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[NO FEE - Govt. Code § 6103]

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County of Los Angeles

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES, CENTRAL DISTRICT
BC 580778

AMOUNT RECOVERABLE PURSUANT
TO 6103.5 GC § 435.02
PLUS A ONE TIME ADMINISTRATIVE FEE UPON JUDGEMENT
IF THE PARTY RECORDS JUDGEMENT CREDITOR

THE PEOPLE OF THE STATE OF CALIFORNIA,

Plaintiff,

vs.

16 WELLS FARGO & COMPANY, a Delaware
17 Corporation; WELLS FARGO BANK,
18 NATIONAL ASSOCIATION, a National
19 Banking Association, and DOES 1-100,
20 inclusive,

Defendants.

Case No. [REDACTED]

**COMPLAINT FOR EQUITABLE
RELIEF AND CIVIL PENALTIES FOR:**

**(1) VIOLATION OF THE CALIFORNIA
UNFAIR COMPETITION LAW FOR
GAMING (Bus. and Prof. Code
§ 17200, et seq.); AND**

**(2) VIOLATION OF THE CALIFORNIA
UNFAIR COMPETITION LAW FOR
FAILURE TO PROVIDE NOTICE OF
DATA BREACH (Bus. and Prof. Code
§ 17200, et seq.)**

ORIGINAL

1 Plaintiff, the People of the State of California (“People”), complaining of the above-
2 named Defendants (“Defendants”), alleges as follows, which allegations are based upon
3 information and belief:

4 INTRODUCTION

5 1. For years, Wells Fargo & Company and Wells Fargo Bank, National Association
6 (collectively “Wells Fargo”) have victimized their customers by using pernicious and often
7 illegal sales tactics to maintain high levels of sales of their banking and financial products. The
8 banking business model employed by Wells Fargo is based on selling customers multiple
9 banking products, which Wells Fargo calls “solutions.” In order to achieve its goal of selling a
10 high number of “solutions” to each customer, Wells Fargo imposes unrealistic sales quotas on its
11 employees, and has adopted policies that have, predictably and naturally, driven its bankers to
12 engage in fraudulent behavior to meet those unreachable goals. As a result, Wells Fargo’s
13 employees have engaged in unfair, unlawful, and fraudulent conduct, including opening
14 customer accounts, and issuing credit cards, without authorization. Wells Fargo has known
15 about and encouraged these practices for years. It has done little, if anything, to discourage its
16 employees’ behavior and protect its customers. Worse, on the rare occasions when Wells Fargo
17 did take action against its employees for unethical sales conduct, Wells Fargo further victimized
18 its customers by failing to inform them of the breaches, refund fees they were owed, or otherwise
19 remedy the injuries that Wells Fargo and its bankers have caused. The result is that Wells Fargo
20 has engineered a virtual fee-generating machine, through which its customers are harmed, its
21 employees take the blame, and Wells Fargo reaps the profits.

22 2. This is a civil law enforcement action brought on behalf of the People by the
23 Criminal Branch of the Los Angeles City Attorney’s Office, under the Unfair Competition Law
24 (“UCL”) (Business and Professions Code § 17200, *et seq.*).¹ The People seek, *inter alia*: (a) to
25 enjoin the above-named Defendants from engaging in unlawful, unfair, and fraudulent business
26 acts and practices; (b) an order to restore to all persons in interest any money or property the

27 _____
28 ¹ All further references are to California codes, unless otherwise noted.

1 above-named Defendants acquired by means of those unfair, deceptive, and fraudulent business
2 acts and practices, pursuant to Business and Professions Code sections 17203 and 17204; (c) an
3 order that above-named Defendants be assessed civil penalties pursuant to Business and
4 Professions Code sections 17206 and 17206.1; and (d) recovery of the costs of this action.

5 3. Defendant Wells Fargo & Company operates the fourth biggest bank in the
6 United States, and the largest bank headquartered in California. It is California's oldest bank,
7 having begun banking services in 1852. Wells Fargo Bank, National Association is a subsidiary
8 of Wells Fargo & Company, and provides most of the banking products and services that are the
9 subject of this action.

