

IN THE HOUSE OF LORDS

ON APPEAL FROM THE DIVISIONAL COURT

B E T W E E N:

THE QUEEN

on the application of

**(1) CORNER HOUSE RESEARCH
(2) CAMPAIGN AGAINST ARMS TRADE**

Respondents

-and-

THE DIRECTOR OF THE SERIOUS FRAUD OFFICE

Appellant

-and-

BAE SYSTEMS PLC

Interested Party

SECOND WITNESS STATEMENT OF ANN FELTHAM

I, Ann Feltham, Parliamentary Co-ordinator, Campaign Against Arms Trade, 11 Goodwin Street, Finsbury Park, London N4 3HQ SAY AS FOLLOWS:

1. I make this statement to update the House of Lords as to developments in the investigations into BAE Systems Plc in recent weeks and months.
2. Following the decision of the Serious Fraud Office to discontinue its investigation into BAE's involvement in the Al-Yamamah aircraft sales in December 2006, the US Department of Justice began an investigation covering the same ground under the US Foreign Corrupt Practices Act.

3. The investigations by the US authorities into alleged bribery and corruption by BAE in relation to the Al-Yamamah military aircraft contracts have continued apace in recent months.
4. In May 2008 it was widely reported that the Chief Executive of BAE and another non-executive director were detained on arrival in the United States, served with subpoenas and their computers and other electronic devices were inspected. At the same time, raids were conducted on the homes and offices of US-based BAE executives, who were also served with subpoenas.
5. More recently it has been reported that Alan Garwood the former head of DESO (the defence exports arm of the Ministry of Defence) and BAE's Business Development Director has also been served with a subpoena on a recent visit to the United States.
6. Action has also been taken against Prince Bandar personally in the US. In particular, there is a pending class action claim brought by a pension fund against BAE and, it seems, Prince Bandar, for alleged misconduct in relation to Al-Yamamah in the United States. A US Court has now issued a freezing order over Prince Bandar's substantial US assets in order to ensure that the assets are not moved out of the jurisdiction.
7. Meanwhile, I understand that the Swiss authorities are conducting their own investigation and providing mutual legal assistance to the US authorities.
8. All of the above steps in the US and Switzerland appear to have been taken without any negative consequences to US or Swiss national security.
9. I exhibit newspaper articles dealing with the above matters, along with some further documents exhibited to my first witness witness statement that were omitted from the Appendix in error.

Statement of Truth

I believe that the facts set out in this witness statement are true.


.....

Ann Feltham

23 June 2008

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SECOND WITNESS STATEMENT
OF ANN FELTHAM

Leigh Day & Co.
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Ref: RS/JB

Agent for the Claimants

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EXHIBIT TO SECOND WITNESS STATEMENT OF ANN FELTHAM

From The Times

May 19, 2008

BAE Systems bosses detained as they fly into US

David Robertson, Dan Sabbagh and James Rossiter

Sir Nigel Rudd, the City grandee, was detained by the US Department of Justice last week as part of an investigation into bribery allegations against BAE Systems, the arms manufacturer.

Sir Nigel is a non-executive director of BAE, Europe's largest defence company, and was detained with Mike Turner, its chief executive, in Houston. He is also chairman of BAA, the airports operator, and deputy chairman of Barclays Bank. The pair are understood to have been issued with subpoenas as they entered the US. Both were detained for about 30 minutes and were asked to return for formal interviews at a future date.

The Home Office confirmed last night that it has been approached by the Department of Justice with a request for information that may help with the US investigations. The request has been made under a protocol called Mutual Legal Assistance. A Home office spokesman said: "It is an ongoing process, we cannot comment further."

Sir Nigel and Mr Turner were on their way to tour BAE's facility at Seeley, Texas, which makes armoured trucks for the US Army.

The detention of Sir Nigel and Mr Turner is part of an investigation into bribery and corruption allegations in BAE's dealings with Saudi Arabia, although the move has upset both the company and the Foreign and Commonwealth Office.

The investigators are trying to discover out whether BAE paid bribes to Saudi officials including Prince Bandar, the former Saudi Ambassador to the US, as part of the al-Yamamah arms agreement, which has earned BAE £43 billion. BAE and Prince Bandar have denied any wrong-doing. The investigators are believed to have requested information on the al-Yamamah deal from those involved since sales began in 1985.

