

## Goldman Sachs executive's 'lies' undermine FCA's insider trading case, UK court told

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By [Martin Coyle](#) and Abishek Kumar

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Mohammed Zina, who worked in GSI's London-based conflicts resolution group, is accused of six counts of insider trading and three charges of fraud by false representation in a case brought by the Financial Conduct Authority.

Zina is accused of using information from his role at Goldman to make 142,000 pounds in illegal profits from trading in six stocks. He denies the charges.

Brendan Kelly, representing the former banker, said the case against Zia had been "undermined" by witness statements made by Goldman Sachs employees who gave evidence earlier in the trial. Kelly said there had been "confusion and lies" between witnesses in the trial.

"This taints the evidence, it taints the case on whether you can be sure [Zina] knew he had inside information," said Kelly. "There is no clarity, there is mud," said Kelly.

Kelly told jurors that Fergal O'Driscoll, Goldman's head of EMEA conflicts risk, had been interviewed by police for suspected contempt of court, following allegations he had spoken to another witness in the case. O'Driscoll wasn't found to have committed any wrongdoing.

Kelly said that Giles French, a manager director at the bank, had also lied on the witness stand when he gave evidence. "This is a highly regulated world where people watch out for themselves and watch for their reputations," said Kelly.

The jury was told that French received three missed calls from O'Driscoll on the day of O'Driscoll's police interview. "What on earth was Fergal O'Driscoll so keen to speak to Giles French about before he spoke to the police?" said Kelly. O'Driscoll denied speaking to French about the case.

"What possible reason would he have to speak to him," said Kelly. "This is why when you dig into the lies that you have been told, you find they are ongoing," he added.

"They are not lying about the weather, they are not lying about the rain," he said. "Every time they were in a corner...they sought to lie their way out of it," he added.

Zina declined to take the witness stand in his defense during the case. Kelly told jurors that they could hold that against him, but the prosecution had undermined its own case against the banker during cross-examination.

Kelly said that the FCA had provided no evidence that Zina had been told he was on a Goldman "insider list," where strict rules are put in place to prevent Goldman employees trading on companies the bank worked with.

Zina had stood trial with his brother, Suhail Zina, a former Clifford Chance lawyer who also faced nine charges in the prosecution. Suhail walked free from court on Friday after the judge said he had no case to answer.

Mohammed is accused 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. The FCA claims he made tens of thousands of pounds' profit from the trades.

He also faces fraud charges related to three loans he secured from Tesco Bank totaling 95,000 pounds. He is alleged to

have told the lender that the money was for home improvements, but instead used it for trading. He denies all the charges. The case continues.

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**Areas of Interest:** Financial Crime, Sector Regulation

**Industries:** Banking & Finance

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