10 4. Wells Fargo boasts about the average number of products held by its customers,
11 currently approximately six bank accounts or financial products per customer. Wells Fargo
12 seeks to increase this to an average of eight bank accounts or financial products per account
13 holder, a company goal Wells Fargo calls the "Gr-eight" initiative.

14 5. Wells Fargo's resulting market dominance has come at a significant price to the
15 general public, because it has been achieved in large part through an ambitious and strictly
16 enforced sales quota system. Wells Fargo quotas are difficult for many bankers to meet without
17 resorting to the abusive and fraudulent tactics described further below. Moreover, Wells Fargo
18 enforces its sales quotas by constant monitoring. Daily sales for each branch, and each sales
19 employee, are reported and discussed by Wells Fargo's District Managers four times a day, at
20 11:00 a.m., 1:00 p.m., 3:00 p.m., and 5:00 p.m. Those failing to meet daily sales quotas are
21 approached by management, and often reprimanded and/or told to "do whatever it takes" to meet
22 their individual sales quotas. Consequently, Wells Fargo's managers and bankers have for years
23 engaged in practices called "gaming." Gaming consists of, among other things, opening and
24 manipulating fee-generating customer accounts through often unfair, fraudulent, and unlawful
25 means, such as omitting signatures and adding unwanted secondary accounts to primary accounts
26 without permission. Other practices utilized as part of these "gaming" schemes have included
27 misrepresenting the costs, benefits, fees, and/or attendant services that come with an account or
28 product, all in order to meet sales quotas.

1 6. Wells Fargo's gaming practices have caused significant stress to, and hardship
2 and financial losses for, its customers. Specifically, Well Fargo has: (a) withdrawn money from
3 customers' authorized accounts to pay for the fees assessed by Wells Fargo on unauthorized
4 accounts opened in customers' names; (b) placed customers into collections when the
5 unauthorized withdrawals from customer accounts went unpaid; (c) placed derogatory
6 information in credit reports when unauthorized fees went unpaid; (d) denied customers access to
7 their funds while Wells Fargo stockpiled account applications; and (e) caused customers to
8 purchase identity theft protection.

9 7. These gaming practices are so pervasive in Wells Fargo's business model that
10 some methods of gaming have even been given their own names. For example:

11 a. "*Sandbagging*" refers to Wells Fargo's practice of failing to open
12 accounts when requested by customers, and instead accumulating a number of
13 account applications to be opened at a later date. Specifically, Wells Fargo
14 employees collect manual applications for various products, stockpile them in an
15 unsecured fashion, and belatedly open up the accounts (often with additional,
16 unauthorized accounts) in the next sales reporting period, frequently before or
17 after banking hours, or on bank holidays such as New Year's Day.

18 b. "*Pinning*" refers to Wells Fargo's practice of assigning, without customer
19 authorization, Personal Identification Numbers ("PINs") to customer ATM card
20 numbers with the intention of, among other things, impersonating customers on
21 Wells Fargo computers, and enrolling those customers in online banking and
22 online bill paying without their consent.

23 c. "*Bundling*" refers to Wells Fargo's practice of incorrectly informing
24 customers that certain products are available only in packages with other products
25 such as additional accounts, insurance, annuities, and retirement plans.

26 8. While Wells Fargo has ostensibly terminated a small number of employees who
27 have engaged in gaming, other employees have been rewarded for these practices, and even
28 promoted, perpetuating the problem. Moreover, Wells Fargo has continued to impose the same

1 companywide goals of attaining as many accounts as possible at any expense, thereby fostering
2 the practice of gaming. Wells Fargo thus puts its employees between a rock and a hard place,
3 forcing them to choose between keeping their jobs and opening unauthorized accounts.

4 9. Wells Fargo has also failed to inform its customers when their personal
5 information has been accessed or compromised as a result of Wells Fargo's gaming practices, in
6 breach of its statutory duties to do so, thus causing its customers additional harm.

7 **PLAINTIFF**

8 10. Plaintiff, the People of the State of California, brings this action by and through
9 Michael N. Feuer, City Attorney for the City of Los Angeles.

10 11. Pursuant to Business and Professions Code sections 17203, 17204, 17206 and
11 17206.1, the Los Angeles City Attorney may bring a civil action in the name of the People of the
12 State of California to enjoin any person who violates, or proposes to violate, the UCL, and to
13 obtain mandatory civil penalties for each act of unfair competition.

