convicted By SFO For "Tipping Off" Client About ENRC Probe

**In November 2023, a City lawyer was convicted** by the Serious Fraud Office (SFO) for disclosing confidential investigation details and forging a legal document to mislead investigators. William Osmond, co-founder of London-based commercial and property law firm Osmond & Osmond Solicitors Ltd, tipped off businessman James Reeding Ramsay, after the SFO handed Osmond a Section 2 notice requiring him to hand over documents. This defied both his legal obligations as a solicitor, and role as the firm's acting Money Laundering Reporting Officer (MLRO). Investigators enquired about Ramsay in 2018, after he paid £4 million toward the purchase of a Mayfair property. Osmond immediately contacted Ramsay to inform him about the money laundering investigation, linked to mining giant ENRC. Across the next five months, they met to discuss the matter. Osmond gave the SFO a fake "Letter of Engagement" setting out his role as solicitor for a British Virgin Islands company purchased by Ramsay, used to move funds for purchase of the London property. After a search of Osmond's office in 2019, SFO investigators located discussion notes, and computer files showing forgery of the legal letter. Osmond is the first solicitor to be prosecuted by the SFO for "tipping off" a client. He was sentenced to nine months in prison, ordered to complete 100 hours of unpaid work, and must pay £5000 toward the SFO's costs.

### Nasdaq To Pay \$4 Million To Settle Apparent Sanctions Violations

**In December 2023, The U.S. Department** of the Treasury's Office of Foreign Assets Control (OFAC) announced a settlement with Nasdaq, Inc. The American multinational financial services corporation agreed to pay \$4 million to settle its potential civil liability for a former wholly owned foreign subsidiary's violations of sanctions on Iran. This former Nasdaq unit engaged in the exportation of services to Iran and the Government of Iran, committing 151 apparent violations of OFAC sanctions on Iran. OFAC says that the settlement reflects their "determination that Nasdaq's conduct was non-egregious and voluntarily self-disclosed."

### CPS' First-Ever Deferred Prosecution Agreement Approved By UK Court

**On 5th December 2023, the Crown Prosecution Service (CPS)** entered into their first-ever DPA with Entain plc (formerly GVC Holdings), a global online sports betting and gaming business headquartered in London. Entain plc received final approval in the UK's Southwark Crown Court to settle charges stemming from alleged bribery offences at the group's former Turkish unit, concluding an HMRC investigation that began in 2019, into the potential criminal conduct of GVC in relation to the legacy Turkish business. The DPA concerns alleged failure to prevent bribery contrary to Section 7 of the Bribery Act 2010, between July 2011-December 2017. Entain plc agreed to pay a financial penalty plus disgorgement of profits totalling £585 million, to make a charitable donation of £20 million, and to contribute £10 million to the CPS and HMRC costs. Chief Crown Prosecutor Andrew Penhale said that the Court had concluded there had been "sweeping changes" to Entain's compliance procedures, and there was a commitment to the "promotion of open and transparent gambling operations and improvement of their corporate governance."

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## USEFUL RESOURCES

**Book: Bootstrapping Ethics: Integrity Risk Management for Real World Application**

**Access:** [Bookshop.org](#)

**Author:** *Rupert Evill*

**This book contains practical, cost-effective tools** for personal and organizational risk mitigation. This is a good resource for purpose-driven changemakers looking to maximize their impact. Rupert Evill shares advice on how to protect yourself, organizations, and stakeholders from regulatory and other risks, with frontline-tested strategies and frameworks "designed to achieve both quick wins and long-term risk mitigation".

Understand how to manage external stakeholders and their expectations, keep risk mitigation strategies cost-effective and straightforward so they can be scaled throughout an organization, and ensure that your diversity, equity, and inclusion efforts are getting results.

**Podcast: The Investigator's Mindset**

**Access:** [Website](#) | [Apple Podcasts](#) | [Spotify](#)

**By:** *Parametric Global Consulting*

**'The Investigator's Mindset' is dedicated to helping** investigators and compliance professionals stay on top of their game. Tune in to each episode to challenge your thinking, learn how to best deliver in a fast-changing environment, and be excellent when conducting investigations. Each episode, host Lloydette Bai-Marrow shares best practice tips, and delves into challenges and issues in the economic crime landscape. Listen on all your favourite platforms and apps! Check out all our episodes so far.

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## DATES FOR YOUR DIARY

### Leadership Skills for Anti-Fraud Professionals

ACFE | 11-01-24 | [Register](#)

This session is for new and aspiring leaders in the anti-fraud profession, as well as seasoned leaders who want to continue developing their skills. You will explore challenges that come with leading in your unique field. The course will address the differences between management and leadership, discuss eight key challenges that leaders in the anti-fraud profession face, and provide strategies to overcome them.

### The Not So Silent Killer of Compliance & Ethics: Retaliation

SCCE | 23-01-24 | [Register](#)

This webinar will touch on how to get people to speak up, why retaliation is a serious compliance risk, and practical steps to prevent, detect and deter retaliation.

### ESG Intelligence in Response to Supply Chain Regulation

GIR + Risk Advisory | On-Demand | [Register](#)

Companies across Europe and the US face increasingly complex requirements regarding human rights and environmental pressure points in their supply chains. This webinar examines the practicalities of these requirements. How can companies with complex, wide ranging supply chains effectively assess ESG risk, and fulfil their responsibilities?

How is new supply chain legislation creating a different set of challenges for corporates in the context of managing risk and day to day operations?

### Amplification: Success at the Intersection of Ethics Training and Communication

SCCE | 11-01-24 | [Register](#)

Understand how communication platforms can build on a training experience, consider how training can be creative in its content if not the delivery system, and learn why keeping a conversation going works better than a simple knowledge check.

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[Issues 1-8](#)

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