



**IN THE GRAND COURT OF THE CAYMAN ISLANDS
CRIMINAL SIDE**

**IND NOS 79A/2019
80A/2019
89A/2019**

HIS MAJESTY THE KING

V

CANOVER NORBERT WATSON

BRUCE ANDREW BLAKE

Appearances: Ms Eloise Marshall KC and with her Ms Toyin Salako and Mr Garcia Kelly, Office of the DPP

Mr Dapinder Singh KC and with him Ms Amelia Fosuhene for the Defendant Canover Norbert Watson

Mr Cairns Nelson KC and with him Mr Jonathan Hughes for the Defendant Bruce Andrew Blake

Before: Hon Justice Margaret Ramsay-Hale, Chief Justice

Submissions: 16 March 2023

Sentence Delivered: 19 April 2023

HEADNOTE

Sentencing – Secret Commission- Money Laundering - False Accounting - Mitigating and Aggravating Factors - Statement on Tariffs and Guidelines for Sentencing for Certain Offences (2002) - Application of UK Sentencing Guidelines for Fraud, Bribery and Money Laundering Offences - Cayman Islands Sentencing Guidelines (2015) - Cayman Islands Sentencing Guidelines for Money Laundering Offences (2017) - Alternative Sentencing Law.

230419 R v. Watson (Canover Norbert) & Blake (Bruce Andrew) Ind: 79A of 2019 & 80A of 2019 & 89A of 2019 - Sentence Judgment – *with errata**



SENTENCE JUDGMENT

1. The defendants were convicted on 28th October 2022 after a trial by jury and are now before the Court for sentencing.
2. Canover Norbert Watson was convicted for breaches of the **Anti-Corruption Act (2019)**, (the “**ACA**”) **Proceeds of Crime Act (2008 Revision)** (the “**PCA**”) and the **Penal Code (2013 Revision)**.
3. Bruce Andrew Blake was convicted of breaches of the **Penal Code**.
4. The case which the jury found proved against Mr. Watson was that he had obtained a “*secret commission*” of \$1.54 million USD from CONCACAF by presenting invoices for payment which contained statements which were false in that the invoices purported to be issued by a Pakistan sporting goods manufacturer for goods it had sold to CONCACAF. The invoices, however, were created and issued by Mr. Watson using the logo of the Pakistan company and recorded prices for the goods ostensibly sold to CONCACAF which were massively inflated.
5. As explained by Mr. Watson, the ‘business model’ was to purchase the goods from the Pakistan at the factory prices and resell the goods to CONCACAF with a substantial mark up. Few of the goods represented by the invoices were purchased from Pakistan or delivered to CONCACAF.
6. The invoices contained instructions that payment be made to an offshore company controlled by Mr. Watson which had a name very similar to that of the Pakistan company to give it the appearance of being part of the Pakistan group of companies.
7. The false invoices were presented by Mr. Watson, then a member of CONCACAF’s Finance Committee, to the then General Secretary of CONCACAF. The General Secretary, who the Crown suggests was complicit in the scheme, approved the invoices for payment.



8. When the monies were paid into his offshore company's account, Mr. Watson made two transfers from the proceeds of his fraud to the account of the Cayman Islands Football Association ("CIFA") which were the subject of the two counts of transferring criminal property of which he was convicted. The first of these was a transfer in the sum of \$300,000 to CIFA's account for onward transfer to the Pakistan sporting goods manufacturer to pay for some of the goods which had been invoiced to CONCACAF. The monies were transferred through the CIFA account when Mr. Watson's Panama bank refused to transfer funds from Panama to Pakistan.
9. The second was a transfer in the sum of USD \$600,000 to CIFA which was then used to pay down a loan made by Fidelity Bank to CIFA which was secured by land on which CIFA was building its Center for Excellence.
10. During this same period, Mr. Watson solicited a contribution of \$600,000 to CIFA from a US sports travel company for the development of youth football. That sum was also applied to the Fidelity Bank loan. The combined payments of USD \$1.2 million secured the release of the charge that Fidelity Bank had over the land. This was imperative if CIFA were to continue to benefit from FIFA funding for the Centre of Excellence, as a FIFA rule change required that properties being developed with FIFA funding be free from encumbrances.
11. Mr. Watson, who was Treasurer of CIFA at the material time, recorded both transfers of \$600,000 in CIFA's books as loans.
12. In response to the auditor's request for the underlying loan documents during CIFA's 2014 audit, Mr. Watson produced two documents which purported to be agreements to lend made between CIFA and two offshore companies controlled by him. One of these was the company Mr. Watson used to receive the funds from CONCACAF. The other was a company which had a name similar to that of the US Sport travel company which had made the \$600,000 payment to CIFA. Mr. Watson, who had created the documents on his computer and electronically applied the signatures of an officer of his offshore companies and of Mr. Blake on behalf of CIFA as Acting



President, presented the documents to the auditors as genuine loan documents with the knowledge and consent of Mr. Blake.

13. Mr. Watson and Mr. Blake were close friends who had grown up together. They were both avid supporters of Cayman football in general and CIFA in particular. Mr. Blake supported Mr. Watson's commercial endeavours with the Pakistan sportswear manufacturer and the US Sports travel operator and did some legal work to assist Mr. Watson in establishing companies and drafting sponsorship agreements, among other things.
14. Mr. Blake, who was an attorney-at-law working with a local law firm, also operated a financial and legal consultancy business known as M-Management. Mr. Watson transferred \$140,000 of the tainted funds to M-Management over a period of 3 months in 2014 on the basis of invoices which were prepared by Mr. Watson for legal work purportedly done for him by Mr. Blake. Mr. Watson was convicted by the jury of entering into an arrangement with Mr. Blake to facilitate the acquisition, retention and use of criminal proceeds contrary to section 134(1) of the PCA. Mr. Blake was acquitted of a corresponding allegation of acquiring criminal property.
15. On these facts, the jury returned conviction against Mr. Watson and Mr. Blake according to Counts is as follows:

Canover Norbert Watson

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|---------|--|
| Count 1 | Secret Commission, contrary to section 21 (1)(c) of the Anti-Corruption Act, which carries a maximum penalty of 5 years imprisonment. |
| Count 3 | Transferring Criminal Property, contrary to section 133 of the Proceeds of Crime Act, which carries a maximum penalty of 14 years imprisonment and unlimited fine. |
| Count 4 | Transferring Criminal Property, contrary to section 133 of the Proceeds of Crime Act, which carries a maximum penalty of 14 years imprisonment and unlimited fine. |



Count 6 Entering an Arrangement, contrary to section 134(1) of the Proceeds of Crime Act, which carries a maximum penalty of 14 years imprisonment and unlimited fine.