14 **DEFENDANTS**

15 12. Defendant Wells Fargo & Company is, and at all times relevant hereto was, a
16 corporation organized and existing under the laws of the State of Delaware, with its principal
17 place of business in San Francisco, California. Wells Fargo & Company is a financial services
18 company with \$1.5 trillion in assets, and provides banking, insurance, investments, mortgage,
19 and consumer and commercial finance through more than 9,000 locations, 12,000 ATMs, and the
20 Internet. It has approximately 265,000 full-time employees, and is ranked 29th on Fortune
21 Magazine's 2014 rankings of America's 500 largest corporations.

22 13. Defendant Wells Fargo Bank, National Association is, and at all times relevant
23 hereto was, a national banking association chartered under the laws of the United States, with its
24 primary place of business in Sioux Falls, South Dakota. Wells Fargo Bank, National Association
25 provides Wells Fargo & Company's personal and commercial banking services, and is Wells
26 Fargo & Company's principal subsidiary.

27 14. The true names and capacities of Defendants sued herein as DOES 1 through 100,
28 inclusive, are unknown to the People, who therefore sue said Defendants by such fictitious

1 names. When the true names and capacities of said Defendants have been ascertained, the
2 People will ask leave of the Court to amend this Complaint, and to insert in lieu of such fictitious
3 names the true names and capacities of said fictitiously named Defendants. The People are
4 informed and believe that DOES 1 through 100 participated in, and in some part are responsible
5 for, the unlawful business acts and practices and other violations of law alleged herein.

6 15. At all relevant times, each Defendant was acting as an agent, servant, assignee,
7 representative, partner, joint venturer, co-conspirator, or employee of the other Defendants, and,
8 in doing the acts alleged herein, was acting within the course and scope of said agency, service,
9 assignment, representation, partnership, joint venture, conspiracy, or employment. Due to the
10 relationship between Defendants, each Defendant has knowledge or constructive notice of the
11 acts of each of the other Defendants.

12 16. Each Defendant is a "person" within the meaning of Business and Professions
13 Code section 17201.

14 17. In this Complaint, when reference is made to any act or omission of a Defendant,
15 such allegations shall include the acts and omissions of owners, officers, directors, agents,
16 employees, contractors, vendors, affiliates, and representatives of said Defendant while acting
17 within the course and scope of their employment or agency on behalf of said Defendant.

18 JURISDICTION AND VENUE

19 18. Venue is proper in this county pursuant to Business and Professions Code sections
20 17204 in that violations alleged in this Complaint occurred in the City of Los Angeles and the
21 County of Los Angeles. The Court has jurisdiction pursuant to Article VI, section 10 of the
22 California Constitution and section 393 of the Code of Civil Procedure.

23 GENERAL ALLEGATIONS

24 19. To the extent that the following descriptions include specific examples, they are
25 provided for purposes of illustrating the operation of Wells Fargo's illegal activities, with no
26 intention of limiting this action to these specific examples.

27 //

28 //

Wells Fargo's Quota – Driven Business Model

20. Wells Fargo's *modus operandi* is to attempt to get each customer to maintain numerous accounts with Wells Fargo. In a brochure published by Wells Fargo called "The Vision & Values of Wells Fargo," Wells Fargo states: "'Going for gr-eight.' Our average retail banking household has about six products with us. We want to get to eight . . . and beyond. One of every four already has eight or more. Four of every 10 have six or more."

21. In its 2014 Annual Report to the U.S. Securities and Exchange Commission, Wells Fargo boasts about its "products" per customer and its "cross-sell strategy": "Our vision is to satisfy all our customers' financial needs, help them succeed financially, be recognized as the premier financial services company in our markets and be one of America's great companies. Important to our strategy to achieve this vision is to increase the number of our products our customers use and to offer them all of the financial products that fulfill their financial needs." That report further states: "Our cross-sell strategy is to increase the number of products our customers use by offering them all of the financial products that satisfy their financial needs."

