

Hagens Berman Files Class Action Against Barclays Bank, Others Over Euribor Rate Fixing

Suit seeks to recover losses of US Institutional Investors

New York – Today an American investor filed a class-action lawsuit against British banking giant Barclays PLC (NYSE:BCS), JP Morgan Chase (NYSE:JPM), Citigroup (NYSE:C) and a group of other banking defendants claiming the banks' alleged manipulation of the Euro Interbank Offered Rate (Euribor) cost investors millions of dollars in a practice that began as early as 2005.

Barclays, along with other defendant banks routinely attempted to manipulate the Euribor by making false reports to the European Banking Federation, a non-profit organization charged with setting the daily Euribor rate, which is in turn used to set interest rates for trillions of dollars of transactions each year.

Euribor rates were used to set prices in a wide range of financial instruments including futures contracts, options, credit default swaps, and collateral debt obligation among others.

According to the complaint, the manipulation negatively impacted any institutional investor group that participated in any transaction tied to Euribor while the defendants were manipulating the rates.

The named plaintiff in the suit is a principal of an Illinois trading company involved in the purchase and sale of futures contracts, including Euribor futures contracts and was financial harmed by the alleged conspiracy to fix the Euribor rates.

If approved by the court as a class action, the suit would represent all U.S.-based investors who purchased or sold Euribor-related financial instruments from January 1, 2005 through December 31, 2009.

Last month, The Commodity Futures Trading Commission (CFTC) announced that the London-based financial giant and its subsidiary will pay more than \$200 million, the largest civil fine in the commission's history, to settle the allegations.

In addition, Barclays has agreed to pay the United States Department of Justice a \$160 million criminal fine as a result of its conduct. However, that settlement and criminal fines will not compensate consumers or institutional investors who may have overpaid for a wide range of financial transactions related to Euribor.

"While the settlement with the CFTC does punish Barclays and the other banks, it does little to address the losses of perhaps thousands of investors who were financially harmed by the conspiracy," said [Steve Berman](#), managing partner for Hagens Berman and attorney for the plaintiff. "Our suit seeks to make sure American-based investors have the opportunity to recoup losses as a result of the banks' illegal behavior."

"Based on what we've seen so far, the rate-fixing scheme was apparently an open secret within Barclays, leaving a broad trail of evidence of the banks' complicity," Berman added.

The other defendants named in the complaint include Citigroup, Deutsche Bank, JP Morgan Chase, HSBC Holdings; HSBC Holding PLC; HSBC Bank PLC, Cooperative Centrale Raiffeisen-Boerenleenbank, BA; USS, A.G., and USB (Luxembourg) S.A.

The suit, filed July 6, 2012 in United States District Court of the Southern District of New York, accuses the defendants of the violation of The Sherman Act, violations of the Commodities Exchange Act among other charges, and seeks compensatory and recessionary damages for the plaintiffs.

About Hagens Berman

Hagens Berman Sobol Shapiro LLP is an investor-rights class-action law firm with offices in 10 cities. The firm represents investors, whistleblowers, workers and consumers in complex litigation. More about the law firm and its successes can be found at www.hbsslaw.com.