



FCA fines insurance broker JLT Specialty Limited £7.8m for financial crime control failings

The Financial Conduct Authority (FCA) has fined JLT Specialty Limited (JLTSL) £7,881,700 for financial crime control failings, which in one instance allowed bribery of over \$3m to take place.

JLTSL is based in the UK and provided insurance broking, risk management and insurance claims services. It was part of JLT Group plc, which had a number of subsidiaries around the world.

JLTSL placed business in the London reinsurance market for JLT Re Colombia, another company in the JLT group. The business had been introduced by a third-party based in Panama.

Between 21 November 2013 and 6 June 2017, JLTSL paid \$12.3m in commission to JLT Colombia Wholesale Limited, the parent company of JLT Re Colombia, which in turn paid \$10.8m to the third-party introducer. This introducer then paid over \$3m to government officials at a state-owned insurer in order to help retain and secure their business for JLTSL and JLT Re Colombia.

The FCA found that JLTSL failed to manage their business and risks responsibly and effectively.

Mark Steward, Executive Director of Enforcement and Market Oversight, commented:

'Lax controls by JLT Specialty meant, ultimately, that money flowed into the pockets of corrupt officials. It is because of risks such as this that we are maintaining our focus on financial businesses' financial crime systems, taking action where these firms fall short.'

The FCA considered that JLTSL's self-report in June 2017 and assistance during the investigation, including providing investigators with access to materials from JLT Group's internal investigation, were mitigating factors when determining the appropriate level of financial penalty.

Notes to editors

1. [Read the Final Notice \(PDF\)](#) [1]
2. The fine of £7,881,700 follows JLTSL's agreement to settle at an early stage of the investigation. As a result, it qualifies for a 30% reduction on the original penalty of £11,259,500.
3. On 1 April 2019, JLT Group plc was acquired by Marsh & McLennan Companies, Inc. JLTSL has been non-trading since the sale of its trade, assets and liabilities in 2020.
4. The FCA previously [fined JLTSL](#) [2] £1,876,000 in December 2013 for similar risk control failures around Overseas Introducers and bribery and corruption.
5. Find out more information [about the FCA](#) [3].

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Links

- [1] <https://www.fca.org.uk/publication/final-notices/final-notice-2022-jlt-specialty-limited.pdf>
- [2] <https://www.fca.org.uk/news/press-releases/firm-fined-%C2%A318million-unacceptable-approach-bribery-corruption-risks-overseas>
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