22. Wells Fargo further stated in its 2014 Annual Report to the U.S. Securities Exchange Commission: "we continued to maintain our solid customer relationships across the Company, with retail banking household cross-sell of 6.17 products per household (November 2014); Wholesale Banking cross-sell of 7.2 products per relationship (September 2014); and Wealth, Brokerage and Retirement cross-sell of 10.49 products per retail banking household (November 2014)." Wells Fargo further stated in that same filing: "We believe there is more opportunity for cross-sell as we continue to earn more business from our customers. Our goal is eight products per household"

23. In order to achieve its goal of eight accounts per household, Wells Fargo puts unrelenting pressure on its bankers to open numerous accounts per customer.

24. Wells Fargo has strict quotas regulating the number of daily "solutions" that its bankers must reach; these "solutions" include the opening of all new banking and credit card accounts. Managers constantly hound, berate, demean and threaten employees to meet these unreachable quotas. Managers often tell employees to do whatever it takes to reach their quotas.

1 Employees who do not reach their quotas are often required to work hours beyond their typical
2 work schedule without being compensated for that extra work time, and/or are threatened with
3 termination.

4 25. The quotas imposed by Wells Fargo on its employees are often not attainable
5 because there simply are not enough customers who enter a branch on a daily basis for
6 employees to meet their quotas through traditional means.

7 26. Wells Fargo's bankers are thus naturally and predictably forced to resort to
8 alternative means to meet quotas, including using high pressure sales tactics to coerce customers
9 into opening additional accounts or using inaccurate or misleading information about potential
10 accounts to induce customers to open them.

11 27. Wells Fargo employees also pressure their own family members and friends to
12 sign up for accounts to meet their quotas. Some employees report that they have "tapped out"
13 every family member and friend for accounts. Others report that they spend holiday dinners
14 trying to convince family members to sign up for accounts. Management encourages employees
15 to achieve "solutions" through family members. Since these accounts are opened by friends and
16 family as favors, they are often unfunded, and can result in fees charged by Wells Fargo to its
17 own employees' families or acquaintances, even for such "zero balance" accounts.

18 28. Employees thus resort to gaming tactics to increase their "solutions," and meet
19 minimum quotas. Gaming is so ingrained in the business of Wells Fargo that many of the tactics
20 employed to meet these sky-high quotas have commonly-used names.

21 ***"Bundling"***

22 29. In the practice known at Wells Fargo as "bundling," its customers are told that the
23 account or product they seek can be obtained only with the purchase of additional accounts or
24 products, when, in fact, the desired product is available on its own. In many instances,
25 employees are coached by management to ensure that every checking account is sold with three
26 other products also known as a "packed" account. Employees were, and are, instructed by
27 management to lie to customers by telling them that each checking account automatically comes
28

1 with a savings account, credit card, or other product such as life insurance, and/or “Express
2 Send” (an online program that allows customers to send money to foreign countries).

3 30. When customers discover an unauthorized account and inquire of Wells Fargo
4 about it, they are often informed that the products and services came with the authorized
5 accounts automatically. Even in the face of customer complaints, the “bundling” continues.

6 31. Customers who complain about receiving credit cards they did not request are
7 advised by Wells Fargo to simply destroy the unrequested and unauthorized cards. However,
8 simply destroying these unauthorized cards does not close the account nor repair the impact to a
9 customer’s credit profile.

10 *“Pinning”*

11 32. In the practice known at Wells Fargo as “pinning,” a Wells Fargo banker obtains
12 a debit card number, and personally sets the PIN, often to 0000, without customer authorization.
13 “Pinning” permits a banker to enroll a customer in online banking, for which the banker would
14 receive a solution (sales credit). To bypass computer prompts requiring customer contact
15 information, bankers impersonate the customer online, and input false generic email addresses
16 such as 1234@wellsfargo.com, noname@wellsfargo.com, or none@wellsfargo.com to ensure
17 that the transaction is completed, and that the customer remains unaware of the unauthorized
18 activity.

19 *“Sandbagging”*

20 33. In the practice known at Wells Fargo as “sandbagging,” a banker delays opening
21 new accounts or processing a sale, unbeknownst to the account holder, until a time that is most
22 beneficial, such as when a new sales reporting period commences.

