

Yesterday, the Attorney General of Switzerland (OAG) opened criminal proceedings related to the FIFA scandal. This report outlines some of the events related to the criminal investigation, with a particular focus on banking.

Michael Luaber, the Swiss attorney general, said his team was analyzing 104 bank transactions. There has also been 53 suspicious transaction reports filed related to the FIFA investigation. The Office of the Attorney General of Switzerland (OAG) has opened criminal proceedings on the grounds of suspicion of criminal mismanagement, and of money laundering in connection with the allocation of the 2018 and 2022 Football World Cups. (Luaber, 2015)

Meanwhile, in the U.S. the DOJ claims that vast sums of money changed hands in the U.S. between sports marketing firms and FIFA officials from its regional branch called CONCACAF (the Confederation of North, Central America and Caribbean Association Football). Several Wall Street banks that were allegedly used to funnel money between different parties. No banks have been accused of any wrongdoing.

Banks cited include: [Citibank](#), [JPMorgan Chase](#) and [HSBC](#) are named in the document as well as [UBS](#), [Bank of America](#), [Espirito Santo Bank](#) and [Julius Baer](#). (Clinch, 2015)

According to a Reuter's article Daryan and Daryll Warner, sons of former FIFA Vice President Jack Warner, and their associates deposited more than \$600,000 in cash at bank branches in New York, Miami and Las Vegas in the second half of 2011, according to a 2012 complaint in U.S. District Court in New York.

In one two-day period, the pair parked \$128,313.38 in 23 separate deposits into accounts at Bank of America, JPMorgan Chase, Citibank and Wells Fargo through the use of tellers and ATMs.

The complaint against the Warners, who are citizens of Trinidad and Tobago, showed that they made sure none of their deposits exceeded the \$10,000 threshold above which banks have to file a report to U.S. authorities.

The U.S. Department of Justice charged nine officials at FIFA, the global body governing soccer, and five corporate executives with running a criminal enterprise that involved more than \$150 million in bribes.

In one case, a teller at a JPMorgan Chase branch on New York's Broadway said she had asked somebody for his driver's license when he wanted to deposit 7,500 euros, which at the time translated to an amount just above the reporting threshold.

The person then asked to be handed back 500 euros, which lowered the sum to \$9,336.60. Earlier that day, a similar amount had been deposited at JPMorgan in Queens. The following day, another 7,000 euros was deposited at the Broadway branch. (Miedema, 2015)



Image 1, Madeleine Sibthorpe's impression of Sepp Blatter, FIFA's Goldenballs

The following section of this report lists various articles and reports related to the current FIFA scandal.

#### [SWISS PROSECUTORS INVESTIGATE BANKING LINKS TO FIFA](#)

*(FT - Malcolm Moore)* - Evolving Legislative/Regulatory Issues

There are 53 suspicious activity reports under anti money-laundering. Michael Lauber, the Swiss attorney general, says all relevant persons, including Sepp Blatter, would be interviewed

An investigation into Russia and Qatar's World Cup bids gathered pace after Swiss prosecutors said they had found more than 100 suspicious bank transactions and [Fifa](#) revealed it suspected a group of football officials of breaching its ethics code during the bid process

The investigation, prompted by a request from Fifa itself, concerns the bidding process for the 2018 and 2022 [World Cups in Russia](#) and [Qatar](#). The decision to award the tournament to Qatar, a country with little tradition of football and where summer temperatures can exceed 50C, was particularly controversial. Meanwhile Cornel Borbély, head of investigations at Fifa's ethics committee, said the organisation had opened "several proceedings into football officials".

#### [BCE AND SCOTIABANK SAY THEY GOING TO REVIEW THEIR FIFA SPONSORSHIPS IN LIGHT OF CORRUPTION SCANDAL](#)

*(FP – Gerrit De Vynck)* – Industry Conduct

The two sponsors of FIFA said they are keeping a close eye on the U.S. corruption probe with just a week to go before the Women's World Cup kicks off in Canada

#### [VISA INC WARNS FIFA: BE 'SWIFT' IN CLEANING UP CORRUPTION OR WE'RE BAILING ON YOU](#)

*(FP – Anjali Athavale)* – Risk

The statement from Visa was the strongest so far...

#### [BANKS NAMED OVER FIFA SCANDAL](#)

*(FT – Gina Chon)* – Regulatory Issues

Wall Street again in the spotlight in laundering allegations

JPMorgan, Citi, BofA, UBS, Julius Baer and HSBC are named to have facilitated payments of bribes.

Payments in excess of \$1m were routine and reliance on US money transfer system.

#### [VIDEO: BANKS TO BE QUESTIONED OVER FIFA](#)

*(G&M – Video)* – Risk

A raft of banks could face tough questions over how much they knew about millions of dollars in bribes flowing through the global banking system, as scandal engulfs FIFA. Kirsty Basset reports.

#### [FIFA BROTHERS SCRAMBLED TO DEPOSIT CASH HOARD AT U.S. BANKS, U.S. COURT DOCUMENTS SHOW](#)

*(Reuters - Douwe Miedema)* - Evolving Legislative/Regulatory Issues

May 28 Two brothers who pleaded guilty in the FIFA soccer bribery scandal deposited large sums of cash in a frenzied series of visits to U.S. banks, hoping to avoid detection by authorities, U.S. court documents released this week showed.

#### [AFTER INDICTING 14 SOCCER OFFICIALS, U.S. VOWS TO END GRAFT IN FIFA](#)

*(NY Times - Stephanie Clifford, Matt Apuzzo)* - Evolving Legislative/Regulatory Issues

With billions of dollars at stake, Morocco, Egypt and South Africa jockeyed in 2004 for the privilege of hosting

soccer's most prestigious tournament, the World Cup. The outcome hinged on a decision by the executive committee of [FIFA](#), soccer's governing body, and a single vote could tip the decision.

#### **THE BANKS AND BRANDS SWEATING ON FIFA PROBE**

(*CNBC - Matt Clinch*) - Evolving Legislative/Regulatory Issues

Some of soccer's biggest sponsors have been quick to show their dismay at the corruption allegations against high-ranking FIFA officials. But the finer details of the indictment appear to implicate one U.S. household name in particular.

#### **HOW THE INDICTED OFFICIALS FIT INTO FIFA**

(*NY Times - LARRY BUCHANAN, TOM GIRATIKANON and KAREN YOURISH*) - Evolving Legislative/Regulatory Issues

Here are the high-ranking soccer officials and sports executives caught up in the FIFA investigation, as well as some of the schemes detailed in the Department of Justice indictment that alleges widespread corruption over the past two decades.

#### **SEPP BLATTER DECIDES TO RESIGN AS FIFA PRESIDENT IN ABOUT-FACE**

(*NY Times - SAM BORDEN, MICHAEL S. SCHMIDT and MATT APUZZO*) - Evolving Legislative/Regulatory Issues

Sepp Blatter, who led world soccer's governing body for 17 years and who was regarded as one of the most powerful people in global sports, said Tuesday that he would resign his position. He made his announcement in Zurich as law enforcement officials in the United States confirmed that he was a focus of a federal corruption investigation.

#### **VIDEO: BANKS TO BE QUESTIONED OVER FIFA**

(*G&M - Video*) - Evolving Legislative/Regulatory Issues

A raft of banks could face tough questions over how much they knew about millions of dollars in bribes flowing through the global banking system, as scandal engulfs FIFA. Kirsty Basset reports.

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