



Wells Fargo & Co. and regulators announced Thursday a \$148 million settlement to resolve accusations that Wachovia, which was purchased by Wells, participated in a bid-rigging scheme that hurt state and local governments.

It's the fourth major bank to settle with the consortium of federal agencies and state attorneys general. Bank of America Corp. settled for \$137 million last December.

The settlement is also the second Wells Fargo has made on the issue in as many months.

"We're really pleased to resolve the issue," Wells Fargo spokeswoman Dana Obrist said, noting that it involved activity that predated the company's 2008 acquisition of Wachovia.

In a statement, the bank said it "cooperated fully" with the investigation and does not condone illegal activity.

The federal agencies alleged that a group of large banks conspired to defraud local governments and other entities that bought municipal derivatives, which are used to invest money from bond proceeds until they are needed for projects. Bankers coordinated what they would bid on the contracts and in some cases paid kick-backs to one another, investigators said.

TVNL Comment: Another predatory corporation let off the hook for criminal acts with a fine. The one percent get special penalties. What else is new? Just asking...

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