23 34. “Sandbagging” is common at Wells Fargo. “Sandbagging” often occurred on
24 New Year’s Day, or at the beginning of a sales reporting period. New Year’s Day was an
25 especially common date to open “sandbagged” accounts, because Wells Fargo ran a sales
26 program called “Jump into January.” In this Wells Fargo program, its bankers were required to
27 meet even more aggressive sales goals than usual. As a result, bankers were encouraged to hold
28 onto, or not to process, new accounts or other requests until January 1. In fact, some employees

1 were required to list or confirm the accounts they would open on January 1 before January 1.
2 This permitted Wells Fargo to report inflated First Quarter sales.

3 35. When customers inquire about why an account was not opened timely, they are
4 given false explanations including: (a) a computer system failure or similar technical problem;
5 (b) an oversight and the account would be processed immediately; and/or, (c) a mistake that
6 would take time to correct.

7 *Other Gaming Tactics*

8 36. Because of Wells Fargo's on-going setting of unrealistic sales goals, Wells Fargo
9 employees have engaged in, and continue to engage in, other gaming tactics, including:

10 a. Making misrepresentations to customers to get them to open additional
11 accounts such as falsely stating: "you will incur a monthly fee on your checking
12 account until you add a savings account."

13 b. Misrepresenting that additional accounts do not have monthly fees, when
14 they actually do incur such fees.

15 c. Referring unauthorized, and therefore unfunded, accounts to collections
16 because Wells Fargo's practices cause the accounts to have negative balances.

17 d. Targeting individuals holding Mexican Matriculada Consular cards
18 because the lack of a Social Security Number makes it easier to open numerous
19 fraudulent accounts. Wells Fargo employees provide false information to
20 complaining customers, and advise many of these victims to ignore the
21 unauthorized fees and letters from collection agencies because the lack of a Social
22 Security number means the debt will not affect them.

23 e. Advising customers who do not want credit cards that they will be sent a
24 credit card anyway, and to just tear it up when they receive it.

25 *Customers' Discovery of Gaming and the Harm it Causes*

26 37. Customers who have discovered unauthorized accounts often make the discovery
27 accidentally. For instance: (a) unexplained money being withdrawn from authorized accounts to
28 fund unauthorized accounts; (b) mailings from Wells Fargo congratulating a customer on

1 opening a new account the customer does not recognize, or asking a customer to update account
2 information for accounts that the customer does not recognize; (c) calls from collection agencies
3 stating the customer is overdrawn on an account that the customer does not recognize; and (d)
4 discovering that checks a customer intended to be deposited into an authorized account do not
5 appear in monthly statements because the checks had instead been deposited into an
6 unauthorized account.

7 38. Customers have been prejudiced in numerous ways by Wells Fargo's gaming: (a)
8 customers lose money to monthly service fees charged for unauthorized accounts; (b) customer
9 accounts are placed into collection, forcing customers to fight with debt collection agencies for
10 fees charged by Wells Fargo on unauthorized accounts; (c) customers' credit reports are affected,
11 impacting job applications, loans for automobiles, and mortgage applications; and (d) customers
12 are forced to purchase costly identity theft protection services to ensure against further fraudulent
13 activities. But for Wells Fargo's quota-based business model, its customers would not have
14 incurred wrongful fees, been put into collections, suffered derogatory references on their credit
15 reports, or forced to purchase identity theft protection.

16 39. Customers' unauthorized accounts remain open, despite repeated customer
17 requests to Wells Fargo to close those accounts.

18 40. Customers have difficulty reporting unauthorized activity. Reaching the correct
19 representative is no guarantee the unauthorized account will be remedied, as complaining
20 customers often never receive return calls from Wells Fargo.

21 *Wells Fargo's Knowledge of Gaming and its Cosmetic Fixes*

22 41. Wells Fargo knew, or in the exercise of reasonable care should have known, that
23 its employees open unauthorized accounts. For example:

24 a. Customers often enter Wells Fargo's branches to complain about
25 unauthorized accounts; many victims have even contacted Wells Fargo
26 management by telephone.

27 b. Wells Fargo has access to, and frequently monitors, actions taken on its
28 computers by employees. Wells Fargo has been put on notice by unusual activity

1 such as: numerous accounts being opened on January 1, a bank holiday; numerous
2 unfunded accounts; frequent reopening of closed accounts; and customer accounts
3 with the only account activity being Wells Fargo fees.

