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STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
DARRELL V. MCGRAW, JR.
CONSUMER PROTECTION DIVISION
1-800-368-8808 or 304-558-8986

Press Release

FOR IMMEDIATE RELEASE

Contact: FRANCES HUGHES
Phone: 304-558-2021

ATTORNEY GENERAL SUES 24 BANKS AND INSURANCE COMPANIES FOR BID RIGGING

The Attorney General's office began an investigation several years ago into potential wrongdoing among certain corporate entities that participated in the sale of specialized investment vehicles in West Virginia known as Municipal Derivatives. This investigation began following the announcement by the U.S. Department of Justice Antitrust Division of a national investigation into anti-competitive conduct by the providers and brokers of Municipal Derivatives. Based upon the Attorney General's own investigation, it appears that the taxpayers of West Virginia were victims of this nationwide scheme. Essentially, Municipal Derivatives are specialized investment vehicles that public and nonprofit entities in West Virginia, such as the School Building Authority or the EDA, used to hold and invest the proceeds raised from the sale of municipal bonds until the need for those funds become necessary. Certain of the named defendants were brokers of those Municipal Derivatives, as well as large national banking institutions who sold or bid on these products, and who we allege rigged the process by which our State agencies acquired and purchased Municipal Derivatives. We believe that the bidding and sale of these products were the subject of illegal activities such as "kickbacks" and other secret undisclosed arrangements. The Attorney General's office believes that these acts are clearly in violation of the West Virginia Antitrust Act. We initially filed suit in early September 2009 in the Circuit Court of Mason County against Bank of America. This lawsuit has since been transferred to a Multi-District Litigation (MDL) in the United States District Court for the Southern District of New York where other similar proceedings on a national basis are being conducted. The original defendant in the case, Bank of America, has been granted conditional leniency under Part A of the Department of Justice's (DOJ) corporate Leniency Policy, based upon Bank of America's self reporting of possible bid rigging or other illegal practices in the Municipal Derivatives industry. Bank of America is required to provide full, continuing and complete cooperation with the DOJ, who will agree not to bring criminal antitrust prosecution against Bank of America. Since Bank of America's entry into the corporate leniency program, several indictments have occurred among those involved in this scheme, and guilty pleas have been entered on behalf of certain employees of some of the defendants named in our amended lawsuit. On Monday, the Attorney General's office filed an Amended Complaint in the MDL naming 24 additional defendants, who names are attached to this Press Release, who we believe may have been part of the aforesaid conspiracy based on their involvement in the bidding and/or sale of municipal derivatives in West Virginia. The Attorney General's office, through this lawsuit, will attempt to uncover any wrongdoing that injured the State of West Virginia and the West Virginia entities that issued bonds, will seek to hold all of those parties involved in the wrongdoing legally accountable to the fullest extent of the law, and will represent the State of West Virginia and its citizens in collecting for these wrongdoings. # # # # The companies sued include the following: • Merrill Lynch & Co., a wholly owned subsidiary of Bank of America based in Charlotte, North Carolina; • UBS AG, a Swiss corporation headquartered in New York, New York; • UBS Financial Services, Inc. f/k/a Paine Webber, Inc., a wholly

owned subsidiary of UBS AG, headquartered in New York, New York; • UBS Securities, LLC, f/k/a UBS Warburg LLC, a wholly owned subsidiary of defendant UBS AG, headquartered in New York, New York; • JP Morgan Chase & Co., f/k/a Chase Financial, f/k/a Morgan Guarantee Trust Company of New York, f/k/a JP Morgan Chase, headquartered in New York, New York; • JP Morgan Securities, Inc., f/k/a Bear Stearns & Co., Inc., a wholly owned subsidiary of JP Morgan, headquartered in New York, New York; • MBIA Inc. of Armonk, New York; • Morgan Stanley, headquartered in New York, New York; • Rabobank Group, a Dutch cooperative banking institution; • Bayerische Landesbank Girozentrale; headquartered in Munich, Germany; • Transamerica Occidental Life Insurance Company, headquartered in Cedar Rapids, Iowa; • AIG Financial Products Corp., headquartered in New York, New York; • AIG Matched Funding Corp., headquartered in Wilton, Connecticut; • Financial Security Assurance, Inc., headquartered in New York, New York; • Assured Guaranty US Holdings, Inc., headquartered in New York, New York; • Dexia, S.A, headquartered in Brussels, Belgium; • GE Funding Capital Market Services, Inc., headquartered in New York, New York; • Natixis Funding Corp. f/k/a CDC Funding Corp., headquartered in New York, New York; • Natixis S.A., f/k/a CDC Finance-CDC IXIS, headquartered in Paris, France; • Royal Bank of Canada, headquartered in Toronto, Canada; • Financial Guarantee Insurance Company, headquartered in New York, New York; • CDR Financial Products, Inc., headquartered in Beverly Hills, California; • George K. Baum & Co., headquartered in Kansas City, Missouri; • Investment Management Advisory Group, Inc., headquartered in Pottstown, Pennsylvania.