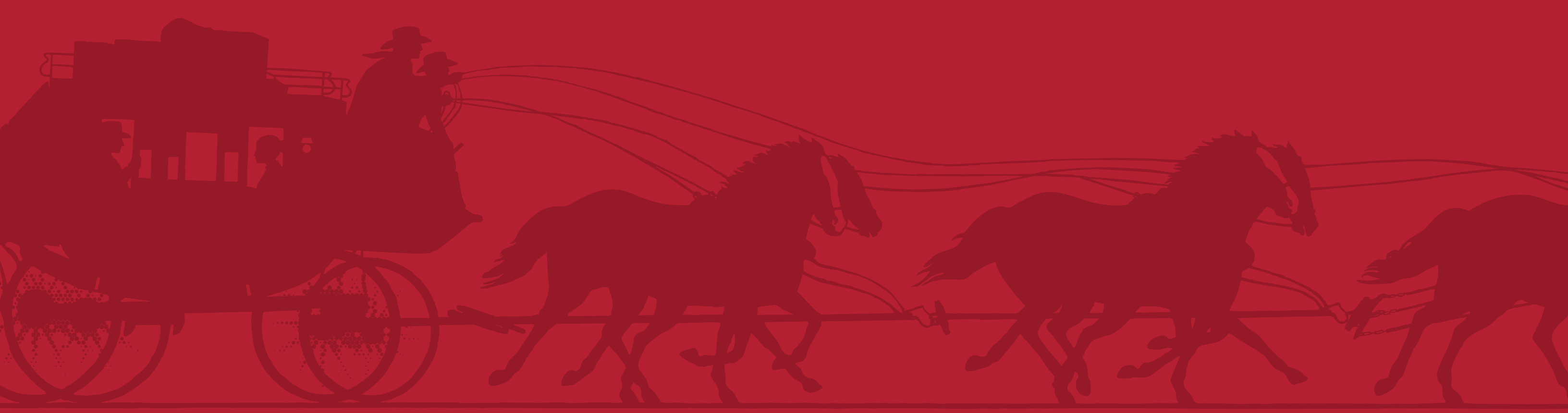
Wells Fargo 2017 Resolution Plan

Public Section

July 1, 2017



Background to This Document

This document contains a summary of how Wells Fargo & Company's[1] management believes the Company could be resolved in the unlikely event that significant financial stress results in its failure. The Dodd-Frank Act requires certain large financial institutions to contemplate such an event and prepare an in-depth plan for their resolution. These plans are submitted to the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") and the Federal Deposit Insurance Corporation (the "FDIC" and, together with the Federal Reserve Board, the "Agencies"). The Dodd-Frank Act also requires that these large financial institutions prepare and disclose publicly a summary of the principal elements of their resolution plans. Wells Fargo is a covered company under Section 165(d) of the Dodd-Frank Act and has prepared its 2017 Resolution Plan to comply with the Dodd-Frank Act as well as with associated regulatory guidance. This is Wells Fargo's public summary of its 2017 Resolution Plan.

Under the Agencies' guidance, resolution plans are based on the structure and financial position of the Company as of the end of the preceding fiscal year. As a result, the analysis in this plan, and the financial information contained in this Public Section, are drawn from the Company's financial statements for the year ended December 31, 2016.

Forward-Looking Statements

This document contains forward-looking statements about the Company's future plans, objectives and resolution strategies, including the Company's expectations, assumptions and projections regarding the implementation of those strategies and the effectiveness of the Company's resolution planning efforts.

Because forward-looking statements are based on the Company's current expectations and assumptions regarding the future, they are subject to inherent risks and uncertainties. In addition, the resolution planning process as a whole, and the Company's expectations and projections regarding the implementation and effectiveness of the Company's resolution strategies, are based on hypothetical scenarios and assumptions and may not reflect events to which the Company is or may become subject. Accordingly, you should not unduly rely on forward-looking statements as actual results could differ materially from expectations. Forward-looking statements speak only as of the date made, and the Company does not undertake to update them to reflect changes or events that occur after that date. For information about the Company and factors that could cause actual results to differ materially from the Company's expectations, refer to the Company's reports filed with the U.S. Securities and Exchange Commission (the "SEC"), including the discussion under "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2016, as filed with the SEC and available on its website at www.sec.gov.

The resolution plan is based on many significant assumptions, including assumptions about the actions of regulators and creditors, the state of the financial markets and the economy, and the impact of a significant loss event on the Company and its subsidiaries. Some or all of these assumptions may prove to be incorrect in an actual resolution situation. The resolution strategies described in the resolution plan are not binding on a bankruptcy court, the Company's regulators or any other resolution authority. Accordingly, the scenarios and assumptions underlying the resolution plan reflect events and circumstances that may not arise, and the impact of these events may be very different if they do arise in circumstances other than those contemplated in the resolution plan.

[1] Wells Fargo & Company is referred to in this Public Section as the "Parent" and together with its consolidated subsidiaries, the "Company," "Wells Fargo," "we," "us," or "our."

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1 INTRODUCTION TO THE 2017 RESOLUTION PLAN

For over 165 years, Wells Fargo & Company's commitment to maintaining a resilient financial profile has positioned the Company to serve our customers and the financial markets despite economic downturns and financial market stress. This ongoing commitment has guided our preparation of a plan to ensure we can be resolved in an orderly fashion in the unlikely event of our failure. This commitment reflects our responsibility to our customers and the financial markets as a global systemically important bank ("G-SIB").

The Dodd-Frank Act requires certain large financial institutions to submit plans demonstrating how the institution could be resolved in an orderly manner in the event of its failure. This is our fourth resolution plan submitted under these requirements. We believe our 2017 Resolution Plan addresses the requirements of the Dodd-Frank Act, as well as the relevant guidance and feedback from the Agencies. The plan describes our efforts to prepare the Company for an orderly resolution without requiring extraordinary government support, imposing depositor losses, or creating a systemic impact on the United States financial system. We believe our 2017 Resolution Plan is credible and supported by actionable, fully-implemented, and sustainable resolution capabilities.

Our plan describes a multiple-point-of-entry ("MPOE") strategy that utilizes a newly-chartered bridge depository institution (the "Bridge Bank") for the orderly resolution of our flagship bank, Wells Fargo Bank, National Association ("WFBNA"). Our MPOE strategy requires careful analysis of the impacts of a contemporaneous failure of certain material entities under the applicable set of ordinary insolvency regimes. We built our ongoing capabilities to support our orderly resolution under this strategy.

Our approach to resolution planning is based on thorough analysis and mitigation of the risks related to our business profile and to the execution of our strategy. We made changes to the Company to enhance resolvability, and we will continue to do so where warranted to further mitigate these risks. Since filing our 2015 Resolution Plan, we have undertaken and completed significant initiatives to build and position financial resources, strengthen governance mechanisms, manage employee retention and communications, maintain operational continuity, enhance structural preparedness, and mitigate potential legal challenges. These initiatives improve our ability to successfully execute our resolution plan while creating meaningful optionality and flexibility. To sustain resolvability as our business evolves, we embedded resolvability considerations into the routine management of the Company, and significantly enhanced enterprise-wide engagement and accountability for resolution planning.

This Public Section provides background information on our 2017 Resolution Plan, our capabilities that improve resolvability, and related governance and controls. It also describes our core business lines and material entities, which form the key elements of the Company for purposes of resolution planning.

All financial data in this Public Section is as of December 31, 2016, or for the year ended December 31, 2016, regardless of tense, except where indicated otherwise. Readers are encouraged to review the Glossary included at the end of this document, which sets forth the definitions of certain terms that are frequently used but may not be defined within the document.

This Public Section is organized as follows:

- **Section 2 — Overview of the Company:** Section 2 provides an overview of the Company's business profile. Our business activities focus on traditional consumer and commercial banking, which are largely conducted through WFBNA and its wholly-owned subsidiaries.
- **Section 3 — Our 2017 Resolution Plan:** Section 3 describes our 2017 Resolution Plan, which details the process for the orderly resolution of the Company. In the event the Company fails: (1) WFBNA would be resolved through an FDIC receivership; (2) our institutional broker-dealer, Wells Fargo Securities, LLC ("WFS LLC"), would be resolved through a liquidation under the Securities Investor Protection Act ("SIPA"); and (3) the Parent and its other non-bank subsidiaries would be resolved through a Chapter 11 bankruptcy case.
- **Section 4 — Actions Taken to Improve Resolvability:** Section 4 describes the significant efforts we have made to improve our resolvability. These efforts were driven by the *Guidance for 2017 § 165(d) Annual Resolution Plan Submissions by Domestic Covered Companies that Submitted Resolution Plans in July 2015* published by the Agencies (the "2017 Guidance"), the feedback we received on our 2015 Resolution Plan, and our efforts to identify and mitigate key resolvability risks.
- **Section 5 — Governance and Controls:** Section 5 describes the Company's governance infrastructure for resolution planning, which is designed to provide comprehensive oversight of the Company's resolution planning activities and effective escalation to facilitate informed decision-making.
- **Section 6 — Description of Core Business Lines:** Section 6 summarizes our core business lines. For resolution planning purposes, we identified four core business lines within our operating segments: (1) Community Banking, (2) Consumer Lending, (3) Wholesale Banking, and (4) Wealth and Investment Management.
- **Section 7 — Our Material Entities and Interconnectedness:** Section 7 outlines the comprehensive qualitative and quantitative designation process that we used to identify our eleven material entities[2] for the 2017 Resolution Plan, and briefly describes these material entities. It also discusses the Company's financial and operational interconnectedness.
- **Section 8 — Remediated Deficiencies Related to the 2015 Resolution Plan:** Section 8 provides a summary of the actions we took to address the Agencies' feedback in relation to our 2015 Resolution Plan.
- **Section 9 — Conclusion**
- **Section 10 — Principal Officer Biographies**
- **Section 11 — Glossary of Terms and FMUs**

[2] For the purposes of resolution plans filed under the Dodd-Frank Act, a "material entity" is defined as any subsidiary that is significant to the activities of a critical operation or core business line of a covered company. 12 C.F.R. § 243.2(l).

2 OVERVIEW OF THE COMPANY

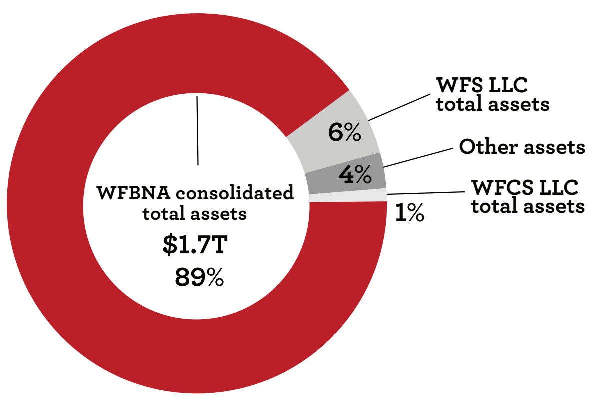
Wells Fargo is a G-SIB with $1.9 trillion in assets and a market capitalization of $276 billion as of December 31, 2016. Our business activity, for resolution planning purposes, is focused in the following four core business lines within our operating segments:[3] (1) Community Banking;[4] (2) Consumer Lending; (3) Wholesale Banking; and (4) Wealth and Investment Management. Core business lines, which are those that upon failure we believe would result in a material loss of revenue, profit or franchise value, have been identified solely for resolution planning purposes and may differ from the operating segments that the Company uses for reporting in its reports filed with the SEC. Specifically, the Company's operating segments (Community Banking, Wholesale Banking, and Wealth and Investment Management) are based on the way management has organized business lines for making operating decisions and assessing performance. The operating segments are generally defined by product type and customer segment.

- **Traditional Banking Focus**
  - Lending and investing activities represent approximately 86% of the Company's total assets.
  - Total deposits represent approximately 76% of the Company's total liabilities. By comparison, our short-term borrowings and derivative liabilities represent approximately 6% and 0.8%, respectively, of our total liabilities.
- **Predominance of our primary U.S. bank (WFBNA)**
  - WFBNA represents approximately 89% of the Company's consolidated assets and approximately 91% of the Company's consolidated liabilities, and generates a large majority of the Company's consolidated revenues and consolidated net income.
  - WFBNA contains most of the Company's critical operations as well as the majority of the activities in the Company's core business lines.

Total Assets (Company) $1.9 trillion
Loans and Leases **50%**
Cash, Federal funds sold, securities purchased under resale agreements and other short-term investments, and Investment securities **36%**
Mortgage HFS **1%**
Trading Assets **4%**
Other Assets **9%**

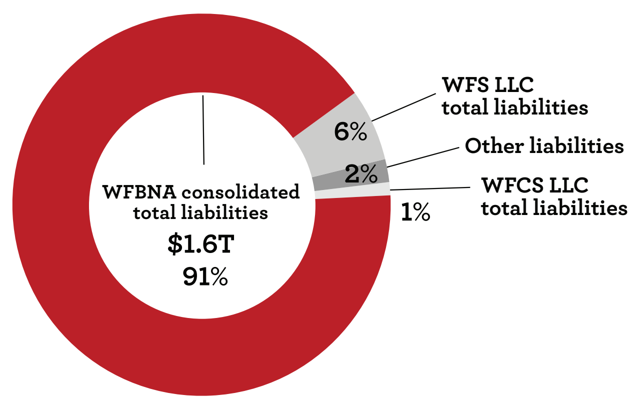
Source: 2016 Annual Report

Consolidated Company Assets ($1.9T)



Source: 2016 Annual Report

Consolidated Company Liabilities ($1.7T)



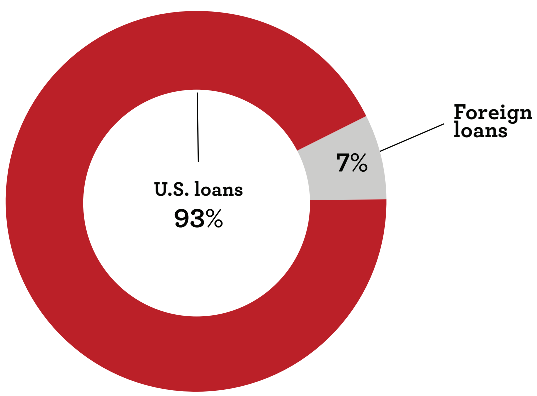
Source: 2016 Annual Report

[3] For purposes of resolution plans filed under the Dodd-Frank Act, "core business lines" are defined as: "...those business lines of the covered company, including associated operations, services, functions and support that, in the view of the covered company, upon failure would result in a material loss of revenue, profit or franchise value." 12 C.F.R. § 243.2(d).

[4] Our Community Banking operating segment for SEC reporting captures both the Community Banking and Consumer Lending core business lines.

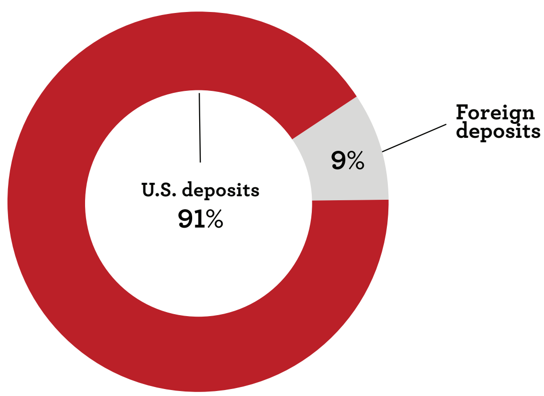
- **Domestic Focus**
  - Our international strategy focuses primarily on serving domestic customers doing business abroad and foreign multi-nationals and global banks doing business in the United States.
  - The Company's aggregate foreign loans total approximately $66 billion, representing approximately 7% of total consolidated loans outstanding and 3% of total consolidated assets, while foreign deposits represent approximately 9% of total deposits.
  - For more details, see Section 7.5 (Domestic Focus and Description of Foreign Operations).

Total Company Loans



Source: 2016 Annual Report

Total WFBNA Deposits



Source: 12/31/16 WFBNA Call Report (FFIEC 031)

3 OUR 2017 RESOLUTION PLAN

Our approach to resolution planning is designed to mitigate the risks of resolution related to our business profile and to the execution of our MPOE strategy. In accordance with regulatory requirements, we developed a hypothetical resolution scenario which describes the Company's failure and resolution. In this scenario, a severe global economic recession and associated financial market stress are compounded by a series of large loss events sustained by the Company. This scenario assumes these events set off rapid and escalating demands for repayment by the Company's counterparties and customers, resulting in a sharp decline in the Company's liquidity resources, and its failure within a 30-day period of time. Given that WFBNA holds 89% of the Company's assets and conducts most of the Company's business activities within its core business lines, we believe that financial stress in WFBNA would be the most likely impetus to trigger the Company's resolution plan.[5]

While our 2017 Resolution Plan describes our assumptions regarding the outcome of this particular hypothetical scenario, we believe that we have the flexibility and capabilities to respond to a variety of resolution scenarios, including those of a greater magnitude than the one contemplated in the 2017 Resolution Plan.

