

UNITED STATES OF AMERICA
BEFORE THE
BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D.C.

In the Matter of

PETER LITTLE,

A former institution-affiliated party of
BARCLAYS BANK PLC
NEW YORK BRANCH
New York, New York

Docket Nos. 18-010-E-I
18-010-CMP-I

Notice of Intent to Prohibit and
Notice of Assessment of a Civil
Money Penalty Pursuant to Section 8
of the Federal Deposit Insurance Act,
as Amended

The Board of Governors of the Federal Reserve System (the “Board of Governors”) is of the opinion or has reasonable cause to believe that:

(A) Peter Little (“Little”), a former institution-affiliated party of Barclays Bank PLC (“Barclays”) branch, New York, New York, a branch of a foreign bank, engaged in unsafe and unsound practices and breaches of fiduciary duties. The practices and breaches relate to manipulative and collusive trading in the foreign exchange (“FX”) spot market, including coordinating with competitors to manipulate FX currency benchmarks, and failing to supervise other traders who: 1) coordinated with competitors to manipulate FX currency benchmarks; 2) engaged in trading practices detrimental to clients; and 3) improperly disclosed confidential proprietary and client information to competitors. In connection with the misconduct described herein, Little received a financial gain or other benefit and Barclays suffered financial loss or other damage.

(B) The misconduct described herein involves personal dishonesty or a continuing or willful disregard for the safety and soundness of Barclays on the part of Little.

Accordingly, the Board of Governors hereby institutes this Combined Notice of Intent to Prohibit and Assessment of a Civil Money Penalty (the “Notice”) for the purpose of determining whether an appropriate order should be issued:

- i. Permanently barring Little from participating in any manner in the conduct of the affairs of any institution specified in 12 U.S.C. § 1818(e)(7)(a), pursuant to section 8(e) of the Federal Deposit Insurance Act, as amended (the “FDI Act”), 12 U.S.C. § 1818(e); and
- ii. Assessing a civil money penalty against Little pursuant to section 8(i) of the FDI Act, 12 U.S.C. § 1818(i), of \$487,500.

In support of this Notice, the Board of Governors alleges as follows:

JURISDICTION

1. Barclays is, and was at all times relevant to this Notice, a foreign bank, as defined in section 1(b)(7) of the International Banking Act (12 U.S.C. § 3101(7)) that conducts operations in the United States through various offices and subsidiaries, including a branch in New York, New York (the “Branch”). Pursuant to section 3(q) of the FDI Act (12 U.S.C. § 1813(q)), the Board of Governors is the appropriate federal banking agency with jurisdiction over the Branch.

2. Little was hired by Barclays in or around April 2010 to serve as the head of the G-10 FX Spot Trading Desk located at the Branch (“FX Spot Trading Desk”), and served in that capacity until his termination on or around February 5, 2013.

3. The material period for purposes of this Notice, unless otherwise stated, is April 2010 through February 2013.

FACTUAL ALLEGATIONS

4. Barclays serves as a FX dealer, both in the United States and its offices abroad, for its own account and by soliciting and receiving orders that are executed by traders on its FX spot trading desks in the market.

5. As the head of the Branch's FX Spot Trading Desk, Little was a producing manager, meaning he supervised the traders on the FX Spot Trading Desk and also engaged in his own FX trading activities. For some of his period of employment at Barclays, Little had primary responsibility for trading the Euro/U.S. dollar ("EUR/USD") currency pair.

6. While employed at Barclays, Little participated in electronic chat rooms with FX traders at competitor banks. In addition, Little was aware that other FX traders at Barclays, including the traders that he supervised, participated in chat rooms with traders at competitor banks. As set forth below, Little coordinated trading with competitors to attempt to influence or manipulate benchmark currency rates (referred to as "fixes" or "fix rates") for his own benefit, or for the benefit of the competitors who participated in chat rooms with Barclays traders, by using information obtained from other Barclays traders, who communicated with competitors on Little's behalf. Little also used his own electronic chat room communications to coordinate with traders at competitor banks.

7. Fix rates are set throughout the trading day and are used to establish the relative values of two different currencies (such as EUR/USD). The most common fix rates are those published by the European Central Bank ("ECB") and the World Markets Company plc/Reuters ("WM/R"). During the relevant period, the ECB fix was calculated by taking a snapshot of the

average buying and selling rates of various currencies against the euro at exactly 1:15 p.m.

