

Goldman Sachs insider trader who 'cheated honest investors' jailed for 22 months in London court

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By [Abhishek Kumar](#)

A former Goldman Sachs International analyst was today sentenced to 22 months in prison for trading on insider information from deals the US investment bank was working on. Mohammed Zina, 35, who worked in the company's conflicts resolution group in London, was sentenced in Southwark Crown Court to 22 months for six counts of insider trading and 18 months for three offenses of fraud by false representation, to be served concurrently.

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Judge Anthony Baumgartner said Zina would serve his sentences concurrently, however, and said that half of the 22 months would be served in the community on license.

"I cannot help but feel pity for you for throwing away what would have been such a promising career in banking, something a lot of young people dream of, for easy gain," the judge said in sentencing Zina today.

"The harm caused by your dealings is very high considering the impact of this offense on the overall public confidence and the impact on the bank's reputation. You betrayed the trust of your employer as well as cheating honest investors in the shares you traded in."

"What you did strikes at the very heart of our financial markets and the trust and confidence of the public in financial institutions."

Zina was convicted of "sidestepping" strict rules that banned him from trading shares in companies with which the bank had client relationships after a prosecution brought by the Financial Conduct Authority. Jurors unanimously found the former banker guilty on all of the nine charges he faced yesterday.

"Mohammed Zina tried to cheat the market for his own personal gain by cynically trading on inside information. This conviction sends a clear message that economic crime is on our radar, and we will take action to uphold the integrity of UK markets," Steve Smart, the FCA's joint executive director of enforcement and market oversight, said yesterday.

During the trial, the court was told that Zina had set up trading accounts in the name of his brother, Suhail Zina, a former Clifford Chance lawyer, and his sister. He then traded on those accounts without informing the bank. Suhail, who had also faced nine charges in the prosecution, was cleared earlier in the trial after the judge ruled he had no case to answer.

He had access to sensitive non-public information about company takeovers and was accused of using that information to make 142,000 pounds (\$180,000) in profits from trading in six stocks.

Zina was found guilty of illegally dealing in the stocks of ARM Holdings, Alternative Networks, Punch Taverns, Shawbrook, HSN and Snyder's Lance between July 2016 and December 2017.

He was also found guilty of fraud charges related to three loans he secured from Tesco Bank totaling 95,000 pounds. He was alleged to have told the lender that the money was for home improvements, but instead he used it for trading.

Zina declined to give evidence in the case, but his lawyer said that senior Goldman executives had lied when giving evidence in the case. This meant the case against him was "tainted."

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Areas of Interest: Financial Crime

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