Our plan contemplates that our eleven material entities would be resolved primarily through proceedings under three resolution regimes:

- **FDIC Receivership / Bridge Bank:** WFBNA would be resolved through the formation of the Bridge Bank in an FDIC receivership. The Bridge Bank, comprised of certain assets and liabilities transferred from the WFBNA receivership, would include WFBNA's direct and indirect equity interests in its four wholly-owned subsidiaries that are Material Entities: Wells Fargo India Solutions Private Limited ("WFIS") and Wells Fargo Enterprise Global Services, LLC ("WFEGS"), which provide Critical Services to WFBNA and other Material Entities, and Peony Asset Management, Inc. ("Peony") and Wells Fargo Funding, Inc. ("WF Funding"), which hold portions of WFBNA's investment securities and consumer mortgage loan participations, respectively. After completing certain strategic actions – including a series of asset portfolio sales, line of business divestitures, legal entity sales, and regional portfolio sales – the Bridge Bank would be returned to private ownership through an initial public offering ("IPO") of a portion of its equity (the "Surviving Bank"). The IPO would be used to establish market acceptance and valuation of the Surviving Bank, which would be significantly smaller than WFBNA and have a lower systemic risk profile.
- **SIPA Liquidation:** Our institutional broker-dealer, WFS LLC, would be resolved through a liquidation proceeding under SIPA, which is the law that typically governs the resolution of a brokerage firm that fails.[6] Due to several factors that contribute to WFS LLC's resilience and resolvability, we anticipate its liquidation under SIPA would not cause undue market disruption. These factors include the size of WFS LLC's balance sheet and the liquid composition of its assets, prepositioned liquidity resources, its operational capabilities, and its limited interconnectedness with WFBNA and the Parent.
- **Chapter 11 Bankruptcy Case:** The Parent would be resolved through a liquidation under Chapter 11 of the Bankruptcy Code. The following four material entities would continue outside of bankruptcy as going concerns and solvent subsidiaries of the Parent, and would be sold, liquidated, or dissolved in an orderly manner for the benefit of the Parent's bankruptcy estate: WFC Holdings, LLC ("WFC Holdings"), our intermediate holding company (the "IHC"); Wells Fargo Clearing Services, LLC ("WFCS LLC"); Forum Capital Markets, LLC ("Forum"); and Wells Fargo Properties, Inc. ("WF Properties").

Our 2017 Resolution Plan assumes that WFBNA's entry into receivership is immediately followed by the commencement of our Parent's Chapter 11 case and WFS LLC's SIPA proceeding. Specifically, under the hypothetical scenario described in our plan, these events occur within a three-day period. However, based on an analysis of our financial and operational interconnectedness, we believe that our MPOE strategy remains viable regardless of the actual sequence in which these three material entities enter insolvency.

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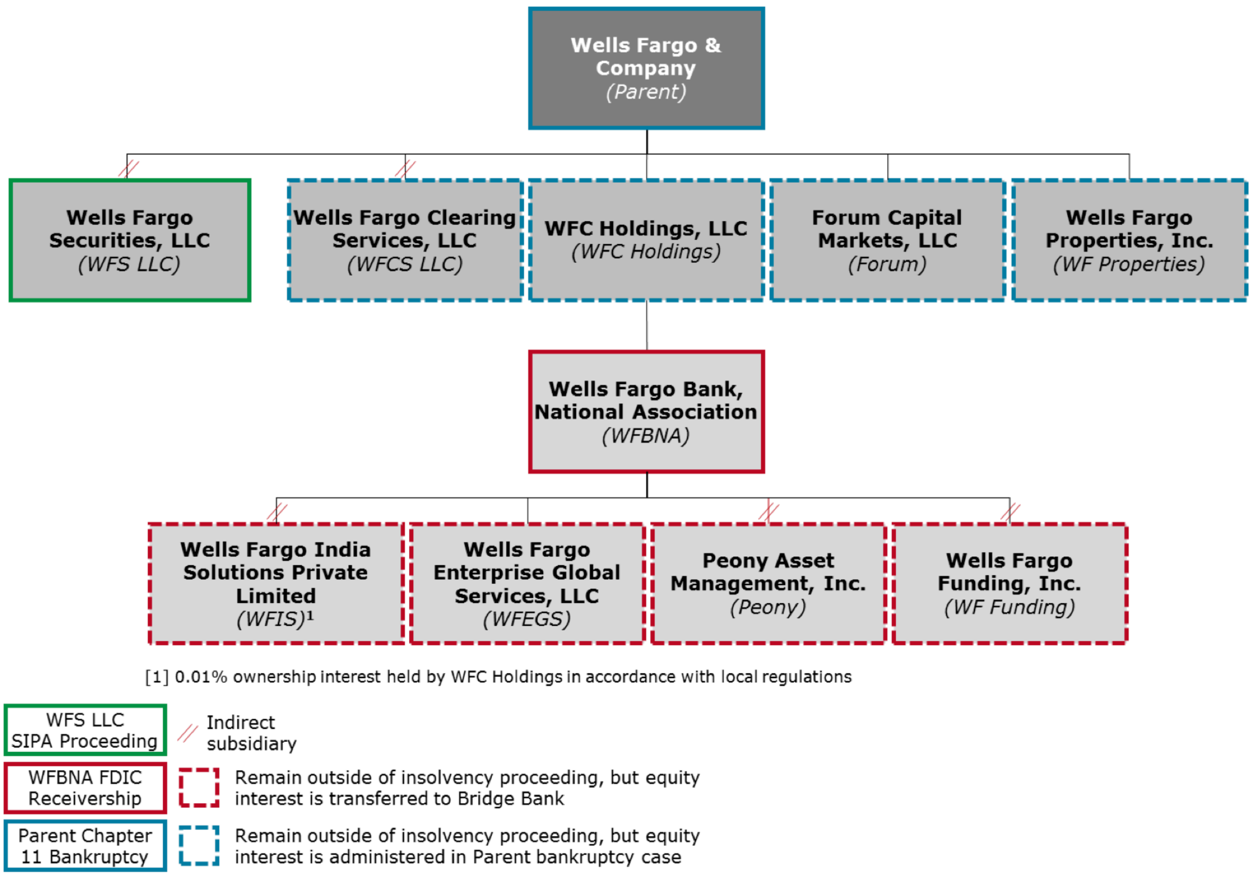
[5] As noted above, our 2017 Resolution Plan is not binding on a bankruptcy court, the Company's regulators or any other resolution authority, and the proposed forecasted resolution scenario and associated assumptions are hypothetical and do not necessarily reflect an event or events to which the Company is or may become subject.

[6] Typically, when a brokerage firm fails, the Securities Investor Protection Corporation ("SIPC") seeks to arrange the transfer of the failed brokerage's accounts to a different securities brokerage firm and then liquidates the remaining assets and liabilities of the firm, which is the approach we have assumed in our resolution scenario for WFS LLC.

The following figure depicts our material entities grouped by their applicable resolution regimes:

Figure 3.1 Resolution Regimes of Material Entities



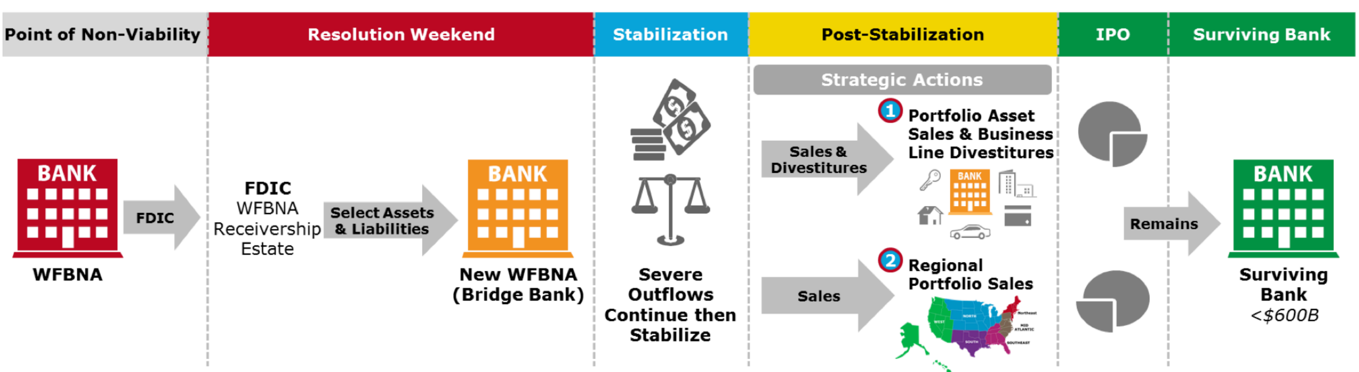
3.1 WFBNA's Receivership and Establishment of the Bridge Bank

Our resolution strategy for WFBNA contemplates the appointment of the FDIC as receiver followed by the transfer of certain of its assets and liabilities to a newly-chartered Bridge Bank. The transfer of WFBNA's direct and indirect equity interests in four material entities – WFIS, WFEGS, Peony, and WF Funding – allows for their resolution as going-concern subsidiaries of the Bridge Bank. We believe that retaining these downstream subsidiaries of WFBNA as going concerns maximizes enterprise value, thereby enhancing creditor recoveries and minimizing systemic risk. This strategy preserves the Company's core business lines and critical operations in largely the same manner as they operated prior to resolution. This strategy is aimed at providing WFBNA depositors with timely access to deposits, thereby limiting contagion and loss of franchise value. Our bridge bank strategy is designed to satisfy the least-cost test under the Federal Deposit Insurance Act. Notably, the successful resolution of WFBNA under our plan does not rely on the assumption of cooperation from foreign regulatory authorities or third parties associated with WFBNA's foreign branches.

Under our 2017 Resolution Plan, over the course of approximately two years, the Bridge Bank would engage in a series of strategic actions, which would substantially reduce the size and complexity of the Bridge Bank prior to its return to private ownership. Our approach to the strategic actions would provide the FDIC the flexibility to divest identified assets, business lines, and regional portfolios by attracting a broad range of potential buyers, thereby maximizing enterprise value without extraordinary government support. Each regional portfolio divestiture would be structured as an asset sale with the assets and associated customer accounts being integrated into its purchaser's platform in a manner to be determined by such purchaser. Customers associated with each divested regional portfolio would become customers of its purchaser. The remaining region and the business lines of WFBNA that would not be sold to interested purchasers on a stand-alone basis would together constitute the Surviving Bank. The Surviving Bank would include core, enterprise-wide infrastructure of WFBNA prior to its failure that would be required to support critical operations and core business lines during the receivership, preserving customer access to our products and services without significant market disruption.

The resolution plan for WFBNA is depicted in the following figure.

Figure 3.2 WFBNA Resolution Plan



After completion of the strategic actions and at the time determined appropriate by the FDIC, the resulting Bridge Bank would return to private ownership through a partial IPO, which would be used to establish market acceptance and valuation of the Surviving Bank. This would be followed by distribution of the Surviving Bank's debt or equity to the receivership, combined with further equity sales to the public through follow-on offerings. The proceeds of the IPO and any further offerings, as well as any shares of the Surviving Bank that are not sold to the public, would accrue to the WFBNA receivership to be distributed in accordance with the Federal Deposit Insurance Act.

The Surviving Bank would emerge from receivership as a large regional bank and offer many of the same products and services that WFBNA would have offered prior to resolution. The products and services offered by the Surviving Bank would include retail checking and savings accounts, payment services, credit cards, residential mortgage lending and servicing, and commercial lending and real estate products. This plan has been designed to ensure that the Surviving Bank would be significantly smaller than WFBNA, with a lower systemic risk profile. The Surviving Bank would retain the requisite WFBNA infrastructure and support, including relevant critical services, to operate on a stand-alone basis after the resolution is complete. Given the orderly execution over time of our plan, we believe the execution of the strategic actions followed by the IPO would not result in a negative systemic impact to the United States economy.

3.2 WFS LLC's SIPA Liquidation

The 2017 Resolution Plan assumes that WFBNA's entry into an FDIC receivership would cause WFS LLC's secured funding counterparties to cease extending liquidity necessary to sustain WFS LLC's operations, necessitating WFS LLC's forced liquidation under a SIPA proceeding. We have taken actions to mitigate any negative impacts this liquidation may create on the rest of the Company, our customers, or to United States capital markets generally. These actions include the maintenance of significant prepositioned financial resources within WFS LLC, as well as the implementation of a series of ongoing operating metrics designed to limit interconnectivity to the rest of the Company and permit rapid liquidation of assets without negative market impacts.

3.3 The Parent's Chapter 11 Bankruptcy Case and the Resolution of Certain Non-Bank Subsidiaries

As noted above, WFBNA holds approximately 89% of the Company's consolidated assets and contains most of our critical operations and the majority of the activities in the Company's core business lines. As a result, the Parent is not expected to continue as a going concern if WFBNA is placed into receivership. Rather, the Parent would file a petition commencing a Chapter 11 case under the Bankruptcy Code and begin the liquidation of its assets. These assets include equity interests in non-bank subsidiaries that are not expected to file for bankruptcy, such as WFCS LLC. As noted above, these assets will not include WFS LLC, equity interests, which will be liquidated under a SIPA proceeding.

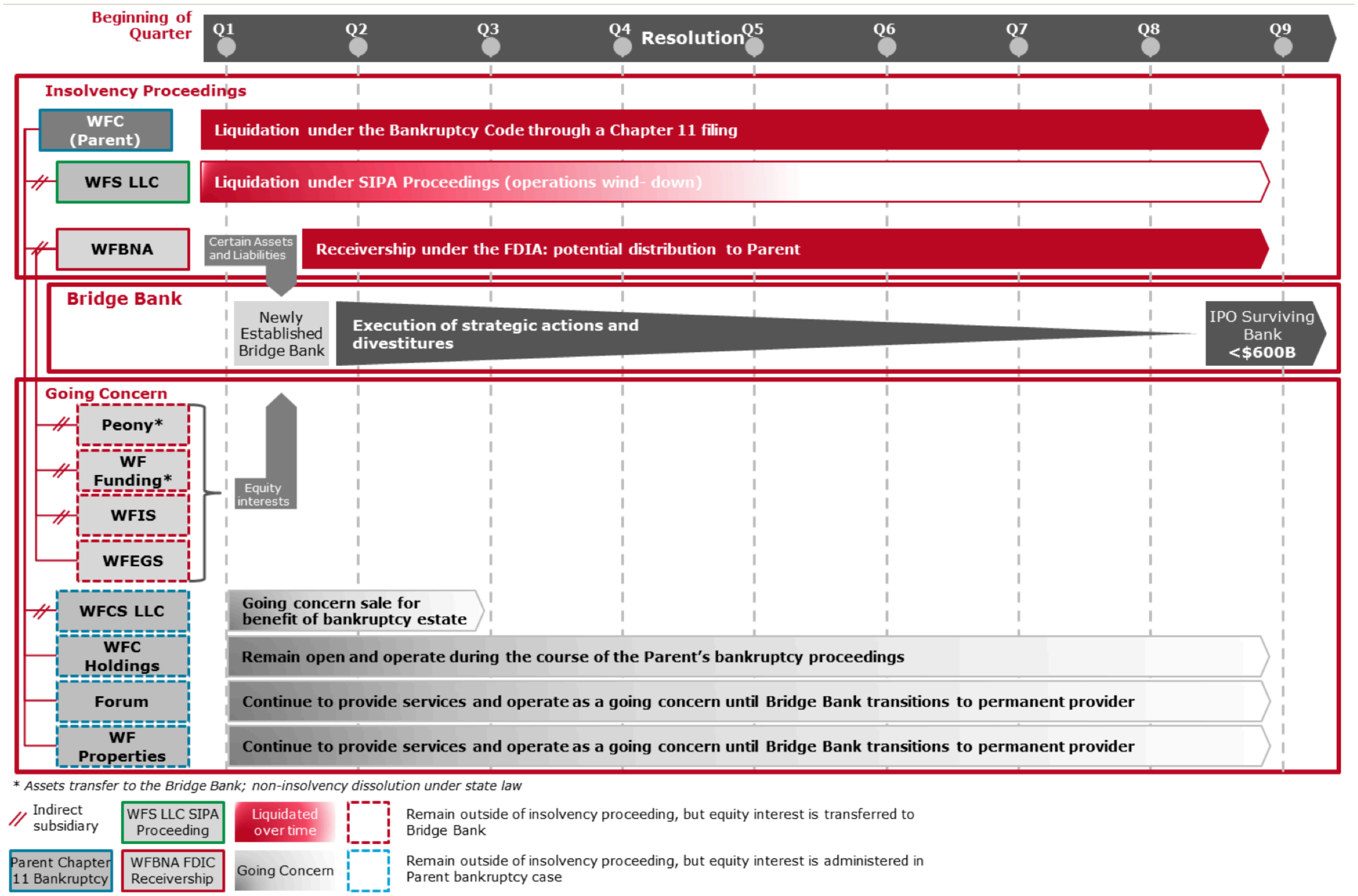
Prepositioned financial resources and limited reliance on wholesale funding markets are expected to allow WFCS LLC to remain outside of bankruptcy. Therefore, we believe the value-maximizing resolution plan for WFCS LLC would involve its sale as a going concern for the benefit of the Parent. We took actions to help ensure that WFCS LLC would retain value prior to its sale, including prepositioning a substantial amount of capital at WFCS LLC and developing plans designed to ensure that it continues to have access to required financial market utilities, which are multilateral systems that provide the infrastructure for transferring, clearing, and settling payments, securities, and other financial transactions among financial institutions or between financial institutions and the system ("FMUs").

The Parent's other non-bank material entity subsidiaries, WFC Holdings, Forum, and WF Properties, are also expected to remain outside of bankruptcy. We have prepositioned financial resources and added specific language to contracts, both of which are intended to ensure that our entities are able to continue to provide critical services to other material entities during resolution.

It is likely that the Parent would complete the sale or liquidation of most of its other assets before WFBNA's receiver has completed its distributions to the Parent bankruptcy estate (described above). If that occurs, the Parent would establish a liquidating trust pursuant to a confirmed plan of liquidation to collect upon any remaining Parent assets, including the WFBNA claims, and distribute the proceeds to the Parent's creditors.

The following figure provides an overview of the resolution plan for our material entities grouped by applicable form of resolution.

Figure 3.3 Resolution Plan for Our Material Entities



3.4 Remediated Deficiencies Related to the 2015 Resolution Plan

In April 2016, the Agencies jointly identified certain deficiencies in our 2015 Resolution Plan related to resolution-planning governance, legal entity rationalization and operational aspects of execution of our preferred resolution strategy, and shared services. Through resubmissions of our 2015 Resolution Plan, the Agencies determined on April 24, 2017 that we had adequately remediated the deficiencies. Please see Section 8 (Remediated Deficiencies Related to the 2015 Resolution Plan) for a more detailed explanation of the actions we took to address the Agencies' feedback.

