

Lebanon: Bank Settles Case With U.S.

Federal prosecutors announced Tuesday that a Lebanese bank linked to what they described as a vast money-laundering operation by Hezbollah, the militant Lebanese Shiite organization, had agreed to a \$102 million settlement. The settlement will come from \$150 million impounded by the Justice Department last August from the bank, the Lebanese Canadian Bank, which is now in liquidation. Preet Bharara, the United States attorney for the Southern District of New York, said in a statement that the settlement "shows that banks laundering money for terrorists and narco-traffickers will face consequences for their actions, wherever they may be located." A federal lawsuit filed in 2011 placed the bank at the center of what prosecutors and drug enforcement officials said was a scheme in which it laundered the proceeds from sales of Colombian narcotics and used cars that were exported from the United States. The lawsuit said the bank then repatriated the laundered money to Lebanon, where Hezbollah received a portion. Hezbollah dismissed the lawsuit as propaganda.

RICK GLADSTONE