The Department of Justice has been taking a hard line against European businesses in recent weeks. BAE said that it had co-operated fully with investigators and its lawyers are likely to say that US officials could have written to Mr Turner requesting an interview or information, rather than ambush him as he arrived in the country. The detention of Sir Nigel may turn out to have been a mistake as he joined the board of BAE in September 2006, after the alleged payments to Prince Bandar. After the subpoenas were issued, both men were allowed to enter the US.

A Serious Fraud Office inquiry into the same deal was halted by the UK Government late in 2006 on grounds of national security. Last month the High Court ruled that the decision to end the investigation was unlawful and ordered the case be reopened. The SFO is appealing that ruling.

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Top BAE executives held in Texas

[Print](#)

By Sylvia Pfeifer in London and Stephanie Kirchgaessner in Washington
Published: May 18 2008 16:18 | Last updated: May 18 2008 16:18

Mike Turner, the chief executive of **BAE Systems**, and Sir Nigel Rudd, a non-executive director, were detained last week by US authorities investigating bribery allegations.

The two, who are among the UK's most senior businessmen, were issued with subpoenas by officials from the Department of Justice as they landed at Houston airport last Monday. They were kept for about half an hour and had their documents, as well as personal electronic equipment, examined.

The department is investigating the £43bn (\$84bn) al-Yamamah arms deal under which Saudi Arabia bought aircraft and other defence equipment from the UK in 1985. BAE announced in June that the department had launched an inquiry to determine if its business dealings with Saudi Arabia complied with anti-corruption laws. There have been persistent allegations that bribery was involved in the contract, with stories of slush funds used to entertain Saudi officials and royalty. BAE has always denied any wrongdoing.

Sir Nigel, one of the City of London's most respected businessmen and currently chairman of BAA, the airports operator, only joined the BAE board in September 2006.

BAE confirmed on Sunday that the DoJ had served a "number of additional subpoenas in the US on employees of BAE Systems plc and BAE Systems Inc as part of its ongoing investigation, which the company has previously announced".

"The company has been and continues to be in discussion with the DoJ concerning the subpoenas served in the course of its investigation."

BAE declined to comment on the details of the subpoenas but stressed that neither man was prevented from entering the US and that Mr Turner was now back in the UK.

The British government has been considering a request for assistance from the department since last year. The Home Office said the request was "being given detailed consideration".

The detention of the executives illustrates the gulf that exists between the two countries in their attitudes to pursuing white-collar crime. David Gourevitch, a US white-collar defence attorney, said British people were not necessarily used to executives being pursued and questioned aggressively. US prosecutors, on the other hand, were less likely to make a distinction between alleged white-collar criminals and "real" criminals in the tactics they employ, including aggressive questioning.

"It sounds like the DoJ investigators are not getting what they hoped for as quickly as they hoped for, and are pursuing information through other avenues," said Mr Gourevitch. "A stop [into the US] by executives is a perfect way to do that."

Grand jury and other subpoenas for information must be issued in person by investigators or through attorneys.

The Department of Justice declined to comment.

The department began its inquiry into the al-Yamamah deal after the UK scrapped its own investigation into BAE's dealings in Saudi Arabia. The decision by the Serious Fraud Office in 2006 sparked outrage and has since been ruled unlawful by the High Court.

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1.30pm BST

BAE bosses held in US over corruption allegations

Staff and agencies
guardian.co.uk, Sunday May 18, 2008

Two senior BAE Systems executives were detained by US authorities investigating corruption allegations, it was revealed today.

The defence firm's chief executive, Mike Turner, and a senior colleague are understood to have been held as they arrived in the US on business this week.

The pair were questioned while documents and personal electronic equipment – including laptops and Blackberries – were examined before being released.

The US justice department acted at Houston airport in Texas as part of its investigation into a £43bn arms deal between BAE and Saudi Arabia.

The company has been accused of making illegal payments to key officials from the regime - although it has repeatedly denied any wrongdoing.

There was outrage in December 2006 when the British government announced that the Serious Fraud Office was dropping its probe into the al-Yamamah deal.

The then-attorney general, Lord Goldsmith, and prime minister, Tony Blair, insisted continuing would have caused "serious damage" to UK-Saudi relations and put national security at risk.

However, the high court has since ruled that the SFO acted unlawfully in abandoning the case, while authorities in the US have pressed ahead.

According to the Sunday Telegraph, several US-based BAE executives had their homes raided at around the same time Turner and his unnamed colleague were detained.

BAE Systems Inc, a subsidiary of UK-based parent BAE Systems Plc, employs about 43,000 employees in the US.

