



ORX News most viewed loss events: Quarter 4 2020

The 10 most viewed stories on the ORX News site between 1 October 2020 and 31 December 2020:

1

Citigroup – published 12 October 2020

Citibank was fined \$400 million by the OCC over deficiencies in enterprise-wide risk management, compliance risk management, data governance and internal controls. The OCC found that, for several years, Citibank had failed to implement and maintain risk management programmes commensurate with the bank's size, complexity, and risk profile. Citibank was also required to undertake appropriate remedial actions by the OCC.

BL1001 – Corporate Items

EL0402 – Improper Business or Market Practices

[Read the story on ORX News here.](#)

2

Goldman Sachs – updated 05 November 2020

As of 22 October 2020, Goldman Sachs had paid USD 5.07 billion in settlements over its role in the 1MDB fraud. The settlement includes a \$2.5 billion agreement with the Government of Malaysia to settle criminal charges relating to 1MDB, a \$2.3 billion criminal penalty and disgorgement of \$600 million ordered by the US Department of Justice.

BL0101 – Corporate Finance

EL0401 – Suitability, Disclosure & Fiduciary

[Read the story on ORX News here](#)

Are you using ORX News to develop scenarios?

Why not access even more in-depth support with ORX Scenarios?

What's included:

- ✓ Scenario data exchange
- ✓ Scenario practice benchmarking studies
- ✓ Access to a global scenario practitioner network
- ✓ Scenario development handbook
- ✓ Risk intelligence packs

Find out more



3

Morgan Stanley – published 13 October 2020

Morgan Stanley was fined \$60 million by the OCC over unsafe data practices. In 2016, Morgan Stanley, following the closure of a data centre, the bank subsequently learned that certain devices had not been completely wiped and some still contained unencrypted data. In 2019, Morgan Stanley also discovered that it could not locate a small number of servers and that small amounts of data remained on them in unencrypted form.

BL0901 – Private Banking

EL0402 – Suitability, Disclosure & Fiduciary

[Read the story on ORX News here](#)

4

JPMorgan Chase & Co. – published 02 October 2020

JPMorgan Chase agreed to pay \$920.2 million to resolve charges that JPMorgan traders had engaged in spoofing and market manipulation from at least 2008 and 2016. On tens of thousands of occasions, JPMorgan traders knowingly placed spoof orders to buy and sell precious metals futures contracts and US Treasury Futures Contracts.

BL0202 – Global Markets

EL0402 – Improper Business or Market Practices

[Read the story on ORX News here.](#)

5

Wells Fargo – updated 17 November 2020

As of 21 February 2020, Wells Fargo has paid and provisioned at least \$6.06 billion over improper trade practices after employees were found to have opened accounts in the names of customers without their knowledge or consent to meet sales targets.

BL0301 – Retail Banking

EL0401 – Suitability, Disclosure & Fiduciary

[Read the story on ORX News here.](#)

6

JPMorgan Chase & Co. – published 27 November 2020

JPMorgan Chase was fined \$250 million by the OCC for failing to maintain adequate internal controls and an effective internal audit programme for its sizeable fiduciary business. The OCC found that, for several years, JPMorgan had maintained a weak management and control framework for its fiduciary activities and had an insufficient audit programme from these activities.

BL0601 – Custody Services

EL0401 – Suitability, Disclosure & Fiduciary

[Read the story on ORX News here.](#)

**Deutsche Bank – published 13 October 2020**

7

Deutsche Bank was fined €13.5 million by the Frankfurt Public Prosecutor's Office for failing to submit Suspicious Activity Reports (SARs) in a timely manner. Deutsche Bank had failed to disclose more than a million suspect money transfers with Danske Bank for approximately five years. Deutsche Bank was cleared of money-laundering allegations due to insufficient evidence.

BL0401 – Commercial Banking

EL0402 – Improper Business or Market Practices

[Read the story on ORX News here.](#)**Japan Exchange Group – published 03 December 2020**

8

The Tokyo Stock Exchange (TSE) halted all trading on 1 October 2020 after a system problem caused by a faulty hardware which did not back up properly. Trading was suspended from the start of the morning session as the exchange could not switch to an alternative trading mechanism.

BL0201 – Equities

EL0601 – Technology & Infrastructure Failure

[Read the story on ORX News here.](#)**Citigroup – published 01 October 2020**

9

Three Citigroup entities were fined \$4.5 million by the CFTC over design flaws in their audio preservation system, which deleted audio recordings which had been subpoenaed by the CFTC. The design flaw meant that older recordings were deleted to make space for newer recordings due to the system's retention rule being set incorrectly.

BL1001 – Corporate Items

EL0702 – Monitoring & Reporting

[Read the story on ORX News here.](#)**USAA Capital Corporation – published 19 October 2020**

10

USAA Federal Savings Bank was fined \$85 million by the OCC for its failure to implement and maintain an effective compliance risk management programme and an effective IT risk governance programme. The OCC also found that USAA had deficiencies in all three lines of defences. The deficiencies also reportedly caused violations of law.

BL 1001 – Corporate Items

EL0402 – Improper Business or Market Practices

[Read the story on ORX News here.](#)