



FSA fines Aon Limited £5.25m for failings in its anti-bribery and corruption systems and controls

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The Financial Services Authority (FSA) has today fined Aon Limited (Aon Ltd) £5.25 million for failing to take reasonable care to establish and maintain effective systems and controls to counter the risks of bribery and corruption associated with making payments to overseas firms and individuals.

Between 14 January 2005 and 30 September 2007, Aon Ltd failed to properly assess the risks involved in its dealings with overseas firms and individuals who helped it win business and failed to implement effective controls to mitigate those risks. As a result of Aon Ltd's weak control environment, the firm made various suspicious payments, amounting to approximately US\$7 million, to a number of overseas firms and individuals.

Margaret Cole, director of enforcement, said:

"This is the largest financial crime related fine imposed by the FSA to date. It sends a clear message to the UK financial services industry that it is completely unacceptable for firms to conduct business overseas without having in place appropriate anti-bribery and corruption systems and controls.

"The involvement of UK financial institutions in corrupt or potentially corrupt practices overseas undermines the integrity of the UK financial services sector. The FSA has an important role to play in the steps being taken by the UK to combat overseas bribery and corruption. We have worked closely with other law enforcement agencies in this case and will continue to take robust action focused on firms' systems and controls in this area."

Aon Ltd cooperated fully with the FSA and agreed to settle at an early stage of the FSA's investigation. The firm qualified for a 30% discount under the FSA's settlement discount scheme. Without the discount the fine would have been £7.5 million.

Since the discovery of its failings in 2007, Aon Ltd and its current senior management have demonstrated that they treat this matter with the utmost seriousness. The FSA considers that the pro-active determination of Aon Ltd's current senior management to identify past issues and improve the firm's systems and controls in this area is a model of best practice that other firms may wish to adopt.

Notes for editors

1. The [Final Notice](#) can be found on the FSA website.
2. The FSA sent out an industry wide letter to commercial insurance intermediaries in November 2007 reminding them of their regulatory obligations in relation to bribery and corruption risks. The FSA is also currently conducting a thematic review into the adequacy of the systems and controls in place at a number of commercial insurance intermediary firms for preventing illicit payments and inducements particularly through the use of overseas third parties.
3. The financial services sector's efforts to combat bribery and corruption were mentioned on page 35 of the FSA's [Financial Risk Outlook 2008](#).
4. The FSA regulates the financial services industry and has four objectives under the Financial Services and Markets Act 2000: maintaining market confidence; promoting public understanding of the financial system; securing the appropriate degree of protection for consumers; and fighting financial crime.
5. The FSA aims to promote efficient, orderly and fair markets, help retail consumers achieve a fair deal and improve its business capability and effectiveness.

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