

Financial Reporting Council

The Executive Counsel to the Financial Reporting Council

and

Christopher Willford

Settlement Agreement

1. This Settlement Agreement ("Agreement") is made on the 3rd day of July 2014 between Gareth Rees QC as the Executive Counsel of the Financial Reporting Council ("FRC"), of 8th Floor, 125 London Wall, London EC2Y 5AS ("the Executive Counsel") of the first part, and Christopher Willford of the second part. The Executive Counsel and Christopher Willford together are described as "the Parties".
2. The Agreement is evidenced by the signatures of the Executive Counsel on his own behalf and by Christopher Willford on his own behalf.
3. On 11 December 2013 the Financial Conduct Authority ("FCA") published a Final Notice ("the Final Notice") in connection with Mr Willford's conduct as Group Finance Director at Bradford & Bingley plc ("BBG") which is annexed. Between 16 and 19 May 2008 Mr Willford failed to have proper regard to the available financial information and its relevance to the rights issue being planned by BBG and to advise the Board appropriately. This was a breach of Principle 6 of the FCA's Statement of Principle and Code of Practice for Approved Persons ("APER") (paragraph 2.2 of the Final Notice).
4. The parties have agreed terms of settlement with respect to the findings made in the Final Notice.

5. The adverse findings of the FCA set out in the Final Notice are, pursuant to paragraph 16(3) of the FRC Accountancy Scheme ("the Scheme"), conclusive evidence of Misconduct by Mr Willford for the purposes of the Scheme.
6. The Parties recognise that the determination to be made in this case is a matter for the person appointed under paragraph 8(4)(i) of the Scheme. The Parties have agreed the following terms of settlement:
 - (a) A Fine of £13,000 to be paid by Mr Willford. The Fine shall be paid not later than 28 days after the date when the Agreement takes effect;
 - (b) Mr Willford to receive a Reprimand;
 - (c) A sum of £250 to be paid by Mr Willford for the Executive Counsel's costs of, and incidental to, the investigation. The costs shall be paid not later than 28 days after the date when the Agreement takes effect.
7. In reaching this Agreement, the Executive Counsel took account of the following factors in the FRC's Sanctions Guidance:

A. Seriousness

- i. The Misconduct could undermine confidence in the standards of conduct in general of Members;
- ii. The Misconduct did not involve a failure to act or conduct business with integrity;
- iii. The Misconduct was not dishonest, deliberate or reckless;
- iv. Mr Willford held a senior position.

B. Mitigating Factors

- i. Mr Willford cooperated during the investigation of the Misconduct by the FRC;
- ii. Mr Willford has a good compliance history and disciplinary record;

- iii. The Misconduct was an isolated event that is most unlikely to be repeated;
- iv. Executive Counsel took into consideration the mitigation referred to at paragraphs 5.13 and 6.11 of the Final Notice.

C. Deterrence

- i. No adjustment for deterrence is required in this case.
8. Having considered the above factors, the Executive Counsel determined that a Fine of £20,000 and a Reprimand are appropriate sanctions considering the seriousness of the Misconduct involved. The Executive Counsel then adjusted the amount of the Fine by a maximum 35% to reflect Mr Willford's settlement at the earliest opportunity in Stage 1 of the case in accordance with paragraph 59 of the FRC's Sanctions Guidance.
9. If the decision of the person appointed under paragraph 8(4)(i) of the Scheme is to approve the Agreement, including the sanctions set out at paragraph 6 above, then the Agreement shall take effect from the next working day after the date on which notice of the decision is given to Mr Willford in accordance with paragraph 8(4) of the Scheme.
10. The Agreement and annex will remain confidential until publication in accordance with paragraph 8(6) of the Scheme.



Gareth Rees QC
Executive Counsel



Date



Christopher Willford



Date