Count 7 & 8 False accounting, contrary to section 255(1) (b) of the Penal Code, which carries a maximum penalty of 7 years imprisonment.

Bruce Andrew Blake

Count 7 & 8 False accounting, contrary to section 255(1) (b) of the Penal Code, which carries a maximum penalty of 7 years imprisonment.

Principles of Sentencing

16. In approaching the question of sentence, the Court should consider which of the five purposes of sentencing it is seeking to achieve through the sentence that is imposed. More than one purpose might be relevant and the importance of each must be weighed against the particular offence and offender characteristics when determining sentence. The five purposes of sentencing are:

- The punishment of offenders
- The reduction of crime (including its reduction by deterrence)
- The reform and rehabilitation of offenders
- The protection of the public
- The making of reparation by offenders to persons affected by their offences.

17. Both Mr. Watson and Mr. Blake have been convicted of more than one offence. The approach to sentencing offenders charged with multiple offences is set out in the Cayman Islands Sentencing Guidelines of October 2015 which state the following principles relating to totality and concurrent/consecutive sentences:



“5 The Totality Principle

The Court, when sentencing for more than a single offence, should pass a total sentence which reflects all the offending behaviour before it and at the same time, is a sentence which is just and proportionate. This is so whether the sentences are concurrent or consecutive (see 6 below). Thus, concurrent sentences will ordinarily be longer than a single sentence for a single offence. It is usually impossible to arrive at a just and proportionate sentence for multiple offending simply by adding together notional single sentences. It is necessary to address the offending behaviour, together with the factors personal to the offender as a whole...

6 Concurrent/Consecutive sentences

When an offender has committed more than one offence for which he is to be sentenced, the Court may structure the sentences to be either consecutive or concurrent. In accordance with the totality principle, the overriding principle is that the overall sentence must be just and proportionate. This can be achieved whether the sentences are structured as concurrent or consecutive, as to which there is no inflexible rule, simply guideline principles...

6.1. Concurrent sentences will ordinarily be appropriate where:

- (a) *Offences arise out of a related incident or facts*
- (b) *There is a series of offences of the same or a similar kind especially when committed against the same victim*

Where concurrent sentences are passed, the sentence should reflect the overall criminality involved. The sentence should be appropriately aggravated by the presence of the associated offences and thus the court may increase sentence for the principal offence to reflect the gravity of conduct.



6.2 *Consecutive sentences will ordinarily be appropriate where:*

(a) *Offences arise out of unrelated facts or incidents*

(b) *Offences are of the same or similar kind but where the overall criminality will not sufficiently be reflected by concurrent sentences...*"

18. The Guidelines were considered by the Court of Appeal in *Bouchard v R*, Criminal Appeal 9 of 2016, which involved an abuse of trust. The victim was an elderly man in the early stages of dementia who was in a relationship and living with the defendant Bouchard. Bouchard stole approximately US\$2 million from him over the course of 27 months and was later convicted of multiple counts of theft and money-laundering as well as single counts of forgery and obtaining by deception.

19. The Court of Appeal observed at [22]:

"We have ... taken into account the observations of Lord Toulson in R v GH [2015] UKSC 24, [2015] 4 All ER 274 at paras [48]-[49] to the effect that in many situations it would be bad practice to add money-laundering counts to counts of theft where the money-laundering was simply the inevitable result of possessing, using or moving stolen money. It would be otherwise, however, where –

"the thief's conduct involved some added criminality not just as a matter of legal definition but sufficiently distinct from the offence that the public interest would merit it being charged separately: Brink's-Mat Ltd v Noye [1991] 1 Bank LR 68 provides a notorious example of the laundering of the proceeds of the theft of gold bars from a warehouse, but the conduct of thieves in laundering property stolen by them would not have to be on such a grand scale to merit them being prosecuted for it."

20. The added criminality in Bouchard's case identified in [23] was *"the attempt to retain and hide her spoiliations even in the face of imminent discovery"* by removing the funds from the jurisdiction



and concealing certain sums by transferring them to a third party, and the money-laundering counts were held to have been appropriately added.

Canover Watson

Social Inquiry Report

21. The Department of Community Rehabilitation has provided a Social Inquiry Report (hereafter the 'SIR') in respect of both defendants which I have summarized below.

Family Life

22. Mr. Watson is fifty-three years old, engaged, employed and the father and stepfather of two grown daughters. He was born in Jamaica and lived there with his grandmother from his first to his sixth year as both of his parents had relocated to the Cayman Islands for work. His early years with his grandmother were happy, his transition to Grand Cayman was smooth and he easily adjusted. His childhood was loving, well-provisioned and stable. He was raised in a household unmarred by violence or abuse and enjoyed the support of family and friends well into adulthood.

Education and Employment History

23. His parents' strong emphasis on education served him well and he was awarded a bachelor's degree in business administration from Stetson University and then a master's degree in accounting. By 1993, he was a Chartered Public Accountant.
24. Mr. Watson's first job was as a senior auditor for McGladrey & Pullen, an accounting firm in the United States of America. He then returned to Grand Cayman where he worked as a senior accountant for a year with Fidelity Bank before he gained employment with Admiral Administration ("Admiral") where he worked for over sixteen years.



25. From a starting position as Fund Administrator at Admiral, Mr. Watson rose to become its Global Manager in less than five years. By 1999, he was promoted to Assistant General Manager and to Managing Director in 2002. Mr. Watson earned a salary of \$40,000 a month at Admiral and was, in his own words, *“always financially comfortable”*.
26. His former employer at Admiral describes him as *“gifted as an accountant”, “good with employees,”* an *“exceptional employee”* who *“ran a good ship”* and said further that if Mr. Watson still had his licences, he would rehire him *“in a heartbeat”*.
27. Nonetheless, in 2014 when the unrelated criminal proceedings commenced, Mr. Watson was asked to resign from Admiral. Although he remained unemployed while that case wound its way through the Courts, he had other business interests which continued to operate.
28. He was convicted and sentenced to a term of imprisonment in 2016. The businesses in which he had an interest were all shuttered, save for one in which he is no longer involved.
29. On his release on Temporary License (“ROTL”) in February 2018, Mr. Watson was hired as the Operations Manager at Advance Automotive, the local Chevrolet car dealership. He continues in full-time employment with the company. The SIR notes that Mr. Watson’s current manager stated that Mr. Watson’s *“... management skill, helpful personality, and strong work ethic ...”* impressed him.

