

Monday May 10th, 2010

Criminal Charges Against Senior BSP Executives struck out by Waigani Committal Court

The criminal charges against senior Bank of South Pacific Executives Robin Fleming and John Maddison were struck out by Senior Magistrate Fred Tomo in the Waigani Committal Court on Thursday May 6th, 2010.

The charges against the two Executives were that they conspired with others to defeat the course of justice by, in effect, relying on a Fixed and Floating Charge in favour of the Bank to divert payment of a judgment debt in favour of Yama Security Services Limited to the Bank's agent, Deloitte Touche Tohmatsu Accountants.

The Executives have always denied the charges as baseless.

A spokesman for the Bank said that although happy with the outcome, the two Executives and their families have been victims of gross incompetence and prejudice which led to the deprivation of their liberty, restrictions on their movement, embarrassment and emotional stress for which they will be seeking damages against those responsible, together with the costs of defending the charges.

The Bank will seek to join these actions due to the reputational damage it has suffered as a result of the actions of the police.

It was revealed in Court today that the information upon which the charges were laid had not been sworn in front of a Magistrate as is required under the District Courts Act and Mr Tomo agreed with counsel for the Executives, Greg Egan that the proceedings were fundamentally flawed from the outset.

The bank will also instruct its lawyers, to request the newly appointed Attorney-General to investigate how such charges, and similar charges, have been allowed to be instigated without any or any apparent supervision from the Office of the Public Prosecutor.

Executive Management