4 c. Wells Fargo requires that all new customer accounts be approved by a
5 branch manager or assistant manager, thereby providing Wells Fargo management
6 with a clear record of the number and types of accounts opened for each
7 customer.

8 d. Wells Fargo is also aware its daily, weekly and monthly quotas are
9 unrealistic for employees during normal working hours, since they have generated
10 numerous complaints and lawsuits by employees.

11 e. Online banking accounts are often opened by Wells Fargo with obviously
12 false customer contact information such as noname@wellsfargo.com.

13 f. Wells Fargo has terminated and/or otherwise disciplined a number of
14 employees for gaming, but far fewer than have actually engaged in the practices,
15 given Wells Fargo's widespread imposition of the quota system.

16 42. Despite Wells Fargo's knowledge of gaming by its employees, it has done little, if
17 anything, to terminate these practices, nor to reform the business model it created that has
18 fostered them. While Wells Fargo has made a few minor changes to its policies, and has
19 terminated a handful of employees, those efforts have been, at most, cosmetic, and ultimately
20 benefit Wells Fargo by providing them with plausible deniability. However, the policies that
21 encourage these tactics continue, and employees who engage in them continue to be rewarded
22 monetarily, and even promoted. Wells Fargo has not altered its quota system, nor has it reduced
23 the pressure it has applied to its management and employees to reach their quotas, and the
24 gaming that has been its inevitable result.

25 STATUTORY AND REGULATORY BACKGROUND

26 *Laws Relating to Identity Theft*

27 43. California has strict laws against making false financial statements.
28

1 any practice which constitutes unfair competition, or as may be necessary to restore to any
2 person in interest any money or property which may have been acquired by means of such unfair
3 competition.

4 53. Pursuant to Business and Professions Code section 17205, the remedies or
5 penalties provided for violations of the UCL are cumulative to each other, and to the remedies or
6 penalties available under all other laws of the state.

7
8 **FIRST CAUSE OF ACTION:**
9 **VIOLATION OF THE UNFAIR COMPETITION LAW ("UCL")**
10 **AGAINST ALL DEFENDANTS ("GAMING")**

11 (California Business and Professions Code § 17200, *et seq.*)

12 54. The People reallege and incorporate herein each and every allegation set forth in
13 paragraphs 1 through and including 53 above, as though set forth fully herein.

14 55. Beginning on a date unknown to the People, but within the four years preceding
15 the filing of this Complaint, Defendants and Does 1-100, and each of them, have violated and
16 conspired to violate the UCL by engaging in one or more of the following *unlawful* business acts
17 and practices, among others:

18 a. Willfully obtaining personal identifying information of another person
19 (which includes name, address, telephone number, health insurance number,
20 taxpayer identification number, school identification number, state or federal
21 driver's license or identification number, Social Security number, place of
22 employment, employee identification number, professional or occupational
23 number, mother's maiden name, demand deposit account number, savings
24 account number, checking account number, PIN or password, alien registration
25 number, government passport number, and date of birth), and using that
26 information for an unlawful purpose, including to obtain or attempt to obtain
27 credit, goods, services, real property, or medical information without the consent
28 of that person, in violation of Penal Code section 530.5, subdivision (a).

1 b. Being a party to any fraudulent conveyance of any contract or conveyance
2 had, made, or contrived with intent to deceive and defraud others, or while being
3 a party to any fraudulent conveyance of any contract or conveyance, wittingly and
4 willingly putting in, using, avowing, maintaining, justifying, or defending the
5 fraudulent conveyance of any contract or conveyance as true and done, had or
6 made in good faith, or upon good consideration, in violation of Penal Code
7 section 531.

8 c. Knowingly accessing and without permission using data, computers,
9 computer systems, or computer networks to execute a scheme to defraud or
10 wrongfully obtain money, property, or data, in violation of Penal Code section
11 502, subdivision (c)(1).

12 d. Knowingly accessing, and without permission taking, copying, or making
13 use of customer information, in violation of Penal Code section 502, subdivision
14 (c)(2).

