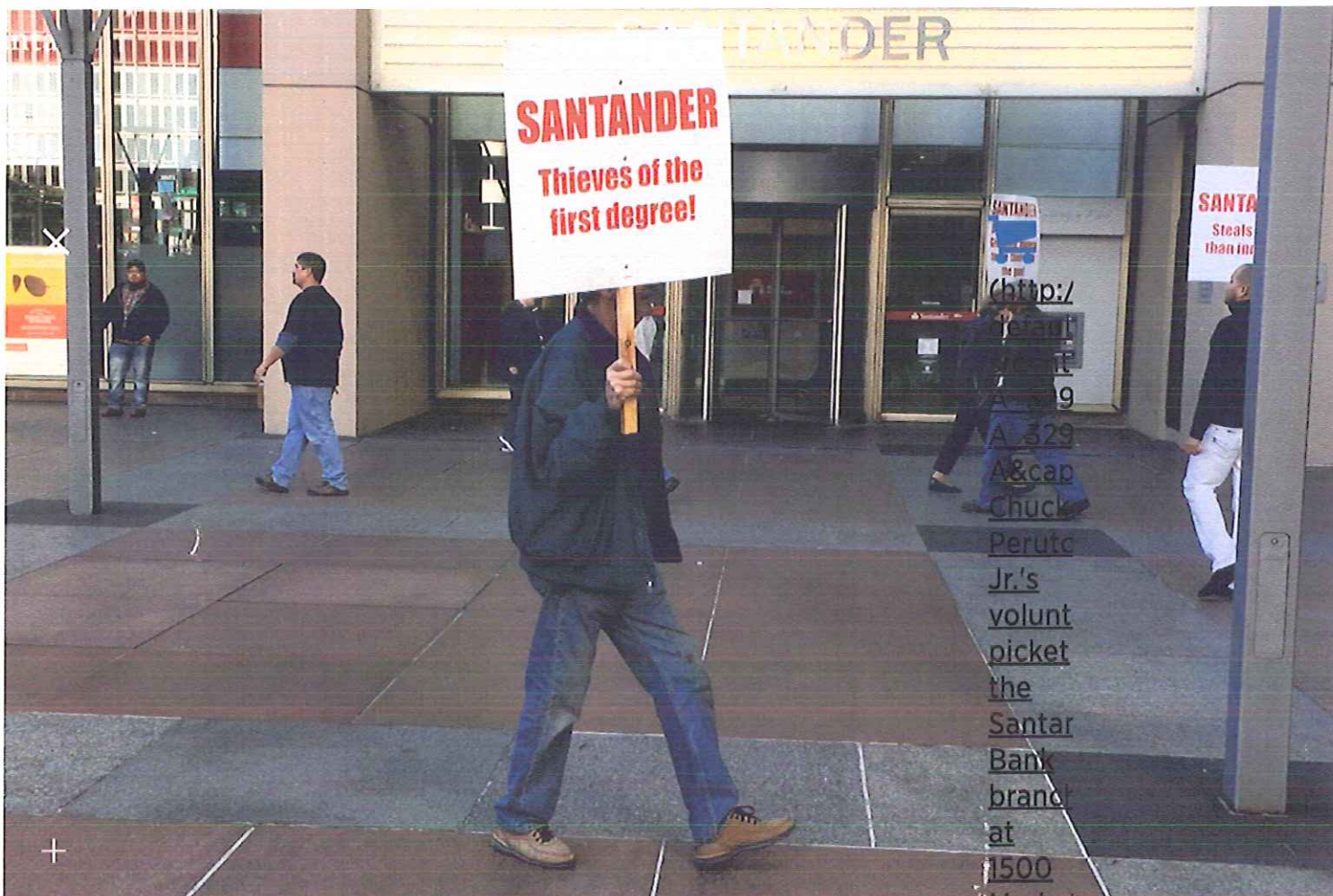


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Who's that picketing Santander Bank? Why it's lawyer Chuck Peruto

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STU BYKOFSKY / STAFF

Attorney Chuck Peruto Jr.'s volunteers picket the Santander Bank branch at 1500 Market Street last week.

Let's say you are a customer having trouble with your bank. What do you do?



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(http://www.philly.com/philly/columnists/stu_bykof viewGallery=y)

You get a lawyer.

What if you are a lawyer?

If you are criminal defense attorney Chuck Peruto Jr. you file suit against the bank and then picket its branch offices.

That's where I saw the celebrity barrister Friday, outside the Santander bank branch at 1500 Market Street, supervising pickets and handing out leaflets, almost like a Local 98 electrician. All he was missing was the giant inflatable rat.

"What's going on?" I ask him in the shadow of the Clothes Pin.

"These people are thieves," Peruto replies, jerking a thumb in the direction of the bank storefront.

Thieves are usually his clients, but this case is different. He is the victim, he says.

The facts, as laid out in a civil suit he filed against the bank (and in leaflets he periodically distributes outside bank branches), say in 2012 he took a \$1.9 million, 10-year loan from the bank.

The loan was to purchase the 43-unit Drexelbriar Apartments in Havertown, which he planned to hold for a while and sell.

Four years later, he had an agreement of sale from a buyer and notified Santander he wanted to pay off the loan early.

The bank demanded a \$267,440 prepayment penalty.

"Plaintiff Peruto nearly lost his mind," according to the complaint. He had been told to expect a 1 percent penalty, in the neighborhood of \$19,000.

I ask if he had read the fine print.

"I never had time to read the fine print. It was furnished at settlement with 40 other papers that had to be signed and they slide them over to you for signature," says Peruto.

"You try not to hold anybody up. When you act in good faith and are told it is 1 percent, you don't sit there and take an algebra class."

The prepayment schedule says "the prepayment premium shall be the greater of" either 1 percent of the principal or "the product obtained by" a truly incomprehensible formula so complex it would baffle Stephen Hawking. To me, a red flag would have been the words "greater of."

Peruto went to closing without a Realtor or a broker, saying he has bought and sold properties many times before without incident. "Everything is straight forward and when people tell you something, you seem to take their word for it."

It is not a mistake he will repeat, he says.

He tried to get the bank to accept less, he says, and when it refused, he filed suit.

There are two sides, at least, to every story, so I contacted the bank.

"Santander cannot comment on pending litigation, however, the bank is fully committed to transparent lending practices and always treating our customers fairly," says spokeswoman Ann Davis.

"We've gone through a couple of pre-trial hearings," says Peruto, with "the bank saying it's there in writing and I say it's not in English."

Peruto is acting as his own attorney and has requested a jury trial. He has decades of experience in seducing juries to view his clients with favor. This time he is his own home team.

"Their eyeballs will grow bigger than their ears when they hear the numbers," says Peruto. "I could call Joey Merlino to testify. I could get the money cheaper from him," says Peruto of the one-time, alleged head of organized crime in Philadelphia.

As this case meanders through the courts, Peruto goes out once or twice a week with volunteers to picket various Santander branch offices, such as the one where I found him.

So here's this famous, rich attorney standing outside a branch handing out leaflets like a union schlepper.

Why?

"The reason for the protest is to make others aware of what they do, with the hidden charges they slap on you," says the aggrieved attorney.

"They should have the decency and the morality, not just the legality, to point that out to you," says Peruto.

In his filing, Peruto claims he has paid \$700,000 on that \$1.9 million loan in four years.

He is asking for the return of the \$267,440 prepayment plus interest, costs and attorney's fees.

Barring a settlement, the courts will decide who is right. Meanwhile, the famous barrister and friends will keep picketing the bank.

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