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Investigations by the Financial Supervisory Authority into issues connected with the banking collapse have now concluded

Investigations by the Financial Supervisory Authority (FME) into the events preceding the banking collapse in the autumn of 2008, which began immediately following the failure of the three large commercial banks, have now concluded. FME investigated a total of 205 cases. Complaints concerning 66 of these cases have been lodged with the economic crime division of the National Commissioner of Police or the Office of the Special Prosecutor (OSP). Furthermore, 37 cases of alleged violations of the General Penal Code have been referred to the Office of the Special Prosecutor, making a total of 103 cases referred for further action.

	No. of cases
Complaints lodged with the OSP	66
Cases referred to the OSP	37
Administrative fines	4
Cases closed without further action	98
Total no. of cases	205

Individual cases may result in complaints concerning a number of different statutory provisions of the Act on Securities Transactions and Act on Financial Undertakings. Furthermore, many complaints have included alleged breach of fiduciary duty. The number of alleged offences is thus higher than the number of cases which have been referred onwards or complaints lodged.

Investigations have revealed alleged violations in numerous categories of economic crime. The most prominent, however, are market abuse, violations of rules on large exposures, insider trading and breach of fiduciary duty. The most extensive cases involve alleged market abuse and breach of fiduciary duty. FME wishes to point out, however, that violations concerning large exposures can also be very extensive, involve significantly large amounts and thereby contribute to undermining the financial stability of the banking system. The figure below shows examples of the types of offences, but is not an exhaustive summary.

Alleged offences by type	
Market abuse	18
Insider trading	22
Breach of fiduciary duty	47
Large exposures	6
Act on Mandatory Guarantee of Pension Rights	6
Other violations of the Act on Financial Undertakings	9
Other violations of the Act on Securities Transactions	3
Act on UCITS and Investment Funds etc.	3
Act on Insurance Companies	2

Immediately following the collapse, investigations began by FME with the assistance of external experts. When it became clear that the extent of the investigations would be very considerable, FME requested additional budget allocations to ensure it would be possible to handle this large and important project professionally and with sufficient force.

In recent years as many as 15 experts have been working concurrently on investigations within FME with qualifications in business administration, law, engineering and economics. The investigation was split between two teams, showing special regard for employees' eligibility. At least one investigator and one attorney worked on each investigation.

The investigating teams placed strong emphasis on working professionally and with integrity. They aimed at gathering sufficient data to shed as clear a light as possible on the series of events being investigated and based their decision concerning the outcome of the case on the relevant data.

Substantial expertise and experience in investigating economic crime has been accumulated by FME in the past few years, making the Authority well prepared to deal with demanding tasks in this area in the future. Furthermore, comments and suggestions received by FME from external parties, including regulated entities, institutions, undertakings and individuals, have increased in number.