

Big Banks Accused of Favoring More Lucrative Small Business Loans in Coronavirus Program

“Four of America’s biggest banks have been accused of harming thousands of coronavirus-hit small businesses by unfairly prioritizing emergency loan requests from large customers to earn fatter fees,” reports Matt Egan in *CNN Business*.

“BAC, Wells Fargo, JPMorgan Chase and US Bank were sued Sunday for allegedly failing to process forgivable loans in the \$349 billion Paycheck Protection Program (PPP) on a first-come first-served basis.”

“Each bank ‘concealed from the public that it was reshuffling the PPP applications it received and prioritizing the applications that would make the bank the most money,’ each of the four lawsuits said.”

“As a result of this ‘dishonest and deplorable behavior,’ the lawsuit said thousands of small businesses ‘were left with nothing’ when PPP ran out of money earlier this month.”

“The legal action was brought by a range of California small businesses, including a frozen yogurt shop, law firms, an auto repair company and a cybersecurity firm.”

Read the article.