4 ACTIONS TAKEN TO IMPROVE RESOLVABILITY

Our 2017 Resolution Plan reflects our efforts to further enhance the structure, capabilities, and controls underpinning resolution planning at the Company. These enhancements are intended to address regulatory guidance and the feedback we have received on prior plan submissions. They reflect our analysis of, and are designed to mitigate, the resolvability risks arising from our business profile and the execution of our strategy. We invested significant resources and management attention to develop and maintain the necessary capabilities and the comprehensive governance framework to help ensure an orderly resolution of the Company.

This section describes our process to identify resolvability risks, followed by descriptions of the major enhancements we have made to further mitigate these risks. These areas of enhancement are grouped into the following five categories:

- Building and Positioning Financial Resources
- Strengthening Governance Mechanisms and Managing Employee Retention and Communications
- Maintaining Operational Continuity
- Enhancing Structural Preparedness
- Mitigating Potential Legal Challenges

4.1 Identification and Mitigation of Resolvability Risks

Risk identification and analysis is the basis of our approach to resolution planning, as demonstrated in our 2017 Resolution Plan. We analyzed resolvability risks related to the failure of the Company as well as to the execution of our strategy. We identified and categorized these resolvability risks and their impacts into four broad categories: (1) external markets and participants, (2) our financial resilience under resolution, (3) continued operational continuity, and (4) the ability of our structure to support resolution. Our plan helps to mitigate the risks in these categories through the Company's strategy and capability development, governance framework, and consideration of legal issues that could impact the preferred resolution strategy. On an ongoing basis, we analyze these risks, and refine and develop our capabilities for mitigation. The risk categories and examples of risk-mitigating capabilities are briefly described below.

Figure 4.1 Resolvability Risk Categories and Mitigation

IMPACT ON EXTERNAL MARKETS AND PARTICIPANTS A disorderly unwinding of the Company could have a significant impact on financial markets and their participants.	**Examples of Risk-Mitigating Capabilities:** • Most of the Company's critical operations and the majority of the activities in the Company's core business lines are housed within WFBNA, allowing for transfer to the Bridge Bank while minimizing impact to markets and customers. • We developed operating metrics designed to ensure financial resources are available to fund less liquid collateral and limit interconnectedness for WFS LLC to mitigate the risk of forced liquidation under SIPA. • WFCS LLC would retain sufficient financial resources and FMU access to allow it to be sold as a going concern.
FINANCIAL RESILIENCE Our material entities that support critical operations may not be sufficiently financially resilient, or may not have access to sufficient liquidity and capital sources to implement our preferred resolution strategy.	**Examples of Risk-Mitigating Capabilities:** • We implemented the Support Agreements to provide capital and liquidity support to our operating material entities (*i.e.,* WFBNA, WFS LLC, and WFCS LLC) (the "Operating Material Entities"). • We funded WFC Holdings, our IHC and the central funding vehicle under the Support Agreements, with significant financial resources. • We prepositioned six months of working capital at Service Material Entities providing critical services.

OPERATIONAL CONTINUITY During resolution our material entities could experience disruption in the continuity of their operations that may result in an interruption of their business activities or hinder the execution of our preferred resolution strategy.	**Examples of Risk-Mitigating Capabilities:** • We perform the vast majority of our critical services in WFBNA. • We executed service level agreements ("SLAs") between our legal entities providing and receiving critical services. • We incorporated specific contract language into our SLAs and third-party contracts intended to ensure service continuity during resolution. • Our flexible management information systems ("MIS") are designed to facilitate multiple concurrent divestitures and associated transition services agreements ("TSAs") while maintaining our customers' use and access to banking products and ensuring the security of their information.
STRUCTURAL PREPAREDNESS Our organizational structure may introduce operational or financial impediments to the execution of our resolution strategy.	**Examples of Risk-Mitigating Capabilities:** • We consolidated legal entities to simplify our legal structure. • We moved team members to the legal entities that those team members support; similarly, we moved vendor contracts and leases to the applicable legal entities. • Our simplified legal structure helps support separability and execution of our strategic actions.

4.2 Building and Positioning Financial Resources

To help mitigate risks we identified associated with financial resilience of Wells Fargo in resolution, we built and positioned significant capital and liquidity resources, and developed associated capabilities to monitor and maintain these resources. Since submitting our 2015 Resolution Plan, we increased our liquidity and added to our total loss-absorbing capacity ("TLAC"), and we developed a comprehensive capital and liquidity positioning framework to position a significant portion of these resources within our material entities. We also bolstered our ability to effectively mobilize contributable financial resources during times of stress by prefunding an intermediate holding company, WFC Holdings, with significant financial resources to be deployed prior to resolution. These resources are available to be deployed to material entities pursuant to an executed secured support agreement (the "Secured Support Agreement") and secured committed repurchase facilities (the "Committed Repurchase Facilities"). We refer to these agreements collectively as the "Support Agreements," which are discussed further in Section 4.2.2 (Our Support Agreements).

Capital

We increased our overall capital position and prepositioned capital across the Company's material entities.

- The Company's Common Equity Tier 1 (CET1) ratio (calculated under fully phased-in requirements) of 10.8% exceeds regulatory minimum requirements plus buffers applicable to the Company.
- Our TLAC (calculated under regulatory requirements and comprising CET1 capital of $148.7 billion, qualifying Tier 1 instruments of $23.1 billion, qualifying Tier 2 instruments of $25.7 billion, and senior unsecured debt of $93.1 billion) at the Parent increased to $290.6 billion as of March 31, 2017, representing 21.9% of risk-weighted assets, positioning us to meet the Final TLAC Rule requirements. We also have a methodology through which we have prepositioned significant amounts of TLAC at our material entities while maintaining additional amounts at the Parent and WFC Holdings in order to balance the certainty associated with loss absorbing resources held within a material entity with the flexibility provided by holding resources for further distribution centrally during resolution.

Liquidity

Our liquidity position is characterized by a significant amount of on-balance-sheet liquid assets matched against a stable liability structure centered on our deposit franchise.

- From December 31, 2013 to December 31, 2016, our primary sources of liquidity increased 51% from $316 billion to $477 billion. Our primary sources of liquidity comprise interest-earning deposits ($201 billion), securities of U.S. Treasury and federal agencies ($71 billion), and mortgage-backed securities of federal agencies ($206 billion).
- Additionally, our deposit franchise totals approximately $1.3 trillion, representing approximately 76% of our total liabilities. We make relatively limited use of short-term funding markets, with short-term borrowings representing less than 6% of our consolidated liabilities.

4.2.1 Capital and Liquidity Analysis and Forecasting Methodologies

Our capital and liquidity capabilities are designed to estimate and maintain sufficient capital and liquidity resources for our material entities, and estimate the resources required to allow for the successful execution of our plan. We integrated these capabilities into our enterprise-wide governance mechanisms, which are designed to provide a comprehensive escalation framework from normal business operations, through stress and into resolution.

We further enhanced our governance by expanding and clarifying the responsibilities of the Risk and Finance Committees of the Parent's Board of Directors, the Corporate Asset / Liability Management Committee ("Corporate ALCO"),[7] and other governance processes to include resolution-planning activities.

Capital Forecasting Methodologies

- *Resolution Capital Adequacy and Positioning* ("RCAP"): Our RCAP approach is designed to ensure that we have sufficient TLAC available as required by the Final TLAC Rule[8] and the Company's methodology for allocation of TLAC to our material entities during resolution, with a balance between: (1) the certainty of prepositioning TLAC at subsidiaries and (2) the flexibility of holding contributable resources at the Parent and WFC Holdings to meet unanticipated losses. Our methodology is derived from a risk-based scorecard that informs prepositioning targets at our material entities as a percentage of RCEN and applicable regulatory minimums.
- *Resolution Capital Execution Need* ("RCEN"): Our RCEN methodologies and tools estimate the amount of capital that would be needed to support each material entity during resolution. The methodologies are designed to allow for sufficient capital at our Operating Material Entities and provide for six months of working capital at WFIS, WFEGS, Forum, and WF Properties (the "Service Material Entities"). We have created an integrated framework that utilizes our existing capital planning tools, and augmented them with capabilities to support forecasting of capital requirements under resolution.

  We enhanced our existing capital management policies to incorporate resolution capital methodologies, which govern quantitative limits, capital, and TLAC triggers, as well as escalation and action protocols.

Liquidity Forecasting Methodologies

- *Resolution Liquidity Adequacy and Positioning* ("RLAP"): On a daily basis, our RLAP tools measure the stand-alone net liquidity position for each Operating Material Entity over a specific stress time frame. The RLAP methodology incorporates assumptions across various products, including third-party and inter-affiliate transactions, legal restrictions on the ability of material entities to access the liquid assets of other material entities, the impact of resolution events (such as credit rating downgrades and cross-defaults) on derivative transactions, and foreign branch ring-fencing considerations. The liquidity positioning framework utilizes a material entity-level, risk-based scorecard to help ensure adequate resources are either prepositioned or readily available to meet requirements at each material entity to support our plan.
- *Resolution Liquidity Execution Need* ("RLEN"): Our RLEN capabilities are designed to assess the liquidity required to resolve each material entity in a rapid and orderly manner in accordance with our plan. The RLEN framework incorporates many of the same considerations as the RLAP framework. Normally, the Company will use the RLEN methodology to produce monthly updates to help ensure liquid assets are appropriately positioned at our material entities. During times of stress, the Company would use the RLEN methodology to produce daily updates when the firm enters Enterprise Severity Level 3 (Stress) under the governance framework described below. The Company presently maintains a significantly larger liquidity buffer than its forecasted RLEN requirement to help ensure sufficient liquidity is available to support our resolution strategy. Our liquidity buffer includes cash, United States Treasuries, sovereign and supra-national debt securities, United States federal government agency and government sponsored enterprise-issued securities, Agency Mortgage-Backed Securities, Agency Collateralized Mortgage Obligations, Investment Grade Non-Financial Corporates, and Russell 1000 common shares.

  We integrated triggers based on RLAP and RLEN into our enterprise governance mechanisms framework and associated liquidity risk management policies utilized in ongoing management of the Company.

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[7] The Corporate ALCO provides management-level oversight for liquidity risk management and is responsible for, among other things, recommending to the Board's Risk Committee the Company's liquidity risk appetite and management metrics and limits.

[8] Total Loss-Absorbing Capacity, Long-Term Debt, and Clean Holding Company Requirements for Systemically Important U.S. Bank Holding Companies and Intermediate Holding Companies of Systemically Important Foreign Banking Organizations, 82 Fed. Reg. 8266 (January 24, 2017) (codified at 12 C.F.R. Part 252) (the "Final TLAC Rule").

4.2.2 Our Support Agreements

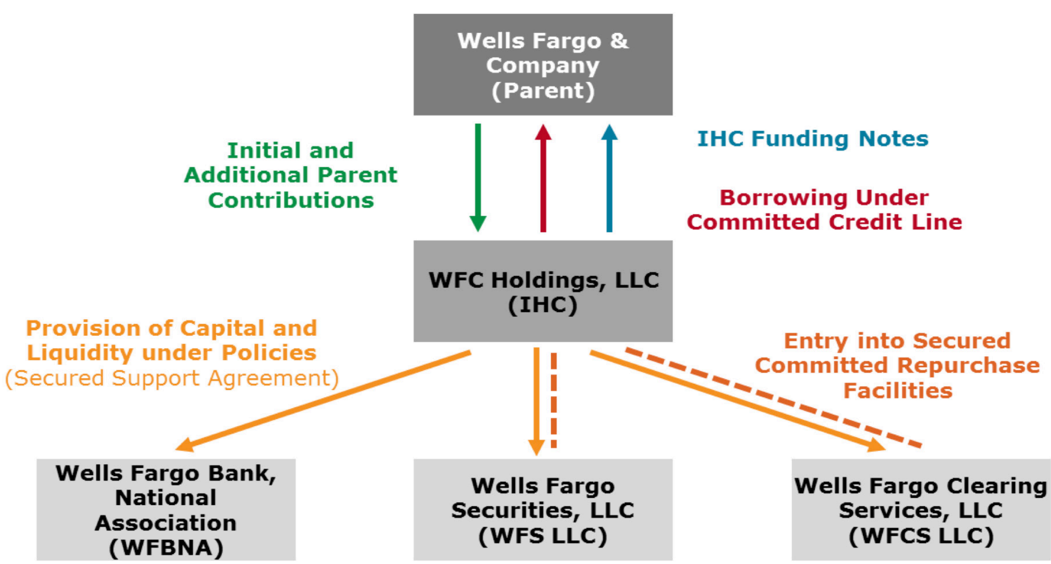
Our Support Agreements and IHC structure are key enhancements to our 2017 Resolution Plan. Consistent with the 2017 Guidance, we considered the effectiveness of contractually binding mechanisms and the use of WFC Holdings as an IHC for purposes of providing pre-resolution financial support to certain of our material entities. As a result, the Parent, WFC Holdings, WFBNA, WFS LLC, and WFCS LLC entered into contractually binding mechanisms, the Secured Support Agreement and the Committed Repurchase Facilities. These agreements are designed to provide WFBNA, WFS LLC, and WFCS LLC with timely access to sufficient resources in order to effectuate their preferred resolution strategies. Upon the occurrence of the pre-defined capital and liquidity-based triggers discussed above, WFC Holdings is contractually obligated to provide capital and liquidity support to WFBNA under the Secured Support Agreement, and to enter into repurchase transactions providing liquidity to WFS LLC and WFCS LLC under the Committed Repurchase Facilities (collectively, the "Final Contribution Event").

Prior to filing our 2017 Resolution Plan, the Parent made an initial contribution of assets to WFC Holdings, including liquid assets and inter-affiliate loans, in exchange for funding notes ("IHC Funding Notes"), and retained a cash reserve amount to cover short-term expenditures and certain other assets. Under the Secured Support Agreement, during normal business operations, (1) the Parent must make additional contributions to WFC Holdings from time to time of any new assets in excess of those retained assets, such as proceeds received from a subsequent debt issuance, and (2) WFC Holdings is obligated to provide capital and liquidity to the Company's subsidiaries, in each case consistent with existing policies and procedures. Further, during normal business operations, the Secured Support Agreement provides the Parent with ongoing liquidity through a committed line of credit to satisfy its debt-service and other funding needs. The Parent also continues to receive dividends or distributions made by its subsidiaries.

The Parent's obligations and WFC Holdings' obligations to WFBNA, WFS LLC, and WFCS LLC under the Support Agreements are secured by the Parent's and WFC Holdings' assets (except for certain explicitly excluded assets) pursuant to a security agreement. The Support Agreements also contain a liquidated damages provision, which sets damages for breaches by the Parent of its obligation to make contributions and breaches by WFC Holdings of its obligations to provide support following the Final Contribution Event to (1) WFBNA under the Secured Support Agreement and (2) WFS LLC and WFCS LLC under the Committed Repurchase Facilities.

The following figure illustrates the initial contribution and ongoing funding and other arrangements under the Support Agreements during normal business operations:

Figure 4.2 Support Agreements Structure During Normal Business Operations

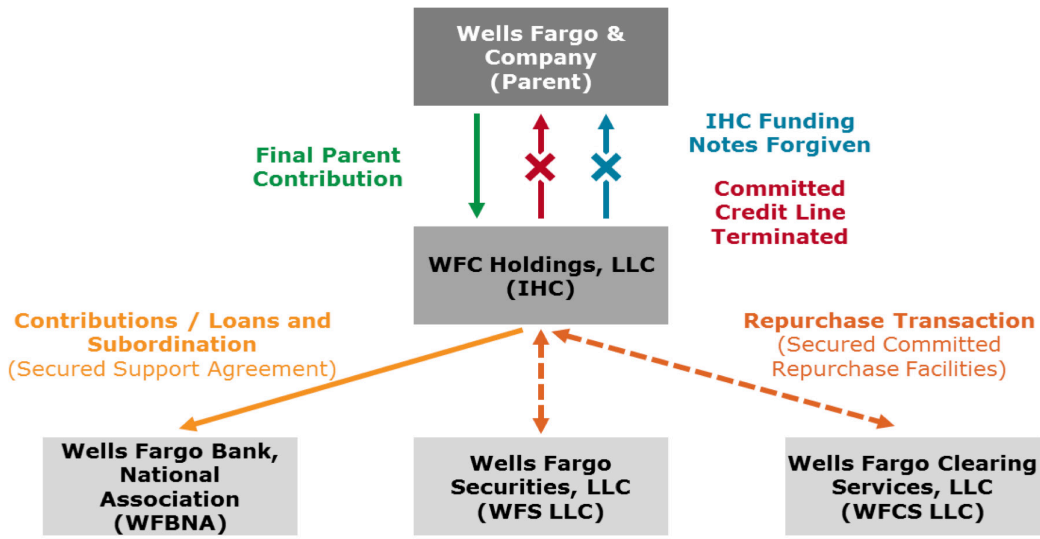


We established a comprehensive governance framework guided by capital, liquidity, and market metrics, as discussed further below in Section 4.3.1 (Strengthening Governance Mechanisms), to steer the Company through times of significant financial stress. Embedded within this framework are clearly defined triggers informed by our RCEN and RLEN estimates and synchronized to the Company's capital and liquidity forecasting methodologies. These quantitative triggers, as well as certain qualitative triggers implicated by the impending failure of WFBNA or the Parent, trigger the Final Contribution Event.

Upon the occurrence of the Final Contribution Event, the Secured Support Agreement obligates the Parent to contribute its remaining liquid assets to WFC Holdings, less a holdback amount to permit the Parent to meet its anticipated debt expenses for a limited period of time and to cover the expected expenses of its bankruptcy proceeding. The holdback for the Parent's anticipated expenses would permit the Parent and its regulators to consider the best course of action considering the liquidity crisis suffered by WFBNA, including exploring strategic alternatives not contemplated by our 2017 Resolution Plan, and, ultimately, commencement of a FDIC receivership process. When the trigger for this contribution occurs, the outstanding amounts under the IHC Funding Notes are automatically forgiven and the committed line of credit automatically terminates, in each case in accordance with their respective terms.

