

# **BAE Systems Under Midnight Deadline In Fraud Probe**

LONDON (AP) — British defense contractor BAE Systems PLC faces a midnight deadline set by the Serious Fraud Office to agree to a settlement or potentially be prosecuted for alleged bribery, The Guardian newspaper reported Wednesday.

The Serious Fraud Office declined to discuss the matter.

The cases involve alleged secret commissions on sales of a military radar to Tanzania; alleged bribes behind a Czech deal to lease Anglo-Swedish Gripen warplanes; commissions allegedly paid on a sale of two obsolete frigates to Romania; and 100 million pounds (\$160 million) in allegedly secret commissions in weapons deal with South Africa, The Guardian said.

"We've never announced a deadline," said David Jones, a spokesman for the Serious Fraud Office.

"There are contacts and discussions clearly as you would expect between the Serious Fraud Office and the company," he added.

BAE declined to say whether a deadline had been set.

"BAE Systems' view is that the interests of the company as well as all of its stakeholders, including the general public, are best served by allowing the ongoing investigations to run their course," a company statement said.

"The Company is working with regulators towards that end and is providing access to people, information and premises whenever requested. It wholeheartedly supports a rigorous approach, in the hope that it brings to a conclusion enquiries which, in the case of the SFO, are now in their sixth year."

In 2006, then-Prime Minister Tony Blair called off a Serious Fraud Office investigation of BAE's dealings with Saudi Arabia in a massive arms contract. Blair said the investigation threatened national security and British jobs.

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