

Deutsche Bank Announces \$7.2 Billion Settlement on Toxic Mortgages



New York, December 26 (RHC)-- In financial news, Deutsche Bank is set to pay \$7.2 billion in fines over its role in the U.S. housing market collapse, in a tentative settlement with the U.S. Department of Justice.

Between 2005 and 2007, Deutsche Bank packaged toxic mortgages into securities it sold to investors. The tentative deal is barely half of the \$14 billion fine the Justice Department was seeking.

The Wall Street Journal reports the Obama administration scrambled to secure the deal before Donald Trump's inauguration next month. Trump has about \$300 million in outstanding debts to Deutsche Bank, and it's not clear whether his administration would have pursued a settlement.

Meanwhile, the U.S. Justice Department filed suit against British bank Barclays and two of its former executives, charging they misled the public over the sale of tens of billions of dollars in mortgage-backed securities.



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