



August 8, 2016

ATTORNEY GENERAL MADIGAN ANNOUNCES \$100 MILLION SETTLEMENT WITH BARCLAYS FOR MARKET MANIPULATION***LIBOR Manipulation Hurt Government and Not-for-profit Organizations in Illinois and Across the Country***

Chicago — Attorney General Lisa Madigan today announced a \$100 million settlement with Barclays Bank PLC and Barclays Capital Inc. for fraudulent and anticompetitive conduct involving the manipulation of LIBOR, a benchmark interest rate that affects financial instruments worth trillions of dollars and has a widespread impact on global markets and consumers.

The investigation, conducted by a multistate working group of 43 states and Washington, D.C., revealed that Barclays manipulated LIBOR through two different kinds of fraudulent and anticompetitive conduct. As a result of Barclays' conduct, government entities and not-for-profit organizations in Illinois and throughout the U.S. were defrauded when they entered into swaps and other investment instruments with Barclays without knowing that Barclays and other banks on the U.S. dollar (USD)-LIBOR-setting panel were colluding to manipulate LIBOR.

"This is another example of Wall Street seeking to profit by defrauding others," Madigan said. "Any company that defrauds governments and non-profit organizations out of scarce dollars to pad their own profits must be held accountable."

Governmental and not-for-profit entities that entered into LIBOR-linked swaps and other investment contracts with Barclays between 2005 and 2010 will be notified if they are eligible to receive restitution from a settlement fund of \$93.35 million. The balance of the settlement fund will be used to pay costs and expenses of the investigation and for other uses consistent with state law.

Barclays was on the panel that sets the LIBOR for the U.S. dollar. Barclays is the first of several banks on this panel to resolve the claims against it, and Barclays has cooperated fully from the outset.

Illinois joins the following states and Washington, D.C. in the Barclays settlement: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming.

The investigation into the conduct of several other USD LIBOR-setting panel banks is ongoing.

Bureau Chief Robert Pratt handled the case for Madigan's Antitrust Bureau.

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