

March 10, 2020

David C. Galloreese
Senior Executive Vice President and Head of Human Resources
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Galloreese:

We welcome your February 12 announcement that Wells Fargo will allow workers who allege future sexual harassment claims to court instead of forcing them into arbitration.¹ While it is a step in the right direction, we strongly urge Wells Fargo to expand its policy to include all types of claims for workers and customers.

You state that Wells Fargo's "zero tolerance" for sexual harassment is the reason the bank will now allow those claims to go to an open, neutral court of law. While this is admirable, your policy suggests that you therefore tolerate other forms of discrimination or harassment to be addressed only behind the shroud of secretive arbitration proceedings, such as discrimination against an African-American employee. It also implies that you believe that other unfair workplace practices, such as improper wage calculations for your employees or firing an employee in retaliation for exposing corporate wrongdoing, deserve only to be heard through private arbitration where such practices will not receive the public scrutiny needed to stop the problem as well as root out other violations of law.

Moreover, the new policy will lead to unintended inefficiencies. For example, if a worker were to bring a claim for sexual harassment and retaliation, the first claim would proceed to court while the second claim would be subject to arbitration. This will result in a bifurcated, confusing, and unequal system of justice for Wells Fargo workers.

Finally, as you consider expanding your policy for workers, we urge you to also include your customers in the policy. Wells Fargo has a history of management-directed misconduct including opening fake accounts in customer's names without their consent.² Rev. Jeff Edwards, a United Methodist minister, sued Wells Fargo in 2019 after the bank admitted to falsely accusing him of cashing fraudulent checks, which led to his wrongful arrest. He only wanted to recoup his legal

¹ Wells Fargo, *Zero Tolerance for Sexual Harassment* (Feb. 12, 2020), <https://stories.wf.com/zero-tolerance-sexual-harassment/>.

² Ethan Wolff-Mann, *Wells Fargo Scandals: The Complete List*, YAHOO! FINANCE (Mar. 12, 2019), available at <https://finance.yahoo.com/news/wells-fargo-scandals-the-complete-timeline-141213414.html> (noting that "the company has been mired in a variety of scandals...").

fees.³ Rather than allow him to bring his claim in court, you tried to force him into arbitration. Surely, Pastor Jeff and other wronged customers deserve to seek justice in a court of law as much as any Wells Fargo worker.

More than 80% of both Republicans and Democrats support totally ending forced arbitration for consumers. In addition to supporting the Forced Arbitration Injustice Repeal (FAIR) Act, which would prohibit the use of forced arbitration clauses, we urge you not to take half measures and take a zero tolerance stand against all wrongdoing and end forced arbitration for all workers and customers.

If you have questions, please contact Remington A. Gregg, at rgregg@citizen.org.

Sincerely,

Alliance for Justice
American Association for Justice (AAJ)
Americans for Financial Reform Education Fund
Center for Popular Democracy
Center for Responsible Lending
Consumer Action
Consumers for Auto Reliability and Safety
Economic Policy Institute
Empire Justice Center
Impact Fund
National Association of Consumer Advocates
National Consumer Law Center (on behalf of its low income clients)
National Employment Law Project
National Employment Lawyers Association
People's Parity Project
Public Citizen
Public Justice

³ Penny Crosman, *Wells Fargo Pushes Wrongly Accused N.J. Pastor Toward Arbitration*, AMERICAN BANKER (Aug. 28, 2019), available at <https://www.americanbanker.com/news/wells-fargo-pushes-wrongly-accused-nj-pastor-toward-arbitration>.