Citigroup Agrees to Pay Fine Over State Libor Probes



Image by Mike Mozart

Bloomberg is **reporting** that Citigroup Inc. agreed to pay a combined $100 million to 42 U.S. states to resolve a probe into fraudulent conduct tied to interest-rate manipulation that affected financial instruments worth trillions of dollars.

The states had alleged Citigroup misrepresented the integrity of the Libor benchmark to state and local governments, not-for-profit organizations and institutional trading counterparties, sometimes to protect the bank's own reputation, reports **Erik Larson**.

"The accord is the latest development in probes by governments around the globe into manipulation of benchmark interest rates, one of the key scandals that led to a cultural overhaul of the industry over the past decade," Larson writes. "Global fines have topped $9 billion. In October, Deutsche Bank paid 45 states $220 million in penalties and disgorgements to resolve U.S. and U.K. probes."

Read the Bloomberg article.