British officials in Washington were reportedly informed of the incident on Monday when Turner, a 59-year-old father of four, alerted military contacts at the embassy.

One told the Sunday Telegraph: "It was pretty heavy-handed. They had their laptops taken away and their documents photocopied."

A BAE spokesman said: "BAE Systems notes press coverage concerning recent developments in connection with the Department of Justice investigation which commenced in June 2007.

"As the company has already announced, the investigation is ongoing and any request for information relating to it should be directed to the DoJ."

The Liberal Democrat treasury spokesman, Vince Cable, said: "These reports illustrate that the investigation into alleged corruption over this arms deal is very far from closed.

"I approached the home secretary several months ago to ask whether the British government would co-operate with the department of justice, and I received an unhelpful and ambiguous answer.

"It is very clear that the US authorities will not let this go. If there is any question of illegality on American soil they will investigate fully, and they are putting the British government to shame."

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Third BAE man is targeted by US officials

[Print](#)

By Sylvia Pfeifer, Defence Industries Correspondent

Published: June 4 2008 21:18 | Last updated: June 4 2008 21:18

The former head of Britain's arms export agency was issued with a subpoena two weeks ago by US authorities investigating allegations of corruption at **BAE Systems**, highlighting their determination to pursue a case that the UK has dropped.

Alan Garwood, now BAE's business development director but who until last year was in charge of export sales at the Ministry of Defence, was served with a subpoena by Department of Justice officials at the end of May. Mr Garwood was changing aircraft at Miami airport.

He is the third senior BAE executive to be served papers in relation to the DoJ's investigation of the £43bn al-Yamamah arms deal between Saudi Arabia and the UK in 1985. It was about a week after BAE chief executive Mike Turner and Sir Nigel Rudd, a BAE non-executive director, were issued with subpoenas as they landed in the US.

The targeting of Mr Garwood is potentially significant. He worked on important campaigns, including last year's deal to sell Eurofighter Typhoons to Saudi Arabia. He was seconded to the MoD from BAE in 2002.

The DoJ launched its probe last year after the UK's Serious Fraud Office dropped its inquiry in 2006. Its actions could be an attempt to put pressure on the UK government as all three subpoenas are thought to have requested information held by the Home Office and the MoD. The Home Office has been considering a request for assistance from the DoJ since last year.

The DoJ is investigating whether BAE's business dealings with Saudi Arabia complied with anti-corruption laws. BAE has always denied any wrongdoing.

On Wednesday, BAE reiterated its statement issued last month that "the company has been and continues to be in discussion with the DoJ concerning the subpoenas served in the course of its investigation".

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From The Sunday Times

February 10, 2008

Saudi royal Prince Bandar Bin Sultan's assets frozen

Grant Ringshaw

PRINCE Bandar Bin Sultan, the former Saudi Arabian ambassador to America, has been hit by a court order in effect freezing some of his US assets, as part of a class-action lawsuit over bribery allegations at British defence giant BAE Systems.

A Michigan pension scheme – the City of Harper Woods Employees' Retirement System – has been granted a restraining order, according to documents filed in the US district of Columbia and seen by The Sunday Times.

The order, granted last Tuesday, blocks Bandar from transferring out of the country any money he makes from the sale of property in America.

Bandar owns one of the world's most expensive homes, Hala Ranch, in Pitkin County, Aspen, Colorado. The bulk of the estate was put up for sale for \$135m (£69m) in July 2006 after Bandar reportedly decided he was spending too much time in Saudi Arabia to take advantage of the lavish property.

The 56,000 sq ft main residence is bigger than the White House and has 15 bedrooms, 16 bathrooms, an indoor swimming pool, steam and exercise rooms and includes a private children's wing with four bedroom suites and a sitting room. The estate spans 95 acres, includes two 15,000 sq ft guest houses, tennis and racquetball courts and equestrian facilities. It even has a dedicated waste-water treatment plant, a car wash and petrol pumps.

The latest move comes after the pension scheme launched a class-action suit on behalf of rebel investors last September against the BAE board, as well as former directors and Bandar.

The case centres on allegations that bribes worth \$2 billion were paid to Saudi officials, including Bandar, as part of BAE's agreement to supply military aircraft and other equipment to Saudi Arabia.

The lawsuit accuses BAE directors of "intentional, reckless and negligent breaches of their fiduciary duty".

BAE has strongly denied making illegal payments, while Bandar has consistently rejected the allegations.

Sources close to the civil action said the pension scheme had become concerned that Bandar could seek to move funds out of America.