Community Engagement

30. Although not mentioned in the SIR, Mr. Watson also had the distinction of being given the Young Caymanian Leadership Award in 2007, being chosen ahead of four other candidates.
31. His leadership skills led to several appointments on a number of prominent boards, including the Cayman Islands Fund Administrators Association (2002 - 2008), the Cayman Islands Immigration Board (2007 - 2009), Cayman Finance (2007 - 2009) and the Cayman Islands Stock Exchange Board



(2007 - 2014). He also served as Chairman to several public bodies such as the Ministry of Finance's Revenue Measures Committee (2009) as well as the Health Service Authority (2009 – 2013)(the "HSA").

32. That said, the earlier offences for which Mr. Watson was convicted which led to his fall from grace were carried out against the HSA . The offences consisted of four counts of conspiracy to defraud, two counts of breach of trust and one count each of conflict of interest and fraud on the government.
33. For those offences, Mr. Watson was sentenced to seven years imprisonment.

Risk Assessment

34. Mr. Watson was released from custody on Conditional Release Licence from 4 June 2018 to 20 October 2020. On 9 August 2019, the Conditional Release Board was advised of the charges for which he has been convicted before this Court but did not revoke his license. The period of conditional release has seemingly been completed successfully as the SIT states that *"... since his release from custody in June 2018, there is no evidence of further offending behaviour"*.
35. The SIR records that Mr. Watson maintains his innocence and has indicated his intention to appeal. Not only does he lack remorse for the offences but he expresses the belief that he was victimized by the investigators. The Probation Officer considered that Mr. Watson showed limited *"victim awareness"* having stated that the putative victim - CONCACAF - *"never complained about being a victim."*
36. Mr. Watson was assessed using the Level of Service/Case Management Inventory Risk (LS/CMI) Need Assessment Tool. His overall risk of re-offending was gauged as *"Medium"*. Two risk factors which were identified as *"high"* The first was the absence of any structured or organized leisure activity or membership in any community group. Mr. Watson spends most of his time with his father, particularly since the passing of his mother.



37. The other was a 'Pro-criminal Attitude' in the circumstances where Mr. Watson denies committing the offences and has expressed no remorse. The suggestion is that, given the nature of his offending and his posture regarding the present convictions, Mr. Watson is criminally disposed to 'white collar' offending for financial gain.
38. That assessment notwithstanding, Mr. Watson's past engagement with rehabilitative interventions was characterised by the author of the report as positive.
39. Other parameters, such as 'Criminal History, 'Anti-social Pattern' and the 'Family/Marital' factors were rated as 'Low Risk'. The remaining parameters, 'Education/Employment' and 'Alcohol/Drug Problem,' were measured as 'Very Low Risk'.
40. The SIR concludes that *"the desire for money, power and social status in the upper echelon of society impacted his thinking and behaviour"* had influenced Mr. Watson's offending behaviour and suggests that he could benefit from *'rehabilitative interventions and counselling services.'*

Plea In Mitigation

41. In their submissions on behalf of Mr. Watson, Counsel urged the following matters on the Court:

"Mr. Watson has a fiancée, a daughter (30 years old), a stepdaughter (21 years old) and a newly born granddaughter who he has never seen because his bail conditions have prevented him from travelling outside the Cayman Islands since 2014.

His father is 82 years old and is not in the best of health. Mr. Watson is his only relative on Island. Mr. Watson is an only child and his father's primary source of everyday help, financial and emotional support. Mr. Watson's current income contributes towards the support and care for his elderly father. His income also contributes towards his household expenses and Mr. Watson visits his father every day.



As a result of the earlier offences for which he was convicted, Mr. Watson lost almost all the properties and investments that he held at the time of his arrest. He was also disqualified from acting as a director and chartered accountant therefore closing off his primary, longstanding career, which has severely limited his earning capacity.

Although he has not been diagnosed with any psychological or psychiatric mental illness in the past, Mr. Watson is currently feeling overwhelmed as it relates to his current circumstances, and he would benefit from counselling and significant emotional support.”

42. Counsel also submitted that the offences for which Mr. Watson is now convicted are historical and that since Mr. Watson's release from custody in June 2018, there has been no further offending. This, they maintain, is important because it evidences that Mr. Watson was willing to engage with the services provided after his earlier conviction, that he has learned from all engagements with social services and that he has been fully rehabilitated after serving his initial sentence.
43. Counsel asked the Court to note that during Mr. Watson's period of incarceration for the earlier offences, he used his time positively through further education and assisting others. He was described as '*co-operative, organised, and hardworking*' and was acknowledged for his positive attitude and quality of work. Whilst in custody he was the chairman of the inmate council, which was a body of inmates that met with the prison director on a weekly basis. He and other members of that council were responsible for significant and necessary improvements in prison conditions at HMP Northward. Those improvements can be seen today.
44. Mr. Watson spent his time in HMP Northward actively addressing what had led him to be in custody. He was therefore released at the earliest release date as those in charge of rehabilitation felt he was no threat to society. After his release he was monitored regularly by the probation service and completed his period of Conditional Release successfully. Counsel observed that, in the normal course of supervision under the **Conditional Release Act**, a great many prisoners have



issues settling back into society and often have the period of supervision extended to ensure there is no further offending. Mr. Watson, however, had not required any further supervision and in fact was a model of the example that the probation service looks for when dealing with offenders subject to the condition release supervisor provisions.

45. They commend the fact that Mr. Watson's previous employers both remain unwaveringly supportive of him which is, they submit, a testament to Mr. Watson's character.
46. With respect to the risk assessment in the SIR, Counsel made the point that the risk factor which arises from Mr. Watson having no outside activities should be viewed in the context of it being difficult for Mr. Watson to engage fully in public life. Counsel noted that Mr. Watson has been the subject of many years of adverse publicity and is understandably ashamed and embarrassed and, accordingly, lacks enthusiasm to engage in society in the way he did before he was convicted. They suggest it is unfair to now criticize Mr. Watson for keeping a low profile.
47. As far as pro-criminal activity is concerned, Counsel reminded the Court that Mr. Watson has clearly demonstrated that he can stay away from criminal activity given the length of time since his release.

Sentence Submissions

Count 1 Secret Commission

48. Ms Marshall KC relies on the UK *Fraud, Bribery and Money Laundering Offences: Definitive Guideline* (the "Guidelines") on the ground that obtaining a secret commission on the basis of statements which are false is similar to the offence of fraud by false representation. The Guidelines are instructive so long as we bear in mind that the maximum penalty for committing fraud by false representation is ten years imprisonment and the maximum term for obtaining a secret commission is 5 years.