15 e. Knowingly accessing, and without permission taking, copying, or making
16 use of customer information, in violation of 15 United States Code section 680, *et*
17 *seq.*, and the rules and regulations promulgated thereunder.

18 56. Beginning on a date unknown to the People, but within the four years preceding
19 the filing of this Complaint, Defendants and Does 1-100, and each of them, have violated and
20 conspired to violating the UCL by engaging in one or more of the following *unfair* business acts
21 and practices, among others:

22 a. Threatening incipient violations of the aforementioned California laws and
23 violated the public policy embodied in and spirit of those laws.

24 b. Violating the established public policy of the State of California, which,
25 among other things, seeks to ensure that: all monetary contracts are duly
26 authorized by each party; all bank accounts are authorized and agreed to by the
27 customer in whose name the bank account is opened; residents of the state are not
28 harmed in their credit reports by acts not actually performed, or debts not actually

1 incurred, by that resident; personal information of an individual is not improperly
2 obtained and used for an unlawful purpose; and that when personal information is
3 obtained without authority, that the person whose information was obtained is
4 informed immediately.

5 c. Defendants' conduct as described in this Complaint has been immoral,
6 unethical, oppressive and unscrupulous in that Defendants: (1) profit by
7 improperly signing customers up for bank accounts to which the customers did
8 not agree; (2) boast about the average number of accounts per customer they have
9 achieved, knowing that many of those accounts were unauthorized; (3) expose the
10 consumer to financial hardships involving unjustified debt collection and negative
11 credit reporting, thus jeopardizing those customers' ability to obtain mortgages,
12 automobile loans, and employment; and (4) otherwise garnered an unfair
13 advantage over lawfully competing businesses.

14 d. Wells Fargo's acts and practices alleged in this Complaint have had, and
15 continue to have, a substantial detrimental impact upon its customers and the
16 community. This detrimental impact is not outweighed by any countervailing
17 reasons, justifications, and motives of Wells Fargo. In short, the harm
18 experienced by the customers and the surrounding community far outweighs the
19 utility of Wells Fargo's conduct.

20 57. Beginning on a date unknown to the People, but within the four years preceding
21 the filing of this Complaint, Defendants and Does 1-100, and each of them, have violated and
22 conspired to violate the UCL by engaging in one or more of the following *fraudulent* business
23 acts and practices, among others:

24 a. Using misrepresentations, deception, and concealment of material
25 information to open unauthorized accounts in customers' names.

26 b. Using misrepresentations, deception, and concealment of material
27 information to view customers' personal information, and then failing to reveal to
28 the customers that their personal information was compromised.

1 are not harmed in their credit reports by acts not actually performed, or debts
2 not actually incurred, by that resident; personal information of an individual is
3 not improperly obtained and used for an unlawful purpose; and that when
4 personal information is obtained without authority, that the person whose
5 information was obtained is informed immediately.

6 c. Defendants' conduct as described in this Complaint has been immoral,
7 unethical, oppressive and unscrupulous in that Defendants: (1) profit by
8 improperly signing customers up for bank accounts to which the customers
9 did not agree; (2) boast about the average number of accounts per customer
10 they have achieved, knowing that many of those accounts were unauthorized;
11 (3) expose the consumer to financial hardships involving unjustified debt
12 collection and negative credit reporting, thus jeopardizing those customers'
13 ability to obtain as mortgages, automobile loans, and employment; and (4)
14 otherwise garnered an unfair advantage over lawfully competing businesses.

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16 continue to have, a substantial detrimental impact upon its customers and the
17 community. This detrimental impact is not outweighed by any countervailing
18 reasons, justifications, and motives of Wells Fargo. In short, the harm
19 experienced by the customers and the surrounding community far outweighs
20 the utility of Wells Fargo's conduct.

21 61. The acts of unfair competition of Defendants and Does 1-100, and each of them,
22 present a continuing threat to the public's health, safety, and welfare, and the People have no
23 adequate remedy at law. Accordingly, unless Defendants and Does 1-100 are permanently
24 enjoined and restrained by order of this Court, they will continue to commit acts of unfair
25 competition, and thereby continue to cause irreparable harm and injury to the public's health,
26 safety, and welfare.

27 **PRAYER FOR RELIEF**

28 Wherefore, the People pray that:

