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## NY AG Spitzer sues Wells Fargo, unit alleging fraud

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### DOW JONES NEWSWIRES

New York Attorney General Eliot Spitzer sued Wells Fargo Bank NA (WFC) and its Acordia Inc. unit Tuesday for allegedly steering their customers to insurance companies that paid for the business with kickbacks.

The lawsuit against the San Francisco financial services company alleges that Acordia conspired with several insurance companies known as Acordia's "Millennium Partners" to steer customers to them in exchange for undisclosed payments, Spitzer's office said. The suit claims Acordia's top management, including its then-chief executive, Robert Nevins, actively participated in the scheme.

The lawsuit, which charges Wells Fargo participated directly in Acordia's alleged fraud, seeks restitution for the companies' customers, disgorgement of illegal profits and penalties.

An Acordia spokesperson was not immediately available for comment.

The suit was filed Tuesday in State Supreme Court in Manhattan.

(Adds comment from Acordia.)

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An Acordia spokesperson said the company denies all allegations of wrongdoing. "Contingent compensation agreements have been a long-standing and well-known practice in the insurance industry," Dave Zuercher, Acordia Inc. president and chief executive officer, said in a statement. "These agreements have been held by courts to be legal and enforceable."

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