Title: Senator Sherrod Brown Goes After 0-Count Felon Wells Fargo; Ignores 5-Count Felon JPMorgan Chase
Author: disoriented_llama
Created 2022-06-01 15:32:37 UTC
Permalink: /r/TheGloryHodl/comments/v2jor6/senator_sherrod_brown_goes_after_0count_felon/
Url: https://www.reddit.com/gallery/v2jor6

11:31

JPMorgan Chase became the largest shareowner of the New York Fed because it has been insanely allowed to gobble up huge banks, antitrust law be damned. JPMorgan Chase's massive deposit base came about as a result of these prior commercial bank mergers: In 1955 Chase National Bank merged with The Bank of the Manhattan Company to form Chase Manhattan Bank. In 1991, Chemical Bank and Manufacturers Hanover announced their merger. Both banks had been severely weakened – Chemical from bad real estate loans and Manufacturers from bad loans to developing nations. In 1995, Chemical Bank merged with Chase Manhattan Bank. In 2000, JPMorgan merged with Chase Manhattan Corporation. In 2004, JPMorgan Chase merged with Bank One. In 2008, during the height of the financial crisis, JPMorgan Chase was allowed to buy Washington Mutual. These are just the largest bank consolidations. Over the years, Chase acquired dozens of smaller banks.

It's time for Senator Brown to hire an experienced, non-conflicted investigative team to genuinely examine what's really going on at the Wall Street megabanks – starting with the viper's nest at JPMorgan Chase.

Bookmark the permalink.

← **Credit Unions and Banking Groups Warn of "Devastating Consequences" of a U.S Central Bank Digital Currency**

11:31 LTE

JPMorgan Chase and its Chairman and CEO, Jamie Dimon, who has presided over five criminal felony counts, all of which the bank admitted to, while entering into an endless series of highly-suspect non-prosecution agreements and probation periods with the U.S. Department of Justice.

Yesterday Brown's office sent out a press release assailing Wells Fargo and Scharf, calling out its "history of consumer abuses and gross mismanagement." While it's true that Wells Fargo has not been an Eagle Scout , it's also true that when it comes to criminal activities, Wells Fargo is completely out of the league of JPMorgan Chase.

JPMorgan Chase's first two felony counts from the Justice Department came in 2014 for its aiding and abetting role in the way it handled the business bank account of Ponzi-schemer Bernie Madoff. The bank told U.K. authorities that it thought Madoff was running a Ponzi scheme while failing to report its suspicions and money laundering by Madoff to U.S. authorities. The very next year the bank pleaded guilty to its role in a bank cartel (actually called "The Cartel") that rigged the foreign exchange market. That resulted in felony count three.

There was a litany of other non-felony charges brought against the bank between 2015 and 2019. See its jaw-dropping Rap Sheet here. Then in September 2020 the bank agreed to pay criminal fines and admit to two felony counts of wire fraud for manipulating (spoofing) trading in the precious metals and U.S. Treasury markets. The Justice Department charged that JPMorgan Chase's traders engaged in "tens of thousands of instances of unlawful trading in gold, silver, platinum, and palladium…as well as thousands of instances of unlawful trading in U.S. Treasury futures contracts and in U.S. Treasury notes and bonds…." Not to put too fine a point on it, but the U.S. Treasury market is how the U.S. government pays its bills and instills trust in the U.S. dollar as the world's reserve currency.

In every one of these criminal cases, instead of going to trial, JPMorgan Chase was simply allowed to admit guilt and was given a deferred prosecution agreement by the U.S. Department of Justice. And, more outrageous, after every criminal count, the Chairman and CEO of the bank, Jamie Dimon, was not only allowed to remain in place but ended up with a bigger salary and bonus. (See After JPMorgan Chase Admits to Its 4th and 5th Felony Charge, Its Board Gives a $50 Million Bonus to Its CEO, Jamie Dimon.)

That $50 million "retention" bonus, by the way, was voted down by shareholders two weeks ago but the bank's Board decided to ignore what its shareholders wanted and pay the bonus anyway. The $50 million bonus was on top of Dimon's regular compensation for 2021, which totaled $34.5 million.