The following figure illustrates the Final Contribution Event under the Support Agreements:

Figure 4.3 **Final Contribution Event under Support Agreements**



The Support Agreements do not require any Board of Director action for the final contributions to occur. The agreements have received all necessary approvals and are designed to automatically provide for the down-streaming of financial resources upon the occurrence of pre-determined triggers.

We enhanced our plan by entering into the Support Agreements and utilizing WFC Holdings as the central funding vehicle as described above. These actions have already been undertaken, at a time when the Company is clearly solvent. As a result, legal challenges of the type described by the Agencies in their 2017 Guidance, premised on theories such as fraudulent transfer, preference or breach of fiduciary duty, should be without merit and should not hinder the execution of our MPOE strategy.

4.3 Strengthening Governance Mechanisms and Managing Employee Retention and Communications

4.3.1 Strengthening Governance Mechanisms

To help mitigate the risks associated with operational continuity, financial resilience, and structural preparedness, we have implemented comprehensive governance mechanisms that support our resolvability in the following three areas: (1) triggers and escalation protocols, (2) pre-bankruptcy Parent support, and (3) governance playbooks. These mechanisms are intended to enable us to identify and appropriately respond to stress events through the execution of informed and timely Board of Directors and management action, and help ensure that financial resources are made available to material entities to support the execution of our resolution strategy.

Enterprise Severity Levels

Upon trigger breaches, our governance mechanisms require escalation to our Board of Directors and senior management for declaration of appropriate Enterprise Severity Level. The Severity Levels indicate the magnitude of stress experienced by the Company at all points in the crisis continuum and provide a common nomenclature to facilitate a timely response to external and internal threats that may impact the financial health and operating conditions of the Company. The Severity Levels are as follows:

- **Severity Level 5** – Target Operating Range
- **Severity Level 4** – Heightened Vigilance
- **Severity Level 3** – Stress
- **Severity Level 2** – Runway
- **Severity Level 1** – Resolution

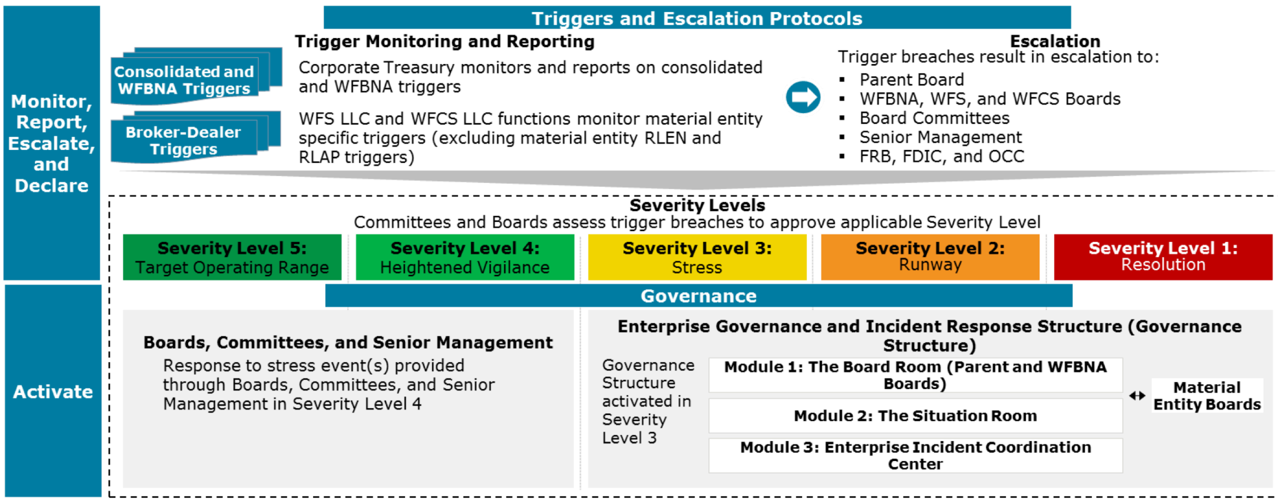
The process to approve and declare a particular severity level is based primarily on breaches of quantitative triggers, although no single trigger or set of triggers automatically leads to a severity level declaration. In addition to the quantitative triggers, the decision to recommend and approve a severity level incorporates management judgment based on factors including, but not limited to, the following:

- The pace at which the financial and operational condition of the Company deteriorates.
- The proximity of a breached trigger to a subsequent trigger breach associated with the next severity level.
- The cumulative financial impact of multiple trigger breaches and the anticipated impact to the lines of business, material entities or the Company as a whole including potential reputational risks, based on prevailing market conditions and sentiment.

Our governance mechanisms are documented in our board governance playbooks which serve as guides for our Board of Directors and senior management to identify and respond to stress event(s) in a coordinated manner.

The following figure provides an overview of the relationships between our governance mechanisms that help provide timely responses to real-life stress scenarios.

Figure 4.4 Governance Mechanisms and Enterprise Severity Levels



Triggers and Escalation Protocols

- We clearly defined existing and new triggers aligned to severity levels to help identify and detect stress events at the appropriate time, including pre-action triggers and early warning indicators and incorporated the Company's methodologies for forecasting capital and liquidity needs throughout the crisis continuum.
- We strengthened our escalation protocols to enable timely reporting of trigger breaches to our Board of Directors and senior management. Our escalation protocols include clearly defined timeframes for notifying appropriate parties and include the second line of defense review and challenge prompting further escalation, as necessary.

Pre-Bankruptcy Parent Support

- We analyzed potential bankruptcy and state law challenges to understand and help mitigate potential challenges to the Parent's proposed pre-bankruptcy funding of capital and liquidity to material entities and timely execution of the Parent's pre-bankruptcy and bankruptcy filing actions.
- We executed Support Agreements to contractually bind the Parent and WFC Holdings to provide capital and liquidity support to the Operating Material Entities and to help mitigate potential creditor challenges that may impede the successful execution of the Company's resolution strategy.
- We prepositioned financial resources at Operating Material Entities in addition to holding contributable capital and liquidity resources at the Parent and WFC Holdings. In addition, we have prepositioned six months of working capital at Service Material Entities to help mitigate disruption of critical services during resolution.

Board Governance Playbooks

- We enhanced existing playbooks and created new Board governance playbooks for each of our material entities to provide guidance to their respective Boards of Directors and senior management on timely execution of the actions required to execute our resolution plan.
- Our Board governance playbooks also incorporate our triggers, which are linked to specific actions for (1) escalation of information to the relevant Board of Directors and senior management of material entities to take corresponding actions throughout the crisis continuum; (2) recapitalization and funding of subsidiaries prior to resolution; and (3) the timely execution of Board of Directors and senior management actions to help mitigate the impacts of the stress event(s), including those actions related to the execution of the Company's communications and employee retention strategies.

Enterprise Governance and Incident Response Structure

We have a well-established Enterprise Governance and Incident Response Structure (the "Governance Structure"), which is designed to allow for rapid execution of Board of Directors and senior management actions during stress events by facilitating cross-functional collaboration and timely communication among the Board of Directors and senior management and business and functional areas across the Company. Our Governance Structure is risk-agnostic to allow for a comprehensive response to any type of risk event (*e.g.,* cyber threat, natural disaster, financial stress) and includes representation from relevant subject matter experts from business and functional areas, including RRPO which has specialized knowledge related to the execution of our resolution plan.

Training and Testing

We trained and tested all our material entity Boards of Directors and senior management on changes to their roles and responsibilities, fiduciary duties, and potential actions during stress events. The trainings and testing conducted have helped educate our Boards of Directors and senior management in addition to confirming the usability and effectiveness of our board governance playbooks. Lessons learned from the testing have been utilized to further inform and enhance our governance mechanisms to improve ongoing coordination, communication, and actions across all levels of our Governance Structure.

4.3.2 Managing Employee Retention and Communications

As part of this process, we enhanced our employee retention playbook to update and detail the strategy for identifying and retaining key roles, including employee retention options to facilitate operational continuity. In addition, we have enhanced our communications playbook to detail our approach and strategy for communicating with internal and external stakeholders in a timely manner.

4.4 Maintaining Operational Continuity

During resolution, our material entities could experience disruption in the continuity of their operations that may result in an interruption of their business activities or hinder the execution of our preferred resolution strategy. To help ensure these operations continue, we made significant investments in capabilities related to our payment, clearing, and settlement ("PCS") activities, collateral management, MIS, and shared services. Our comprehensive reporting and data capabilities support our ongoing activities under normal business operations, and help to prepare us in the unlikely occurrence of a resolution event. In addition, we developed comprehensive capabilities designed to identify, monitor, and ensure continuation of critical services. Key enhancements include the following:

4.4.1 Payment, Clearing, and Settlement

Our PCS resolution capabilities provide detailed information about material FMU relationships and the process to help ensure continued access to FMUs, including identification and monitoring of intraday liquidity needs.

- **Material FMUs**
  - Our material FMU methodology incorporates applicable volume and value transaction data, as well as applying qualitative considerations, to identify the material FMUs for Wells Fargo.
  - To assess risks relating to access, we analyzed the access requirements to material FMUs, including conducting contingency exercises, internal simulations, and interviews with FMU management.
  - While we believe we would maintain access to the majority of our material FMUs during resolution provided that financial and operational requirements are satisfied, we have adopted contingency plans and back-up arrangements in support of the plan.
- **Liquidity Requirements**
  - We enhanced our processes for monitoring intraday liquidity obligations to FMUs during normal business operations, stress and resolution conditions. We incorporated these into our Intraday Liquidity Management System in order to monitor and analyze intraday liquidity needs.
  - Our resolution forecasting capabilities embedded in our RLAP and RLEN methodologies integrate our FMU activity with assumptions of expected customer behavior during resolution along with our expectations on increased demands by material FMUs for adequate assurance in response to our weakening financial position.

- **FMU Playbooks**
  - For each material FMU, we maintain PCS playbooks that serve as repositories of options to maintain access, forecasts of potential FMU adverse actions, FMU reporting requirements, and lists of relevant contact personnel and decision makers.
- **Governance**
  - We enhanced our FMU-related governance mechanisms, including the establishment of an enterprise-wide PCS Office (the "PCS Office") to lead our interactions with FMUs before and during resolution.

4.4.2 Collateral Management

We enhanced our collateral management capabilities to help ensure we have effective processes for managing, identifying, and valuing collateral that the Company receives from and posts to external parties and affiliates.

- **Searchable Counterparty Agreements**
  - We enhanced our existing enterprise collateral agreements data repository by expanding the scope of agreement types it holds. We also enhanced our ability to readily access, aggregate, search, and regularly review key counterparty collateral agreement terms at the field level – such as affiliate cross-default, early termination, and credit rating downgrade provisions – that may impact resolution, including stressed funding needs and collateral balances.
- **Collateral Reporting and Stress Testing**
  - Our collateral reporting and stress testing capabilities are designed to track firm collateral sources and uses at the CUSIP level on at least a t+1 basis, by leveraging our centralized liquidity analytics application and to track, report and analyze inter-branch collateral pledged and received.
- **Governance**
  - We formed a centralized enterprise-wide collateral management unit within Corporate Treasury, and have a comprehensive enterprise-wide collateral management policy that informs how we approach collateral. We integrated this enterprise-wide policy into our line of business policies.
  - We established the Collateral Management Governance Committee to govern enterprise-wide collateral activities. This committee is responsible for oversight of the collateral management policy and overall collateral management governance.
  - We created an enterprise-wide Qualified Financial Contracts ("QFCs") policy, which includes certain restrictions on cross-default to our affiliate in our QFCs.
  - We improved resolvability by adhering to the International Swaps and Derivatives Association Resolution Stay Protocol (the "ISDA Protocol").

4.4.3 Management Information Systems

We enhanced our MIS capabilities to readily produce reliable and retrievable key data on a legal entity basis, and implemented controls to help ensure data integrity and reliability. Our MIS reporting solutions include:

- A Critical Reports Inventory to identify key reports and financial and risk data, which is designed to support our management decision-making at the appropriate frequency and granularity up to and during resolution.
- The capability to produce daily risk exposure reporting by legal entity, including by external counterparty and affiliate exposures.
- Centralized repositories housing information related to financial contracts, third-party contracts, SLAs, and TSAs, searchable by individual fields. These database repositories support our Service Catalog documentation and reporting.
- MIS capabilities designed to adapt our strategic actions in response to buyer needs.

- We maintain repositories of information related to the Service Catalog, financial contracts, third-party contracts, SLAs, and licenses and memberships to exchanges and value transfer networks, including FMUs, with functionality to enable searches for key data fields.
- Governance routines are embedded within the Enterprise Information Technology governance framework, named the Enterprise Information Technology Target Operating Model, to manage the ongoing sustainability of recovery and resolution planning capabilities and the development of any new recovery and resolution planning requirements, and to coordinate across other programs.

4.4.4 Shared Services

Our critical services delivery model is designed to guide the identification of the Company's critical services, map legal entities and resources used to support them, and develop capabilities to help ensure the resiliency of those critical services in resolution. To help enable the consistent identification of critical services, we developed a services taxonomy across the Company that itemizes our individual critical services utilizing harmonized service definitions. This taxonomy informed the development of our Service Catalog, which maintains a detailed record (or mapping) of critical services that support our critical operations, including the following components: personnel, facilities, systems, third-party vendors and FMU relationships, and intellectual property. The Service Catalog helps provide for (1) the analysis of whether the services are essential during our resolution, (2) the identification of mitigants to risks to the ongoing provision of the services, and (3) the integration of the Service Catalog to our legal entity rationalization process, which is intended to ensure that our legal entity structure supports our critical services delivery model.

Mitigation of continuity risks:

- As discussed further in Section 4.5 (Enhancing Structural Preparedness) below, our legal entity rationalization process integrated the critical services delivery model into the Company's legal entity rationalization criteria ("LER Criteria"). We utilize the Service Catalog to identify opportunities to simplify our legal structure used to support critical services, and to make structural and non-structural changes to enhance the resolvability of the Company. Our ongoing recent evaluations led to changes to enhance our resolvability, including:
  - Consolidation of legal entities that provide critical services.
  - Realignment of personnel, third-party vendors, and facilities to help ensure our ongoing provision of critical services during resolution.
  - Execution of clearing agreements with third-party providers of FMU access to help ensure ongoing continuity of access.
- The incorporation of our critical services delivery model into our ongoing management of the Company led to direct actions intended to ensure ongoing provision of critical services, including the following:
  - Inclusion of appropriate terms and conditions to prevent termination based on insolvency.
  - Establishment of SLAs and the integration of resolution-resilient language between affiliates for service provision.
  - SLAs reflect pricing considerations on an arm's-length basis as appropriate.
  - Digitization of contracts, leases, and SLAs into centralized repositories in a searchable format at the data field level.
  - Placement of sufficient working capital in relevant legal entities.
- We embedded governance over our critical services delivery model into the ongoing management of the Company.
  - Our Shared Services Governance Office maintains the Service Catalog and monitors the legal entities providing critical services, SLAs, and third-party vendor contracts to ensure compliance with our critical services delivery model.
  - Our Operational Resiliency group performs periodic assessments, at a minimum annually, of the Service Catalog, including the mapping of critical services to material entities, core business lines, critical operations and strategic actions.

4.5 Enhancing Structural Preparedness

4.5.1 Legal Entity Rationalization

To help address the risk that our organizational structure may introduce operational or financial impediments to the execution of our resolution strategy, we maintain the following capabilities:

- **LER Criteria:** We implemented clear and actionable LER Criteria intended to support our preferred resolution strategy and minimize risk to the stability of the United States financial system in the event of our failure. Application of our LER Criteria is intended to (1) facilitate the contemplated financial support to our material entities, (2) enable strategic actions contemplated in the plan while maintaining continuity of critical services, (3) adequately protect WFBNA from risks arising from our non-bank entities, and (4) minimize our overall complexity. These criteria are organized into seven high-level objectives, as described in the table below. Collectively, these capabilities and their application allow us to monitor changes in the Company's business over time by actively assessing changes to the asset composition and risk profile of affiliates, such as international bank activities and non-bank activities that could affect orderly resolution under our plan.
- **LER Assessments:** We executed comprehensive assessments of the alignment of our corporate structure with our LER Criteria, and identified specific projects to enhance resolvability, including the following:
  - We consolidated bank-permissible activities within WFBNA and aligned personnel, third-party vendor contracts, and facilities with the entities they serve, in order to reduce the number of legal entities that are designated as service or component providers.
  - We rationalized and realigned the ownership of numerous legal entities by line of business in order to optimize the execution of our plan generally, including certain strategic actions.
  - As noted above, we executed clearing agreements with third-party providers of FMU access to help ensure ongoing continuity of access.

Figure 4.5 Summary of LER Objectives and Criteria

LER Objectives	Summary of Certain LER Criteria	Examples of Application of Criteria
1. Protect the Insured Depository Institutions	Limit the financial and operational interconnectedness of broker-dealers and international activities with WFBNA.	We maintain quantitative metrics to monitor strategic changes over time (including with respect to WFS LLC, WFCS LLC, and certain international activities).
	Conduct critical services supporting WFBNA within WFBNA or one of its wholly-owned subsidiaries.	We moved employees supporting the provision of critical services from certain of the Company's legal entities to WFBNA.
2. Minimize complexity	Maintain a separate institutional and a retail licensed broker-dealer.	We maintain separation of WFS LLC and WFCS LLC.
	Limit the number of legal entities that perform the same critical service for a material entity.	We consolidated a legal entity service provider into Forum, one of our material entities.