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From The Sunday Times

November 19, 2006

Blair hit by Saudi 'bribery' threat

David Leppard

SAUDI ARABIA is threatening to suspend diplomatic ties with Britain unless Downing Street intervenes to block an investigation into a £60m "slush fund" allegedly set up for some members of its royal family.

A senior Saudi diplomat in London has delivered an ultimatum to Tony Blair that unless the inquiry into an allegedly corrupt defence deal is dropped, diplomatic links between Britain and Saudi Arabia will be severed, a defence source has disclosed.

The Saudis, key allies in the Middle East, have also threatened to cut intelligence co-operation with Britain over Al-Qaeda.

They have repeated their threat that they will terminate payments on a defence contract that could be worth £40 billion and safeguard at least 10,000 British jobs.

The Saudis are furious about the criminal investigation by the Serious Fraud Office (SFO) into allegations that BAE Systems, Britain's biggest defence company, set up the "slush fund" to support the extravagant lifestyle of members of the Saudi royal family.

The payments, in the form of lavish holidays, a fleet of luxury cars including a gold Rolls-Royce, rented apartments and other perks, are alleged to have been paid to ensure the Saudis continued to buy from BAE under the so-called Al-Yamamah deal, rather than going to another country. Al-Yamamah is the biggest defence contract in British history and has kept BAE in business for 20 years.

At least five people have been arrested in the probe. They include Peter Wilson, BAE's managing director of international programmes, and Tony Winship, a former company official who oversaw two travel and service firms that are alleged to have been conduits for the payments. Both deny any wrongdoing.

The Saudi threat was made in September after the royal family became alarmed at the latest turn in the fraud inquiry. Sources close to the investigation say the Saudis "hit the roof" after discovering that SFO lawyers had persuaded a magistrate in Switzerland to force disclosure about a series of confidential Swiss bank accounts.

The sources said the accounts relate to substantial payments between "third party" offshore companies that may have received large sums in previously undisclosed "commissions". Fraud office sources say they are now trying to get more documents that will tell them who benefited from the accounts. The trail is said to lead to the Saudi capital Riyadh.

The Saudis learnt of this development only when they were contacted by the Swiss banks in the late summer. "They hit the roof," said a source close to the investigation.

The Saudi royal family, which effectively controls the government, instructed a senior diplomat, said to be Prince Mohammed bin Nawaf, its London ambassador, to visit Downing Street. He held a meeting with Jonathan Powell, Blair's chief of staff, according to the sources.

The diplomat is said to have delivered a 12-page letter drawn up by a Saudi law firm demanding a detailed explanation of why the investigation was still continuing.

The Saudis had been given the impression during a meeting with Blair in July last year that the inquiry would be stopped, say the sources.

"The Saudis are claiming in this letter that the British government has broken its undertaking to keep details of the Al-Yamamah deal confidential," said a source who has read the document.

"It regards the disclosure of these documents to the SFO from Switzerland, and from the Ministry of Defence, as a totally unacceptable breach of that undertaking. They are claiming the deal is protected by sovereign national

immunity and that the British have no right to poke around in their private financial affairs.

“It is a really infuriated letter demanding a full and open explanation, pending which the Al-Yamamah contract is suspended and all payments would stop.”

A defence official said that the preliminary contract, signed last August, to sell the first 24 of 72 promised Typhoons, better known as Eurofighters, was then temporarily suspended. That contract alone is said to be worth £11 billion and would safeguard 9,000 jobs at the Eurofighter’s UK headquarters in Warton, Lancashire, for the next decade.

Downing Street is said to have persuaded the Saudis to reverse for the time being their decision to suspend the Typhoon payments. However, the Saudis made clear they would carry out their threats unless the demands in their letter were met.

During the meeting with Powell the Saudi diplomat is said to have issued a threat to sever all diplomatic and intelligence ties. Such a move would be damaging for Britain’s strategic interests in the volatile region.

It would involve the Saudis withdrawing their ambassador to London, and the British ambassador in Riyadh would be sent home. Direct communications between the two countries on political, economic and security issues would have to be conducted through a third country.

“It was the Swiss stuff that sent the Saudis over the top. The threat to cut off diplomatic and intelligence ties was a very real one,” said the defence official.

The row will put renewed pressure on Lord Goldsmith, the attorney-general, to intervene. Earlier this year Goldsmith, who is the “superintending” minister for the SFO, was asked to determine whether its inquiry was “in the public interest”. That request followed earlier Saudi pressure on the Ministry of Defence.

