

Wells Fargo to Pay \$1.2B Federal Mortgage Settlement

Wells Fargo has agreed to a \$1.2 billion settlement to resolve a long-running mortgage dispute with the U.S. government, a move that slashes the bank's 2015 profit by \$134 million, reports *The Charlotte News & Observer*.

"The deal involves civil fraud claims brought in 2012 against the San Francisco-based bank, which the government had accused of 'reckless' underwriting practices that led to thousands of federally-insured loans defaulting," according to the **report**. "The government said Wells Fargo's false certifications that the loans met requirements for federal insurance resulted in hundreds of millions of dollars in insurance payouts."

Read the article.