LER Objectives	Summary of Certain LER Criteria	Examples of Application of Criteria
3. Manage the level of risk in the organization's material entities consistent with the preferred resolution strategy	Conduct critical operations in a small number of well-capitalized and well-funded legal entities.	WFBNA conducts most of our critical operations and is supported by capital and liquidity pre-positioning, and entered into the Support Agreements, to help ensure that WFBNA is well-capitalized.
	Require that intercompany derivative transactions are Volcker Rule-compliant,[9] executed on an arm's-length basis, and subject to daily margining when between legal entity affiliates.	Over-the-counter derivative positions between affiliates and WFBNA are pursuant to fully-collateralized agreements that satisfy Regulation W requirements with only small legacy positions to third parties.
4. Facilitate capital and liquidity flows	Maintain a legal entity structure that minimizes the disruption of funding flows.	We utilize WFC Holdings as an intermediate holding company to provide capital and liquidity support to the Operating Material Entities.
	Ensure sufficient liquidity and capital is available to each material entity to effectuate its preferred resolution.	We increased our TLAC available at the Parent and IHC to help ensure that the Company's material entities could continue to operate while the Company executes its preferred resolution strategy.
	Document, monitor, and limit any funding impediments or obstacles to the Company's preferred resolution strategy, including any potential early termination or unconditional cancellation.	We published QFC standards, placing restrictions on certain terms in QFCs as well as on QFC activities of the Parent, either as a contracting party or as a guarantor.
5. Ensure continuity of critical services	Align resources with the legal entities they serve by ensuring that staff is employed by the operating subsidiary that they support and the legal entity that benefits from technology, intellectual property, or fixed assets will hold those assets on its balance sheet. If staff support a legal entity by which they are not employed, or a legal entity relies on assets not on its balance sheet, put appropriate SLAs in place to ensure continuity of services in a resolution scenario.	We transferred applicable support personnel to WFBNA to locate them in the legal entity they support in order to preserve continuity of operations for the Bridge Bank in resolution.
	Ensure that legal entities receiving critical services can continue to receive those services in resolution by (1) maintaining SLAs that provide for continued access in resolution, and / or (2) establishing redundancy or contingency arrangements that are critical to the successful execution of the preferred resolution strategy.	We executed a master intercompany service agreement and re-documented the underlying SLAs to help ensure such resources are readily identifiable and accessible in resolution; we maintain clearing agreements with third-party providers of FMU access to provide a means of accessing these FMUs where required in resolution.

9 The Volcker Rule refers to Section 619 of the Dodd-Frank Act and the rules and regulations promulgated thereunder.

LER Objectives	Summary of Certain LER Criteria	Examples of Application of Criteria
6. Promote separability	Restrict ability of legal entities that are identified as likely to be sold in the Company's resolution or recovery plans to own subsidiaries that are not expected to be part of the identified sale.	We moved certain legal entities sitting under the WFBNA ownership chain to the Parent's ownership chain to promote separability and support the execution of certain strategic actions in a resolution scenario.
	Maintain the ability to execute the planned WFBNA strategic actions without impacting the surviving operations of the Bridge Bank. Additionally, develop and maintain the ability to provide continuing TSAs for the planned geographic region strategic actions in order to allow for more flexibility in resolution.	Our SLAs, and the accessibility of the data underlying them, readily allow for incorporation of required services into applicable TSAs upon the divestiture of a legal entity party to the SLA to help ensure the continued provision of services.
7. Rationalize international growth	Establish a new international legal entity only if that legal entity does not impede the overall resolution of the Company.	Legal entity rationalization considerations are embedded into the fundamental legal entity event governance process, which monitors the establishment of new international legal entities.

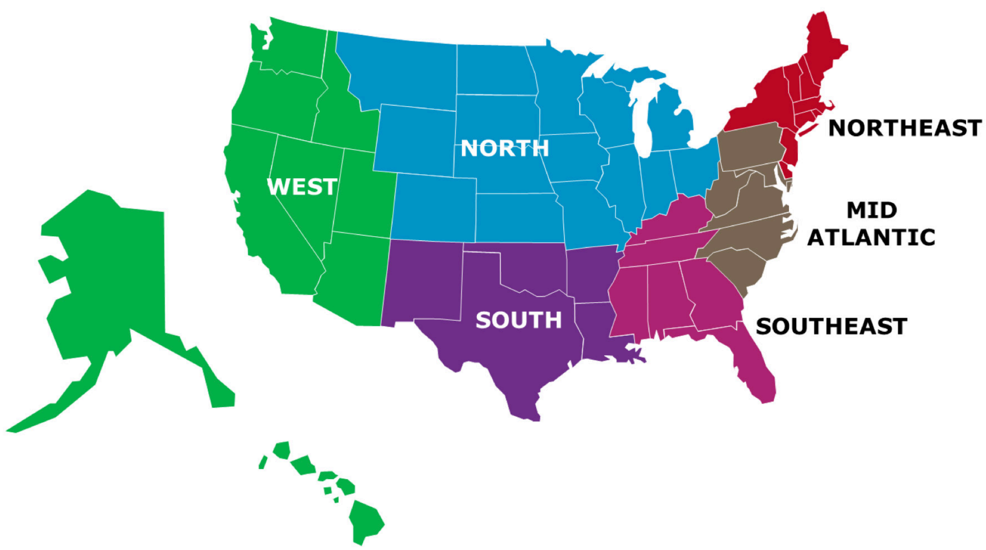
- **Governance:** We integrated our LER Criteria fully into our ongoing processes for creating, maintaining, and optimizing our structure and operations on a continuous basis.
  - We embedded our legal entity rationalization considerations into our new and modified products review process, strategic planning, and mergers and acquisitions processes (including divestitures and strategic investments).
  - We created a dedicated and permanent Legal Entity Office, reporting to the Chief Financial Officer ("CFO"), to manage enterprise-wide legal entity governance throughout the legal entity lifecycle, and to oversee policies, procedures, and governance protocols to ensure ongoing application of the LER Criteria.

4.5.2 Enabling Separability

Our separability capabilities are designed to enable us to execute our plan, including our strategic actions, under a variety of market conditions while maintaining the operational continuity of our critical services for our ongoing operations throughout resolution.

As discussed in Section 3 (Our 2017 Resolution Plan), our plan requires that we reduce the size of the Bridge Bank prior to its IPO through the execution of our strategic actions. A significant number of our strategic actions revolve around regional portfolios, as depicted in the figure below. Our plan contemplates that the FDIC would create salable regional portfolios consisting of our retail branches and selected customer loan and deposit account portfolios, which would be sold to purchasers interested in entering a particular region or growing their existing banking capabilities in a region. For the purposes of illustration, the following figure depicts how such regional portfolios may be potentially organized. As described in more detail below, we developed operational capabilities that would permit the FDIC flexibility around the composition of these strategic actions (*e.g.,* sell assets in individual states or group certain states together) and organization of these strategic actions (*e.g.,* assemble these actions around portfolio sales, line of business divestitures, and finally, an IPO of the remaining assets).

Figure 4.6 **Proposed Regional Portfolios**



To facilitate the rapid and orderly execution of each strategic action, we took the following actions:

- We created strategic action playbooks and supplemental operational playbooks.
- We conducted hypothetical due diligence exercises intended to ensure potential buyers would have access to the information they may require to understand the assets being sold.
- We populated virtual data rooms to hold this analysis, which will be updated at least annually to help enable efficient completion of the strategic actions.
- We created detailed mappings of assets and liabilities at the accounting unit level in order to allow flexibility to group strategic actions into different regions or portfolios to respond to buyer needs.
- We analyzed multiple execution options for strategic actions to improve flexibility for the Company and buyers.
- Our MIS capabilities are designed to facilitate multiple concurrent divestitures, including processes to provide necessary services to buyers via TSAs, while maintaining our customers' use and access to banking products, and ensuring the security of their customer information. Our critical services delivery model helps us rapidly develop TSAs and other transitional arrangements when executing strategic actions.

We also made changes to our Company structure to enhance separability. For example, we took a number of measures to enhance our ability to market and sell WFCS LLC as a going concern to a suitable buyer in a timely manner:

- We maintain a long-standing organizational separation between WFCS LLC (our retail broker-dealer) and WFS LLC (our institutional broker-dealer), so that our institutional and retail brokerage businesses do not need to be separated prior to resolution.
- We merged the two legal entities that had previously provided our retail broker-dealer services – First Clearing LLC and Wells Fargo Advisors, LLC – into one material entity, WFCS LLC.
- We pre-positioned financial resources within WFCS LLC to help facilitate the execution of our resolution strategy.
- We performed hypothetical due diligence and established a virtual data room, as described above.

4.6 Mitigating Potential Legal Challenges

Our resolution plan incorporates elements designed to mitigate legal challenges to its implementation. We devoted significant resources, including engaging local counsel and other specialists, to identify and analyze potential legal challenges and mitigants. In addition to the creditor challenges associated with our entering into the Support Agreements discussed above in Section 4.2 (Building and Positioning Financial Resources), we analyzed other relevant legal challenges, including those described below.

Competing Insolvency Regimes and Ring-Fencing

- In addition to analyzing the three separate resolution regimes for the Parent, WFBNA, and WFS LLC, we analyzed the risk that the failure of WFBNA could lead supervisors, resolution authorities or third parties in multiple jurisdictions to take actions (or abstain from actions) that could result in separate insolvency proceedings or restrictions on the activities or availability of assets of WFBNA's foreign branches and subsidiaries. These types of events are often referred to as "ring-fencing."
- We analyzed the potential impact on the Bridge Bank's capital and liquidity, and the ability of the Bridge Bank or other surviving legal entities to replace services and funding that would be cut off as a result of ring-fencing proceedings. We believe we would have sufficient financial resources and operational capabilities for the successful execution of our resolution plan.

Compliance with National Depositor Preference Statute

The National Depositor Preference Statute, enacted as part of the Federal Deposit Insurance Act, specifies the order of priority by which the FDIC will make distributions of amounts realized from the resolution of WFBNA.

- The statute provides that deposit liabilities have a higher priority than other general or senior unsecured liabilities of WFBNA, which in turn have a higher priority than subordinated obligations of WFBNA.
- Deposits payable only outside the United States and deposits at an International Banking Facility are not treated for the purposes of the statute as deposit liabilities, but are treated as unsecured obligations with the same priority as, for example, senior debt owed by WFBNA or litigation claims against WFBNA.
- With respect to WFBNA, our plan is designed to comply with the priority order specified in the National Depositor Preference Statute without requiring the FDIC to split a class (that is, treat certain claims differently than certain other claims having the same priority). Subordinated borrowings by WFBNA would remain in the FDIC receivership.

ISDA Protocol

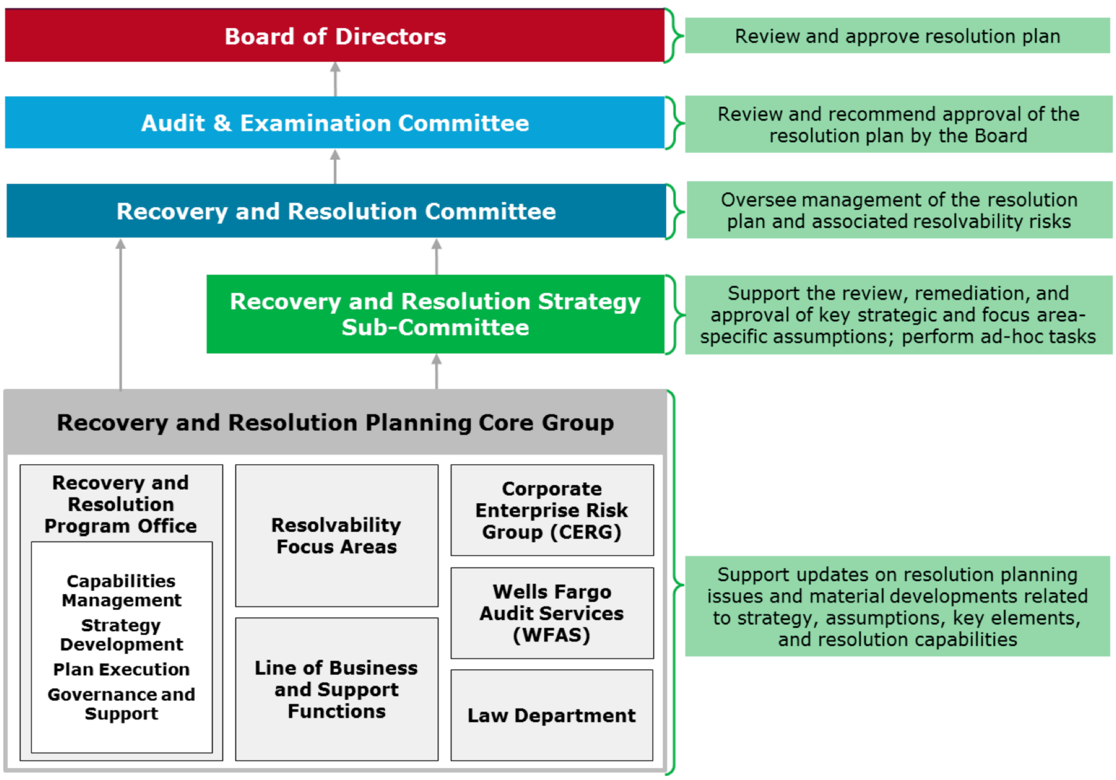
- We addressed legal issues associated with the implementation of Section 2 of the ISDA Protocol, which provides for an automatic override of cross-defaults related to an affiliate entering United States insolvency proceedings without the need for a court order or other court action, except as provided in Section 2(b) thereof, which requires court action in certain circumstances (*e.g.,* where the affiliate is a guarantor).
- Through a centralized database, we have the capability to analyze guarantees and cross-default provisions in our ISDA master agreements ("ISDA Master Agreements") and other QFCs. WFBNA is the Company's primary OTC derivatives booking entity. Based on our analysis of its ISDA Master Agreements and security financing transactions, we concluded that Section 2(b) of the ISDA Protocol is not relevant to WFBNA's resolution. Instead, Section 2(a) of the ISDA Protocol would override cross-defaults in WFBNA's QFCs and security financing transactions without the need for court action.
- We also concluded that Section 2(b) of the ISDA Protocol is not relevant to the resolution strategy of any of the Company's other material entity subsidiaries due to the general absence of Parent guarantees of their QFCs.

5 GOVERNANCE AND CONTROLS

5.1 Governance Overview

Our resolution planning process is governed through a structure that aligns with the Company's risk management framework, as it is described in the Company's Annual Report for 2016. This governance approach, reflected in the figure below, is designed to enable comprehensive oversight of the Company's resolution planning activities and effective escalation to facilitate informed decision making.

Figure 5.1 Resolution Planning Governance Structure



Features of this governance approach include: (1) governance bodies with oversight responsibilities; (2) executive ownership and accountability; (3) dedicated staffing and training; (4) resolvability incorporated into routine business practices; (5) processes and controls to help ensure quality and accuracy; and (6) independent review and oversight.

5.2 Governance Bodies with Oversight Responsibilities

Our Parent and material entity Boards of Directors and senior management coordinate to oversee our governance structure. We clearly define roles for key decision-makers and use well-established reporting and communication protocols. These protocols are designed to allow us to effectively communicate decisions about the resolution plan throughout the Company, incorporate feedback related to our resolution plan from the Boards of Directors, and ensure that the resolution plan adapts as our business structure and activities evolve. The following governance bodies have oversight and responsibility for managing and overseeing resolvability risks:

- The Parent's Board of Directors approves the Company's resolution plan and resolution planning policy.
- The Audit & Examination Committee of the Parent's Board of Directors receives regular updates from management on the Company's resolution planning progress, including actions taken to mitigate resolvability risks, and recommends approval of the plan to the Board of Directors.
- The Recovery and Resolution Committee, a senior management-level governance committee chaired by the Company's CFO, oversees the Company's resolution strategy and related initiatives. The committee is sponsored by and operates under the authority of the CFO and the Company's Chief Risk Officer. Voting members include the Company's Treasurer, Corporate Controller, General Counsel and Chief Risk Officer.

5.3 Executive Ownership and Accountability

The Company's CFO is the executive sponsor of the Recovery and Resolution Program. Reporting to the CFO is the Head of Recovery and Resolution Planning, who is responsible for coordinating resolution preparedness and leading the development of the Company's resolution plans.

Our governance and oversight framework supports compliance with regulatory requirements and increases team member involvement in resolution planning across the Company. In 2016, the Company reorganized its resolution planning approach and implemented an integrated workstream or "focus area" model, as depicted in the following figure.

Figure 5.2 Resolution Planning Focus Areas

Financial Condition	*Operational Capabilities*	*Structural*
Capital	Collateral Management	Governance Mechanisms
Funding and Liquidity	Management Information Systems	Separability
Resolution Financial Projections	Payment, Clearing and Settlement Activities	Legal Analysis
Derivatives and Trading	Shared and Outsourced Services	Legal Entity Rationalization
	Human Resources	

The executives leading the focus areas in the figure above maintain primary responsibility for ensuring the relevant capabilities are developed and maintained to support our resolution plan.

5.4 Dedicated Staffing and Training

We increased resolution support staffing and provide resolution-related training to help ensure engagement and understanding throughout the Company.

- The size of the Recovery and Resolution Program Office has significantly increased in size over the past three years, and its scope of responsibilities related to resolution planning for the broader management team has increased commensurately during the same period.
- A dedicated team within the Law Department is involved throughout the preparation of our resolution plan under the supervision of the Company's General Counsel.
- We provide significant resolution planning training to the Parent's and WFBNA's Boards of Directors, the other material entity Boards of Directors, and the Company's Management Committee on roles and responsibilities and will continue to do so as warranted.
- We maintain an enterprise-wide resolution planning training and education online module.

5.5 Resolvability Incorporated into Routine Business Practices

Resolvability considerations are incorporated into routine business practices at the Company.

- We include resolution planning criteria and considerations in our day-to-day management decision-making processes, such as new and modified product approvals, legal entity rationalization, strategic planning, and mergers and acquisitions.
- Resolvability risk is managed through the Company's risk management framework.

