Angry with the Big Banks?

Divest!

*If you bank with Wells Fargo, Bank of America, or JP Morgan/Chase, you can make them listen when America says, "**You can't buy us, and you can't buy our government!**"*

Here is how it works:

1. **Get a group** of people you know who have accounts with one of the mega-banks. Try to include individuals, small businesses, and faith communities if you can. The more people there are, the more they will pay attention! [Contact your local Virginia Organizing organizer to see if there are divestment actions already planned in your area.]

2. **Get together beforehand and plan what you will do.** If a participant can't make, have someone brief them so they will know.

3. **Everyone meet at the same bank branch and walk in together. Ask to speak to the branch manager.** Don't spring this on some un-suspecting teller or loan officer; they won't be as likely to relay the message up the command chain.

4. **Present the attached list of complaints** or one like it that you create together.

5. **Tell the manager you are a customer, don't like the way the bank does business and would like to close your accounts.** Be aware that some kinds of accounts, such as IRA's and Certificates of Deposit, may carry some cash penalty for early withdrawal.

6. **Take pictures and movies** to document the event. Send us the photos so we can post them on our website and share them with "divestors" across the nation! Send them to blust@virginia-organizing.org.

7. **Celebrate the end of subsidizing the big bank's abuses!** Whether you celebrate inside the bank or outside the bank is up to you, but make it fun.

8. **Move your money to a small bank or credit union that will not rip you off and then ask you for a bail out.** They will more actively lend your money to individuals and small businesses that will make a contribution in your community, and less to the gamblers on Wall Street. You can find a good local institution by visiting the website, www.moveyourmoneyproject.org

www.virginia-organizing.org
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VIRGINIA ORGANIZING

Who's Responsible for this Mess?

BANK OF AMERICA

CEO Brian Moynihan, brian.t.moynihan@bankofamerica.com

Federal taxpayer bailout funds received:	$230.1 billion
Profits since bailout (2009-2010):	$4.0 billion
2010 CEO Brian Moynihan bonus:	$9.05 million
2010 CEO Brian Moynihan total pay:	$10 million
2010 total company bonuses and compensation:	$35.1 billion

WELLS FARGO

CEO John Stumpf, John.G.Stumpf@wellsfargo.com

Federal taxpayer bailout funds received:	$43.7 billion
Profits since bailout (2009-2010):	$24.6 billion
2010 CEO John Stumpf bonus:	$14.3 million
2010 CEO John Stumpf total pay:	$17.1 million
2010 total company bonuses and compensation:	$27.2 billion

JP Morgan Chase

CEO James Dimon, jamie.dimon@chase.com

Federal taxpayer bailout funds received:	$25 billion
Profits since bailout (2009-2010):	$29.1 billion
2008-2010 CEO James Dimon pay:	$93.6 million
2010 total company bonuses and compensation:	$26.9 billion

Demands:

We know where the money is to keep our communities strong and healthy. It's not in Grandma's pension. It's not in the homes of families fighting foreclosure. And it's not in the pockets of American schoolchildren or schoolteachers. It's not in cuts to what we care about most. **The money is in Wall Street and the Big Banks.**

Nationwide, thousands of people are demanding the big banks "Pay US Back" . You, too, can tell them:

- ✓ **Pay your fair share:** Stop draining government of revenue and pay their statutorily required 35% corporate income tax. Stop gaming the system through off-shore tax shelters, loopholes and scams.
- ✓ **Stabilize the housing market and revitalize the economy**: Reduce principal for all underwater homeowners to current-market value. This would end the foreclosure crisis, reset the housing market, pump billions of dollars back into the economy and create 1 million jobs a year.
- ✓ **Invest in American jobs**: Stop sitting on trillions in cash reserves that could be invested into small businesses, the main source of jobs in the U.S. as well as into additional into job-generating investments
- ✓ **End discriminatory and predatory lending practices:** Stop all lending practices that result in fewer or lower-quality loans being made to communities of color and implement programs targeting communities of color to mitigate the impact of existing disparities.

