



November 20, 2014

William S. Demchak

Chief Executive Officer  
PNC Financial Services Group, Inc. (PNC)  
One PNC Plaza, 249 Fifth Avenue  
Pittsburgh, PA 15222-2707

cc: Richard Cordray, Director, Consumer Financial Protection Bureau

Dear Mr. Demchak:

The undersigned national public interest, consumer advocacy and citizen organizations write to urge PNC to drop the pre-dispute mandatory (or forced) arbitration clauses buried in the terms of your bank's customer account agreements. Attached is a petition with more than 67,000 signatures from across the country calling for PNC and four other banks to promptly remove all arbitration requirements from their contracts with customers.

These non-negotiable terms are one of the ways that companies rig the financial system against consumers and avoid accountability. These terms deny customers access to courts should they seek to pursue legal claims against your company and deprive your customers of important legal protections. The result is that consumers cannot practically or fairly resolve disputes with you or seek remedies for harm caused by your wrongful conduct.

Our organizations have observed how banks have used arbitration clauses to violate consumer protection laws. Some of these violations have led to severe economic harms to consumers and the financial marketplace at large. Clearly, it is in the public interest to ensure corporate accountability and compliance with laws.

We also note that PNC's customer account contracts permit customers to "opt-out" of forced arbitration within 45 days of setting up an account. Opt out provisions are virtually meaningless. They give the illusion that your customers have consented to forced arbitration, but in practice the terms are non-negotiable. In fact, your use of the opt-out is an acknowledgment that forced arbitration is unfair and that consumers abhor the practice.

As you may know, the Consumer Financial Protection Bureau is studying the use of forced arbitration in financial products and services. The Bureau's preliminary data shows that most contracts contain arbitration clauses and also bar customers from participating in class actions. The data also show that most consumers do not go to arbitration. Forced arbitration, especially on an individual basis, is simply a costly, uphill battle for consumers.

The Bureau has the authority to ban forced arbitration clauses in financial contracts after it completes its study. PNC can act now to permanently drop these clauses from its contracts. We urge you to restore your customers' rights. Eliminate forced arbitration.

Sincerely,

Alexis Goldstein  
The Other 98%

Lisa Donner  
Americans for Financial Reform

Christine Hines  
Public Citizen

Linda Sherry  
Consumer Action

Ellen Taverna  
National Association of Consumer Advocates

Nan Aron  
Alliance for Justice

Lisa Blue Baron  
American Association for Justice