5.6 Processes and Controls

We maintain controlled processes designed to ensure the quality and accuracy of our plan.

- The Company maintains a system of controls and oversight to support the way we develop and apply important components of our plan, including (1) economic and operational assumptions, (2) critical operations, core business lines, material entities, and critical services, (3) financial projections, and (4) the risks to our resolution strategy.
- Our approach for developing financial projections in the plan is aligned with other regulatory exercises requiring financial projections, each of which is subject to governance and controls. These documented processes and controls are independently challenged and assessed by the Corporate Controller's office, Corporate Risk, and Wells Fargo Audit Services.

5.7 Independent Review and Oversight

Our resolution planning is subject to independent review and challenge.

- Corporate Risk is responsible for independently overseeing a broad collection of risk activities throughout the Company. Within Corporate Risk, a dedicated team of risk management professionals leads independent assessment, monitoring, and oversight of how the Company manages resolution risk.
- The Corporate Controller's organization performs independent testing of the controls used in developing financial projections in the plan.
- Wells Fargo Audit Services independently assesses whether the risk management, system of controls, and governance processes for the preparation of the resolution plan are adequate and functioning as intended.

5.8 Principal Officers

The following individuals are the principal officers of the Company. See Section 10 for the Principal Officer Biographies.

- Timothy J. Sloan, Chief Executive Officer and President
- Franklin R. Codel, Senior Executive Vice President, Consumer Lending
- Hope A. Hardison, Senior Executive Vice President, Chief Administrative Officer
- Richard D. Levy, Executive Vice President, Controller
- Michael J. Loughlin, Senior Executive Vice President, Chief Risk Officer
- Mary T. Mack, Senior Executive Vice President, Community Banking
- Avid Modjtabai, Senior Executive Vice President, Payments, Virtual Solutions and Innovation
- C. Allen Parker, Senior Executive Vice President, General Counsel
- Perry G. Pelos, Senior Executive Vice President, Wholesale Banking
- John R. Shrewsberry, Senior Executive Vice President, Chief Financial Officer
- Jonathan G. Weiss, Senior Executive Vice President, Wealth and Investment Management

6 DESCRIPTION OF CORE BUSINESS LINES

Our business activity, for resolution planning purposes, is focused in the following four core business lines:[10] (1) Community Banking;[11] (2) Consumer Lending; (3) Wholesale Banking; and (4) Wealth and Investment Management. Core business lines, which are those that upon failure we believe would result in a material loss of revenue, profit, or franchise value, have been identified solely for resolution planning purposes and may differ from the operating segments that the Company uses for reporting in its reports filed with the SEC. Specifically, the Company's operating segments (Community Banking, Wholesale Banking, and Wealth and Investment Management) are based on the way management has organized business lines for making operating decisions and assessing performance. The operating segments are generally defined by product type and customer segment. We describe our core business lines, along with their core products and services, in the figure below.

Figure 6.1 Description of Core Business Lines and Their Products and Services

Operating Segment	Core Business Line	Products and Services
Community Banking	Community Banking	Community Banking offers a diverse range of financial products and services to consumer and small business customers, including transaction banking facilities (retail checking and savings accounts, deposits) and payment services (digital payments and transfers, payroll services for small business customers).
	Consumer Lending	Consumer Lending provides a variety of retail and business-based secured and unsecured lending products to new and existing clients. Consumer Lending supplies key products to the Community Banking and Wealth and Investment Management organizations to leverage their strong distribution channels to reach the Company's broad consumer and small business client bases. Consumer Lending includes three primary businesses: (1) Consumer Credit Solutions: general purpose credit cards, co-brand credit cards, Personal Lines and Loans, Direct Auto, Student Lending, and Retail Services; (2) Dealer Services: Indirect Auto Finance, Commercial Services, and Reliable Finance; (3) Wells Fargo Home Lending: Home Mortgage and Home Equity.

[10] For purposes of resolution plans filed under the Dodd-Frank Act, "core business lines" are defined as: "…those business lines of the covered company, including associated operations, services, functions and support that, in the view of the covered company, upon failure would result in a material loss of revenue, profit or franchise value." 12 C.F.R. § 243.2(d).

[11] Our Community Banking operating segment for SEC reporting captures both the Community Banking and Consumer Lending core business lines.

Operating Segment	Core Business Line	Products and Services
Wholesale Banking	Wholesale Banking	Wholesale Banking provides diversified financial solutions to domestic and international commercial, corporate, and other financial institution clients across the United States and globally. Wholesale Banking services middle market clients, including commercial banking, business banking, commercial real estate, and government and institutional banking, as well as large corporate customers. It offers a wide range of products, including treasury management, asset-based lending, insurance brokerage, foreign exchange, correspondent banking, trade services, specialized lending, equipment finance, corporate trust, investment banking, and capital markets.
Wealth and Investment Management	Wealth and Investment Management	Wealth and Investment Management provides a full range of personalized wealth management, investment and retirement products and services to clients across United States-based businesses including Retail Brokerage, The Private Bank, Abbot Downing, Wells Fargo Institutional Retirement and Trust, and Wells Fargo Asset Management ("WFAM"). Wealth and Investment Management delivers financial planning, private banking, credit, investment management, and fiduciary services to high-net worth and ultra-high-net worth individuals and families. It also serves clients' brokerage needs, supplies retirement and trust services to institutional clients and provides investment management capabilities delivered to global institutional clients through separate accounts and the Wells Fargo Funds.

7 OUR MATERIAL ENTITIES AND INTERCONNECTEDNESS

7.1 Material Entity Designation Process

For resolution planning purposes, we identified our material entities[12] described above using an enhanced, comprehensive qualitative and quantitative designation process based on the regulatory definition of a "material entity." We evaluate our legal entities at a minimum annually to assess their significance to our resolution strategy or business activities. We administer our material entity designation process through an established governance framework with oversight from second and third lines of defense, and the Recovery and Resolution Committee.

Our process uses the following factors, among others, to analyze the significance of our legal entities, including foreign offices and branches, in line with regulatory guidance and our business model:

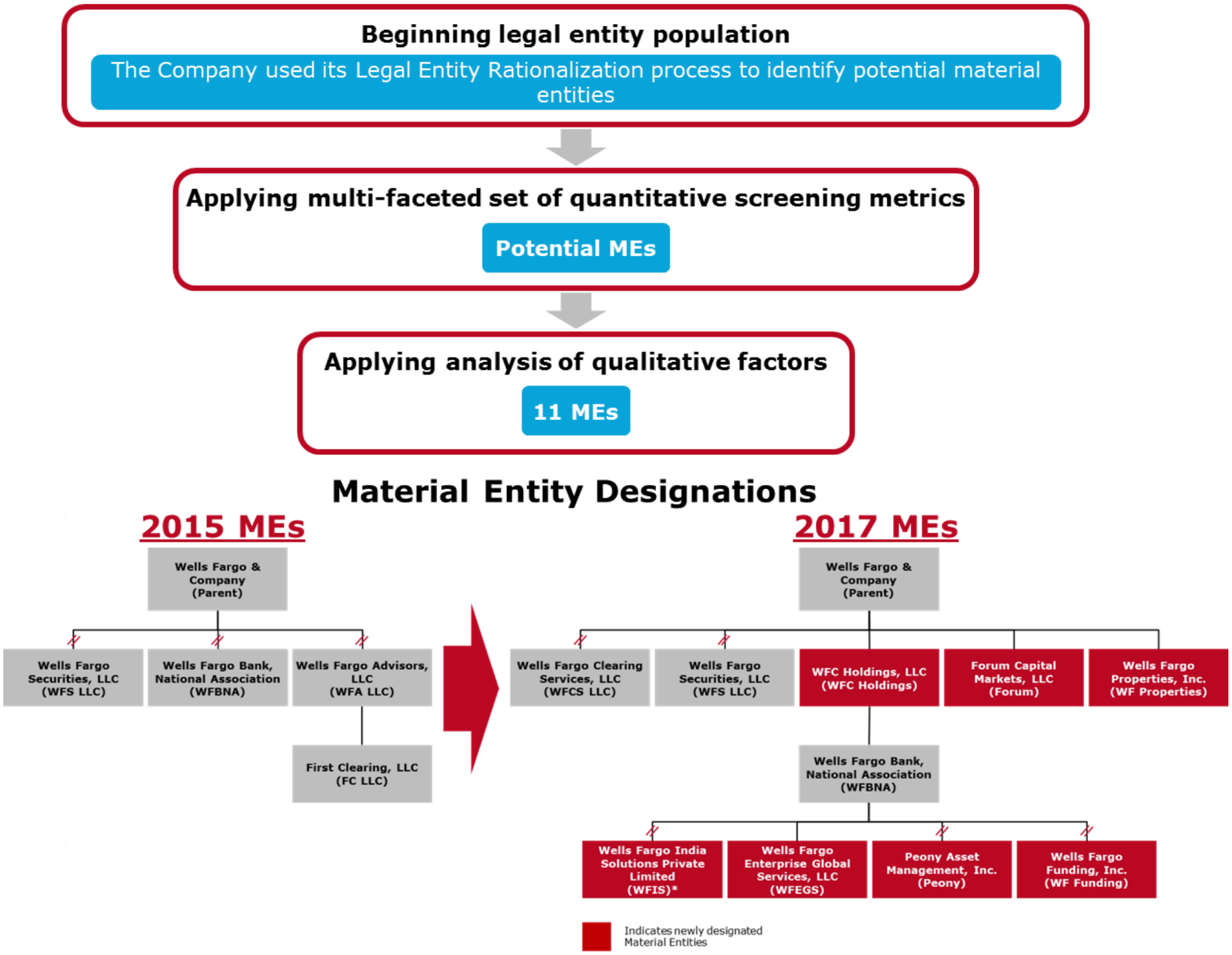
- Contribution of revenue, assets, and employees to each core business line.
- Contribution of employees to each critical operation.
- Significant additional analysis relating to:
  - Support of global treasury operations, funding and liquidity activities (inclusive of intercompany transactions) through analysis of the entity's contribution to the high-quality liquid assets ("HQLA") securities portfolio, treasury and operations staff, and materiality of its external liquidity sources to the Company.
  - Support of material operations identified through a full review of our digitized Service Catalog to evaluate critical service and component providers, including key personnel, facilities, systems, third-party vendors and FMUs, and intellectual property.
  - Origination of derivatives booking significant to the activities of the critical operation through evaluation of the significance of the activity and whether the entity is registered as a Derivatives Swaps Dealer.[13]
  - Facilitation of asset management and asset custody by evaluating its percentage contribution to our critical operations.

[12] The 165(d) rule defines material entities as those legal entities, including foreign offices and branches that are significant to the activities of a critical operation or core business line of the Company. 12 U.S.C. §5365(d).

[13] Under Title VII of the Dodd-Frank Act, swap dealers and security-based swap dealers (collectively, "dealers") are defined as those who make markets in swaps or security-based swaps, or those who regularly trade "swaps" or "security-based swaps" in the ordinary course of business for their own account. 15 U.S.C. §8321; see also 15 U.S.C. §8341, 7 U.S.C. §1.

The figure below depicts the designation process we undertook to determine which of our entities to designate as material entities for resolution planning purposes.

Figure 7.1 Material Entity Designation Rationale



Based on our process, the following legal entities are designated as material entities for resolution planning purposes.

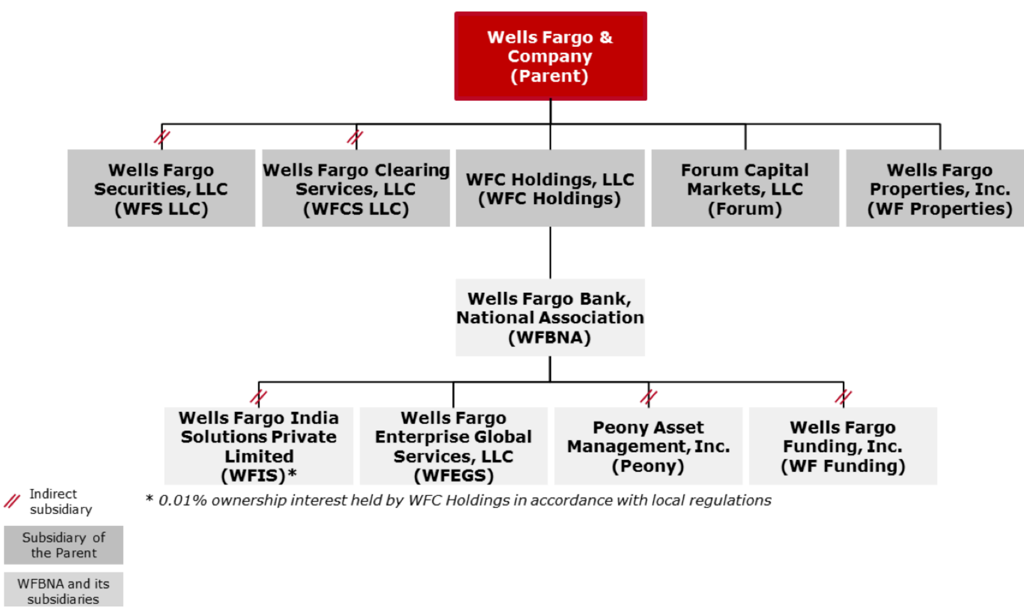
Figure 7.2 Key Contributors to Material Entity Designation Process

Material Entity	Acronym / Short Name	Material Entity Designation Key Contributors					
		Core Business Line Contributor	Critical Operation Contributor	Critical Services	Global Treasury	Assets Under Management / Custody	Derivatives
Wells Fargo & Company	The Parent				✓		
WFC Holdings, LLC	WFC Holdings				✓		
Wells Fargo Bank, National Association	WFBNA	✓	✓	✓	✓	✓	✓
Wells Fargo Securities, LLC	WFS LLC	✓	✓	✓			
Wells Fargo Clearing Services, LLC	WFCS LLC	✓	✓	✓			
Wells Fargo India Solutions Private Limited	WFIS		✓	✓			
Wells Fargo Enterprise Global Services	WFEGS		✓	✓			
Forum Capital Markets, LLC	Forum			✓			
Wells Fargo Properties, Inc.	WF Properties			✓			
Peony Asset Management, Inc.	Peony				✓		
Wells Fargo Funding, Inc.	WF Funding	✓			✓		

7.2 Description of Material Entities

As described in Section 1 (Introduction to the 2017 Resolution Plan), our material entities for resolution planning purposes include our top-tier bank holding company, the Parent; our IHC, WFC Holdings; WFBNA and its two material corporate treasury subsidiaries, Peony and WF Funding; our non-bank Operating Material Entities, WFS LLC and WFCS LLC; and our Service Material Entities, WFIS, WFEGS, Forum, and WF Properties. Below we provide a description of our material entities, including their background and financial information.

7.2.1 The Parent



Background Information

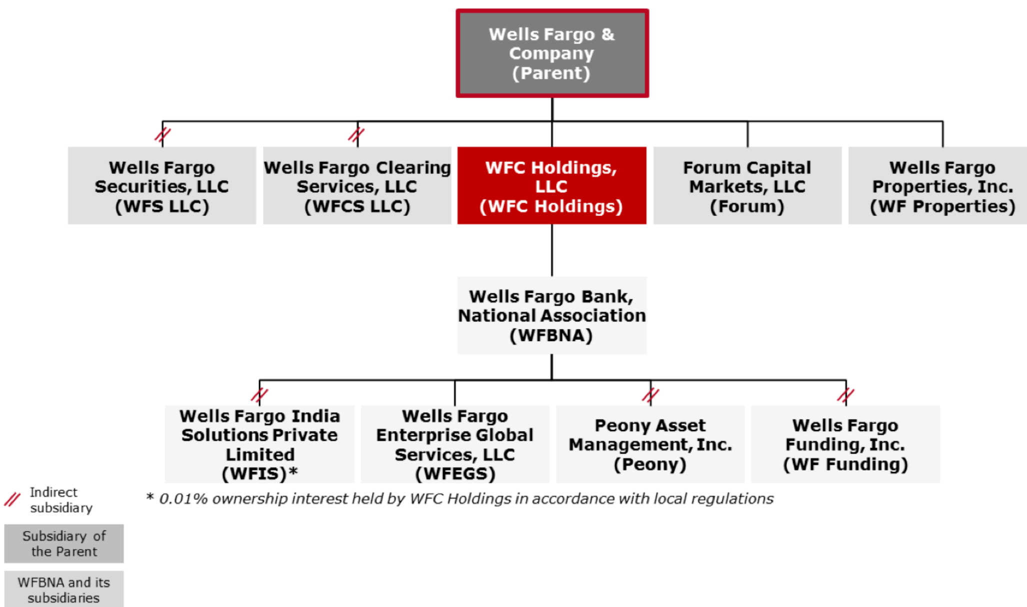
The Parent, the covered company under Section 165(d), is a Delaware corporation and publicly traded on the New York Stock Exchange under the ticker symbol "WFC." It is a diversified financial services holding company and a bank holding company under the Bank Holding Company Act (the "BHCA"). The Parent's subsidiaries provide banking, insurance, investments, mortgage, and consumer and commercial finance through more than 8,600 locations, 13,000 ATMs, the internet, and mobile banking.

Description of Financials

On a stand-alone basis, the Parent's most significant assets are investments in subsidiaries, which comprise approximately 55% of the Parent's total assets. Similarly, on a stand-alone basis, the Parent's most significant liabilities are long-term debt, which comprise approximately 81% of its total liabilities. The Parent holds total assets of $366 billion and total liabilities of $166 billion, which represent approximately 19% of total consolidated assets and approximately 10% of total consolidated liabilities of the Company, respectively.

