



FCA secures confiscation orders totalling £1.69 million against convicted insider dealers

Press Releases | Published: 11/05/2018 | Last updated: 11/05/2018

Today, His Honour Judge Pegden QC sitting at Southwark Crown Court made confiscation orders in the sum of £1,074,236 against Martyn Dodgson and £624,521 against Andrew Hind. The orders must be paid within 3 months or Mr Dodgson will face a further 7 and a half years in prison and Mr Hind will face a further 5 and a half years.

These confiscation orders follow an FCA prosecution in which Messrs Dodgson and Hind were convicted of conspiring to insider deal. The existence of the conspiracy was proved by evidence of insider dealing in relation to five stocks. However, the total amounts to be confiscated include profits generated from trading in a further 23 stocks, which the FCA asserted amounted to insider dealing. As both defendants are deemed to have a criminal lifestyle due to the extent of their offending, the Court was able to assume that the profits made from other trading within a defined period also represented the proceeds of insider dealing and therefore their benefit from general criminal conduct. Mr Dodgson and Mr Hind did not seek to challenge that assumption in relation to their trading in the additional 23 stocks.

Mark Steward, the FCA's Executive Director of Enforcement and Market Oversight said:

"Mr Dodgson and Mr Hind hatched an audacious plan to make significant illegal gains for themselves. They were driven by greed and self-interest, but through their actions they have lost their liberty, their livelihoods and their reputations. Insider dealing is a serious crime that undermines our markets. The FCA will continue to ensure that those engaged in such activity are held to account for their misconduct."

The Defendants were convicted on 9 May 2016 following a three-month trial. On 12 May 2016, Mr Dodgson was sentenced to 4 and a half years' imprisonment and Mr Hind to 3 and a half years' imprisonment.

The conspiracy operated between 1 November 2006 and 23 March 2010. During that time, Mr Dodgson held senior positions at Morgan Stanley, Lehman Brothers and Deutsche Bank. He used those positions to source inside information, which he passed on to his close friend, Mr Hind, who in turn caused trades to be placed for the benefit of both defendants.

The Defendants employed elaborate strategies designed to prevent the authorities from uncovering their activities. These included using unregistered mobile telephones, safety deposit boxes, and encoded and encrypted records. They also used multifarious methods to distribute the benefit they obtained from their criminal enterprise.

Whilst the Defendants went to great lengths in an effort to ensure that their pursuits went undetected, their meticulous record keeping ultimately proved to be their downfall in the confiscation proceedings. Those records detailed trading in a variety of stocks and the amounts that each was to benefit as a result. This made it far easier for the FCA to demonstrate the full extent of each defendant's benefit from their criminal conduct.

Notes to editors

1. The confiscation orders were made on Friday 11 May 2018

2. Details of the Defendants' convictions and sentences:
 - [Two convicted of insider dealing in Operation Tabernula trial](#)
 - [Insider dealers sentenced in Operation Tabernula trial](#)
 3. The Court declared that the Defendants derived a benefit of £1,124,096.31 and £624,521 from their respective criminal conduct.
 4. The 'sentence in default' is the term of imprisonment to be imposed if a defendant does not satisfy his confiscation order. In the event that a sentence in default is served, a defendant is still required to satisfy the debt, as well as any interest that has accrued.
 5. The FCA obtained restraint orders against Mr Dodgson and Mr Hind on 19 March 2010 in order to preserve the value of assets in which they had an interest pending the outcome of the FCA's investigation and the conclusion of the prosecution and confiscation proceedings that followed.
 6. The original criminal investigation was conducted in conjunction with the National Crime Agency.
 7. On 1 April 2013, the FCA became responsible for the conduct supervision of all regulated financial firms and the prudential supervision of those not supervised by the Prudential Regulation Authority (PRA).
 8. The FCA has an overarching strategic objective of ensuring the relevant markets function well. To support this it has three operational objectives: to secure an appropriate degree of protection for consumers; to protect and enhance the integrity of the UK financial system; and to promote effective competition in the interests of consumers.
 9. Find out more information [about the FCA](#).
-

FCA secures confiscation orders totalling £1.69 million against convicted insider dealers

Media Centre

Press releases and contacts for journalists and other media

More information

Loan fee fraud