If Senator Brown is looking for the quintessential symbol of "gross mismanagement," let us spell it out for him: the year after JPMorgan Chase, under Dimon's management, scores its fourth and fifth criminal felony counts from the Justice Department, its Board of Directors awards Dimon a total of $84.5 million. That's because the Board of JPMorgan Chase is, itself, a study in outrageous conflicts of

Senator Sherrod Brown Goes After 0-Count Felon Wells Fargo; Ignores 5-Count Felon JPMorgan Chase

By Pam Martens and Russ Martens: June 1, 2022 ~

Senator Sherrod Brown

Wall Street On Parade was previously a big fan of Senator Sherrod Brown, the Chair of the Senate Banking Committee. Not so much anymore.

Brown supported the nutty nomination of Saule Omarova to head the Office of the Comptroller of the Currency (OCC), the regulator of national banks, while attempting to spin the naysayers as part of a smear campaign.

So far this year, the Senate Banking Committee has held hearings on tangential areas while ignoring the biggest threats to financial stability in the U.S.: the $200.18 *trillion* in notional derivatives (face amount) concentrated at just five Wall Street megabanks (JPMorgan Chase, Citigroup, Goldman Sachs, Morgan Stanley and Bank of America).

There have been no subpoenas flying from the Senate Banking Committee as the Fed continues to cover up the largest trading scandal in its history and refusing to release to the media the dates of the former Dallas Fed President Robert Kaplan's trades. Two of the megabanks overseen by the Senate Banking Committee – Goldman Sachs and Citigroup – have potential involvement in this trading scandal but the public has had no enlightenment from the Senate Banking Committee. (See our Fed Trading Scandal archive here.)

There has also been no in-depth investigation with subpoenas by the Senate Banking Committee of how many more Archegos family office hedge funds are out there, ready to blow up a federally insured megabank on Wall Street because it has given these hedge funds 85 percent leverage on margin loans, while disguising the hedge funds' stock positions as if they belong to the bank. We have also seen no pushback from the Senate Banking Committee as the Justice Department portrays the most sophisticated megabanks on Wall Street as the victims of Archegos.

We could go on and on but you get the point.

Now Brown is going after Wells Fargo and its CEO Charles Scharf – which has zero felony counts notched in its belt – while ignoring JPMorgan Chase and its Chairman and CEO, Jamie Dimon, who has presided over five [redacted]hich the bank

Board of JPMorgan Chase is, itself, a study in outrageous conflicts of interest.

In the letter that Brown sent to Wells Fargo's CEO Charles Scharf yesterday, he says this about keeping the growth restriction that the Fed placed on Wells Fargo in 2018:

> "It is clear that Wells Fargo still has a long way to go to fix its governance and risk management before it should be allowed to grow in size."

But despite the fact that Jamie Dimon has presided over an unprecedented series of criminal charges, his bank has been allowed to grow to a mind-boggling size. Since the criminal charges started in 2014, JPMorgan's deposit base has been allowed to double in size, from $1 trillion to more than $2 trillion according to the Federal Deposit Insurance Corporation's data.

The OCC reports that the bank holding company for JPMorgan Chase has grown its assets from $2.57 trillion as of December 31, 2014 to $3.74 trillion as of December 31, 2021 – an increase of 46 percent in seven years. (See Table 14 here.)

As of December 31, 2021, Wells Fargo's holding company's assets stood at $1.95 trillion, or *$1.79 trillion less* than JPMorgan Chase.

In addition, the OCC also reports that the bank holding company for Wells Fargo held just $9.3 trillion in derivatives as of December 31, 2021 versus a staggering $49.2 trillion in derivatives at JPMorgan Chase. (See the same Table 14 linked above.)

What might explain why Senator Brown and the Fed are shining a bright light on Wells Fargo while allowing Jamie Dimon and his criminal enterprise to hide in the shadows? When it comes to Senator Brown, it's more than likely that he has either conflicted or incompetent aides rooting out the problems at the megabanks.

When it comes to the Fed, the facts speak for themselves. JPMorgan Chase is the largest shareowner of the New York Fed, the regional bank to whom the Federal Reserve Board of Governors has outsourced supervision of the megabanks in that region. To put it more bluntly, bank examiners investigating JPMorgan Chase report to an institution that is owned by the very banks they are examining and whose CEOs rotate on and off its Board of Directors. (Dimon previously served two terms on the Board of Directors of the New York Fed, and was allowed to remain in that perch while he was Chairman and CEO of JPMorgan Chase and his bank was under investigation by the Fed and FBI for losing $6.2 billion of bank deposits from its federally-insured bank. The losses arose from its gambling in derivatives in London.)

Wells Fargo, headquartered in San Francisco, is a shareowner of the San Francisco Fed and is supervised by that regional Fed bank. It lacks influence at the powerful New York Fed.