Culpability and Harm

49. Given the sum involved, it is agreed that the offence is a Category 1 Harm offence.
50. The Crown contends that this is a Category 1A offence, with a culpability level of 'A' or "High" with a starting point of 7 years with a range of between 5 to 8 years.
51. The factors relied on by the Crown as placing the level of culpability at High are that the offence involved,
- (i) the abuse of a position of power or trust,
 - (ii) significant planning, and
 - (iii) was not a one-off event but involved the presentation of the three invoices over a period of three months.
52. The Crown has drawn the Court's attention to relevant authorities on sentencing for financial crimes involving a breach of trust. In *R v. Michael Levitt*¹ Martin JA at [9] cited the earlier decision of that Court in *Fyne v. R*² in which the Court observed,

"In light of the economy of the Cayman Islands, the sentence imposed by the court in cases of theft involving breach of trust should be one which would act as an effective deterrent."

53. In *R v. Patricia Glasgow*, Quin J³ said this at [65]:

"As has often been said: This type of offence has the potential to affect public confidence in Cayman Islands companies and our financial regulations which form an essential part of the financial services industry. In other words, the reputation of our financial services

¹ CICA (CRIM) 20/2013

² [2007] CILR 176

³ Indictment No. 0021/2013



industry on which our economy depends is damaged every time this type of breach of trust criminal offence is committed. Should others contemplate embarking on this type of dishonest behaviour they must realise that, if they are apprehended and subsequently convicted, a long term of imprisonment will be imposed.”

54. The Crown submits that Mr. Watson’ sentence should be towards the higher end of the penalty bracket as his offending was aggravated by the fact that he,
- (i) attempted to conceal evidence,
 - (ii) committed the offences across borders,
 - (iii) attempted to deflect blame to Mr. Khawaja, who was the authorised agent and reseller for the Pakistan sport goods manufacturer, for the losses to the Pakistan sports goods manufacturer and
 - (iv) caused reputational damage to CONCACAF in addition to the financial loss.
55. Counsel for the Defence, in their response, submitted that there was no abuse of position of power or trust in the circumstances where the evidence was that other members of CONCACAF supplied services to CONCACAF for financial gain. The Court was also asked to note that CONCACAF, as a legal entity, has never filed a criminal complaint against Mr. Watson or sought to recover the funds paid to his offshore company for goods it did not receive.
56. The Defence also highlights the fact that the three invoices were not submitted over a period of three months but submitted in a single email and that the scheme was not particularly sophisticated as there were obvious audit trails back to Mr. Watson who was responsible for the conduct of the day-to-day affairs of the operation.
57. With respect to the offence having been committed across borders, Mr. Singh KC submits that the offence was committed entirely outside of the Cayman Islands and that the charge of secret commission was pursued in order to capture domestic operations, the Crown having failed in its first attempt to prosecute Mr. Watson as an agent of CONCACAF.



58. With respect to Mr. Watson placing blame on others for his offending, Mr. Singh reminded the Court that Mr. Khawaja accepted that he had kept some of the funds sent to him intended for the Pakistan company.
59. The Defence says there was no attempt to conceal evidence and that the transparency of the scheme was what made the detection and prosecution of the offence possible. Emails were not deleted and the emails that the Court ordered the police to obtain during the course of the first aborted trial were relied upon by the prosecution.
60. The Defence position is that this is a case where culpability should be assessed at B with a starting point of 5 years with a range of 3 to 6 years, discounted to make allowance for the fact that the maximum sentence here is 5 years.
61. As far as aggravating features are concerned, the Defence accepts that Mr. Watson has a previous conviction.
62. In mitigation, Counsel rely on the fact that some monies were paid to the Pakistan company and some goods received by CONCACAF, that Mr. Watson has no recent convictions, the offences are over 10 years old and that he is the primary support for his elderly father.

Sentence on Count 1

The Court Addresses Mr. Watson as follows

63. Having considered the submissions made by Counsel on the appropriate approach to sentencing based on the Sentencing Guidelines in both the UK and in Cayman, and considering the maximum terms for the offences for which you are convicted, I consider that your offending in respect of the offence of secret commissions committed is high culpability falling within category A of the Sentencing Guidelines in that you acted in breach of trust. You were able to defraud CONCACAF because of your position within the organization as well as your relationship with Jeff Webb who



was then President of CONCACAF and with then General Manager, Enrique Sanz who, the evidence suggests, were also acting in breach of trust. Your evidence that other committee members had financial dealings with CONCACAF was not controverted, but the fact is that, even if you had delivered the goods to CONCACAF as promised, your scheme would have caused CONCACAF to pay thousands more for sportswear and sporting goods for the youth in its Grassroots programme than it would have paid if it had dealt directly with the Pakistan company. Your scheme diverted funds from programs designed by CONCACAF to develop football within the region and from the youth that the Grassroots programme was meant to support.

64. Significant planning was undertaken by you to develop and carry out the scheme after you met Mr. Khawaja, establishing companies here and in Panama to facilitate your scheme of presenting false invoices to CONCACAF and having the funds you obtained paid to your companies.
65. Counsel on both sides agree that given the amount of money involved this is a case of Category 1 harm. The starting point for a Category A1 offence, taking into account that the maximum sentence is 5 years, would be 30 months with a sentence range of 18 months to 4 years.
66. I consider that there was serious detrimental effect on CONCACAF both in terms of the financial loss and the reputational damage to the organization. I am not dissuaded from that view by the fact that CONCACAF did not itself make a criminal complaint against you or seek to recover the funds paid to your offshore company for goods it did not receive. To take the victim impact into account in assessing harm, I move up the range from a starting point of 30 months to a starting point of 3 years. Unlike the cases of *Levitt* and *Glasgow* which involved numerous transactions over a period of several years, your offence consisted in the presentation of the three inflated invoices for payment in a single email but I do not consider that there should be any downward adjustment to take that into account in all the circumstances.

