

Barclays Wins Its DOJ Gamble With \$2 Billion Mortgage Settlement

Bloomberg is reporting that Barclays Plc agreed to pay \$2 billion to settle a probe into how it sold the sort of mortgage bonds that fueled the financial crisis, securing a penalty less than half of what U.S. authorities originally demanded.

Reporters **Stephen Morris** and **Gavin Finch** explained: “The British lender was the only bank to push back against the size of the settlement demanded by the Justice Department, prompting the prosecutor to file a lawsuit in the waning days of the Obama administration in 2016. The DOJ wanted a fine of about \$5 billion, but the bank refused to pay any more than \$2 billion, Bloomberg news reported in 2016.”

Two former executives at the bank, Paul Menefee and John Carroll, also settled Thursday and agreed to pay \$2 million to resolve claims without admitting wrongdoing.

Read the Bloomberg article.