

DAVID VITTER, LOUISIANA, CHAIRMAN
JEANNE SHAHEEN, NEW HAMPSHIRE, RANKING MEMBER

JAMES E. RISCH, IDAHO
MARCO RUBIO, FLORIDA
RAND PAUL, KENTUCKY
TIM SCOTT, SOUTH CAROLINA
DEB FISCHER, NEBRASKA
CORY GARDNER, COLORADO
JONI ERNST, IOWA
KELLY AYOTTE, NEW HAMPSHIRE
MICHAEL B. ENZI, WYOMING

MARIA CANTWELL, WASHINGTON
BENJAMIN L. CARDIN, MARYLAND
HEIDI HEITKAMP, NORTH DAKOTA
EDWARD J. MARKEY, MASSACHUSETTS
CORY A. BOOKER, NEW JERSEY
CHRISTOPHER A. COONS, DELAWARE
MAZIE K. HIRONO, HAWAII
GARY C. PETERS, MICHIGAN

United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

TELEPHONE: (202) 224-5175 FAX: (202) 224-5619

MEREDITH WEST, REPUBLICAN STAFF DIRECTOR
ROBERT DIZNOFF, DEMOCRATIC STAFF DIRECTOR

September 20, 2016

Mr. John Stumpf
Chief Executive Officer
Wells Fargo
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Stumpf,

I am writing you to discuss the recent settlement your bank, Wells Fargo, has come to with regulators over the fraudulent activity of some of your employees and any information you might have as to how your small business clients and your participation in the Small Business Administration's (SBA) 7(a) lending program were impacted by those activities.

As you are aware, the Consumer Financial Protection Bureau (CFPB), in conjunction with the Office of the Comptroller of the Currency (OCC) and the Los Angeles City Attorney (LACA), recently levied a series of substantial penalties and fines against Wells Fargo. As the nation's third largest bank, Wells Fargo holds a prominent position not only in the consumer banking industry, but is also the largest participating lender in the SBA's 7(a) lending program, with 21,000 outstanding 7(a) loans worth \$7.14 billion, all backed by the American taxpayer.

It's for these reasons that I am so concerned with the claims made by regulators with regards to Wells Fargo's banking practices and, by implication, its corporate culture. The seemingly rampant and widespread fraud seen at your bank leads me to believe that it is likely possible that such activity has occurred as part of your business lending, including your lending as a participant in the SBA's 7(a) program. Most concerning is the near certainty that small business owners, who are often heavily reliant on their business' cash flow and their personal credit to open and operate their businesses, have already been hurt by your employees' actions. That is why I request you provide me with any information your bank may have as to the number of small business owners affected by your employee's fraudulent activities and whether or not the activities brought to light by federal regulators and LACA have impacted your lending as part of the 7(a) program, so that I may ensure that the American taxpayer is not being defrauded.

As the Chairman of the Senate Committee on Small Business and Entrepreneurship, I have a responsibility to ensure that small business owners are duly assisted in their efforts to start and maintain their businesses, and thank for your help in carrying out that duty. If you have any questions, feel free to contact Devon Redfield at (202) 224-5175.

Sincerely,

David Vitter

David Vitter
Chairman