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NEWS RELEASE

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**Bank of America Settles \$1.9 Million
Consumer Protection Lawsuit**

Los Angeles County District Attorney Jackie Lacey announced today that Bank of America, N.A., will pay nearly \$2 million to settle a civil lawsuit alleging the company took too long to inform customers that their phone calls were being recorded.

The Charlotte-based bank reached a settlement with the Los Angeles County District Attorney's Office, as well as the Alameda, Riverside, San Diego and Ventura county district attorney's offices.

The civil complaint, filed in Los Angeles County Superior Court, alleges that Bank of America violated California Penal Code sections 632 and 632.7 for the past several years by failing to timely and adequately disclose its automatic recording of phone calls with members of the public.

California law is more stringent than many other states with recording phone calls. Each party to a confidential conversation must be advised at the outset if a call is being recorded, so the person may object or end the call if he or she does not wish to be recorded.

Once notified by prosecutors of the alleged deficiencies in their recording disclosures, Bank of America worked cooperatively to make changes in the bank's policies nationwide without admitting liability.

As part of the \$1.9 million settlement agreement, Bank of America must comply with California's standards for recording confidential communications between the bank and its customers by making a clear and accurate disclosure of the recording to any consumer at the beginning of the call.

The company also agreed to implement an internal compliance program to ensure that the policy changes are made.

Under the settlement terms, Bank of America will pay civil penalties totaling \$1.6 million and will reimburse the prosecutors' investigative costs of \$240,000. All of the penalties must be used for future consumer protection work.

The company also will contribute \$100,000 to the Consumer Protection Prosecution Trust Fund, which is dedicated to advancing consumer protection and privacy rights.

[About the Los Angeles County District Attorney's Office](#)

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to protecting our community through the fair and ethical pursuit of justice and the safeguarding of crime victims' rights.