
Consumer coalition rallies against Wells Fargo Bank

By Editorial Staff Thu, Mar 2, 2017

'We call on Wells Fargo to do the right thing, and to immediately cease using forced arbitration clauses in its consumer and employment contracts,' said a letter to the bank from a coalition of consumer advocacy groups.

A coalition of consumer advocacy groups has launched a national campaign targeting Wells Fargo Bank over its illegal account-opening practices and its forced arbitration policy.

The campaign, based at wedocount.org, also released a letter addressed to Wells Fargo CEO Timothy Sloan calling on the bank to cease imposing forced arbitration on its customers and workers.

The letter said in part:

“We call on Wells Fargo to do the right thing, and to immediately cease using forced arbitration clauses in its consumer and employment contracts. A number of competing banks and credit unions already have decided to respect their customers and workers, and not to deny them their constitutional rights.

“Until Wells Fargo ends its practice of depriving its customers and workers of their constitutional rights as a condition of obtaining products, services, or employment, we will continue to call upon all Americans who value those rights to close their accounts with the bank, and all institutions to divest from Wells Fargo.”

One of the sponsoring consumer organizations, the National Consumers League, said it is withdrawing its working capital, about \$1.8 million, from Wells Fargo, closing its account with Wells Fargo in Washington, D.C., and “switching to a bank that does not impose forced arbitration on its customers or employees.”

In April 2016, Wells Fargo admitted to deceiving the U.S. government into insuring thousands of risky mortgages, and paid \$1.2 billion to settle a U.S. Department of Justice lawsuit.

In September 2016, the bank apologized to customers, announced steps to change its sales practices, and agreed to pay \$100 million to the Consumer Financial Protection Bureau as well as \$50 million to the city and county of Los Angeles and \$35 million to the Office of the Comptroller of the Currency, according to press reports at the time.

At a teleconference last Monday, two former Wells Fargo customers described personal experiences with the bank's practices. The groups provided tip on how consumers can switch from Wells Fargo to banks and credit unions that do not impose forced arbitration.

The following groups are members of the coalition:

Alliance of Californians for Community Empowerment

Consumer Action

Consumer Federation of California

Consumers for Auto Reliability and Safety (CARS) Foundation

Courage Campaign

ForgoWells

Homeowners Against Deficient Dwellings

Housing and Economic Rights Advocates

Make the Road New York

Montana Organizing Project

National Association of Consumer Advocates

National Consumer Law Center (on behalf of its low-income clients)

Public Citizen

Public Good

Public Justice

Progressive Congress Action Fund

Tennessee Citizen Action

TURN - The Utility Reform Network

Workplace Fairness

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