



October 1, 2024

Chief Executive Officer Charles W. Scharf  
Wells Fargo Bank  
420 Montgomery Street  
San Francisco, CA 9410

Dear Mr. Scharf,

It has come to our attention that a number of your customers of Iranian heritage have had their bank accounts shuttered with little explanation. Other prospective and current customers of Iranian heritage have likewise shared concerns about being forced to sign an “Iran Declaration” in order to begin or continue banking services with Wells Fargo, sometimes adding significant delay and complication to what should be a straightforward process. We write out of concern that this new policy is denying Iranians the right to banking services on the basis of their national origin, and in many cases represents an over-enforcement of existing sanctions on Iran.

U.S. sanctions targeting Iran do not prohibit Wells Fargo from holding accounts on behalf of customers of Iranian origin. Instead, U.S. sanctions prohibit Wells Fargo from servicing “Iranian accounts,” which are defined for purposes of the Iranian Transactions and Sanctions Regulations (“ITSR”), 31 C.F.R. Part 560, as “accounts of persons ordinarily resident in Iran, except when such persons are not located in Iran.” Unless Wells Fargo has indication that a customer is a person ordinarily resident in Iran and is physically located in Iran, Wells Fargo has no legal obligation to deny services to a given customer under the ITSR.

We recognize that Wells Fargo is obligated to seek to comply with this legal obligation and that many banks pursue this in a variety of ways. Unfortunately, the Iran Declaration that Wells Fargo has sent its customers goes well beyond the bank’s obligations, discouraging and driving away prospective Iranian customers and raising concerns about national origin discrimination.

Namely, the bank’s Iran Declaration asks the customer or prospective customer to declare - under penalty of perjury - that they are not resident in Iran presently and do not intend to be resident in Iran for more than six months during any twelve month period. This language has no effective end date. Wells Fargo also requires individuals to assert that they will notify the bank of the start date of their residence in Iran in advance of any plans that may arise. Lastly, it requires

the individual to assert that they have never been “a part of the Government of Iran.”<sup>1</sup> Such a declaration, under the threat of legal action for violating it, is intimidating and has already driven prospective customers away from using your banking services and complicated their efforts to open or maintain accounts. It also goes beyond what is required under U.S. sanctions, as the bank is solely obligated not to provide services to individuals who are ordinarily resident in Iran presently. This enables the bank to provide services to individuals resident in the United States who may one day become resident in Iran in the future. This includes, for example, Iranian students who secure visas for studying in the United States on a temporary basis as well as U.S. citizens with family in Iran who may be forced to return for uncertain lengths of time to tend to a loved ones’ health or probate matters. Moreover, we have heard reports that individuals who have decided to sign the declaration have experienced inexplicable delays between signing the declaration and the initiation of banking services, which seems wholly unnecessary and is a further deterrent against prospective customers of Iranian heritage.

We recognize the difficult position banks find themselves when seeking to navigate the complex web of sanctions on Iran, and mitigate their compliance risks. However, we believe Wells Fargo can do far better in striking the right balance between compliance and upholding the rights of Iranian Americans and Iranian nationals alike to utilize the banking services of Wells Fargo without fear of discrimination or ill treatment. We welcome the opportunity for dialogue on this important matter and look forward to hearing back from your representatives.

Sincerely,



Ryan Costello  
Policy Director, National Iranian American Council

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<sup>1</sup> The “Iran Declaration” issued by Wells Fargo indicates that this declaration applies to anyone who has been “a part of the Government of Iran” since August 20, 1997. However, we believe the “effective date” for this prohibition should instead be February 6, 2012, as set forth at 31 CFR 560.301(b).