The Parent and its consolidated subsidiaries hold total assets of $1.9 trillion and total liabilities of $1.7 trillion. From a capital standpoint, the Company has total equity of $200.5 billion. In 2016, the Company generated $88.3 billion in revenue, has non-interest expense of $52.4 billion, and net income of $21.9 billion. For a summary of capital figures, see Section 7.4 (Summary of Financial Information Regarding Assets, Liabilities, Capital, and Major Funding Sources).

7.2.2 WFC Holdings (IHC)



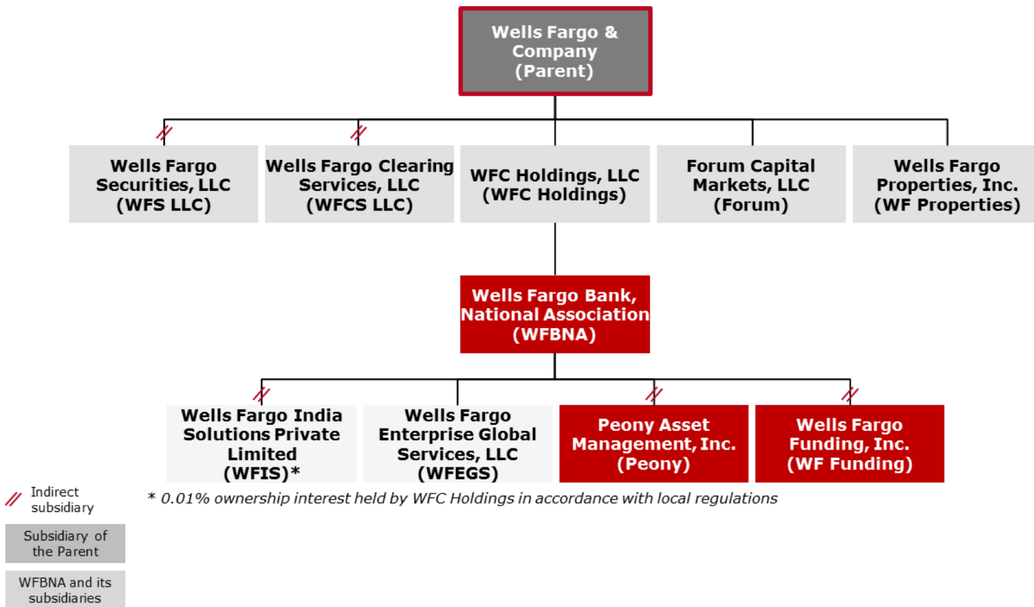
Background Information

WFC Holdings, our newly-designated IHC, is a Delaware limited liability company and a direct, wholly-owned subsidiary of the Parent. As discussed above in Section 4.2.2 (Our Support Agreements), the Parent and the IHC are parties to the Support Agreements, which provide capital and liquidity resources to WFBNA, WFS LLC, and WFCS LLC.

Description of Financials

WFC Holdings' most significant assets are investments in subsidiaries, which comprise approximately 92% of its total assets. WFC Holdings' total assets are $175 billion, which represent approximately 9% of the Company's total consolidated assets. WFC Holdings' total liabilities are $415 million, which represent less than 1% of the Company's total consolidated liabilities. WFC Holdings has total equity of $174.3 billion.

7.2.3 WFBNA and the Corporate Treasury Material Entities



WFBNA

Background Information

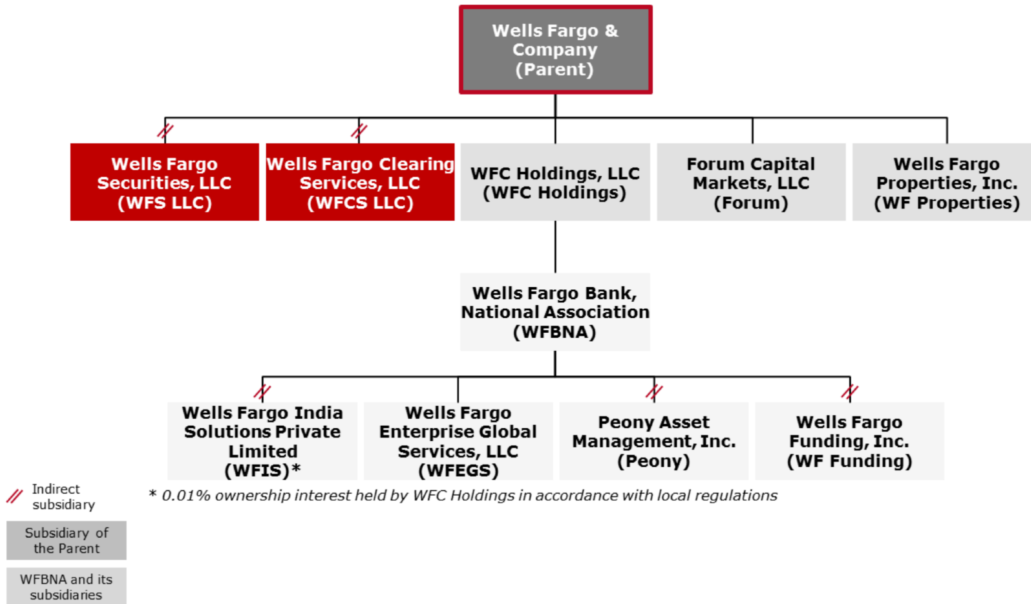
WFBNA is a national banking association and an indirect, wholly-owned subsidiary of the Parent. WFBNA is the Company's primary insured depository institution and engages in retail, commercial, corporate banking, real estate lending, trust and investment services. WFBNA, with its subsidiaries, represents approximately 89% of the Company's consolidated assets and contributes a significant amount of the Company's consolidated revenue and net income. WFBNA provides most of the Company's critical operations and holds the majority of the activities in the Company's core business lines.

- *Peony*
  Peony is a Delaware corporation and an indirect, wholly-owned subsidiary of WFBNA. It holds a significant portion of WFBNA's investment securities portfolio, including securities considered to be HQLA.
- *WF Funding*
  WF Funding is a Minnesota corporation and an indirect, wholly-owned subsidiary of WFBNA. It holds mortgage loan participations that represent a material amount of the assets of WFBNA's consumer mortgage portfolio, which represents a significant component of the Consumer Lending core business line.

Description of Financials

WFBNA holds approximately $934 billion of loans and leases, comprised of loans and leases held-for-sale plus loans and leases net of unearned income and allowance. Of the $934 billion, $484 billion, or 52%, represent loans secured by real estate. Loans and leases represent approximately 54% of WFBNA's total balance sheet. WFBNA and its subsidiaries hold approximately $286 billion in available-for-sale securities at fair value, a figure that represents approximately 17% of its total assets. WFBNA's liabilities include $1.2 trillion in domestic deposits, which represent approximately 78% of WFBNA's total liabilities. WFBNA's total consolidated assets are $1.7 trillion and total consolidated liabilities are $1.6 trillion, which represent approximately 89% and 91% of the Company's total consolidated assets and total consolidated liabilities, respectively. From a capital standpoint, WFBNA has total equity of $155.8 billion. In 2016, WFBNA generated $74.2 billion in net interest income, non-interest income, and realized gains (losses) on available-for-sale securities. WFBNA has non-interest expense of $40.9 billion, and a net income of $20.2 billion. For a summary of capital figures, see Section 7.4 (Summary of Financial Information, Assets, Liabilities, Capital, and Major Funding Sources).

7.2.4 Affiliate Broker-Dealers



WFS LLC

Background Information

WFS LLC is a Delaware limited liability company and an indirect, wholly-owned non-bank subsidiary of the Parent. It is registered with the SEC as a broker-dealer and with the United States Commodity Futures Trading Commission ("CFTC") as a futures commission merchant. WFS LLC engages in certain aspects of the Company's Wholesale Banking core business line, including futures, investment banking, and capital markets products and services to middle market, large, and Fortune 500 companies.

Description of Financials

WFS LLC's assets consist primarily of financial instruments owned (40%) and securities purchased under agreements to resell and securities borrowed (combined, 36%). WFS LLC's liabilities, not including subordinated borrowings, consist primarily of financial instruments sold (15%) and securities sold under agreement to repurchase (61%). WFS LLC's total assets are $113 billion and total liabilities and subordinated borrowings are $108 billion, which represent approximately 6% of the Company's total consolidated assets and approximately 6% of the Company's total consolidated liabilities, respectively. From a capital standpoint, WFS LLC has net capital of $3.9 billion and members' equity of $5.0 billion.

WFCS LLC

Background Information

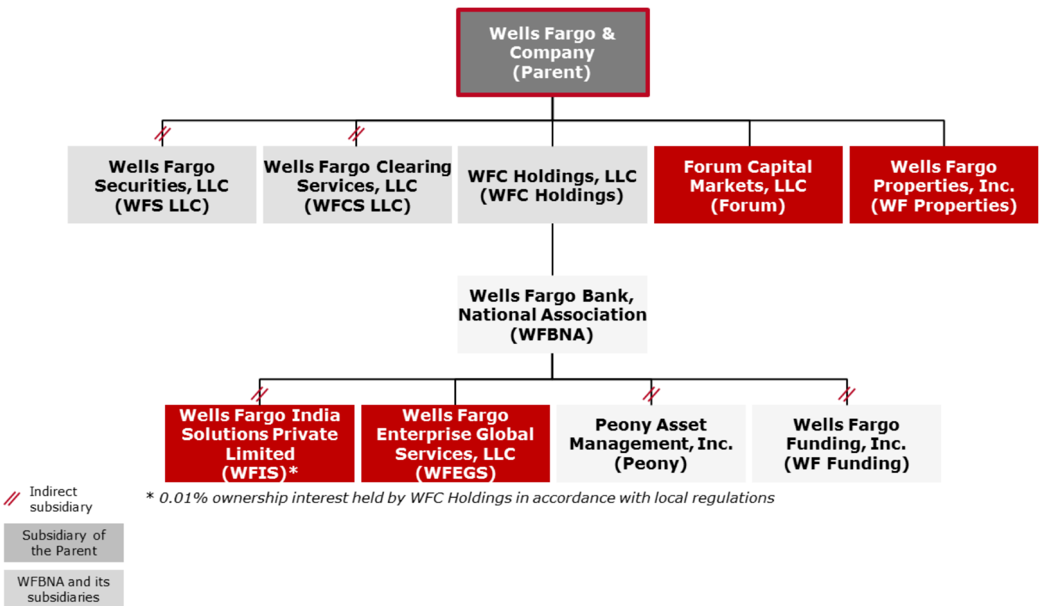
WFCS LLC is a Delaware limited liability company registered with the SEC as both a broker-dealer and an investment adviser. It is an indirect, wholly-owned, non-bank subsidiary of the Parent. Wells Fargo Advisors LLC and First Clearing LLC, each a material entity in our 2015 Resolution Plan, merged on November 11, 2016 to form WFCS LLC. WFCS LLC is primarily engaged in the Wealth and Investment Management core business line, providing a full range of investing services and products primarily to retail clients and small businesses as well as affiliated and unaffiliated correspondent broker-dealers in all 50 states and the District of Columbia.

Description of Financials

WFCS LLC's most significant assets include net receivables from customers, representing approximately 42% of WFCS LLC's total assets. Cash and cash equivalents, cash and securities segregated under federal and other regulations, and securities purchased under agreements to resell represent approximately 16% of WFCS LLC's total assets. WFCS LLC's liabilities include payables to customers, and payables to brokers, dealers and clearing organizations, which represent approximately 74% of WFCS LLC's total liabilities. Total assets of WFCS LLC are $19 billion, representing approximately 1% of the Company's total consolidated assets. Its total liabilities are $10 billion, representing approximately 1% of the Company's total consolidated liabilities. From a capital standpoint, WFCS LLC has net capital of $4.1 billion and members' equity of $9.4 billion.

7.2.5 Service Material Entities

Our material entity designation process identified four Service Material Entities.



WFIS

WFIS is a private limited company incorporated and located in India. WFC Holdings holds a 0.01% ownership interest in WFIS in accordance with local regulations that require ownership by at least two entities. The remaining 99.99% is owned by Wells Fargo International Banking Corporation, a wholly-owned Edge Corporation subsidiary of WFBNA. WFIS provides critical services to the Company's material entities, core business lines, and critical operations.

WFEGS

WFEGS is a Delaware limited liability company and a direct, wholly-owned subsidiary of WFBNA. It provides critical services to the Company's material entities, core business lines, and critical operations.

Forum

Forum is a Delaware limited liability company and a direct, wholly-owned, non-bank subsidiary of the Parent. It provides technology, operations, knowledge services, and voice support to the Company, primarily WFBNA.

WF Properties

WF Properties is a Minnesota corporation and is a direct, wholly-owned, non-bank subsidiary of the Parent. It holds certain leases and owns certain real properties that support the provision of critical services to the Company's material entities, core business lines, and critical operations.

7.3 Financial and Operational Interconnectedness

In supporting the business activities of our core business lines and critical operations, the relationships among the Company's material entities result in financial and operational interconnectedness. We evaluated this interconnectedness as part of our resolution planning efforts to help ensure that it does not create impediments to our resolution strategy. We will continue to evaluate and monitor this interconnectedness through business as usual governance processes to maintain our resolvability.

7.3.1 Financial Interconnectedness

Introduction

Financial interconnectedness can result from relationships where a material entity (1) provides funding to another material entity; (2) guarantees performance of certain financial obligations of another material entity; (3) enters into financial contracts containing default rights related to the material entity's affiliates; and / or (4) enters into intercompany derivative hedging transactions with another material entity. Below we provide more detail on the relationships of our material entities under each of these four categories.

Funding Flows

Under our Support Agreements, we utilize WFC Holdings, our IHC, as a funding entity during our normal operating environment and under resolution. The use of the IHC resulted in the migration of certain funding lines from the Parent to the IHC. We developed this structure to provide daily funding to our material entities and, as discussed above in Section 4.2 (Building and Positioning Financial Resources), to deliver capital and liquidity to certain material entities during resolution. The following figure illustrates the interconnectedness of the funding lines between our material entities following this IHC implementation based on the existence of committed credit facilities and the Support Agreements. As depicted below, only three of our material entities provide such funding, with WFC Holdings and WFBNA being the primary providers.

Figure 7.3 Post-IHC Implementation Funding Lines by Material Entity

Material Entity Receiver

Material Entity Provider	WFC (Parent)	WFC Holdings	WFBNA	WFS LLC	WFCS LLC	WFEGS	Forum	WF Properties
WFC (Parent)		S			F[1]			
WFC Holdings	F		S	F, S	F[1], S		F	F
WFBNA						F		

Legend: F = Committed funding lines S = Support Agreements

Notes:
[1] Committed line between WFC (Parent) and WFCS LLC will be replaced with committed line between WFC Holdings and WFCS LLC following regulatory approval

The figure above excludes intercompany uncommitted credit facilities and intercompany deposits. Moreover, Peony and WF Funding also have pledge agreements for the benefit of WFBNA.

Guarantees

Our Intercompany Guarantee Policy (the "Guarantee Policy") governs our intercompany guarantees and prohibits the Parent from entering into new guarantees for the benefit of its subsidiaries, with limited exceptions. We amended the Guarantee Policy to prohibit downstream guarantees by the Parent for the benefit of its subsidiaries that contain affiliate cross-default provisions, and to incorporate other applicable requirements of the Final TLAC Rule. In connection with our resolution planning process, we further amended the Guarantee Policy to incorporate our LER Criteria and the roles and responsibilities of the Legal Entity Governance Office and the Legal Entity Governance Committee. That amendment also prohibits WFC Holdings from providing guarantees to help ensure that its sole funding obligations are to certain material entities pursuant to our Support Agreements.

Cross-Defaults

A financial contract with affiliate cross-default rights may subject a material entity, as a result of another material entity default, to a suspension or delay in payments or in the delivery or return of collateral; an increase in margin requirements; the close-out and settlement of transactions; the early termination or acceleration of funding or credit arrangements; and the exercise of collateral liquidation and setoff rights against the material entity.

Our Company has limited exposure to cross-default provisions under derivatives and securities financing transactions, primarily through contracts held by WFBNA, WFS LLC, and the Parent. To control the amount of this exposure, the Company adopted standards that place restrictions on affiliate cross-defaults and certain early termination provisions against the Company and its affiliates on activities involving these contracts. These standards reflect certain LER Criteria established by the Company's legal entity rationalization process, as well as other legal or regulatory requirements and limitations.

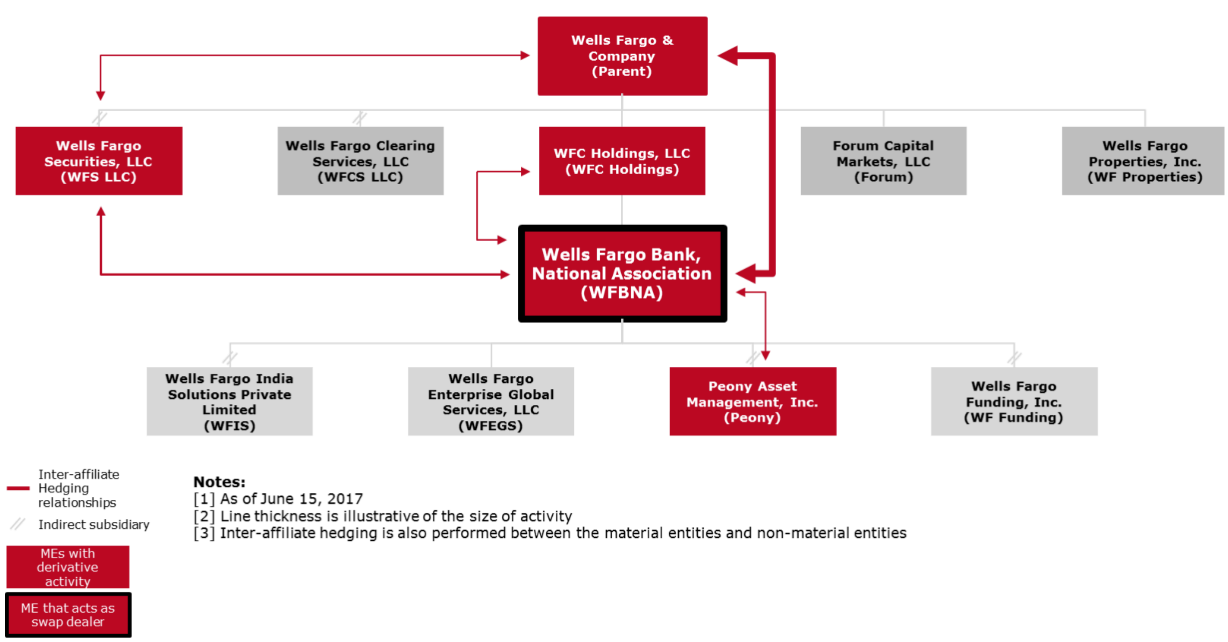
Furthermore, in connection with our ISDA Master Agreements, the Company determined that it is adequately protected with respect to Section 2(a) of the ISDA Protocol. As discussed in Section 4.6 (Mitigating Potential Legal Challenges) above, that clause of the ISDA Protocol provides for an automatic override of cross-defaults related to an affiliate entering United States insolvency proceedings without the need for a court order or other court action where a counterparty is not relying on credit support from an affiliate. Based on our analysis of WFBNA's ISDA Master Agreements and security financing transactions of WFBNA, we concluded that, in the event of WFBNA's resolution, Section 2(a) of the ISDA Protocol would override affiliate cross-defaults in most of WFBNA's derivatives and securities financing contracts without the need for court action.