Other Relevant factors



67. The authorities establish that the injury to Cayman's reputation as a financial centre which results from offences committed in breach of trust, is a factor which increases the seriousness of the offence and it is not double-counting to take it into account as an aggravating feature, notwithstanding it is a factor which is taken into account in determining culpability.
68. That the offence was committed across borders is also an aggravating factor to be weighed in the balance.
69. It is not a mitigating feature of the offence, as suggested by Counsel for the defence, that some goods were delivered to CONCACAF and some paid for in the course of the scheme. The whole offence was made out when the false invoices were presented by you to CONCACAF for payment and the offence aggravated by the amount of money you were able to obtain.
70. Notwithstanding the attempt by you to shift some blame to Mr. Khawaja, that was in respect of losses to the Pakistan company and not the losses to CONCACAF which are the subject of Count 1 and I do not take that into account as an aggravating factor.
71. The fact that you have been convicted of offences of a similar nature shows that these offences were not out of character but rather a trend in offending behaviour. Although you had not been convicted for your earlier dishonest conduct *before* you embarked upon this enterprise - it was not strictly speaking a previous conviction - the fact of your having committed similar offences of dishonesty is a matter to be taken into account.
72. That said, those offences were committed between 2010 and 2013. The fact of your conviction in 2016 must be balanced against the fact that you have not committed any further offences since 2016 and that you have responded well to rehabilitative interventions while incarcerated, as noted in the SIR.
73. The delay in the prosecution of these matters is a mitigating factor. The reasons for the delay cannot all be placed at your feet. It is right that your failure to submit to interview while seeking



representation contributed to the delay, but I consider that the more substantial delay was caused by the failure of the police to obtain and disclose a significant cache of emails to which you no longer had access. Those emails were not made available to you until the police were directed by Chapple J. to retrieve copies from the server at your previous place of employment at the conclusion of an unusually fraught hearing. Although Ms. Marshall contends that you always had those emails in your possession, that assertion was not established by the evidence.

74. This offence of secret commission is now nearly 10 years old. I take into account that the prolongation of the prosecution has increased your anxiety and accept that you currently feel overwhelmed as submitted by Counsel. I also take into account that you now have primary responsibility for your father's financial and emotional wellbeing. You have, however, expressed no remorse for what you have done which might have mitigated your sentence and allowed you to return to your father sooner.
75. Having considered the aggravating and mitigating features and in the round, I consider that there should be ~~no~~ an* adjustment of the starting point from 3 years to 3 ½ years, to take into account the potential impact of the offence on Cayman's reputation as a financial centre. The other aggravating and mitigating features balance themselves out. I sentence you to a term of 3 ½ years' imprisonment on Count 1.

Submissions on Counts 3, 4 and 6 The Money Laundering Offences

Culpability and Harm

76. The Crown submitted that the Court should have regard to the effect on the Cayman Islands as an international financial centre of Mr. Watson's "*misuse and manipulation of accounts held with reputable financial institutions within this jurisdiction*"⁴ given the reputational damage to the jurisdiction arising from the offence and the impact on public confidence in the Islands' financial services sector.

⁴ Written submissions at p. 3



77. The submission is supported by the preamble to the Sentencing Guidelines for money laundering offences (the ML Guidelines⁵) issued by Smellie CJ in October 2017 which states that,

“The Cayman Islands are an international global financial services centre. These Sentencing Guidelines therefore recognise the great importance of both deterrence denunciation in imposing sentences for money laundering offences.”

78. The Crown submitted that the offences represented by Counts 3, 4 and 6 are separate and distinct offending to the offence of secret commission and represents Mr. Watson’s attempts to deliberately “clean” the proceeds of his criminal conduct and that a consecutive sentence is appropriate.

79. The Crown submitted that the money laundering offences are High Culpability - A- as the offences involved,

- (i) transactions across jurisdictions and countries,
- (ii) the abuse of a position of power, trust, and responsibility,
- (iii) offences of a sophisticated nature,
- (iv) a significant degree of planning and
- (v) activity which was sustained over a period of time. ⁵

80. The level of harm directly relates to the sums involved. The Crown submits that Count 3, which relates to the transfer of US\$600,000 to CIFA and Count 4, which relates to the transfer of US\$300,000 to CIFA for onward transfer to Pakistan, both fall into Category 2 in the Money Laundering Guidelines.

⁵ Written Submissions at p. 5 at para. 25



81. Count 6, which relates to the facilitation of the acquisition, retention or use of \$140,000, falls into Category 3.
82. In the Guidelines, Category A2 offences have a starting point of 7 years' custody, with a sentencing range of 6 - 10 years imprisonment. Category A3 offences have a starting point of 5 years' custody and a sentencing range of 4 - 8 years.
83. In response, Counsel for the Defence made the same points in relation to the factors on which the Crown rely to assess Culpability as they did in respect of the Crown's submissions in respect of Count 1 and contend for Medium culpability or Category B.
84. Counsel also submitted that the sentences for these offences should run concurrently.

Sentence on the Money Laundering Counts

The Court Addresses Mr. Watson

85. The presence of any one of the factors set out in the Guidelines is sufficient to determine culpability. The fact is that the transfer of funds was across jurisdictions, from Panama to Cayman and, in respect of the transfer of \$300,000 to the CIFA account, from Cayman to Pakistan which makes the culpability of the offending High. There was nothing particularly sophisticated about the transfers of the funds which went straight from your Panama accounts to CIFA. A degree of planning was necessarily involved to conceal the origin of the funds and to explain the purposes for which the funds were being transferred to Cayman in order to get the Banks to accept the transfer of funds into CIFA's account in Count 4, to permit the transfer to Pakistan through CIFA's account in Count 3 and to allow the Count 6 funds to be paid into Mr. Blake's M-Management account.
86. I consider that a sentence lower than the lower end of the range would be appropriate having regard to the fact that the predicate offence of secret commission attracts a maximum sentence of 5 years only and I have sentenced you to 3½ years. Imposing a sentence for the money laundering offences which is higher than the sentence imposed for the underlying offence would



be disproportionate, in my view. The mitigating features I have referred to above must also be taken into account.

87. On the question of whether the sentences should be run concurrently or consecutively, applying the learning in *Bouchard*, I consider that the added criminality of the money laundering offences is sufficiently distinct from the underlying offence that the public interest would merit separate treatment. I am of the view that a sentence of 3 years would be appropriate for the money laundering offences but given that the sentences fall to be imposed consecutively to the sentence on Count 1, I consider that a sentence of 2 years consecutive will achieve a result which is just and proportionate.
88. I sentence you to two years imprisonment for each of the money laundering offences, each concurrent with the other but consecutive to the offence of secret commission.

