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AG STEVE MARSHALL ANNOUNCES \$100 MILLION 42-STATE SETTLEMENT WITH CITIBANK FOR MANIPULATING INTEREST RATE BENCHMARKS

To Date, State AGs Have Recovered \$420 Million from USD LIBOR-Setting Panel Banks for Misconduct

(MONTGOMERY) - Alabama Attorney General Steve Marshall today announced a \$100 million multi-state settlement with Citibank for fraudulent conduct involving U.S. Dollar (USD) LIBOR, which is a benchmark interest rate that affects financial instruments worth trillions of dollars and has a widespread impact on global markets and consumers. The investigation was conducted and the settlement reached by a group of 42 Attorneys General.

The Attorneys General alleged that Citibank misrepresented the integrity of the LIBOR benchmark to state and local governmental, not-for-profit, private, and institutional trading counterparties by concealing, misrepresenting, and failing to disclose that: (a) Citibank, at times, made USD LIBOR submissions to avoid negative publicity and protect the reputation of the bank; (b) Citibank's USD LIBOR submitters, on occasion, asked Citibank personnel in other units of the bank to avoid offering higher rates than Citibank's USD LIBOR submissions; and (c) Citibank expressed belief that other banks, at times, made USD LIBOR submissions that were inconsistent with their borrowing rates and contributed to inaccurate LIBORs.

Given this conduct, Citibank had reason to believe that its and other banks' LIBOR submissions did not reflect their true borrowing rates in accordance with the established public guidance. Citibank did not disclose this to the governmental and not-for-profit counterparties with which Citibank executed LIBOR-referenced transactions, even though these rates were material terms of the transactions.

As a result of its fraudulent conduct, Citibank made millions in unjust gains when government entities and not-for-profit organizations entered into swaps and other financial contracts with Citibank without knowing that Citibank and other banks on the USD LIBOR-setting panel were manipulating LIBOR submissions.

Governmental and not-for-profit entities in Alabama and throughout the U.S. with LIBOR-linked swaps and other investment contracts with Citibank are among those who may have been affected and may be eligible to receive a distribution from a settlement fund of \$95 million. Eligible entities will be contacted directly. The balance of the settlement fund will be used to pay costs and expenses of the investigation and for other uses consistent with state laws.

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Citibank is the third of several USD LIBOR-setting panel banks to resolve claims following investigation by state Attorneys General. With the Citibank settlement, the Attorneys General have collected \$420 million in payments from the three banks, almost all of which will be distributed to state and local government entities and not-for-profits. Pursuant to the settlement agreement, Citibank will continue to cooperate with the states' ongoing investigation into other USD LIBOR-setting panel banks.

The settlement was reached by the Attorneys General of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Virginia, Washington, West Virginia and Wisconsin.