London time (8:15 a.m. in New York). The WM/R benchmark fix rate was calculated based on a mid-rate calculated from snapshots of trade and order rates taken over a one-minute window on the hour, with the 4:00 p.m. London time (11:00 a.m. in New York) fix being the most heavily traded WM/R benchmark. Thus, both the ECB and WM/R fix rates could be affected by FX spot trading during or around the period when the fix rate is calculated.

8. Prior to the ECB or WM/R fixes, Barclays' and other banks' clients would place orders to buy or sell a specified volume of a currency "at the fix rate," the rate that would be determined at a forthcoming fix, and the trader agreed to transact with clients at that rate. A trader with net client orders to buy currency at the fix rate must sell currency to the clients at the yet to be determined fix rate (referred to as "right-hand side"). Thus, he will make a profit if the average rate at which he buys the currency in the market around the fix is lower than the fix rate (the rate at which he must sell the currency to the clients). Similarly, a trader with net client orders to sell currency at the fix rate must buy currency from clients at the yet to be determined fix rate (referred to as "left-hand side"). Thus, he will make a profit if the average rate at which he sells the currency in the market around the fix is higher than the fix rate (the rate at which he must buy currency from clients).

9. By agreeing to transact with clients at a fix rate that is yet to be determined, a trader is exposed to rate movements at the fix. A trader would typically buy or sell currency in order to manage this risk, for example by trading in the market. Alternatively, a trader may "match off" his risk with another market participant who has exposure in the opposite direction (for example, where a trader that has net client orders to buy at the fix trades with a market participant that has net client orders to sell at the fix, thereby reducing or eliminating his

exposure).

10. However, as discussed below, rather than simply trading to manage his exposure to client fix orders, Little engaged in coordinated trading with competitors and attempted to manipulate fix rates for his benefit or the benefit of competitors who participated in chat rooms with Barclays traders. In particular, Little attempted to buy or sell large volumes of currency right at the fix in order to influence the rate to his and other traders' benefit (and his clients' detriment), which strategy could generate a profit through his execution of the rest of his position at more favorable rates before and after the fix.

Little's Coordinated and Manipulative Trading around Benchmark Fixes

11. During his employment at Barclays, Little periodically received client orders to buy or sell EUR/USD in connection with the ECB fix and other benchmarks.

12. In order to influence or manipulate a benchmark fix for a profit, Little needed assurance that other traders did not anticipate trading in the opposite direction to Barclays around the fix, which would limit his ability to influence the fix and possibly cause him to lose money. As Little once noted, he made "much more money on fixes information from other banks." Accordingly, Little sought information regarding whether and in what size competitors would be trading at the fix. To induce other traders to disclose and in exchange for this information, Little and his subordinates revealed Little's anticipated fix trading in inter-bank chat rooms, including in Little's chat with former co-workers, "Schadenfreude."

13. Little also sought information about the anticipated trading of the "Cartel" chat room, a chat room in which influential EUR/USD traders from competitor banks participated [hereinafter referred to as Banks A, B and C]. The head of Barclays' G-10 spot trading desk in London and Little's fellow EUR/USD trader ("Trader 1") joined the Cartel chat room in

December 2011. When Trader 1 told Little he sought entry to the Cartel “to build up [his] eur contacts,” Little responded: “I need to rely on you so get to work... need both sides ldn [London] and ny [New York].”

14. Little communicated with Trader 1 daily via phone, video-conference, and an internal, private chat room. Little shared his fix positions with Trader 1 and asked Trader 1 about the anticipated fix trading of other Cartel members. Trader 1 in turn shared Little’s positions and strategies with Cartel members who coordinated with Little through Trader 1. Trader 1 also informed Little of competitors’ anticipated trading and facilitated matching transactions and/or the transfer of orders, known as “ammo,” from other dealers to Little.

15. Little also used information he obtained from traders he supervised at Barclays (i.e., information his subordinates obtained by participating in chat rooms with competitors) to coordinate his EUR/USD trading with competitor banks.