Submissions on False Accounting

89. Insofar as counts 7 and 8 are concerned, the Crown relies on the *Fraud, Bribery and Money Laundering Offences: Definitive Guidelines (2015)* in the circumstances where the guidelines for the offence of false accounting are the same as that for fraud by false representation.
90. The Crown contends that relevant classification vis-à-vis value is 'Harm A - Loss caused or intended' - Category One given the sums involved.
91. The Crown contends for culpability 'A - High culpability'. They rely on the following factors:
- (i) breach of trust,
 - (ii) damage caused to CIFA,
 - (iii) the conversion of funds intended as sponsorship into a loan,
 - (iv) the use of a signature of a person unknown to Mr. Blake,
 - (v) the attempts to deceive the auditors,
 - (vi) the attempts to conceal the true origins of the loans; and



(vii) Mr. Blake's profession as a lawyer and accountant.

92. With respect to breach of trust, Counsel for Mr. Watson reminded the Court that CIFA has not made a criminal complaint against either Mr. Watson or Mr. Blake.
93. With respect to the damage caused to CIFA, it is submitted further that the actions of Mr. Watson conferred a benefit on CIFA which was, as noted above, the release of the charge over the land on which the Centre of Excellence is being constructed in the circumstances where FIFA funding would have been withdrawn if the charge remained. In the same vein, it was submitted on behalf of Mr. Watson that there was no identifiable loss to CIFA and that CIFA has only benefitted from the transactions in which it received \$1.2 million. In any event, as Counsel for Mr. Blake correctly submitted, this is a factor that goes to the question of harm rather than culpability.
94. With respect to the conversion of the \$600,000 given to CIFA by the US sports travel company, Counsel for Blake also correctly submitted that the conversion of this money into a loan is the gravamen of the offence and not a factor in assessing culpability.
95. The relevance of the factor at (v) was disputed by Counsel for Mr. Watson and Mr. Blake, quite rightly in my view, on the basis that it is an ingredient of the offence and not a factor on which the court can rely in determining culpability. Counsel for Mr. Blake made a similar submission with respect to the putative factor numbered (vi), which I accept, that as the attempt to conceal the origin of the loans is the essence of the offence of false accounting, it cannot be considered as a factor determining culpability.
96. With respect to the factor that Mr. Blake is a lawyer and accountant, the point was made on behalf of Mr. Blake that he was not acting in a professional capacity and that his profession was incidental to the offence. It was acknowledged, however, that he was acting as an officer of CIFA when the offence was committed and accepted that there was a breach of trust element in the case.



Sentence on False Accounting

The Court Addresses Mr. Watson

97. The UK Guidelines on False Accounting (at page 22) are apposite as the sentence for the offences are the same in England and Wales as here, being 7 years.
98. The level of culpability is high as the offences involved a breach of trust given that you were CIFA's Treasurer. There was some degree of planning, although your attempts to outwit the auditors were doomed to fail in that neither you nor Mr. Blake would ever have been able to obtain confirmation of these loans.
99. That said, the presentation of the false loan document to the auditors was to confirm the loans to CIFA, obliging CIFA to repay your company, with interest, money that you had "stolen" from CONCACAF, to borrow a word used repeatedly by the Crown in the course of this trial, unwittingly laundering your criminal proceeds in the process and having to repay another of your companies monies given to CIFA as sponsorship, with interest. That was the purpose for which the loans were prepared on the Crown's case which the jury found proved.
100. You asserted in the trial that CIFA did not have the capacity to service the loans and would not have suffered a loss in any event, but the fact remains that if CIFA's fortunes had changed, CIFA was on paper indebted to you for monies given to it by a third party to develop football in the Cayman Islands and to repay funds stolen by you. There was no Robin Hood here taking money from CONCACAF and soliciting funds from the US company and beneficently giving it to CIFA so it could get the Fidelity Charge removed. You described the decision to convert the \$1.2 million - which you claimed was your money - into loans as a business decision which demonstrates that you intended a loss to CIFA and a gain for yourself.
101. Using the figures provided by the Blake team, the sums subject of each count puts the level of harm in Category 2.



102. I conclude then that the offending falls within Category 2A, with a starting point of 4 years' custody and a range of 2 ½ years' to 5 years' custody.
103. I cannot accede to Mr. Singh's submission that the sentence for these offences should be made to run concurrently with the sentence for the secret commissions on the basis that the offences are "*intimately connected*." The presentation of the false loan documents, purportedly signed by CIFA's acting president, to the auditors in order to verify the entries made in CIFA's ledger book by you and thus oblige CIFA to repay your offshore companies monies it never borrowed, is additional criminality which properly ought to be dealt with by the imposition of a separate sentence.
104. I note too, in terms of seriousness, that the fact that these offences were in breach of trust and committed by a Cayman accountant are factors that damage Cayman's reputation as a financial centre and warrant adjusting the starting point from 4 years to 4 ½ years' custody.
105. Standing back and considering the totality of the offending, I consider that imposing a consecutive sentence of 4½ years would offend the totality principle. In order to achieve a result which is proportionate, I impose a sentence of 4 ½ years but order that sentence to run concurrent with the money laundering offences but consecutive to the offence of secret commission for a total sentence of 8 years imprisonment.

Bruce Blake

106. I now turn to consider the sentence for Bruce Blake.

Social Inquiry Report

Family Life



107. Mr. Blake, who has adopted his wife's last name and is now known as Mr. Stephens-Blake, is a 53-year-old husband and father. His three children range between twelve years old and ten weeks old. The eldest boy is his stepson, but Mr. Blake has had a relationship with the child since his infancy and regards him as his son.
108. Mr. Blake's parents migrated to Cayman from Jamaica with Mr. Blake and his siblings when Mr. Blake was two years old. He is the youngest of three brought up in a stable household by parents who sought to instill sound moral principles in their children. The emphasis placed on education by them motivated him to acquire a sound one.

Education and Employment History

109. In 1993, he obtained a Bachelor of Science Degree in Accounting from the University of South Florida. He entered the working world as a trainee accountant with PriceWaterhouse in 1994. While working with the firm, he became a Certified Public Accountant in the state of Georgia. He worked in the firm's New York office for eight months and afterwards in their Canada office where he spent eighteen months.
110. He returned to the Cayman Islands in 1998 where he obtained employment with a leading law firm as a Financial Controller, working in that role within the firm for nine years. Mr. Blake then read for a degree in law from the University of Liverpool through the Truman Bodden Law School, graduating with honours in 2007. He completed the Professional Practice Course with distinction and thereafter did his Articles of Clerkship with the law firm which had awarded him a scholarship in 2005 to undertake his legal studies.
111. He remained with the firm after qualifying, practising in their Structured Finance Department and specialising in Collateral Loan Obligation, Collateralized Mortgage Obligation and Collateralized Debt Obligation. He worked in the firm's London office for two years, from 2008 – 2010.



