Barclays faces £50m fine for 'reckless' failures over Qatari funding

B
anking giant [Barclays](#) has been hit with a £50 million fine from the UK's financial watchdog over failures to disclose arrangements with Qatari investors when it raised funds during the 2008 financial crash.

The [Financial Conduct Authority](#) (FCA) said Barclays' conduct at the time was "reckless and lacked integrity".

Barclays paid one Qatari entity £322 million in fees for participating in its capital raisings, which it did not disclose to shareholders, the FCA said.

Barclays' failure to disclose these matters was reckless and lacked integrity and followed an earlier failure to disclose fees paid to Qatari investors in June 2008

The FCA's Upper Tribunal will consider the findings and decide whether to uphold the watchdog's decision.

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Mark Steward, the executive director of enforcement and market oversight at the FCA, said: "At the height of the financial crisis in October 2008, Barclays paid hundreds of millions of pounds in fees to certain Qatari investors so that they would contribute new capital.

"Barclays did not inform the market and shareholders about these matters as required.

"Barclays' failure to disclose these matters was reckless and lacked integrity and followed an earlier failure to disclose fees paid to Qatari investors in June 2008.

"There was no legitimate reason or excuse for failing to disclose these matters, certainly no basis for doing so because of the financial crisis.

"Due transparency is always critical to financial markets, especially in times of market or financial stress."

A Barclays spokesperson said: "Barclays has referred the findings of the Regulatory Decisions Committee to the Upper Tribunal for reconsideration."