A spokesman for Goldsmith said: “We do not comment on ongoing investigations.”

Al-Yamamah, meaning “the Dove” in Arabic, has kept BAE in business for 20 years. It was signed in 1985 when Britain agreed to sell 72 Tornados and 30 Hawks to Saudi Arabia.

The deal was renewed in 1993 when the Saudis agreed to buy another 48 Tornado warplanes. In a third stage of the contract signed last year, Britain is selling up to 72 more planes, the Typhoons.

A Downing Street spokesman said: “We don’t speak about ongoing investigations and we don’t speak about discussions with other countries.”

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Halt inquiry or we cancel Eurofighters

By **Christopher Hope**, Whitehall Editor

Last updated: 1:43 AM GMT 02/12/2006

Saudi Arabia has given Britain 10 days to halt a fraud investigation into the country's arms trade - or lose a £10 billion Eurofighter contract.

The contract supports up to 50,000 British jobs and there are now fears that [the deal may go to France](#).

The Saudi government is on the verge of cancelling the contract - an extension of one brokered by Margaret Thatcher 20 year ago - because of a Serious Fraud Office investigation into allegations of a slush fund for members of the Saudi royal family, according to authoritative sources.

Tony Blair has been told that the deal faces the axe in 10 days unless he intervenes to bring the two-year investigation to a close.

The Saudis are said to be "outraged" by the probe into the activities of companies linked to BAE Systems. The investigation concerns alleged illegal payments made to members of the Saudi royal family and their agents.

The country's advisers have made clear through diplomatic channels that unless the inquiry is closed, the kingdom's arms business will be taken elsewhere.

The Saudis are understood to have already opened negotiations with the French about buying 36 rival Rafale jets.

The Daily Telegraph has learned that President Jacques Chirac has been to Saudi Arabia twice in recent months to offer full French co-operation on such a deal.

There has since been a series of meetings in Paris. Prince Bandar bin Sultan bin Abdul Aziz, the Saudi national security council secretary general, visited the French president on Wednesday of last week.

Last Monday, an envoy from the Saudi government is understood to have gone to Paris to confirm details of a potential new deal.

At stake is the future of the Al-Yamamah arms deal, Britain's biggest ever overseas defence contract. It is said to have been worth £40 billion to BAE Systems over the past 20 years.

Industry analysts estimate that the Government has benefited from a two per cent handling fee on that sum worth £800 million.

In 2002 a law was brought in to forbid British companies from offering bribes to third parties to secure business.

Mr Blair is being pressured to ask the Attorney General, Lord Goldsmith, to speed up the SFO's investigation to avoid the loss of the Saudi contracts.

Another prominent Cabinet minister is also thought to have approached the Attorney General about the case.



The Saudi government is on the verge of cancelling the contract

Lord Goldsmith is understood to have been warned that the flow of vital intelligence from the Saudi Government to the British secret services could be impaired following a break between the two governments over the contracts, thereby endangering national security, particularly during the war on terrorism.

However, friends of Lord Goldsmith maintain that he still feels compromised by the way in which he was pressured in 2003 to change his advice to the Government about the legality of the Iraq war.

He is said to be determined to ensure that on this issue no political pressure will be brought to bear upon him in deciding whether or not to bring prosecutions against any BAE Systems executives.

The renewed pressure on the Attorney General comes as the Foreign Office has been trying to smooth relations with the Saudis, with the British ambassador in Riyadh meeting representatives of the Saudi royal family last week-end.

There were early signs last night that a peace deal could be brokered, with suggestions that the UK Government has assured the Saudis that the investigation will be wound up "within a few months".

The Foreign Office today denied that any Government minister would even consider intervening in the inquiry.

A spokesman said: "The Serious Fraud Office is an independent Government department and part of the criminal justice system. Other parts of Government cannot and would not interfere in or prejudice its investigations."

BAE Systems denies that it has done anything wrong. A spokesman said: "We have always co-operated fully with the investigation. We are confident that we have done nothing wrong and we look forward to a swift conclusion."

The Conservatives declined to comment last night.

Norman Lamb, MP, the chief of staff to the Liberal Democrat leader Sir Menzies Campbell, said if anyone was leaning on the Attorney General that was "scandalous in the extreme". He added: "If you are going to pass anti-corruption legislation then you have to live with the consequences of it when the going gets tough.

"There cannot be any question of interference with a criminal investigation. The idea is abhorrent."