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VIRGINIA ORGANIZING

Wall Street and the Big Banks Owe America Billions

Wells Fargo, Bank of America, JP Morgan Chase, Citigroup, Goldman Sachs, and Morgan Stanley: their reckless and predatory lending practices have devastated the country. Here is what happened:

- These banks pushed homeowners into high-cost loans they couldn't afford and then cashed out by selling the loans to investment banks that turned them into mortgage-backed securities (MBS). This widespread practice, which started among subprime lenders but was quickly adopted by the big banks, created and inflated the housing bubble. Bankers and brokers raked in mega-bonus checks making homeowners vulnerable. When Wall Street's bets went sour, the bankers were bailed out by taxpayers and got to keep their bonuses, but hard-working Americans lost billions in savings in their homes.
- Wall Street's recklessness is well documented and continues to have devastating consequences as the banks use flawed—and, in some cases, fraudulent—procedures to flood the housing market with foreclosures that are throwing millions of families out of their homes.
- Currently, the five largest mortgage companies in the U.S. are under investigation by all 50 state Attorneys General for foreclosure fraud. They may be liable for more than $20 billion in damages. But this amount is not enough to pay back communities for the harm they did.
- The same big banks that crashed our economy, destroyed jobs, caused millions to lose their homes, and bankrupted city and state budgets are now reaping record profits—and yet they are refusing to pay their fair share of what it will take to rebuild our economy. It's time to make them pay their fair share of taxes and pay our communities back for destroying jobs and neighborhoods. It's time to rebuild America.

1) The Costs of the Big Bank Foreclosures Hit Everyone:

The foreclosure crisis has uprooted communities, destroyed neighborhoods and devastated the state economy. Unless the banks step up to fix the foreclosure crisis, the damage to our communities and state economy will be staggering and long-lasting. Experts estimate the cost of a foreclosure to local governments can cost from average of $19,227 per home.

Homes in Foreclosure Nationally:*	7.9 million
Cost of Foreclosures to Taxpayers:	$152 billion

2) The Big Banks Don't Pay Their Fair Share of Taxes:

Like too many corporations, the Wall Street Banks game the tax system through extensive tax loopholes, off-shore profit havens, and political lobbying. They should stop draining our government of critical revenue and start paying the required 35% federal [5% Virginia state] corporate income tax rate.

* This is the total number of foreclosures between January 2009 and July 2011 according to Realtytrac.com

Wells Fargo paid .7% on average in state corporate income tax between 2008-10.

3) The Big Banks Finance Payday Loan Shops:

Big banks like Wells Fargo, JPMorgan Chase and Bank of America continue to bilk taxpayers for millions every year by providing "revolving lines of credit" to the national payday loan corporations.

	Finances these payday lenders
Wells Fargo	ACE Cash Express, Advance America, Cash America, Check Into Cash, Dollar Financial, Express Title & Payday Loans, EZCORP, First Cash Financial
Bank of America	Advance America, Moneytree
JP Morgan Chase	ACE Cash Express, Cash America, First Cash Financial

4) The Big Banks Cut Lending to Small Businesses, Costing Jobs:

Nationally, unemployment hovers around 10 percent and distressed small businesses continue to close their doors and lay off thousands of workers. Across the country, we have lost nearly 7 million jobs since 2008. But even after receiving trillions in bailouts, banks have cut back small business lending drastically. The decline in affordable small business lending has had a dramatic effect on unemployment, which in turn has become the driving force behind foreclosures.

Jobs Lost in Nationally since 2008:	6.9 million
Small Business Lending 7(a) Decline Nationally since the Bailout:[†]	$5.5 B (20%)
Jobs That Could Be Funded if Banks Restored Lending to Pre-Bailout Levels:	505,884

5) The Big Banks Hit Communities of Color Especially Hard:

During the housing boom, big banks and their mortgage lending operations steered People of Color toward subprime loans with a higher risk of default and foreclosure. A recent study finds that the bursting of the housing bubble and the ensuing economic crisis has led to a 66% loss of wealth for Latino households and a 53% loss for Black households, compared to a 16% loss for White households.

