

# Banking Committee Democrats Press Wells Fargo CEO for More Answers on Phony Accounts Scandal

September 28, 2016

WASHINGTON, D.C. – Democrats on the U.S. Senate Banking Committee today pressed Wells Fargo Chairman and Chief Executive John Stumpf to respond to questions stemming from his testimony last week on the bank’s unauthorized accounts scandal.

The Senators asked Stumpf to answer [dozens of questions for the record](#) to clarify and supplement his testimony before the Banking Committee on Tuesday, Sept. 20. The written questions were jointly submitted by all of the panel’s 10 Democrats: Ranking Member Sherrod Brown (D-OH), Jack Reed (D-RI), Charles E. Schumer (D-NY), Bob Menendez (D-NJ), Jon Tester (D-MT), Mark Warner (D-VA), Jeff Merkley (D-OR), Elizabeth Warren (D-MA), Heidi Heitkamp (D-ND), and Joe Donnelly (D-IN).

The Senators’ questions consist of at least 20 inquiries that Stumpf was unable to answer, or promised to provide more information during the hearing, as well as additional queries that emerged following his testimony. This includes requests for basic information on the precise dates of when Stumpf, Wells Fargo’s board of directors, and Carrie Tolstedt, who led the firm’s community banking unit, learned that thousands of the bank’s employees were defrauding customers nationwide.

Specifically, the Senators pushed for more details on the timeframe and scope of wrongdoing at Wells Fargo, the locations of the branches where the 5,300 employees were fired, state-by-state information on the customers who may have been harmed by this misconduct, details on the bank’s aggressive sales culture, and the firm’s plans for restoring the credit scores of affected customers.

**The Senators’ unanswered questions from the hearing include:**

- ***“What steps will Wells Fargo take to ensure that customers with fraudulent accounts created before 2009 are compensated?”***
- ***“[A]re you confident that this type of fraudulent activity does not exist in other Wells business lines?”***
- ***“What was Wells Fargo’s policy on the employees who reported concerns to their managers, human resources division or used the hotline and were fired?”***
- ***“Has Wells Fargo contacted and instructed Transunion, Equifax and Experian, and any other credit bureaus, to determine and remediate any possible harm resulting from the opening of, and activity on, unauthorized credit cards?”***
- ***“How will you confirm that inaccurate information on your customers’ credit files has been removed?”***

The Senators also pressed for answers on how Wells Fargo's board determined the compensation packages for the bank's top executives, including Stumpf and Tolstedt, who knew about the misconduct at least five years ago. Wells Fargo announced late Tuesday that it would claw back some of the compensation for Stumpf and Tolstedt.

**"Please provide any Board or Compensation Committee minutes describing (1) discussion of the pending Wells Fargo settlement and any impact it had on Ms. Tolstedt's decision to retire, (2) discussion of termination or any other penalty for Ms. Tolstedt in relation to her role in the Wells Fargo actions that resulted in the [Consumer Financial Protection Bureau] settlement; (3) the impact of Ms. Tolstedt's decision to retire on her final compensation,"** the Senators wrote.

The Senators also demanded details on Wells Fargo's use of forced arbitration clauses that prevent customers whose names were used to open fraudulent accounts from seeking justice in court.

**"As was requested at the hearing, will Wells Fargo commit to permitting customers bringing disputes related to these actions to bring their claims in court, rather than forcing them into arbitration?"** the Senators wrote.

The complete list of questions for the record can be found [here](#).

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