

UNITED STATES DISTRICT COURT  
DISTRICT OF CONNECTICUT

United States District Court  
District of Connecticut  
FILED AT BRIDGEPORT  
5/20/2015  
Robert D. Tabor, Clerk  
By: [Signature] Deputy Clerk

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UNITED STATES OF AMERICA : Criminal No.  
v. : Filed:  
CITICORP, : Violation: 15 U.S.C. § 1  
Defendant. :  
----- x

3:15CR 78 (SRU)

**INFORMATION**

The UNITED STATES OF AMERICA, through its attorneys, charges:

**SHERMAN ACT CONSPIRACY**  
**(15 U.S.C. § 1)**

**THE RELEVANT PARTIES AND ENTITIES**

At all relevant times, unless otherwise specified:

1. Citicorp (the “Defendant”) is a global banking and financial services holding company organized under the laws of Delaware with its headquarters in New York, New York.
2. Other corporations and individuals, not made defendants in this Information, participated as co-conspirators in the offense charged in this Information and performed acts and made statements in furtherance of it.
3. Whenever in this Information reference is made to any act, deed, or transaction of any corporation, the allegation means that the corporation engaged in the act, deed, or transaction by or through its officers, directors, employees, agents, or other representatives while they were actively engaged in the management, direction, control, or transaction of its business or affairs.

### **BACKGROUND**

4. The foreign currency exchange spot market (“FX Spot Market”) is a global market in which participants buy and sell currencies. In the FX Spot Market, currencies are traded against one another in pairs. The euro/U.S. dollar (“EUR/USD”) currency pair is the most traded currency pair by volume, with a worldwide trading volume that can exceed \$500 billion per day, in a market involving the exchange of currencies valued at approximately \$2 trillion a day.

5. The FX Spot Market is an over-the-counter market and, as such, is decentralized and requires financial institutions to act as dealers willing to buy or sell a currency. Dealers, also known throughout the FX Spot Market as market makers, therefore play a critical role in ensuring the continued functioning of the market. The Defendant acted as a dealer, in the United States and elsewhere, for currency traded in the FX Spot Market.

6. A dealer in the FX Spot Market quotes prices at which the dealer stands ready to buy or sell the currency. These price quotes are expressed as units of a given currency, known as the “counter” currency, which would be required to purchase one unit of a “base” currency, which is often the U.S. dollar and so reflects an “exchange rate” between the currencies. Dealers generally provide price quotes to four decimal points, with the final digit known as a “percentage in point” or “pip.” A dealer may provide price quotes to potential customers in the form of a “bid/ask spread,” which represents the difference between the price at which the dealer is willing to buy the currency from the customer (the “bid”) and the price at which the dealer is willing to sell the currency to the customer (the “ask”). A dealer may quote a spread, or may provide just the bid to a potential customer inquiring about selling currency or just the ask to a potential customer inquiring about buying currency.

7. A customer wishing to trade currency may transact with a dealer by placing an order through the dealer's internal, proprietary electronic trading platform or by contacting the dealer's salesperson to obtain a quote. When a customer accepts a dealer's quote, that dealer now bears the risk for any change in the currency's price that may occur before the dealer is able to trade with other dealers in the "interdealer market" to fill the order by buying the currency the dealer has agreed to sell to the customer, or by selling the currency the dealer has agreed to buy from the customer. A dealer may also take and execute orders from customers such as "fix orders," which are orders to trade at a subsequently determined "fix rate." When a dealer accepts a fix order from a customer, the dealer agrees to fill the order at a rate to be determined at a subsequent fix time based on trading in the interdealer market. Two such "fixes" used to determine a fix rate are the European Central Bank fix, which occurs each trading day at 2:15 PM (CET) and the World Markets/Reuters fix, which occurs each trading day at 4:00 PM (GMT).

#### **DESCRIPTION OF THE OFFENSE**

8. The Defendant and its co-conspirators entered into and engaged in a combination and conspiracy, which began at least as early as December 2007 and continued until at least January 2013, to fix, stabilize, maintain, increase or decrease the price of, and rig bids and offers for, the EUR/USD currency pair exchanged in the FX Spot Market, by agreeing to eliminate competition in the purchase and sale of the EUR/USD currency pair in the United States and elsewhere. The combination and conspiracy engaged in by the Defendant and its co-conspirators was in unreasonable restraint of interstate and U.S. import trade and commerce in violation of Section 1 of the Sherman Act (15 U.S.C. § 1).

9. The Defendant knowingly joined and participated in the conspiracy from at least as early as December 2007 until at least January 2013.

10. The charged combination and conspiracy consisted of a continuing agreement, understanding, and concert of action among the Defendant and co-conspirators, the substantial terms of which were to agree to fix, stabilize, maintain, increase or decrease the price of, and rig bids and offers for, the EUR/USD currency pair exchanged in the FX Spot Market.

**MEANS AND METHODS OF THE CONSPIRACY**

11. For purposes of forming and carrying out the charged combination and conspiracy, the Defendant and its co-conspirators did those things that they combined and conspired to do, including, among other things:

(a) Engaging in communications, in the District of Connecticut and elsewhere, including near daily conversations, some of which were in code, in an exclusive electronic chat room, which chat room participants, as well as others in the FX Spot Market, referred to as “The Cartel” or “The Mafia;”

(b) Coordinating, in certain instances, the trading of the EUR/USD currency pair in connection with European Central Bank and World Markets/Reuters benchmark currency “fixes” which occurred at 2:15 PM (CET) and 4:00 PM (GMT) each trading day; and

(c) Refraining, in certain instances, from certain trading behavior, by withholding bids and offers, when one conspirator held an open risk position, so that the price of the currency traded would not move in a direction adverse to the conspirator with an open risk position.

**TRADE AND COMMERCE**

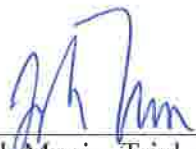
12. During the period covered by this Information, the Defendant and its co-conspirators purchased and sold substantial quantities of the EUR/USD currency pair in a continuous and uninterrupted flow of interstate and U.S. import trade and commerce to customers and counterparties located in U.S. states other than the U.S. state or foreign countries in which the defendants agreed to purchase or sell these currencies.

13. The activities of the Defendant and its co-conspirators were within the flow of, and substantially affected, interstate and U.S. import trade and commerce.


**ALL IN VIOLATION OF TITLE 15, UNITED STATES CODE, SECTION 1.**

Date: 5/20/15

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