During the height of the housing bubble:

Black borrowers were more than two-and-a-half times more likely than white borrowers to get subprime loans.

Latino borrowers were more than twice as likely as white borrowers to get subprime loans.

[†] Change in loan amount in the two-year period since the bailout (FY2009-2010) from the two years prior (FY2007-2008).

Wells Fargo Divestment Letter

John G. Stumpf
President and CEO
Wells Fargo & Company
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Stumpf:

Today, I came and closed My Wells Fargo accounts. I took back $_____.

I took my money back because instead of investing in our families and community, you are taking from us – the 99% - to make yourself and your friends in the 1% get richer.

Your bank crashed our economy, destroyed jobs, caused millions to lose their homes, and bankrupted city and state budgets, yet you refuse to pay your fair share of what it will take to rebuild our economy. Over the last ten years, Wells Fargo paid the lowest worldwide tax rate of the top five big banks – you paid only 24.8% on their $110.9 billion in earnings, and reportedly did not pay any federal taxes in 2009. Just a year after receiving nearly $200 billion in taxpayer bailouts, you joined other big banks in setting a record for CEO compensation.

And you're doing all of this with **our money.** This is why I am part of a movement to take our money back and put it in institutions that share our values and invest in our community. We're creating a new bottom line that means good jobs, healthy communities, and a government that can't be bought off with your big dollar contributions and lobbyists.

I will tell my friends, families, congregations, civic organizations to close their accounts. I will also organize with others and demand that our elected officials ensure that our cities, counties and states divest from Wells Fargo until you:

- ***Pay Your Fair Share:*** Stop draining government of revenue and pay the required 35 percent corporate income tax. Stop gaming the system through tax shelters, loopholes and scams
- ***Stabilize the Housing Market and Revitalizing the Economy:*** Reduce principal for all underwater homeowners to current market value. This would end the foreclosure crisis, reset the housing market, pump billions of dollars back into the economy and create over one million jobs a year.
- ***Invest in American Jobs:*** Invest in and lend to small businesses, the primary vehicle for job creation in the US, as well as into additional job-generating investments.
- ***End discriminatory lending practices:*** Stop all lending practices that result in fewer or lower-quality loans being made to communities of color and implement programs targeting communities of color to mitigate the impact of existing disparities.

For more information on the Take it Back Movement, please visit
http://www.newbottomline.com/.
Sincerely,

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www.virginia-organizing.org
434-984-4655

VIRGINIA ORGANIZING

Bank of America Divestment Letter

Brian Moynihan,
Chief Executive Officer
Bank of America
100 North Tryon Street
Charlotte, NC 28255

Dear Mr. Moynihan:

Today, I came and closed my Bank of America accounts. I took back $_____.

I took my money back because instead of investing in our families and community, you are taking from us – the 99% - to make yourself and your friends in the 1% get richer.

Your bank is Bad for America and Bad for our community. You crashed our economy, destroyed jobs, caused millions to lose their homes, and bankrupted city and state budgets, yet you refuse to pay your fair share of what it will take to rebuild our economy. Just a year after receiving nearly $200 billion in taxpayer bailouts, you joined other big banks in setting a record for CEO compensation. Last month, you announced you will lay off 30,000 workers—a move that will have devastating consequences in communities across the country

And you're doing all of this with **our money.** This is why I am a part of a movement to take our money back and put it in institutions that share our values and invest in our community. We're creating a new bottom line that means good jobs, healthy communities, and a government that can't be bought off with your big dollar contributions and lobbyists.