112. In 2015, when the allegations of wrongdoing were made, Mr. Blake resigned from the law firm as the only other option was to turn his back on football and he could not do that.
113. He has not engaged in formal employment since this time.

Community Engagement

114. Mr. Blake's involvement in local football runs deep. He has loved the sport since his school days. He is the founding member of two football clubs and continues to assist one of the clubs with coaching, administration, and management. For four years, he was a member of the Court of Arbitration for Sports, acting as a mediator. He was Deputy Chef de Mission for the Cayman Islands team for the 2012 Olympics in London.
115. He was instrumental in developing the national female football programme and contributed to track and field even though he had no direct involvement and he used personal funds to sponsor athletes on an overseas training camp. Mr. Blake is regarded as a *"charitable person who always gave back to the community and was always willing to assist in the development of young persons and the less fortunate."*
116. He has served on a number of boards and committees in different capacities. He was the Chairman of the Maritime Authority of the Cayman Islands. He served as a member of the Board of Directors of the International College of the Cayman Islands. He was the General Secretary and First Vice-President of CIFA, a member of the Legal and Audit & Compliance Committees CONCACAF, a member of FIFA's Legal and Audit & Compliance Committee and an Executive Committee member of the Caribbean Football Union.
117. I would note that, while with CIFA, Mr. Blake used hundreds of thousands of dollars of his own money to keep CIFA afloat, allowing CIFA office managers to charge expenses to his credit card.



Risk Assessment

118. Mr. Blake has no previous convictions.
119. During the interview for the preparation of the SIR, Mr. Blake asserted that he was not a thief and that he was embarrassed and ashamed by what had happened. He holds himself responsible and has expressed how, with hindsight, his conduct would differ. The SIR also records that Mr. Blake sees himself as a victim of Mr. Watson.
120. Mr. Blake reports that the proceedings have caused him to become depressed and withdrawn. He acknowledges that his reputation, locally and internationally, has been destroyed. He has also expressed concern about the negative publicity that the Cayman Islands has received as a result of this matter, which has also negatively affected his family life and career.
121. Mr. Blake's risk of reoffending was assessed applying the Level of Service/Case Management Inventory Risk/Need (LS/CMI) Assessment. Overall, Mr. Blake was classified as at 'Medium' risk of reoffending. One area of risk which was identified was the strain that his conviction has placed on his marriage. Another was the fact that a sibling had previously engaged in criminal activity, which increased the score. Mr. Blake is, however, estranged from that sibling.
122. Although he is highly educated and has been gainfully employed since earning a professional qualification in two separate disciplines, he has been unemployed since 2015 which the SIR suggests elevates his risk of reoffending as does the fact of his past relationship with Mr. Watson who has a previous conviction and the absence of any pro-social friendships, as Mr. Blake does not have any close friends.
123. That said, the assessment was that there is no indication of *"... ingrained criminal thinking, attitude and unconventional beliefs and attitude ..."*



124. The SIR concludes that Mr. Blake is previously of good character, is remorseful and well aware of the reputational damage to the Cayman Islands as a result of the proceedings and highlights his decades-long contribution to the social fabric of the country, through his work in the community and internationally.

Plea in Mitigation

125. The Court is reminded that Mr. Blake is a 53-year-old man of previously unimpeachable good character who has never been in trouble with the law in the 44 years before this incident, nor in the 9 years since. He has contributed widely to the community and his commitment to football saw him contribute hundreds of thousands of dollars to CIFA to keep the doors of the association open.

Submissions on Sentence

126. The sentencing submissions on behalf of Mr. Blake begin with the assertion that the jury, in finding Mr. Blake guilty of false accounting, found that he *“assisted, encouraged or caused”* Canover Watson to furnish two loan agreements to CIFA’s auditor.

127. Counsel submitted that the Court should bear in mind that the jury, in acquitting Mr. Blake of the money laundering offences, found that he was not involved in the wider money laundering scheme and therefore did not have an awareness of the overall scale and complexity of the Mr. Watson’s criminality. They submit further that the jury rejected the Crown’s assertion that Mr. Blake dishonestly received money as a reward for his part in the offending. It is on this limited basis that his culpability is to be assessed.

128. It is submitted that, consistent with the Guidelines which provide that factors at different levels of culpability are to be weighed up to reach a fair assessment of a defendant’s culpability, the factor of abuse of a position of trust or responsibility which would put the offending at High culpability should be balanced against three factors which suggest lesser culpability. These factors

are that Mr. Blake was not motivated by personal gain, had only a peripheral role in organized fraud and a limited awareness or understanding of the extent of the fraudulent activity. Taken together they suggest a culpability of medium 'B' to lesser culpability 'C'. I have already taken into account and discounted the other factors the Crown rely on as establishing offending at a higher culpability.

129. With respect to the category of harm, Counsel for Mr. Blake argue that the Crown has fallen into error by adopting a simplistic approach to assessing harm in this case. It is an approach which, Counsel say, is not in accordance with the guidance provided by the sentencing guidelines themselves which state that,

“Harm is initially assessed by the actual, intended or risked loss as may arise from the offence. The values in the table below are to be used for actual or intended loss only... Risk of loss (for instance in mortgage frauds) involves consideration of both the likelihood of harm occurring and the extent of it if it does. Risk of loss is less serious than actual or intended loss. Where the offence has caused risk of loss but no (or much less) actual loss the normal approach is to move down to the corresponding point in the next category. This may not be appropriate if either the likelihood or extent of risked loss is particularly high.” [emphasis in the original]

130. Counsel submitted on Mr. Blake’s behalf that there was no gain or loss with respect to Count 7 involving the loan document relating to the money stolen from CONCACAF and entered in CIFA’s books as a loan. The potential existed for a gain of US \$99,975.30 to be obtained due to the interest rate of prime + 1%. However, this did not happen because CIFA never made any payments on the loan of US \$600,000.
131. Equally, there was neither gain nor loss in relation to Count 8, which were the monies donated by the US Sports travel company. It was a risk to CIFA because it was on its books as a loan, but no payments were made with respect to same and there were no attempts made by the defendants to realise any gain from them.



