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U.S. Securities and Exchange Commission

U.S. SECURITIES AND EXCHANGE COMMISSION

Litigation Release No. 22203 / December 20, 2011

Accounting and Auditing Enforcement Release No. 3348 / December 20, 2011

Securities and Exchange Commission vs. Aon Corporation, Civil Action No. 1:11-cv-02256 (D.D.C.) (filed Dec. 20, 2011)

SEC FILES SETTLED FCPA CHARGES AGAINST AON CORPORATION

The Securities and Exchange Commission today filed a settled enforcement action in the U.S. District Court for the District of Columbia against Aon Corporation (Aon), an Illinois-based global provider of risk management services, insurance and reinsurance brokerage, alleging violations of the books and records and internal controls provisions of the Foreign Corrupt Practices Act (FCPA). Aon will pay a total of approximately \$14.5 million in disgorgement and prejudgment interest to the SEC. In a related action, Aon will pay a \$1.764 million criminal fine to the U.S. Department of Justice (DOJ).

The Commission's complaint alleges that Aon's subsidiaries made over \$3.6 million in improper payments to various parties between 1983 and 2007 as a means of obtaining or retaining insurance business in those countries. The complaint alleges that some of the improper payments were made directly or indirectly to foreign government officials who could award business directly to Aon subsidiaries, who were in position to influence others who could award business to Aon subsidiaries, or who could otherwise provide favorable business treatment for the company's interests. The complaint alleges that these payments were not accurately reflected in Aon's books and records, and that Aon failed to maintain an adequate internal control system reasonably designed to detect and prevent the improper payments.

According to the Commission's complaint, the improper payments made by Aon's subsidiaries fall into two general categories: (i) training, travel, and entertainment provided to employees of foreign government-owned clients and third parties; and (ii) payments made to third-party facilitators. Aon subsidiaries made these payments in various countries around the world, including Costa Rica, Egypt, Vietnam, Indonesia, United Arab Emirates, Myanmar, and Bangladesh. The complaint alleges that Aon realized over \$11.4 million in profits from these improper payments.

Without admitting or denying the allegations in the Commission's complaint, Aon consented to the entry of a final judgment permanently enjoining it from future violations of Sections 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and ordering the company to pay disgorgement of \$11,416,814 in profits, together with prejudgment interest thereon of \$3,128,206, for a total of \$14,545,020. Aon's proposed settlement offer

has been submitted to the court for its consideration. In a related criminal proceeding, DOJ announced today that Aon has entered into a non-prosecution agreement under which the company will pay a \$1.764 million criminal fine for the misconduct. Aon cooperated with the Commission's and DOJ's investigations and implemented remedial measures during the course of the investigations.

The Commission acknowledges the assistance of the Fraud Section of DOJ's Criminal Division, the Federal Bureau of Investigation, and the Financial Services Authority of the U.K. in this matter.

<http://www.sec.gov/litigation/litreleases/2011/lr22203.htm>

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