Deutsche Bank Rebuffs $14 Billion Settlement Demand in U.S. Mortgage Probe



Image by Elliott Brown

Deutsche Bank AB is saying it has no intention of paying the U.S. Justice Department's demand of $14 billion to settle high-profile probes into its packaging of mortgages in the run-up to the financial crisis, **reports MarketWatch**.

The Justice Department's investigations are connected with the bank's issuance and underwriting of residential mortgage-backed securities between 2005 and 2007, writes reporter **Sara Sjolin**.

In a statement, the German bank said, "Deutsche Bank has no intent to settle these potential civil claims anywhere near the number cited. The negotiations are only just beginning. The bank expects that they will lead to an outcome similar to those of peer banks which have settled at materially lower amounts."

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The Justice Department has settled mortgage-related claims with Goldman Sachs Group Inc. for $5.1 billion and J.P. Morgan Chase & Co. for $13 billion.

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