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\$200 Million Settlement with Deutsche Bank Expected to Bring Nearly \$13 million to Louisiana Entities

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LIBOR manipulation hurt government and not for profit counterparties in Louisiana and across the country

BATON ROUGE, LA – Louisiana Attorney General Jeff Landry today announced a \$220 million settlement with Deutsche Bank for fraudulent conduct involving the manipulation of LIBOR, a benchmark interest rate that affects financial instruments worth trillions of dollars and has a widespread impact on global markets and consumers. The settlement is expected to bring almost \$13 million to Louisiana.

“Today’s settlement concludes a multistate investigation into deceptive trade practices by Deutsche Bank,” said General Landry. “My office and I will continue to do all we legally can to protect Louisiana.”

The investigation – conducted by a working group of 45 State Attorneys General that was led by the Attorneys General of New York and California – revealed that Deutsche Bank manipulated LIBOR in a number of ways. Deutsche Bank employees improperly made internal requests for LIBOR submissions to benefit Deutsche Bank’s trading positions, attempted to influence other banks’ LIBOR submissions in a manner intended to benefit Deutsche Bank’s trading positions, and received communications from inter-dealer brokers and external traders attempting to influence Deutsche Bank’s LIBOR submissions. At times, Deutsche Bank LIBOR submitters and supervisors expressly acknowledged and indicated they would work to implement the requests they received.

Given this conduct, Deutsche Bank LIBOR submitters and management had strong reason to believe that Deutsche Bank’s and other banks’ LIBOR submissions did not reflect their true

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borrowing rates (as they were supposed to do pursuant to published guidelines) and that the LIBOR rates submitted by the banks did not reflect the actual borrowing costs of Deutsche Bank and other panel banks.

Deutsche Bank employees did not disclose these facts to the governmental and not-for profit counterparties with whom Deutsche Bank executed LIBOR-referenced transactions even though these rates were material terms of the transactions.

Government entities and not-for-profit organizations in Louisiana and across the Nation, among others, were defrauded of millions of dollars when they entered into swaps and other investment instruments with Deutsche Bank without knowing that Deutsche Bank and other banks on the U.S. Dollar (USD)-LIBOR-setting panel were manipulating LIBOR.

Governmental and not-for-profit entities with LIBOR-linked swaps and other investment contracts with Deutsche Bank will be notified if they are eligible to receive a distribution from a settlement fund of \$213.35 million. 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.

Deutsche Bank is the second of several USD-LIBOR-setting panel banks under investigation by the State Attorneys General to resolve the claims against it, and it has cooperated with the investigation. The Attorney General's Office benefits from the information and evidence provided by corporations that timely cooperate with the Attorney General's investigations. Such cooperation can facilitate civil enforcement efforts, including the distributions of funds for victims of the offense.

The states joining Louisiana in the Deutsche Bank settlement include Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. The investigation into the conduct of several other USD LIBOR-setting panel banks is ongoing.

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