I will tell my friends, families, congregations, civic organizations to close their accounts. I will also organize with others and demand that our elected officials ensure that our cities, counties and states divest from Bank of America until you:

- ***Pay Your Fair Share:*** Stop draining government of revenue and pay the required 35 percent corporate income tax. Stop gaming the system through your 371 tax-sheltered subsidiaries.
- ***Stabilize the Housing Market and Revitalizing the Economy:*** Reduce principal for all underwater homeowners to current market value. This would end the foreclosure crisis, reset the housing market, pump billions of dollars back into the economy and create over one million jobs a year.
- ***Invest in American Jobs:*** Invest in and lend to small businesses, the primary vehicle for job creation in the US, as well as into additional job-generating investments.
- ***End discriminatory lending practices:*** Stop all lending practices that result in fewer or lower-quality loans being made to communities of color and implement programs targeting communities of color to mitigate the impact of existing disparities.

For more information on the Take it Back Movement, please visit http://www.newbottomline.com/.

Sincerely,

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Steps to Closing your Checking and Savings Accounts at a "Wall Street bank"

Setup an account at another financial institution

- ☐ Find another financial institution that has your values. You may wish to check out a credit union in your area.
- ☐ Once you have found a new financial institution, open up your accounts (like the ones you will be closing at your big bank).
- ☐ Order your checks.
- ☐ Order your ATM/Debit Card. Note: Some institutions will give you a debit card upon opening your account.
- ☐ Set up automated payments (mortgage, cell phones, garbage, etc…). You can use your last bank statement to make a list of any businesses that you've authorized to directly debit your account
- ☐ Set up automatic deposits, such as your paycheck if you get one from your employer.
- ☐ Set up online banking (if that is what you had in your big bank account).
- ☐ If you have automated banking, you may wish to log on at your earliest convenience to set up your bill payments that way. Log on to your big bank online banking to get all your information about whom you pay online. Setup your online banking payments.

Closing your Wall Street bank account

- ☐ Go through your big bank statements to determine exactly what accounts you want to move. Be aware that you may need all the account holders present to close some joint accounts. If in doubt, call and check first.
- ☐ Take the Divestment Letter to give to the clerk at the big bank.
- ☐ When you speak to the teller, inform the teller you wish to speak to the manager about a very serious concern.
- ☐ Get the manager and teller's names.
- ☐ Tell the manager that you are closing your account today. Give a copy of the Divestment Letter to the manager.
    a. Give the form to the manager and tell the manager that you want this Divestment Letter to be placed in the banks Community Reinvestment Act file.
    b. Let the manager know that we will be checking to see that the Divestment Letter is actually in the file.

- ☐ For funds greater than $100, we suggest you get your money in a cashier's check to deposit in your new account. However, your new financial institution may allow you to have the funds wired to your new account for no cost. Check with your new financial institution first.
- ☐ **Warning:** Do not just withdraw the last dollar and assume the account will fade away on is own. Your old big bank may start charging you fees for having an empty or inactive checking account. Instead, follow the bank's procedure for closing out the account.
- ☐ When you get home, shred all remaining checks and debit cards. This is an essential step. If you mistakenly use the checks or debit cards, you will be going back to the big bank branch. Except this time it will be to clean up your mess.
- ☐ Stand in front of a full-length mirror. Admire yourself. You've earned it.

Other Kinds of Accounts

- ☐ IRA's. You can move your IRA to another account, but make sure that the big bank writes the check to the new IRA fund rather than to you if you want to avoid tax penalties. Seek advice at your new IRA fund first to see if they can help you through the process.
- ☐ Home mortgages. You should seek the assistance of a home mortgage broker from an institution you trust to guide you through this, as it will likely mean a refinance of your mortgage. Also, be aware that mortgages are bought and sold without your consent. In fact, the bundling of bad mortgages into bonds is the heart of the 2008 economic collapse.
- ☐ Credit cards. Open a new credit card serviced by a bank that you trust and respect. After you are sure all charges have cleared on your big bank card, write a letter to the bank with your card number and signature and cancel your card.
- ☐ Car loans. This generally means getting a new loan to pay off the old one. Ask the loan officers at your new bank or credit union and they will step you through the process.

Thank you for taking a stand against the Wall Street banks' bad business practices!

After you have closed you account(s), please let us know at blust@virginia-organizing.org