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Tribunal opens on €3 million trust pay-out

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A MAN who claims he was made the scapegoat for a botched three-million-euro transaction carried out by an Island trust company appeared before the Jersey Employment and Discrimination Tribunal yesterday.

Benedict Hampton was dismissed as a senior manager at STM Fiduciaire for gross misconduct after a trust was terminated in 2012 and its assets were paid out to a 'high-risk' client who had been reported for suspicious activity.

The money, which was held on behalf of the client in the trust, should not have been paid out without certain reviews being completed, such as anti-money laundering checks, to establish if it was safe to return the funds to the client and close the trust.

The tribunal heard that due diligence (identification checks) were not complete on the beneficiary and that several compulsory check-lists were not filled out before the transaction was approved.

Mr Hampton, who had worked at STM for six years, was not present at the board meeting when the transaction was signed off by the company's managing director, Helen Munns, and director, Gary Toy, as he had been out of office for a few days.

He admitted before the tribunal that he had made mistakes, but said that he 'had been singled out' and made a scapegoat for several colleagues' errors.

Advocate David Steenson, acting on behalf of STM, pointed out during cross-examination of Mr Hampton that he did not complete three required forms before the meeting, which would have alerted the directors to the issues.

Mr Hampton said that the directors, who

no longer work for STM, could have requested more information before approving the transaction.

Advocate Steenson said: 'Are you saying that every time a senior manager provides a meeting request form that the directors need to go off and check the files to make sure that everything is OK?'

Mr Hampton replied: 'I am not suggesting that. I am saying if it is a high-risk case, Gary Toy probably had knowledge of the suspicious activity report, so questions should have been asked. If they had any questions at the time about this high-risk distribution, they should have spoken to me or someone else or waited until I was back in the office the next day.'

Advocate Steenson also said that Mr Hampton had not provided a required check-list to STM's compliance department before the transaction.

Mr Hampton said that he had 'met the obligations with compliance' when he spoke to the money-laundering-reporting officer after seeing a warning message on his computer about the client.

Two former colleagues of the trust worker appeared as witnesses yesterday - Norberto Fernandes and Michael Sampson. They submitted statements praising Mr Hampton as a workmate, describing him as 'meticulous', but both said they were surprised that he had not completed the check-lists before the meeting.

Advocate Heidi Heath, acting for the applicant, asked Mr Sampson, who was previously Mr Hampton's managing director, to what extent he felt closing a trust should be 'a rubber stamp job'. He said: 'It would never be that. They [the directors] have to take responsibility for the eventual signing off.'

The tribunal panel comprised Advocate Mike Preston, John Noel and Ian Carr. The tribunal continues.