

Wells Fargo to Pay \$1B to Settle Customer Abuse Charges

Yuan An

April 21, 2018

American banking giant Wells Fargo has agreed to pay federal regulators \$1 billion fine for its unsuitable behaviors, such as selling unwanted or unnecessary automobile insurance to its loan customers, forcing them to pay unnecessary fees to lock in interest rates on their home mortgages.

The bank will pay \$500 million to the Consumer Financial Protection Bureau and another \$500 million to the Treasury Department's Office of the Comptroller, the largest fines ever imposed by either agency.

In my opinion, as financial institutions, petty profits would not be taken into account before the consumers' trust. There shouldn't be so many unfair rules for clients. On the other hand, the regulators should take more strict measures to resolve banks' unsuitable or illegal movements for a better financial environment. As consumers, we should protect legal right by lawful means, and reject unfair rules from banking institutions.