132. Counsel submitted that this is a risk of loss case as opposed to one of actual gain/loss and this should be reflected at the next stage by a downward category adjustment.
133. The UK guideline is expressed in GBP (£). For the purposes of Count 7, Counsel propose that the amount of risk of US \$99,975.30 was the equivalent to £60,320.08 in 2013 when the loan agreements were dated and that the offending in Count 7 would be **Category 4**, as presenting a *risk* only of Category 3 harm, with a culpability level of Medium 'B' or Lesser 'C', both of which have community orders as a starting point.
134. The loan agreements are dated December 2013. In 2013, US \$600,000 was equivalent to £362,000 at that time using an exchange rate of 0.6. Using £320,000, as the 'risk' figure on Count 8, Counsel submits that the correct harm categorization is **Category 3** (reflecting the *risk* of Category 2 harm.)
135. With respect to Count 8, Counsel contend that the offence falls in Category Two. As no actual loss took place, the Court should assess the offending as Category 3. The starting point for Category 3B offending is 15 months with a range of High-level community order to 2½ years custody,
136. If the Court accepted there was lesser culpability as contended for, then the starting point for Category 3C offending would be a High level community Order with a range of low level community order to 36 week's custody.
137. Counsel submitted that there was no other harm to the victim warranting an upward adjustment in the category or range and relied on the proposition that by replacing the onerous Fidelity bank loans with private loans at a better rate, CIFA's financial position was in fact improved as a result of the loan agreements. This is, therefore, a case of lesser impact ("*some detrimental impact on victim, whether financial or otherwise*") and no adjustment is therefore warranted.



Aggravating and Mitigating Features

138. It was suggested by Counsel that none of the factors which increase seriousness apply. Counsel submitted, however, that three factors are present which *reduce* seriousness and these are that Mr. Blake has no previous convictions, is a man of previously good character who hitherto conducted himself in an exemplary manner and the delay, the lapse in time between his arrest and the trial for reasons which were not of his own making.
139. Counsel contend that the 5 ½ years he has been on bail awaiting this offence should be reflected in a reduction in his sentence. During that period, he was unable to work. He fathered two children all the while having the weight of these proceedings hanging over his head. Counsel submits that his unemployment, the subsequent financial insecurity, and litigation stress have all taken a toll on Mr. Blake. He has also accrued hundreds of thousands of dollars' worth of legal fees leaving him and his family in a precarious position.

Power to Suspend Sentence

140. In the event the Court considers that it is necessary to impose a custodial sentence, Counsel rely on the provisions of the Alternative Sentencing Act which directs that a court *shall*, "... *in imposing a punishment under this Law, take in account the following principles – that a punishment must be proportionate to the gravity of the offence and the degree of responsibility of the convicted person*"⁶ Further, if in the circumstances, less restrictive sanctions may be appropriate, "... *a convicted person should not be deprived of liberty ...*"⁷ They remind the Court that the 2015 Sentencing Guidelines provide that immediate custody should be a sentence of last resort reserved for the most serious offences committed by the worst offenders."⁸

⁶ The Alternative Sentencing Law (2008 Revision), s. 4(b).

⁷ *Ibid*, s. 4(f).

⁸ Nelson KC, C., *et al* (2023). *The King v. Canover Watson and Bruce Blake, Bruce Blake Sentencing Note*, p. 10 at para. 32



141. Counsel submitted that this is a case in which the court can safely suspend any sentence of imprisonment. Mr. Blake has a one-year-old and his wife gave birth to their second child on 6th January 2023. They conclude that the effect that his immediate imprisonment would have on his family requires no further elaboration.

Sentence on False Accounting

The Court Addresses Mr. Blake

142. I start by saying that I don't know what a lawyer intends when he executes a loan document except that it be binding. While the evidence is that you did not apply your signature to the loan documents, the jury found that you had agreed with Mr. Watson that it would be used for the purpose of the CIFA's audit, thereby adopting the documents as your own, and that you did so with "a view to gain" for Mr. Watson or "to cause a loss" to CIFA.

143. I, therefore, reject the submission that this case falls into the category of "risk of harm" where it has been found that you intended a loss to CIFA equal to Mr. Watson's gain.

144. I accept the submission on your behalf that the computation of the intended gain to Mr. Watson and loss to CIFA - accepting that the jury's verdict is consistent only with them not being sure that you knew that the \$600,000 represented criminal proceeds - should be limited to the interest that would be payable by CIFA on that sum, as your attorneys have submitted. I am happy to accept the product of Mr. Hughes' scholarship and to find that the sum involved is equivalent to £60,320.08 which would put the offending in Count 7 in Category 3.

145. Your actions were in breach of trust and notwithstanding the other factors which have been urged on me by your attorneys, I consider the culpability of your offending to be High 'A'.

146. The sentence range for Category 3A offending is 2 ½ years' custody with a category range of 15 months' custody to 3 ½ years' custody. The seriousness of the offence is compounded by the reputational damage done to CIFA.



147. An additional factor is that it is an offence in breach of trust and an offence of false accounting by a Cayman Islands accountant and attorney-at-law, potentially affecting public confidence in the Islands' financial services sector. This, I consider, warrants adjusting the sentence upward to 3 years in custody.
148. Against that I set the mitigating features which are your good character and the anxiety which you have experienced during the long delay between arrest and trial which was not of your own doing.
149. I accept the observations of your attorneys that the impact of the factors, that have been identified by the author of the SIR as increasing your risk, has been overstated in that everything else known about you suggests that you pose the lowest possible risk of reoffending. You have been unemployed since his arrest, but you have not demonstrated any inclination to further offending to meet your needs. While the strain on your marriage is a factor increasing risk using the assessment tool, I am not persuaded that in the instant case it warrants assessing your risk of re-offending as medium. I venture to say that the massive fall from grace and the shame you have experienced as a result of your involvement in these offences is a huge deterrent to any future offending.
150. I discount the sentence, in light of the mitigating features present, to arrive at a sentence of 18 months on Count 7.
151. With respect to Count 8, which concerns the conversion of a donation to CIFA by the US company to a loan repayable to Mr. Watson through his company, the amount puts this in Category 2, with the level of culpability already assessed by me as High. The starting point is 4 years' custody with a category range 2 ½ years' custody to 5 years' custody.
152. The same aggravating features and mitigating features apply. Having considered the matter in the round, I consider a sentence of 2 years to be appropriate.



153. I have taken on board the submissions made by your attorneys with respect to the suspending of all or a part of the term of imprisonment but, given the gravity of the offending, I consider that an immediate custodial term is the appropriate response.

154. The sentences will run concurrently for a total of 2 years imprisonment.

Dated the 19th day of April 2023

Hon. Margaret Ramsay-Hale
Chief Justice

