

Press release

Date:
22 October 2020

Embargo:

Contact:
Tobias Lux, Media Spokesperson
Tel. +41 31 327 91 71
tobias.lux@finma.ch

FINMA reassesses disgorgement of profits in BSI case

The Swiss Financial Market Supervisory Authority FINMA has reassessed the disgorgement of profits in the 1MDB enforcement case against BSI. In addition, FINMA has concluded all proceedings against individuals in connection with this case. In two cases it issued industry bans.

FINMA has more precisely reassessed the disgorgement of profits from BSI in the 1MDB case from the year 2016 ([press release](#)). It has ordered that an amount of CHF 70 million be confiscated instead of the original CHF 95 million. In making this reassessment, it considered those income and costs of the bank that were closely linked to the violations of supervisory law in business relationships in the context of 1MDB. FINMA has thus taken into account the new case law on the disgorgement of profits, including the Federal Administrative Court's judgement of November 2019.

The bank had contested FINMA's decision with regard to AML failings in the 1MDB case from the year 2016 before the Federal Administrative Court. The latter confirmed the serious violations of supervisory law in its judgement of November 2019, but rejected one aspect of FINMA's ruling: the calculation of the disgorgement of profits. Following the redetermination of the disgorgement of profits, this case is now closed.

BSI: proceedings against individuals also concluded

In addition, FINMA has concluded all enforcement proceedings against individuals that were opened following the BSI case. FINMA had opened proceedings against four individuals. In two of these cases it issued industry bans of several years. These rulings were contested before the Federal Administrative Court and are still pending. In one case, FINMA concluded the proceedings by holding with legal effect that a serious breach of supervisory law had occurred, but without ordering further measures. In the other case, it brought the proceedings to a close after the person concerned had credibly agreed not to accept a managerial position at a supervised institution in the future. FINMA also issued reprimands to four further individuals.