

Willis Ltd.

Case ID:

ST-394

Case Cluster :

Willis Ltd.

Jurisdiction of Settlement:

United Kingdom

Jurisdiction of Settlement / Enforcement Agency:

Financial Services Authority

Jurisdiction of Foreign Public Official(s) :

Egypt, Russia

Year of Settlement:

2011

Month/Day of Settlement (or Notes):

07/21

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Civil

Legal Form of Settlement:

Final Notice (of Penalty)

Monetary Sanctions (Types):

Civil Penalty

Total Monetary Sanctions (US\$):

\$11,120,800.00

Civil Disgorgement of Profits (US\$) :

\$0

Civil Prejudgment Interest (US\$) :

\$0

Civil Fine / Penalty (US\$):

\$11,120,800

Monetary Sanctions Returned / Ordered Returned (US\$):

\$0

UNCAC Articles(s) Implicated:

Art.16

Art.26

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 2, Art. 8

Offenses - Alleged:

Breaches of Principle 3 of the FSA's Principles for Businesses and Rule SYSC 3.2.6 R of the FSA's Senior Management Arrangements, Systems and Controls Handbook ("failings in its anti-bribery and corruption systems and controls")

Offenses - Settled:

Breaches of Principle 3 of the FSA's Principles for Businesses and Rule SYSC 3.2.6 R of the FSA's Senior Management Arrangements, Systems and Controls Handbook ("failings in its anti-bribery and corruption systems and controls")

Public Procurement Contract / SOE Involved?:

No

Summary:

According to a July 21, 2011 press release by the UK Financial Services Authority (FSA/PN/066/2011), the FSA "has today fined Willis Limited £6.895 million [US \$11,120,800] for failings in its anti-bribery and corruption systems and controls. These failings created an unacceptable risk that payments made by Willis Limited to overseas third parties could be used for corrupt purposes. This is the biggest fine imposed by the FSA in relation to financial crime systems and controls to date. Between January 2005 and December 2009, Willis Limited made payments to overseas third parties who assisted it in winning and retaining business from overseas clients, particularly in high risk jurisdictions. These payments totalled £27 million. The FSA investigation found that, up until August 2008, Willis Limited failed to: ?ensure that it established and recorded an adequate commercial rationale to support its payments to overseas third parties; ?ensure that adequate due diligence was carried out on overseas third parties to evaluate the risk involved in doing business with them; and ?adequately review its relationships on a regular basis to confirm whether it was still necessary and appropriate for Willis Limited to continue with the relationship." The press release also noted that Willis Ltd. agreed to settle at an early stage and was therefore given a 30% (stage 1) discount, without which the fine would have been GBP 9.85 million [US\$15,886,900]. (Source: UK Financial Services Authority Press Release, "FSA fines Willis Limited £6.895 million for anti-bribery and corruption systems and controls failings," FSA/PN/066/2011," July 21, 2011.) According to the penalty notice issued to Willis Limited, "One of the Overseas Third Parties engaged by Willis provided consultancy services in respect of a company based in Russia during the Relevant Period. This Overseas Third Party had a complex operational structure. The company was registered as a foreign company in Liberia, had a bank account in Switzerland and was controlled by a Trust Company in the Isle of Man." (para 4.19); Willis Limited is a wholly-owned subsidiary of the Willis group of companies, whose ultimate parent is the Willis Group Holdings Plc, incorporated in Dublin, Ireland. (Source: UK Financial Services Authority, Final Notice to Willis Limited, July 21, 2011, accessed at http://www.fsa.gov.uk/pubs/final/willis_ltd.pdf.); According to the FSA website, "Facts and figures": Who pays for the FSA? Our budget is met from a levy on the firms we regulate. We receive no funding from the taxpayer. The amount each firm pays is determined according to its size and the types of business it undertakes. When financial penalties are imposed on firms or individuals, the proceeds are used to reduce fees in the following financial year." Link at <http://www.fsa.gov.uk/Pages/About/Media/Facts/index.shtml>.

Sources :

UK Financial Services Authority Press Release, "FSA fines Willis Limited £6.895 million for anti-bribery and corruption systems and controls failings," FSA/PN/066/2011," July 21, 2011, accessed at <http://www.fsa.gov.uk/pages/Library/Communication/PR/2011/066.shtml>; UK Financial Services Authority, Final Notice to Willis Limited, July 21, 2011, accessed at http://www.fsa.gov.uk/pubs/final/willis_ltd.pdf; United Kingdom Report to the OECD, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Information as of 16 August 2011), accessed at <http://www.oecd.org/dataoecd/17/30/48362318.pdf>