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VIA ELECTRONIC DELIVERY OF PDF AND U.S. FIRST-CLASS MAIL

Robert E. Feldman
Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429

Re: 12 C.F.R. Part 327 -- Assessments, Large Bank Pricing: RIN 3064-AD92

Dear Mr. Feldman:

Wells Fargo & Company, and its subsidiary insured depository institutions, including Wells Fargo Bank, N.A. (collectively, "Wells Fargo" or "we"), appreciates the opportunity to comment on the Notice of Proposed Rulemaking (the "Proposal") issued by the Federal Deposit Insurance Corporation ("FDIC") proposing revisions to the definitions used to determine assessment rates for large and highly complex insured depository institutions.[1] We continue to support the FDIC's on-going efforts to refine and enhance its risk-based assessment system.

We fully endorse the positions outlined in the joint comment letter regarding the Proposal from The American Bankers Association, The American Securitization Forum, The Clearing House Association L.L.C., The Financial Services Roundtable and The Loan Syndications and Trading Association (together, the "Associations").

In addition, Wells Fargo respectfully urges the FDIC to devote further consideration to its definition of "nontraditional mortgage ("NTM") loan". We believe the FDIC's current view of what constitutes an NTM loan sweeps in an inappropriately broad array of mortgage loans that have been originated by many large banks in a safe and responsible manner. Mortgage loans featuring special terms such as interest-only periods or discounted rates are frequently used by Wells Fargo and other large lenders to fit the circumstances of affluent categories of customers, without subjecting the lender to any greater credit risk. Properly underwritten and managed, these loans are an important part of an institution's business strategy, allowing the institution to create successful financial solutions meeting the needs of today's diverse market of mortgage borrowers. In most cases, these mortgage products have been individually tailored for the customer, and the customer is generally a borrower of high credit quality, based on their credit history and other factors that are rigorously applied by the lender. Because borrowers present many different characteristics and financial behaviors, none of which may independently lead to a conclusion that a borrower is "risky", broad brush treatment of a mortgage loan with certain special terms as an NTM loan with increased risk, based solely on its characteristics or product category,

[1] *77 Federal Register 18109 (March 27, 2012)*

removes the focus from where it should be -- on the characteristics and predictive behavior of the individual borrower. For these reasons, we believe such loans should be evaluated solely on the basis of the probability of default, and not on product characteristics.

We support the FDIC's willingness to revisit the definition of nontraditional mortgage loan following issuance by the bank regulatory agencies of regulations defining Qualified Mortgages and Qualified Residential Mortgages, and urge the FDIC, in any ultimate determination, to avoid categorizing all loans with a deferred repayment feature, whether interest only, or having a "teaser" or discounted rate, as, by definition, carrying a higher degree of risk, particularly when the loan is extended to a borrower of demonstrated strong creditworthiness.

We appreciate the opportunity to provide our comments and concerns regarding the Proposal and join in the positions outlined in detail in the Associations' joint comment letter. We welcome the opportunity for further discussions. If you have any questions, please contact the undersigned at (704) 374-4977.

Sincerely,

George O. Barnwell

George Barnwell
Senior Counsel