

My name is Dominic Prince. I am a 30 year old freelance journalist. I live at 29 Petergate, London, SW11.

I have worked for the Evening Standard, the Daily Mail, the Daily Express, Today, the Daily Telegraph, The Independent and the Independent on Sunday. In 1987 I wrote a book entitled Last of a Kind - The Sinking of Lew Grade. The book was serialised in the Sunday Times and in the Australian Sunday Times. I write predominantly about financial matters. In 1989 I produced a film for Channel 4. I am at present working on another film concerning the finances of the blockstock industry. I am also writing another book. From time to time I also undertake work for the corporate investigation company Kroll Associates. The work, although secretive, is really straightforward research and analysis.

In January 1990 I was approached by the Sunday Times and asked if I would be interested in writing either for the Business Focus page or alternatively the business diary entitled Prufrock. I took the job of writing and editing the diary in February 1990. My arrangement with the Sunday Times also includes me contributing other stories under my own by-line for the paper.

Soon after starting work on the paper I received information of share dealing irregularities in a company called Polly Peck Plc. The information alleged that a person or persons connected with the company were dealing in size through a number of brokers including A Limited. As a personal friend of mine worked at this firm I asked for an appointment with the Compliance Director. Paddy Masters and myself met Mr X and informed him that we were researching a story which might involve the naming of the firm. We agreed that if Mr X gave us information about the share dealings any publication would be on a non-attributable basis.

We were told, what was potentially an explosive story. My contact alleged that Asil Nadir, the chairman of Polly Peck International Plc was probably being investigated by the Inland Revenue. Mr X alleged that persons connected with Polly Peck probably had, over a long period of time, engineered a massive share operation. He alleged that a Jason Davies would often purchase vast quantities of Polly Peck stock. He also said that he had informed the Stock Exchange of his suspicions. It was he said, an open secret in the City that persons connected with Polly Peck were probably dealing secretly in Polly Peck shares.

The following day Masters drew up some very detailed notes of our meeting. Masters used the code name Dido for Mr X. We both discussed the matter and decided it was an explosive story. However, we lacked any sort of evidence so we decided to do nothing.

Several weeks later Masters and I again dropped in for a drink with Mr X. We discussed many things and about half way

through our meeting Mr X showed us some documents. These related to vast share transactions in Polly Peck. Again Masters and I discussed the documents following our meeting and decided that we could take the story further.

At the end of July I went to Mr X alone and asked him for photocopies of the documents. I also showed him some notes and asked him to verify what he had said. He was very precise and we corrected the notes together. He would not release the documents.

On Wednesday August 8th, I had lunch with Mr X in his office. I again asked for the documents and explained that I would have an impossible task trying to convince the Sunday Times lawyers that the story was not a hoax. I went back that evening, just before the Sunday Times summer party. I left with sanitised copies of documents. I spoke to Jeff Randall, the acting Business News editor, at the party and told him that I had the documents. Randall said the story would get lost because of the Middle East crisis. I explained the importance of the story and Randall agreed that I should do it.

On Friday 10th August Masters and I were desperate to make one last connection in order to 'firm up' the story. Masters produced a freelance journalist in Geneva called Patrick Martin. Late on Friday afternoon Martin made the connection.

On 12th August the Sunday Times published a story entitled "Swiss link in Polly Peck dealings probed." The feeling at the paper was that Nadir would have to sue in order to protect his reputation. He did not.

We published three further stories all relating to Nadir, the Revenue investigation and the Stock Exchange. All of the stories stated that Jason Davies had bought vast quantities of Polly Peck shares. I also made it quite clear that there were very strong links between Davies and Nadir.

The editor then decided that the story should be told in a more colourful fashion. I was asked by Tony Bambridge the executive editor to work with the Insight team. I worked predominantly with Nick Rufford the Insight editor.

Around the middle of September another stockbroking friend rang and gave me Tim Wood's name. Rufford and I went to interview Wood on several occasions. He was very nervous. All of his evidence tied in with the evidence given by Mr X.

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