

United States Senate

September 28, 2016

Mr. John G. Stumpf
Chairman and CEO
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Stumpf:

I write today to discuss your recent testimony before the Senate Banking Committee regarding the September 8, 2016 consent orders between Wells Fargo, the Consumer Financial Protection Bureau (CFPB), the Office of the Comptroller of the Currency, and the Los Angeles City Attorney. I remain deeply troubled by the brazen actions committed by Wells Fargo that have likely undermined the financial standing of a number of your clients. In your testimony, you said that as Chairman and CEO you take full responsibility for this gross negligence and that you are fully committed to doing everything you can to fix any issues customers have due to this matter. I will hold you to that commitment.

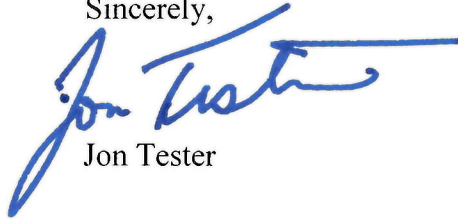
As I mentioned during the hearing, one of my biggest concerns has to do with credit scores and how they are being affected by the opening and closing of accounts, particularly credit card accounts. In both the CFPB's consent orders and in your testimony before the Banking Committee, it was noted that roughly 565,000 credit card accounts were opened on behalf of unknowing customers. It is my understanding that when credit card accounts are opened, when negative information is sent, and when credit card accounts are closed, a consumer's credit score is impacted. With that in mind, how does your company plan to fix customers' credit scores and what is your plan for making whole consumers who may have received a higher rate on a loan during the period in which an unauthorized account may have been opened? While it was appropriate for your company to announce that it will reimburse any fees and fines associated with credit card accounts that were unauthorized, I remain concerned that the actual harm to consumers may be much greater than any late payment.

The long-term consequences of this situation could be significant for many families. As I said during the hearing, if a consumer received a \$500,000 mortgage in 2013 and their rate was 4 percent instead of 3.5 percent, due to the fact that Wells Fargo reported negative information to the credit bureaus on an account that was unauthorized, that consumer will end up paying more than \$50,000 extra in interest payments over the course of a 30-year mortgage. This is simply unacceptable. In order to make good on your commitment to address all of the issues that have arisen due to this malfeasance, I would like you to respond to the following questions in detail about how Wells Fargo plans to remedy situations like this.

- During the years from 2011-2015, exactly how many credit card accounts were opened on behalf of unknowing customers?
- How far back will Wells Fargo go to ensure this widespread issue doesn't predate 2011?
- Has Wells Fargo notified all of these customers yet? And how many of these customers were in Montana?
- How many of those accounts had negative information sent to the credit bureaus about them? How many of them were in Montana?
- Has Wells Fargo confirmed that all negative information on these unauthorized accounts has been removed from consumers' credit bureau accounts?
- What is Wells Fargo doing for consumers who potentially paid more on loans than they should have at not only Wells Fargo, but at other financial institutions? And does Wells Fargo have a count of how many customers this may have happened to?
- Was negative information reported to the credit bureaus on accounts other than credit card accounts?
- How is Wells Fargo responding to consumer complaints? Is a special division being set-up within the bank to deal with customers who have been harmed?

What happened to consumers over the course of the last five years at Wells Fargo is unacceptable and I believe it is critically important that Wells Fargo make all of these customers whole. I appreciate your attention to these concerns and I look forward to having continued conversations to ensure that all of the outstanding issues are remedied.

Sincerely,



Jon Tester