Story from Telegraph News:

<http://www.telegraph.co.uk/news/uknews/1535683/Halt-inquiry-or-we-cancel-Eurofighters.html>

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Saudi arms deal inquiry closes in on secret papers

David LeighThe Guardian, Monday November 20, 2006

The Serious Fraud Office is on the brink of obtaining information from Swiss banks which may implicate the Saudi royal family in secret arms-deal commissions of more than £100m, sources close to the attorney general's office confirmed yesterday.

The SFO has been inquiring for three years, in some secrecy, into allegations of systematic corruption in international deals arranged by Britain's biggest arms company, BAE Systems.

But it was only this autumn that the Saudis, along with BAE executives and officials of the MoD's arms sales department, DESO, became aware of how much progress the SFO has made. Sources close to the Swiss say the authorities there notified two middlemen that access to their bank accounts was being sought.

One is believed to be a prominent Lebanese politician, the other a wealthy Syrian. A process of formal appeal by them has been taking place in Geneva. Legal sources said that the Swiss normally grant preliminary access in such criminal cases for accounts to be inspected. This would enable the SFO to trace any payments passed on to accounts belonging to the Saudi royals.

Since the Swiss disclosure to their account-holders, the attorney general in London has faced renewed political pressure from BAE to block the expanding SFO investigation.

The company has hired a City firm, Allen & Overy, to protect its position with the SFO. BAE denies wrongdoing and says it is co-operating with the inquiry. The attorney general Lord Goldsmith is reported to have refused to intervene, and MPs say any move by him to do so would provoke uproar at Westminster. The Saudis also deny any wrongdoing.

Saudi officials are reported to have met Tony Blair's chief of staff, Jonathan Powell, to discuss the fate of "Al Yamamah 3", the latest multi-billion pound installment of BAE's warplane sales to the Saudis, amid fears for the deal if the Swiss probe is not blocked.

The Powell family have intimate knowledge of the history of the deals. Mr Powell's brother, Charles - Lord Powell - has been on BAE's payroll as a consultant, and his son, Hugh, heads the Foreign Office's security policy department, which is concerned with BAE. But there is no reason to believe any threats would be met with other than an entirely proper response in Downing Street.

Reported threats from the Saudis to break diplomatic links and withdraw intelligence co-operation over al-Qaida have been discounted at Westminster.

According to internal Cabinet Office documents seen by the Guardian, the Saudi royal family relies on a flow of MI6 intelligence from Britain on the neighbouring Shia Muslim regime in Iran. The royals, who are Sunnis, are also a target of al-Qaida, being accused of despotism and corruption. It would weaken their own position to break off intelligence links with Britain.

The investigation, now one of the SFO's largest and most complex, began when the Guardian obtained and published allegations three years ago that BAE was running a Saudi "slush fund", and that it separately used an offshore conduit, Red Diamond, to make worldwide secret payments.

Banking sources say the fact that the SFO has approached Swiss banks with information about identified accounts, suggests they have successfully used their wide British powers to order disclosure by UK banks, and by BAE itself.

In the past year, the SFO inquiry has dramatically expanded, identifying alleged BAE agents in Chile, Romania, the Czech Republic, South Africa, and, most recently, in Tanzania. In the latter case, in 2001 Tony Blair pushed through cabinet a BAE £28m radar sale to one of Africa's poorest countries against the heated opposition of then international development minister Clare Short. Both the prime minister and BAE reassured critics at the time that the sale was above board.

Last month, the Guardian disclosed that accidentally-released Whitehall

documents revealed how the price of BAE's Tornado warplanes in Saudi Arabia's original Al Yamamah contract had been inflated by 32%. Another document in the archives quoted a dispatch from a British ambassador saying the family of Crown Prince Sultan "had a corrupt interest in all contracts".

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Aims and Objectives



The Serious Fraud Office aims to contribute to:

- a. reducing fraud and the cost of fraud;
- b. the delivery of justice and the rule of law;
- c. maintaining confidence in the UK's business and financial institutions.

To achieve these aims the SFO takes on appropriate cases and:

- a. investigates and brings them to a successful conclusion as quickly as individual circumstances allow; and,
- b. when a decision to prosecute is made, prosecutes fairly and in a way that enables the jury to understand the issues.

In carrying out its aims and objectives, the SFO will:

- a. work effectively and efficiently;
- b. co-operate with other agencies and overseas jurisdictions; and,
- c. ensure that its activities, and the way they are reported, contribute to deterring fraud.

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