

October 31, 2016

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

By Fax: [REDACTED]

Dear [REDACTED]

My name is Sau-Wing Lam and I am the host of personal finance radio programs on AM 1400 and AM1450 for the past 18 years. My target audience is primarily Cantonese-speaking Chinese-Americans. Many Chinese-Americans seek my help on matters regarding their personal finance, and I always try my best to serve their needs.

Recently I was contacted by [REDACTED] regarding an incident at your branch. On October 28, 2016, I called your branch and you were out. I spoke with your assistant manager [REDACTED]

[REDACTED] is a current [REDACTED] credit card holder, and he has lived in the U.S. for many years. He received your bank's solicitation letter concerning your [REDACTED] so [REDACTED] decided to come into your [REDACTED] Chinatown branch in the morning of October 17, 2016 to apply for this credit card. At your branch [REDACTED] was first told by a Mandarin-speaking staff that he must be able to speak English. Then your staff [REDACTED] served [REDACTED]. But [REDACTED] apparently considered that [REDACTED] lacking sufficient English proficiency so she asked him to come back with an interpreter. [REDACTED] felt both frustrated and insulted because he was able to converse with [REDACTED] in English without any problem. After [REDACTED] went home he was so upset that he decided to visit your branch again to seek clarification. So he returned to your branch around 5 pm on the same day, and [REDACTED] once again told [REDACTED] that in order to apply for a credit card at the branch he must be able to "speak English".

When I discussed this matter with [REDACTED] he reiterated that it is "both California law and [REDACTED] internal policy" that they would only open a credit card account for walk-in customers if they speak English. I researched California's credit card laws, including California's Credit Card Act (Civil Code Section 1747-1748.95), but I cannot find any rule concerning one must speak English in order to apply for a credit card at a bank branch. I would, therefore, request that you advise [REDACTED] in writing what specific California law [REDACTED] was referring to.

While I cannot find any California law that requires credit card applicants at your branch to be English speaking, I have found clear Federal rules under the Equal Credit Opportunity Act (ECOA, 15 U.S.C. 1691 *et seq.*) which prohibits credit discrimination on the basis of race, color, religion, national origin, sex or marital status, or age. Specifically, Section 202.4 of ECOA says:

“A creditor shall not make any oral or written statement, in advertising or otherwise, to applicants or prospective applicants that would discourage, on a prohibited basis, a reasonable person from making or pursuing an application.

Note that the regulation is concerned not only with the treatment of persons who have initiated the application process, but also with lender behavior before the application is even taken. Lending officers and employees must be careful to take no action that would, on a prohibited basis, discourage anyone from applying for a loan. For example, a bank may not advertise its credit services and practices in ways that would tend to encourage some types of borrowers and discourage others on a prohibited basis. In addition, a bank may not use prescreening tactics likely to discourage potential applicants on a prohibited basis. Instructions to loan officers or brokers to use scripts, rate quotes, or other means to discourage minority applicants from applying for credit are also prohibited.

The prohibition against discouraging applicants applies to in-person oral and telephone inquiries as well as to written applications. Lending officers must refrain from requesting prohibited information in conversations with applicants during the pre-interview phase (that is, before the application is taken) as well as when taking the written application.”

The regulation defines “applicant” as any person who requests or who has received an extension of credit from a creditor and includes any person who is or may become contractually liable regarding an extension of credit. Under Regulation B, an “application” means an oral or written request for an extension of credit made in accordance with procedures used by a creditor for the type of credit requested.“ I believe [REDACTED] qualifies as an applicant in this case so he has standing to make a complaint.

While I can understand that you may not want to help someone who speaks absolutely no English to apply for a credit card at your branch, I do not understand why you would impose a “language proficiency” test on English-speaking Chinese Americans solely because subjectively your branch staff feel that such persons do not meet your arbitrary language proficiency standard. When you do this, aren’t you discouraging these applicants in violation of ECOA?

In the interest of public interest, may I request that you respond to the above inquiry in writing to [REDACTED]?

Thank you for your attention in this matter.

Sincerely,

Sau-Wing Lam  
Email: [money@cchc.org](mailto:money@cchc.org)