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OCC Assesses Penalty Against Wells Fargo; Orders Restitution for Violations of the Servicemembers Civil Relief Act

WASHINGTON—The Office of the Comptroller of the Currency (OCC) today assessed a \$20 million civil money penalty against Wells Fargo Bank, N.A., and ordered the bank to make restitution to servicemembers who were harmed by the bank's violations of the Servicemembers Civil Relief Act (SCRA).

The OCC found that between approximately 2006 and 2016, the bank violated three separate provisions of the SCRA. The bank failed to: (i) provide the 6-percent interest rate limit to servicemember obligations or liabilities incurred before military service; (ii) accurately disclose servicemembers' active duty status to the court via affidavits prior to evicting those servicemembers; and (iii) obtain court orders prior to repossessing servicemembers' automobiles. The \$20 million penalty reflects a number of factors, including the duration and frequency of violations, the financial harm to the servicemembers, deficiencies and weaknesses in the bank's SCRA compliance program and ineffective compliance risk management. The penalty will be paid to the U.S. Treasury.

Servicemembers eligible for restitution include those who were financially harmed as a result of the violations. The OCC's order also requires the bank to take corrective action to establish an enterprise-wide SCRA compliance program to detect and prevent future SCRA violations.

The OCC is taking this action in coordination with the Department of Justice's Civil Rights Division, which issued a separate order today related to the bank's repossession-related SCRA violations.

Related Links

- [Consent Order for the Assessment of a Civil Money Penalty \(PDF\)](#)
- [Cease and Desist Order \(PDF\)](#)

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