

**IMPORTANT LEGAL WARNING – VIA CERTIFIED MAIL**

Attn: Legal Counsel  
Executive Complaints Management Office  
Wells Fargo  
PO Box 5133  
Sioux Falls SD 57117

Stephen Sokolowski  
[censored]  
State College PA 16803-[censored]

August 14, 2023

Dear Sir/Madam,

On June 21, 2023, Wells Fargo closed multiple bank, brokerage, and credit card accounts owned by me and my businesses.

In case [censored], Wells Fargo declined to credit \$206.08 in rewards points to my credit card account ending in [censored]. Wells Fargo's public advertising of the rewards program was the sole and only reason that I signed up for this credit card. The rewards points were fairly earned by making the dollar value in required purchases according to the advertised terms.

I consider \$206.08 of the debt for this card to be invalid, because the clause governing unconditional revocation of rewards points in Wells Fargo's Cardholder Agreement is unconscionable for the following reasons:

- Rewards points are assets with monetary value, contrary to Wells Fargo's false claim.
- Wells Fargo did not assert that I was at fault for violating any terms of the contract. I have zero missed payments on my credit reports for the past 20 years.
- There is a lack of meaningful choice among card issuers, since many banks have similar terms.
- The terms unreasonably favor Wells Fargo, allowing Wells Fargo to unfairly seize owed value by intentionally closing accounts with rewards points owed.
- Wells Fargo did not provide advance notice that the credit card account would be closed, and the letter stating that the account was closed did not allow time to redeem the rewards.

I have enclosed a check for \$218.09, the full balance of the account's valid debt. I will not provide additional payment to Wells Fargo or any collection agency in regards to this wrongful debt, nor will I provide compensation for any late fees, penalties, or interest Wells Fargo may assert. I consider this account fully satisfied.

In the two cases filed with the Executive Complaints Management Office regarding this issue, I offered Wells Fargo the opportunity to settle this matter by crediting \$206.08 to the account and considering the issue finished. I hope that Wells Fargo accepts this resolution, as Wells Fargo will undoubtedly incur significant legal expenses if it continues to attempt enforcement of this unconscionable contract.

Should Wells Fargo initiate legal action against me, I will defend by asserting that portions of Wells Fargo's Cardholder Agreement are unconscionable, as previously detailed. If Wells Fargo files a Form 1099-C with the United States Internal Revenue Service claiming that a valid debt was discharged, I will file a complaint with the IRS and dispute the validity of the form. Additionally, I will litigate for damages if Wells Fargo wrongfully reports this invalid debt as delinquent to any consumer credit reporting agency. The damages I would seek would be significant, given my unblemished credit record and multiple businesses I own that rely on credit.

Discovery proceedings and testimony in a wrongful credit reporting lawsuit would also reveal significant documentation related to this account closure in my communications with Seashore Wealth Management; and between Seashore and Wells Fargo; that are not likely to reflect well upon Wells Fargo.

Gail Macker-Carlino from Seashore Wealth Management at Wells Fargo Advisors stated in a phone call that the lawful use of cryptocurrency by our fully compliant, non-money-transmitting business was the reason why Wells Fargo closed the accounts. That closure occurred despite Wells Fargo having been provided with detailed documentation explaining the honesty and transparency of the business, and how its business model presented even *lower* KYC/AML risks than a typical retail store does. I reserve the right to investigate the circumstances surrounding the closure itself should Wells Fargo wrongfully report this account as delinquent.

The following table provides a summary of how I will respond to Wells Fargo's actions:

<b>IF WELLS FARGO TAKES THIS ACTION...</b>	<b>HOW I WILL RESPOND</b>
Initiates legal action to collect the invalid debt	Defend in court that the terms are unconscionable
Claims the debt is valid by issuing a Form 1099-C to the Internal Revenue Service	Dispute the form, engaging in litigation against Wells Fargo if required
Reports the invalid debt as delinquent to any credit reporting agency	Sue Wells Fargo in the Pennsylvania Court of Common Pleas for current and anticipated future damages related to the wrongful reporting, seek attorney's fees and punitive damages, involve the Consumer Financial Protection Bureau (CFPB), and investigate the circumstances surrounding the account closure for potential additional litigation
Cashes the enclosed check, credits the rewards points, and considers the matter closed	By doing nothing further and continuing to pay other debts owed to Wells Fargo as agreed

**THIS NOTICE SHOULD BE CONSIDERED AS A DEMAND LETTER. I WILL NOT PROVIDE ADDITIONAL NOTICE TO WELLS FARGO BEFORE INITIATING LITIGATION SHOULD WELLS FARGO TAKE ONE OF THE ADVERSE ACTIONS LISTED IN THE TABLE.**

I urge Wells Fargo to cash the enclosed check, credit the \$206.08 in frozen rewards points to the account, and to consider this matter closed, so that no litigation is necessary. I am available at 814-[censored] if a member of your legal team would like to discuss this matter, or you may write me at the address on this letter.

Sincerely,

Stephen Sokolowski