16. Little coordinated with traders at competitor banks and/or attempted to influence benchmark fixes on at least 13 occasions during his employment at Barclays. The following examples demonstrate Little’s coordination and attempted fix manipulation:

A. January 4, 2012

17. On January 4, 2012, Little had a “left-hand side” client order that would require him to sell, or otherwise hedge, 315 million EUR/USD at the ECB fix, to which he added orders from other dealers, increasing his position to more than 350 million (a strategy known as “building”). Before the fix, Little asked Trader 1 in their private chat room to find out the anticipated fix trading of other participants in the Cartel: “can u have a chatter with your mup[pets (*sic*) [i.e., the other members of the Cartel chat room]/ about 815 [the local time of the ECB fix].” Trader 1 replied: “same way,” meaning they expected to trade in the same direction

as Little. Little then spoke to Trader 1 by phone to find out which dealer was “left-hand side as well.” Trader 1 informed him it was Bank A. Little said he was “trying to find [out] about [Bank B] because they’re usually the other way.” Trader 1 offered to find out, “You ask your side and I’ll find out this way. But at the minute, we’re all the same way.”

18. At the fix, Little offered to sell 250 million EUR/USD at a price of 1.2945. At that point in time, the best bid, or highest price at which a market participant was willing to buy EUR/USD, on the EBS trading platform was 1.2948, or three pips higher than Little’s offer to sell. Little’s offer below the best bid was part of a strategy known as “crossing the bid” in which a trader offers at below market rates in order to drive the rate down during the fix. The Bank A trader also sold a large volume of EUR/USD at the fix. In the Cartel chat, Trader 1 told the other dealer participants: “[P]ete went 45 offered to help the cause.” However, the fix rate was set at 1.2948 and Little took a loss on his trading. Following the fix, Little complained to Trader 1 that his effort to lower the fix rate did not work: “[W]hy cant someone go 40 offered as I go 45 offered. . . .”

B. January 9, 2012

19. On January 9, 2012, Little had a client order to sell, or otherwise hedge, 313 million EUR/USD at the ECB fix, which he disclosed to Trader 1. In the Cartel chat room, Trader 1 disclosed Little’s position to the other dealers: “same again eur ecb... its ny not me/ no idea what behind [it].” Banks A and C were left-hand side, meaning they also would need to sell in connection with the fix. Bank B needed to buy around 28 million at the fix and matched with Bank A, which meant that Bank B would not trade against the other dealers at the fix.

20. Trader 1 also was left-hand side and needed to sell around 200 million. Little suggested that he and Trader 1 trade together to move the fix rate down: “we go together... get it

down.” Trader 1 agreed: “we just need to w[a]lk down and hold it.” At seven seconds before the fix, Little offered to sell 50 million at 1.2728 (one pip lower than the best bid of 1.2729) and, at the fix, Little offered to sell 100 million at 1.2725 (almost two pips below the best bid of 1.27269). Little traded the rest of his position before and after the fix at more favorable rates. Trader 1 and Bank A also sold a large volume of EUR/USD leading up to and at the fix. The fix rate was set at 1.2728, resulting in a profit for Little on the trading. Following the fix, Little said he “sold 100 at 26/ to keep it down.”

C. February 22, 2012

21. On February 22, 2012, Little needed to sell 349 million EUR/USD at the ECB fix in connection with a client order. Trader 1 had a left-hand side position of more than 200 million as well. Little knew that several other dealers were left-hand side through the chat room communications of various Barclays traders, but he was told that “[Bank B] is other way.” In the Cartel chat room, the Bank B trader disclosed to Trader 1 and others that he was right-hand side, meaning he would need to buy at the fix. Trader 1 and the other Cartel members, who were all left-hand side, agreed to match with the Bank B trader so he would not trade against them at the fix.

22. However, after matching, the Bank B trader still had a right-hand side position of close to 50 million to either match off or execute. One of the traders on the FX Spot Trading Desk supervised by Little participated in a chat room with the Bank B trader. That Barclays trader facilitated a transaction between Little and the Bank B trader to match 50 million, such that the Bank B trader would not have any fix exposure to execute at the ECB fix, and leaving Little with 299 million to sell at the fix. After matching with the Bank B trader, Trader 1 had approximately 100 million EUR/USD to sell at the fix. Little’s subordinates on the FX Spot

Trading Desk also had small left-hand side positions created by accepting orders from other dealers. In total, Barclays traders had more than 440 million EUR/USD to sell at the fix.

23. At the fix, Little offered to sell 150 million EUR/USD at 1.3228 (two pips below the best bid at the time of 1.3230). He executed the rest of his position before and after the fix at more favorable rates. The fix rate was 1.3230, resulting in a profit for Little.

D. February 27, 2012

24. On February 27, 2012, Little had a left-hand side client order requiring him to sell, or otherwise hedge, 337 million EUR/USD at the ECB fix. Little shared his position with Trader 1, who shared it in the Cartel chat room. In the Cartel chat room, the Bank C trader disclosed that he was right-hand side and matched with the Bank B trader who was left-hand side.

25. Trader 1 learned in a separate chat room that the EUR/USD trader at Bank D was right-hand side. Trader 1 informed the Bank D trader that Barclays' New York branch was selling: "for what its worth my ny get eur dont wanna match." This information would have been important to Little because Bank D had ruined one of Little's fix trades the prior month by trading in the opposite direction to him around the ECB fix. Shortly thereafter, Little invited the Bank D trader into a bilateral chat, writing: "[I] m left hooker at ecb/ you want to play?" The Bank D trader responded that he was trying to match off his right-hand side position elsewhere. Little offered to match the Bank D trader's balance if he was unable to match off the entirety, but the trader declined: "dont want to take ur bullets."

26. Around the time of the fix, Little offered to sell 100 million at a rate of 1.3387, and sold the rest of his position before and after the fix at more favorable rates. The ECB fix rate

was 1.3388, and Little made a profit on his trading. In the Cartel chat room, the Bank A trader noted Little's successful manipulation of the fix rate: "[L]ittle worked out how to hold a fix."

E. May 25, 2012

27. On May 25, 2012, Little had a client order to sell 250 million EUR/USD at the ECB fix. One of the traders on the FX Spot Trading Desk supervised by Little learned that a U.S.-based trader at Bank C had a significant left-hand side position for the fix, which that trader was not interested in executing himself. Little's subordinate offered that Little would take Bank C's position: "pete will []do ur total fix if u want?" The Bank C trader agreed to transfer the position of more than 500 million EUR/USD to Little. Through this and other transactions, Little built a left-hand side position of close to 850 million.

28. The Bank C trader warned that another dealer, suspected to be Bank B, might have an equally large fix position in the opposite direction (referred to as a novation) and asked, "is pete sure he wants to do it?" Another trader on the FX Spot Trading Desk, also supervised by Little, participated in a chat with a New York-based trader from Bank B and asked him about his London branch's anticipated trading: "Can u ask ur ldn/ We have decent size." The Bank B trader reported his London branch was left-hand side. Even with this information, Little called Trader 1 to ask about Bank B's anticipated trading:

Little: I'm 850 left-hand side, alright, [Bank B] had told us they're left-hand side as well. But now [the Bank C trader] is saying [Bank B] is a buyer.

Trader 1: They're not. Well not [the Bank B trader]. I've got him on here and he's not.

Little: They told – [Bank B] told them they're left-hand side.

Trader 1: I know. I am on the chat. I am on the chat and he's, um, he's left-hand side. So, I'll speak to him. ... I am on the chat and he's saying he's not. Obviously if that changes, then net off.

Little: Exactly.

29. Less than two minutes before the ECB fix, Little's subordinate announced in an inter-bank chat room: "We about to iron this out." Following the fix, the same Barclays trader noted, "Pete cleaned up."

30. Little sold approximately 650 million EUR/USD around the ECB fix. Two seconds before the fix, Little offered to sell 200 million at 1.2545, three pips below the best bid at the time. At the fix, Little offered to sell 50 million at 1.2544, two pips below the best bid at the time. Bank B also sold a large volume of EUR/USD at the fix. Little traded the rest of his position before and after the fix at more favorable rates. The fix rate was 1.2546.

31. Little shared portions of his fix trading position (and profits) with his subordinates on the desk, including 160 million to the trader who facilitated the transfer of Bank C's 500 million EUR/USD fix position to Little. This trader offered to sell 200 million at the time of the ECB snapshot, separate from the offers Little had made in the market, but at a rate higher than the prevailing market rate to hinder a potential buyer's ability move the fix rate up, due to Little's concern that the Bank C order he was trading could be part of a novation.

32. In the Schadenfreude chat, Little stated that his fix had gone well and expressed surprise that another bank had given him such a large position: "i dont get some banks/ i mean i understand the fix stuff is bad but once you get to a certain amount and you know it [i]s clean it [i]s worth.../ a shot/ i ended up selling just over 1 bio at the fix." Separately, Little boasted that "as a desk we made 360 k USD on this fix..."

**Little Failed to Adequately Supervise
Traders on the FX Spot Trading Desk**

33. Throughout the relevant period, Little was aware that traders he supervised communicated with competitors in electronic chat rooms but he failed to monitor, train or

adequately supervise traders' communications in these chat rooms. During the relevant period, traders on the FX Spot Trading Desk, supervised by Little, disclosed to competitors confidential information of Barclays and its customers (often using code words to refer to Barclays' customers), and discussed coordination of trading with other dealers around FX benchmarks.

34. For example, one trader supervised by Little used electronic chat rooms to coordinate his fix-related trading with competitors on at least six different occasions, and also disclosed confidential information of Barclays and its customers to competitors on at least 26 occasions. Other traders supervised by Little engaged in similar misconduct during the relevant period.

35. On July 21, 2017, Michael Weston, a trader supervised by Little, consented to a prohibition from the banking industry by the Board of Governors for unsafe and unsound practices in FX trading.

**Little's Coordinated Trading Personally
Benefitted Him and Harmed Barclays**

36. As a trader and manager, Little was focused on the profit-generation of the FX Spot Trading Desk as a whole, as well as his own personal profitability, which were important factors in determining his bonus compensation.

37. However, during Little's tenure as head of the FX Spot Trading Desk, the desk saw a decline in volume and revenues from client orders as clients opted to use Barclays' electronic trading platform instead of voice traders. Little frequently complained to traders at Barclays and at competitor dealers about his lack of business.

38. Little noted the lack of business in his self-evaluation for his 2012 year-end performance review to justify his profitability: "[It] has been incredibly difficult to earn in a year with excessive market uncertainty and little client flow in EUR and CHF. The NY afternoons

have been abysmal and the worst I have seen as far as client interest/market volatility in my long career.” Given fewer opportunities to make money on client flows, the client orders Little received, including fix orders, took on greater importance, as Little noted the “need to continue to generate a high personal PNL and team PNL. . . .”

39. As described above, Little coordinated with other dealers and attempted to manipulate benchmark fixes in order to profit, which would impact both his bonus compensation and the security of his position as head of desk. He also failed to address conduct by the traders that he supervised in coordinating trading strategies and sharing confidential information in chat rooms with competitors, which conduct boosted Little’s and the FX Spot Trading Desk’s profitability.

40. Little’s own trading conduct, and failure to appropriately supervise the FX Spot Trading Desk, resulted in financial and reputational damage to Barclays. Some of Little’s attempts to manipulate benchmark fixes were unsuccessful, and resulted in trading losses to Barclays. For example, one of Little’s trading strategies was to build fix positions beyond the exposure attributed to client orders, in order to exert more influence over the fix rate, thereby increasing Barclays’ risk of loss, and in some cases, actual losses.

41. Moreover, Little’s conduct and the conduct of the traders that he supervised subjected Barclays to significant regulatory actions. On May 20, 2015, Barclays agreed to a consent order with the Board of Governors for unsafe and unsound practices, based in part on the trading conduct of the FX Spot Trading Desk supervised by Little. Barclays also settled an action by the New York State Department of Financial Services (the “DFS”) for \$485 million, based in part on the conduct of the FX Spot Trading Desk. The DFS Order quoted and was based upon the communications and conduct of Little and his subordinates, among others.

42. Also, on May 20, 2015, Barclays pled guilty to a violation of the Sherman Act, 15 U.S.C. § 1, based on Barclays traders' participation in a conspiracy with other participants in the Cartel chat room (with whom Little coordinated through Trader 1), and settled related actions with the U.S. Commodity Futures Trading Commission for violations of the Commodity Exchange Act, and the United Kingdom Financial Conduct Authority.

43. In total, Barclays paid \$2.4 billion in criminal and civil fines in connection with the conduct described herein, and faced additional exposure in multiple civil litigations, including settling a class action lawsuit in 2015 for \$384 million, which relied in part on conduct by traders on the FX Spot Trading Desk supervised by Little.

44. Additionally, Barclays has incurred significant fees and costs to investigate the conduct of its FX traders, including Little and the traders he supervised on the FX Spot Trading Desk.

Little's Culpability

45. During the relevant period, Barclays maintained policies prohibiting: the improper disclosure of Barclays' proprietary and client confidential information; market abuse, including manipulative trading; and coordination with competitors in violation of applicable competition laws. Little was trained on these policies when he joined Barclays, which training was updated at least annually. In his communications with his superiors, Little professed his understanding of the applicable rules and policies. As a supervisor, Little had a responsibility to take reasonable steps to ensure that the traders he supervised complied with Barclays' policies.

46. Nevertheless, Little failed to address or escalate improper communications by his subordinates on the desk in violation of Barclays' supervision policies, in part because these communications benefitted his own trading and the profitability of the desk. Moreover, Little

knowingly and willfully coordinated with competitors, including through his subordinates' communications, on a repeated and continuous basis, over the course of his employment at Barclays. Little's conduct showed a willful and continuing disregard for the safety and soundness of Barclays.

47. Little's conduct involved personal dishonesty in that he concealed his coordination with competitors from Barclays' compliance department and from his superiors at Barclays, including by using his subordinates to communicate for him, as well as from clients who placed fix orders at Barclays and who were harmed by Little's manipulative trading.

**UNSAFE AND UNSOUND PRACTICES AND
BREACHES OF FIDUCIARY DUTIES BY LITTLE**

COUNT I: Unsafe and Unsound Banking Practices

48. As set forth in paragraphs 1 through 47 above, Little engaged in unsafe and unsound practices by using his own participation and the participation of other Barclays traders in exclusive chat rooms with traders at competitor banks to coordinate with competitors and attempt to manipulate FX currency benchmarks. This conduct violated Barclays' policies and applicable law.

49. Little also failed to adequately supervise the traders on the FX Spot Trading Desk who used the chat rooms to disclose confidential proprietary and client information and engage in coordinated trading, including around ECB and WM/R benchmark fixes, in contravention of Barclays' policies and applicable law.

50. As set forth in paragraphs 1 through 47 above, this conduct exposed Barclays to a reasonably foreseeable risk of financial loss, legal and reputational risk, and criminal, regulatory, and civil actions and fines and resulted in a personal benefit to Little.

COUNT II: Breaches of Fiduciary Duties

51. As the head of the FX Spot Trading Desk with supervisory responsibility for ensuring that it operated in accordance with firm policy, Little owed fiduciary duties of care, candor and loyalty to Barclays. As set forth in paragraphs 1 through 47 above, Little engaged in unsafe and unsound practices through coordinated and manipulative trading and failed to address or escalate the coordinated and manipulative trading and improper disclosure of Barclays' proprietary and confidential client information by his subordinates in contravention of Barclays' policies. As such, Little breached fiduciary duties he owed Barclays.

REQUESTED RELIEF

PROHIBITION ACTION

52. Notice is hereby given that a hearing will be held on a date to be determined, at the United States Courthouse in the Southern District of New York or any place designated by the presiding administrative law judge, for the purpose of taking evidence on the charges specified herein, in order to determine whether an appropriate order should be issued under section 8(e) of the FDI Act to prohibit the future participation of Little in the affairs of any insured depository institution, holding company thereof, foreign bank, or any institution specified in section 8(e)(7)(A) of the FDI Act, 18 U.S.C. § 1818(e)(7)(A). As set forth above, by reason of Little's unsafe and unsound practices and breaches of fiduciary duties, Little received a financial gain or other benefit and Barclays has suffered or will suffer financial losses and will probably suffer additional financial loss or other damage, or the interests of its depositors have been or could be prejudiced; and the unsafe and unsound practices involved personal dishonesty or continuing or willful disregard for the safety and soundness of Barclays on Little's part.

53. The hearing shall be held before an administrative law judge to be appointed from the Office of Financial Institution Adjudication (“OFIA”), pursuant to section 263.54 of the Board of Governors’ Rules of Practice for Hearings (“Rules of Practice”), 12 C.F.R. § 263.54. The hearing shall be public, unless the Board of Governors determines that a public hearing would be contrary to the public interest, and in all other aspects shall be conducted in compliance with the provisions of the FDI Act and the Rules of Practice.

