

SURS to receive portion of Citigroup settlement

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The State Universities Retirement System (SURS) will receive approximately \$3,124,000 from the Citigroup misconduct settlement announced earlier this week by the Illinois Attorney General.

On Monday, July 14, Attorney General Lisa Madigan announced Illinois would receive \$84 million as its portion of the national \$7 billion settlement with Citigroup, stemming from a federal investigation into risky subprime mortgages.

According to Madigan, Citigroup failed to disclose the true risk of residential mortgage-backed securities investments to Illinois pension systems, causing the systems to incur substantial losses.

Attorney General Madigan continues to fight for recovery of much-needed restitution from the financial institutions directly involved in the financial crisis of 2008, said SURS Executive Director William E. Mabe. We appreciate the efforts of her office and everyone involved with procuring this settlement. Proceeds from the Citigroup settlement will assist in funding benefit payments to SURS members.

The settlement requires Citigroup to pay the five state retirement systems \$44 million and to provide \$40 million in consumer relief to affected homeowners and renters in Illinois.

SURS \$3 million portion is smaller than other funds because the System had less invested in the types of investments that gave rise to the lawsuit.

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