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**ATTORNEY GENERAL MADIGAN RECOVERS \$17 MILLION FROM WELLS FARGO FOR IL PENSION SYSTEMS*****Madigan Recoups \$17.25 Million for Pension Funds in Settlement with Wells Fargo Over Sale of Risky Mortgage-backed Securities***

**Chicago** — Attorney General Lisa Madigan today announced a \$17.25 million settlement with Wells Fargo as a result of the bank's misconduct in its marketing and sale of risky residential mortgage-backed securities (RMBS) leading up to the 2008 economic collapse.

The settlement with Wells Fargo resolves an investigation by Madigan's office over the bank's failure to disclose the true risk of RMBS investments.

"With this settlement, I have recovered over a half a billion dollars for Illinois as a result of misconduct by banks and rating agencies in the mortgage-backed securities market," Madigan said. "It has been ten years since the housing crisis, and I am still taking actions to clean up Wall Street's greed and misconduct on behalf of the state and Illinois homeowners."

Under the settlement, Wells Fargo will pay \$17.25 million to the state that will be distributed among the Teachers Retirement System of the State of Illinois, the State Universities Retirement System of Illinois, and the Illinois State Board of Investment, which oversees the State Employees' Retirement System.

The settlement is the ninth settlement addressing the sale of mortgage-backed securities during the lead up to the economic collapse. Madigan previously settled with JPMorgan Chase & Company for over \$100 million to Illinois' pension systems; with Citigroup for \$44 million to the state's pension systems and an additional \$40 million in consumer relief; with Bank of America for a record \$300 million, including \$200 million to Illinois' pension systems and an additional \$100 million in consumer relief; with Morgan Stanley for \$22.5 million to the state's pension systems; with Goldman Sachs for \$25 million for the state's pension systems and \$16 million in consumer relief; and with Royal Bank of Scotland for \$20 million to the state's pension systems. Madigan also secured a \$52.5 million settlement with Standard & Poor's and a \$19.5 million settlement with Moody's to resolve allegations that the companies compromised their independence by doling out high ratings to risky mortgage-backed securities as corporate strategies to increase revenue.

Attorney General Madigan has led the country in taking legal action against banks, lenders and other financial institutions for unlawful financial misconduct that contributed to the country's economic collapse. Madigan's enforcement actions have recovered over \$3.4 billion for consumers, communities, county recorders and pension funds.

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