54. **Little is hereby directed to file an answer to this Notice within 20 days of the service of this Notice, as provided by section 19 of the Rules of Practice, 12 C.F.R. § 263.19, with OFIA. Little is encouraged to file any answer to this Notice by electronic mail with the Office of Financial Institution Adjudication at ofia@fdic.gov.** Pursuant to section 263.11(a) of the Rules of Practice, 12 C.F.R. § 263.11(a), any answer filed with OFIA shall also be served on the Secretary of the Board of Governors. As provided in section 263.19(c)(1) of the Rules of Practice, 12 C.F.R. § 263.19(c)(1), the failure of Little to file an answer required by this Notice within the time provided herein shall constitute a waiver of his right to appear and contest the allegations of this Notice in which case the presiding officer is authorized, upon proper motion, to find the facts to be as alleged in the Notice and to file with the Secretary of the Board of Governors a recommended decision containing such findings and appropriate conclusions. Any final order issued by the Board of Governors based upon a failure to answer is deemed to be an order issued by consent.

55. Little may submit to the Secretary of the Board of Governors, within 20 days of the service of this Notice, a written statement detailing the reasons why the hearings described herein should not be public. The failure to submit such a statement within the aforesaid period shall constitute a waiver of any objection to a public hearing.

56. Authority is hereby delegated to the Secretary of the Board of Governors to designate the time and place and presiding officer for any hearing that may be conducted on this Notice and to take any and all actions that the presiding officer would be authorized to take under the Board of Governors' Rules of Practice for Hearings with respect to this Notice and any hearing to be conducted hereon, until such time as a presiding officer shall be designated.

CIVIL MONEY PENALTY ASSESSMENT

57. At all material times relevant to the Notice, the practices set forth in Counts I-II permit the assessment of civil money penalties under section 8(i)(2)(B) of the FDI Act, 12 U.S.C. § 1818(i)(2)(B), in a daily amount not to exceed \$37,500, pursuant to 12 C.F.R. § 263.65(b)(2)(ii).

58. Little engaged in unsafe and unsound practices and breaches of fiduciary duties continuously over an extended period involving manipulative and collusive trading and failure to address and escalate improper conduct by his subordinates. Little's unsafe and unsound practices and breaches of fiduciary duties, as set forth in Counts I-II, constitute a pattern of misconduct and conferred upon him a financial gain or other benefit and caused Barclays more than minimal financial loss or other damage.

59. After taking into account the size of Little's financial resources, his good faith, the gravity of the violations, the history of previous violations, and such other matters as justice may require, the Board of Governors hereby seeks to assess a civil money penalty of \$487,500 against Little for recklessly engaging in unsafe and unsound practices and breaches of fiduciary duties, as set forth in this Notice. Little shall forfeit and pay the penalty as hereinafter provided.

60. The penalty set forth in this Notice is assessed by the Board of Governors pursuant to section 8(i) of the FDI Act, 12 U.S.C. § 1818(i) and subparts A and B of the Rules of Practice, 12 C.F.R. § 263.1 *et seq.*

61. Remittance of the penalty set forth herein shall be made within 60 days of the date of this Notice, in immediately available funds, payable to the order of the Secretary of the Board of Governors of the Federal Reserve System, Washington, D.C. 20551, who shall make remittance of the same to the Treasury of the United States.

62. Notice is hereby given, pursuant to section 8(i)(2) of the FDI Act, 12 U.S.C. § 1818(i)(2) and section 263.19 of the Rules of Practice, 12 C.F.R. § 263.19, that Little is afforded an opportunity for a formal hearing before the Board of Governors concerning this assessment.

63. **Pursuant to section 8(i)(2)(E)(ii), 12 U.S.C. § 1818(i)(2)(E)(ii), if a hearing is not requested within 20 days of service, the penalty assessment becomes a final and unappealable order. Any request for such a hearing must be filed with the Office of Financial Institution Adjudication, 3501 N. Fairfax Drive, Suite VS-D8113, Arlington, VA 22226-3500, and with the Secretary of the Board of Governors, Washington, D.C. 20551, within 20 days after the issuance and service of this Notice on Little, with regard to the civil money penalty proceedings against Little. Little is encouraged to file any request for a hearing by electronic mail with the Office of Financial Institution Adjudication at ofia@fdic.gov.** A hearing, if requested, will be public, unless the Board of Governors shall determine that a public hearing would be contrary to the public interest, and in all other aspects will be conducted in compliance within the provisions of the FDI Act and the Rules of Practice before an administrative law judge to be designated pursuant to applicable law as in effect at the

time of such hearing. The hearing described above may, in the discretion of the Board of Governors, be combined with any other hearing to be held on the matters set forth in this Notice.

By order of the Board of Governors of the Federal Reserve System, effective this 16th day of February, 2018.

BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

By: /s/ _____
Ann E. Misback
Secretary of the Board