

10 June 2013

Grace Haden

Via Email: grace@verisure.co.nz

Dear Ms Haden,

RE: C3396 – Complaint to the Serious Fraud Office

I refer to your email dated 20 May 2013 and a subsequent email dated 27 May 2013 which relates to a prosecution instigated by the former National Enforcement Unit of the Ministry of Economics and Development against Mr. Terry Hay.

In your complaint you allege that the National Enforcement Unit brought charges against Terry William Hay relating to the liquidation of one of his companies. You state that lawyers, who acted on behalf of Mr Hay, offered the National Enforcement Unit and the Crown Prosecutor, Brian Dickey, \$80,000 to cover their investigations costs in return for withdrawing the charges against Mr Hay. You believe that this offer may constitute the offence of bribery.

The SFO is a highly specialised government agency that is permitted by law to investigate only those matters where there are reasonable grounds for suspecting that an offence involving serious or complex fraud may have been committed.

We have evaluated the information you have provided to determine whether it may warrant an SFO investigation and whether there is evidence of a crime having been committed.

Our evaluation of your complaint has established that Mr. Hay and his fellow director Lynne Pryor were each charged with 22 separate offences as a result of the liquidation of one of their companies. It has also been confirmed that an offer was made by lawyers acting on behalf of Mr. Hay seeking to resolve the matter prior to any court hearing. This offer was rejected by the prosecutor and as a result the prosecution continued.

Prior to the court proceeding, Mr. Hay left New Zealand which resulted in significant delays in the prosecution. As a result of this delay, and other factors pertinent to the case, the Crown prosecutor, Brian Dickey, reevaluated the Crown's position. As such an application was made to the Auckland District Court to withdraw the charges and this application was accepted.

It should be noted in general terms that an offer made to the Crown (usually without prejudice) to resolve a matter, involving some monetary compensation whether to complainants or for payment of costs, is not evidence of bribery and or corruption as you allege. This course of action is often a legitimate means of resolving prosecutions and in most instances be agreed by a Judge.

The SFO has considered these facts and has determined that the complaint does not provide evidence of any breach of the criminal law as alleged.

SFO



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SERIOUS FRAUD OFFICE
Te Tari Hara Taware

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Yours sincerely

A handwritten signature in blue ink, appearing to read 'S.G.' followed by a stylized flourish.

Steve Garrett
Investigator
Evaluation and Intelligence