

**FOR IMMEDIATE RELEASE:**

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**Attorney General Balderas Reaches \$32.5 Million Settlement with Financial Institutions Over Mortgage-Backed Securities Case**

*Albuquerque, NM* – Today, New Mexico Attorney General Hector Balderas announced that he has reached a \$32.5 million settlement with seven financial institutions collectively to settle allegations that the financial institutions did not adequately disclose the characteristics of certain mortgage-backed securities when they were purchased by New Mexico pension funds and a state-run investment council during 2003-2010.

The settlement resolves all claims against the seven financial institutions relating to residential mortgage-backed securities that were purchased by the State or its subdivisions or offered by the defendants or their affiliates. The financial institutions that reached the settlement are Barclays Capital Inc., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, NatWest Markets Securities Inc., and Washington Mutual Mortgage Securities Corp.

The defendants have admitted no liability and the State has dismissed the claims against them with prejudice in exchange for the settlement payment. The case was filed as a *qui tam* action under the New Mexico Fraud Against Taxpayers Act on behalf of the State of New Mexico by Integra REC, LLC. The name of the case, which was originally filed in 2014, is *The State of New Mexico ex rel. Integra REC, LLC v. JP Morgan Securities, et al.* Integra was represented by the law firm of Reid Collins & Tsai, LLP. Litigation for the State of New Mexico was led by Assistant Attorneys General Brian Moore and Cholla Khoury.

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