

Board of Governors of the Federal Reserve System

The Federal Reserve, the central bank of the United States, provides the nation with a safe, flexible, and stable monetary and financial system.

Press Release

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For release at 10:30 a.m. EST

The Federal Reserve Board on Thursday ordered JPMorgan Chase & Co. to pay a \$61.9 million civil money penalty for unsafe and unsound practices related to the firm's practice of hiring individuals referred by foreign officials and other clients in order to obtain improper business advantages for the firm.

In levying the fine on JPMorgan Chase, the Federal Reserve Board found that the firm's Asia-Pacific investment bank operated an improper referral hiring program. The firm offered internships, trainings, and other employment opportunities to candidates who were referred by foreign government officials and existing or prospective commercial clients to obtain improper business advantages.

The Federal Reserve found that the firm did not have adequate enterprise-wide controls to ensure that referred candidates were appropriately vetted and hired in accordance with applicable anti-bribery laws and firm policies.

The Federal Reserve's order requires JP Morgan Chase to enhance the effectiveness of senior management oversight and controls relating to the firm's referral hiring practices and anti-bribery policies. The Federal Reserve is also requiring the firm to cooperate in its investigation of the individuals involved in the conduct underlying these enforcement actions and is prohibiting the organizations from re-employing or otherwise engaging individuals who were involved in unsafe and unsound conduct.

The Federal Reserve is imposing the fine and requiring the firm to modify its practices concurrently with actions by the U.S. Department of Justice and the Securities and Exchange Commission.

For media inquiries, call 202-452-2955

[Attachment \(PDF\)](#)

[2016 Enforcement Actions](#)