Intercompany Derivatives Hedging Transactions

Intercompany derivatives hedging transactions may subject a material entity to risk of loss from a non-performing affiliate that can be reduced or eliminated with margin or offsetting trades (assuming netting is enforceable).

WFBNA acts as the Company's primary provider of bilateral derivatives with third parties. Other material entities enter into derivatives and hedging relationships with WFBNA, which then hedges its risk with external counterparties. The figure below illustrates our material intercompany OTC derivatives and hedging relationships.

Figure 7.4 OTC Derivatives and Hedging Relationships between Material Entities



Notes:
[1] As of June 15, 2017
[2] Line thickness is illustrative of the size of activity
[3] Inter-affiliate hedging is also performed between the material entities and non-material entities

7.3.2 Operational Interconnectedness

Operational interconnectedness can result from relationships where a material entity: (1) holds a direct membership with PCS systems that are indirectly used by another material entity, and (2) provides critical services to (or receives critical services from) another material entity.

Memberships in Payment, Clearing and Settlement Systems

Our material entities participate and maintain membership in a number of PCS systems. We established an enterprise-wide PCS Office to spearhead our interactions with FMUs before and during resolution, and established FMU relationship teams to provide routine oversight of our interactions with FMUs. The PCS Office communicates with FMUs through the FMU relationship teams.

The PCS Office performs an FMU materiality assessment annually in coordination with appropriate stakeholders, with review by Corporate Risk. Listed below are the Company's direct and indirect memberships to FMUs by material entity.

Figure 7.5 FMU Memberships by Material Entity

FMUs		Parent (WFC)	WFCS LLC	WFS LLC	WFBNA
Payment	FedChecks	I (WFBNA)	I (WFBNA)	I (WFBNA)	D
	SVPCo	I (WFBNA)	I (WFBNA)	I (WFBNA)	D
	Viewpointe	I (WFBNA)	I (WFBNA)	I (WFBNA)	D
	EPN	I (WFBNA)	I (WFBNA)	I (WFBNA)	D
	FedACH	I (WFBNA)	I (WFBNA)	I (WFBNA)	D
	FedWire	I (WFBNA)	I (WFBNA)	I (WFBNA)	D
	CHIPS	I (WFBNA)	I (WFBNA)	I (WFBNA)	D
	Visa	-	I (WFBNA)	-	D
Clearing	NSCC	I (WFBNA) I (WFS LLC)	D	D	D
	FICC	I (WFBNA)	D	D	D
	LCH.Clearnet Ltd	-	-	D	D
	ICE Clear Europe	-	-	D	I (WFS LLC)
	ICE Clear Credit	-	-	D	I (WFS LLC)
	ICE Clear U.S.	-	-	D	I (WFS LLC)
	CME	-	-	D	I (WFS LLC)
	Options Clearing Corporation	-	D	D	I (WFS LLC)
Settlement	Fedwire – Securities	I (WFBNA)	-	-	D
	DTC	I (WFBNA) I (WFS LLC)	D	D	D
	BNY Mellon	D	D	D	D
	CLS	-	-	-	D

D = Direct access *I = Indirect access; arrangements with alternate third party providers*
Notes: Arrangements with alternate third-party vendors have been established for certain FMU access in support of our resolution plan

For more information on the above FMUs, see Section 11 (Glossary of Terms and FMUs).

Critical Services

The Parent and its subsidiaries regularly provide services to each other based on intercompany agreements. As described in Section 4.2 (Building and Positioning Financial Resources) above, WFBNA provides over 98% of our critical services. Components of these critical services include personnel, facilities, systems, third-party vendors, and intellectual property. The figure below depicts the components of critical services provided and received by material entities.

Figure 7.6 Material Entity Provider – Receiver Relationships

Material Entity Receiver

Material Entity Provider	WFC (Parent)	WFC Holdings	WFBNA	Peony	WF Funding	WFS LLC	WFCS LLC	WFIS	WFEGS	Forum	WF Properties
WFC (Parent)		P, V, IP	P, V, IP	IP	P, V, IP	P, V, IP	P, V, IP	P, V, IP	P, V, IP	P, V, IP	IP
WFC Holdings	IP		IP	IP	IP	IP	IP	IP	IP	IP	IP
WFBNA	P, F, S, V, IP	P, F, S, V, IP		P, F, S, V, IP	P, F, S, V, IP	P, F, S, V, IP	P, F, S, V, IP	P, F, S, V, IP	P, F, S, V, IP	P, F, S, V, IP	P, F, S, V, IP
Peony	-	-	-		-	-	-	-	-	-	-
WF Funding	-	-	P, F	-		-	-	-	-	-	-
WFS LLC	V	-	V	-	-		-	-	-	-	-
WFCS LLC	-	-	P, F, V	-	-	-		-	-	-	-
WFIS	P, F, S	-	P, F, S	-	P, F	P, F, S	P, F, S		-	-	-
WFEGS	-	-	P, F	-	-	-	-	P, F		-	-
Forum	-	-	V	-	-	-	-	-	-		-
WF Properties	F	-	F	-	-	-	-	-	-	-	

Legend: P = Personnel F = Facilities S = Systems V = Vendors IP = Intellectual Property

Notes:
[1] Represents our Service Catalog including the application of our LER enhancements and SLA implementation

Additionally, to help ensure that our material entities continue to receive critical services during resolution, we made arrangements with alternate third-party vendors for the ongoing provision of access throughout the resolution process.

7.4 Summary of Financial Information Regarding Assets, Liabilities, Capital, and Major Funding Sources

For additional financial information, please refer to the Company's reports filed with the SEC and available on the SEC's website at www.sec.gov, including the Annual Report on Form 10-K for the year ended December 31, 2016. Additional financial information for WFBNA can also be found in WFBNA's Consolidated Report of Condition and Income on FFIEC Form 031 for the year ended December 31, 2016, which is filed with the FDIC and is available on the FDIC's website at www.fdic.gov.

Figure 7.7 Wells Fargo & Company and Subsidiaries Consolidated Balance Sheet

(in millions, except shares)	Dec 31, 2016
Assets	
Cash and due from banks	$ 20,729
Federal funds sold, securities purchased under resale agreements and other short-term investments	266,038
Trading assets	74,397
Investment securities:	
Available-for-sale, at fair value	308,364
Held-to-maturity, at cost (fair value $99,155 and $80,567)	99,583
Mortgages held for sale (includes $22,042 and $13,539 carried at fair value) (1)	26,309
Loans held for sale	80
Loans (includes $758 and $5,316 carried at fair value) (1)	967,604
Allowance for loan losses	(11,419)
Net loans	956,185
Mortgage servicing rights:	
Measured at fair value	12,959
Amortized	1,406
Premises and equipment, net	8,333
Goodwill	26,693
Derivative assets	14,498
Other assets (includes $3,275 and $3,065 carried at fair value) (1)	114,541
Total assets (2)	$ 1,930,115
Liabilities	
Noninterest-bearing deposits	$ 375,967
Interest-bearing deposits	930,112
Total deposits	1,306,079
Short-term borrowings	96,781
Derivative liabilities	14,492
Accrued expenses and other liabilities	57,189
Long-term debt	255,077
Total liabilities (3)	1,729,618
Equity	
Wells Fargo stockholders' equity:	
Preferred stock	24,551
Common stock – $1-2/3 par value, authorized 9,000,000,000 shares; issued 5,481,811,474 shares	9,136
Additional paid-in capital	60,234
Retained earnings	133,075
Cumulative other comprehensive income (loss)	(3,137)
Treasury stock – 465,702,148 shares and 389,682,664 shares	(22,713)
Unearned ESOP shares	(1,565)
Total Wells Fargo stockholders' equity	199,581
Noncontrolling interests	916
Total equity	200,497
Total liabilities and equity	$ 1,930,115

(1) Parenthetical amounts represent assets and liabilities for which we have elected the fair value option.

(2) Our consolidated assets at December 31, 2016, include the following assets of certain variable interest entities (VIEs) that can only be used to settle the liabilities of those VIEs: Cash and due from banks, $168 million; Federal funds sold, securities purchased under resale agreements and other short-term investments, $74 million; Trading assets, $130 million; Investment securities, $0 million; Net loans, $12.6 billion; Derivative assets, $1 million; Other assets, $452 million; and Total assets, $13.4 billion.

(3) Our consolidated liabilities at December 31, 2016, include the following VIE liabilities for which the VIE creditors do not have recourse to Wells Fargo: Derivative liabilities, $33 million; Accrued expenses and other liabilities, $107 million; Long-term debt, $3.7 billion; and Total liabilities, $3.8 billion.

Capital

We manage capital through a comprehensive process for assessing the Company's overall capital adequacy. Our objective is to maintain capital at an amount commensurate with the Company's risk profile and risk tolerance objectives and to meet both regulatory and market expectations. We fund our capital needs primarily through the retention of earnings net of both dividends and share repurchases, as well as through the issuances of preferred stock and long-term and short-term debt.

Regulatory Capital

The Company and each of its insured depository institutions are subject to various regulatory capital adequacy requirements administered by the Federal Reserve Board and the OCC. Risk-based capital rules establish risk-adjusted capital ratio requirements relating capital to different categories of assets and off-balance sheet exposures. At December 31, 2016, the Company and each of its insured depository institutions were "well-capitalized" under applicable regulatory capital adequacy requirements.

The Company's capital adequacy assessment process contemplates a wide range of risks to which the Company is exposed and takes into consideration potential performance under a variety of stressed economic conditions, as well as regulatory expectations and guidance, rating agency viewpoints, and the view of capital markets participants.

The following table presents regulatory capital information for the Company and WFBNA with transition requirements. The information reflects the transition to Basel III, which increased minimum required capital ratios and introduced a higher minimum CET1 ratio. We must report the lower of our CET1, Tier 1, and total capital ratios calculated under the Standardized Approach and under the Advanced Approach in the assessment of our capital adequacy.

Figure 7.8 Regulatory Capital Information for the Company and WFBNA (Transition Requirements)

	Wells Fargo & Company		Wells Fargo Bank, N.A.	
	December 31, 2016		**December 31, 2016**	
(in millions, except ratios)	Advanced Approach	Standardized Approach	Advanced Approach	Standardized Approach
Regulatory capital:				
Common equity tier 1	**$ 148,785**	**148,785**	**132,225**	**132,225**
Tier 1	**171,364**	**171,364**	**132,225**	**132,225**
Total	**204,425**	**214,877**	**145,665**	**155,281**
Assets:				
Risk-weighted	**$ 1,274,589**	**1,336,198**	**1,143,681**	**1,222,876**
Adjusted average (1)	**1,914,802**	**1,914,802**	**1,714,524**	**1,714,524**
Regulatory capital ratios:				
Common equity tier 1 capital	**11.67%**	**11.13 ***	**11.56**	**10.81 ***
Tier 1 capital	**13.44**	**12.82 ***	**11.56**	**10.81 ***
Total capital	**16.04 ***	**16.08**	**12.74**	**12.70 ***
Tier 1 leverage (1)	**8.95**	**8.95**	**7.71**	**7.71**

*Denotes the lowest capital ratio as determined under the Advanced and Standardized Approaches.

(1) The leverage ratio consists of Tier 1 capital divided by quarterly average total assets, excluding goodwill and certain other items.

The following table presents fully phased-in regulatory capital information for the Company.

Figure 7.9 Capital Components and Ratios (Fully Phased-In) (1)

(in millions)		December 31, 2016 Advanced Approach		Standardized Approach	
Common Equity Tier 1	(A)	$ 146,424		146,424	
Tier 1 Capital	(B)	169,063		169,063	
Total Capital	(C)	200,344		210,796	
Risk-Weighted Assets	(D)	1,298,688		1,358,933	
Common Equity Tier 1 Capital Ratio	(A)/(D)	11.27 %		10.77	*
Tier 1 Capital Ratio	(B)/(D)	13.02		12.44	*
Total Capital Ratio	(C)/(D)	15.43	*	15.51	

*Denotes the lowest capital ratio as determined under the Advanced and Standardized Approaches.

(1) Fully phased-in regulatory capital amounts, ratios and RWAs are considered non-GAAP financial measures that are used by management, bank regulatory agencies, investors and analysts to assess and monitor the Company's capital position. See Figure 7-10 for information regarding the calculation and components of CET1, tier 1 capital, total capital and RWAs, as well as the corresponding reconciliation of our regulatory capital amounts to GAAP financial measures.

Figure 7.10 Risk-Based Capital Components for the Company

(in millions)			December 31, 2016 Advanced Approach	December 31, 2016 Standardized Approach
Total equity		$	200,497	200,497
Adjustments:				
Preferred stock			(24,551)	(24,551)
Additional paid-in capital on ESOP preferred stock			(126)	(126)
Unearned ESOP shares			1,565	1,565
Noncontrolling interests			(916)	(916)
Total common stockholders' equity			176,469	176,469
Adjustments:				
Goodwill			(26,693)	(26,693)
Certain identifiable intangible assets (other than MSRs)			(2,723)	(2,723)
Other assets (1)			(2,088)	(2,088)
Applicable deferred taxes (2)			1,772	1,772
Investment in certain subsidiaries and other			(313)	(313)
Common Equity Tier 1 (Fully Phased-In)			146,424	146,424
Effect of Transition Requirements			2,361	2,361
Common Equity Tier 1 (Transition Requirements)		$	148,785	148,785
Common Equity Tier 1 (Fully Phased-In)		$	146,424	146,424
Preferred stock			24,551	24,551
Additional paid-in capital on ESOP preferred stock			126	126
Unearned ESOP shares			(1,565)	(1,565)
Other			(473)	(473)
Total Tier 1 capital (Fully Phased-In)	(A)		169,063	169,063
Effect of Transition Requirements			2,301	2,301
Total Tier 1 capital (Transition Requirements)		$	171,364	171,364
Total Tier 1 capital (Fully Phased-In)		$	169,063	169,063
Long-term debt and other instruments qualifying as Tier 2			29,465	29,465
Qualifying allowance for credit losses (3)			2,088	12,540
Other			(272)	(272)
Total Tier 2 capital (Fully Phased-In)	(B)		31,281	41,733
Effect of Transition Requirements			1,780	1,780
Total Tier 2 capital (Transition Requirements)		$	33,061	43,513
Total qualifying capital (Fully Phased-In)	(A)+(B)	$	200,344	210,796
Total Effect of Transition Requirements			4,081	4,081
Total qualifying capital (Transition Requirements)		$	204,425	214,877
Risk-Weighted Assets (RWAs) (4)(5):				
Credit risk		$	960,763	1,314,833
Market risk			44,100	44,100
Operational risk			293,825	N/A
Total RWAs (Fully Phased-In)		$	1,298,688	1,358,933
Credit risk		$	936,664	1,292,098
Market risk			44,100	44,100
Operational risk			293,825	N/A
Total RWAs (Transition Requirements)		$	1,274,589	1,336,198

(1) Represents goodwill and other intangibles on nonmarketable equity investments, which are included in other assets.

(2) Applicable deferred taxes relate to goodwill and other intangible assets. They were determined by applying the combined federal statutory rate and composite state income tax rates to the difference between book and tax basis of the respective goodwill and intangible assets at period end.

(3) Under the Advanced Approach the allowance for credit losses that exceeds expected credit losses is eligible for inclusion in Tier 2 Capital, to the extent the excess allowance does not exceed 0.6% of Advanced credit RWAs, and under the Standardized Approach, the allowance for credit losses is includable in Tier 2 Capital up to 1.25% of Standardized credit RWAs, with any excess allowance for credit losses being deducted from total RWAs.

(4) RWAs calculated under the Advanced Approach utilize a risk-sensitive methodology, which relies upon the use of internal credit models based upon our experience with internal rating grades. Advanced Approach also includes an operational risk component, which reflects the risk of operating loss resulting from inadequate or failed internal processes or systems.

(5) Under the regulatory guidelines for risk-based capital, on-balance sheet assets and credit equivalent amounts of derivatives and off-balance sheet items are assigned to one of several broad risk categories according to the obligor, or, if relevant, the guarantor or the nature of any collateral. The aggregate dollar amount in each risk category is then multiplied by the risk weight associated with that category. The resulting weighted values from each of the risk categories are aggregated for determining total RWAs.

Capital Planning and Stress Testing

Under the Federal Reserve Board's capital plan rule, each large bank holding company ("BHC") is required to submit capital plans annually for review to determine if the Federal Reserve Board has any objections before any capital distributions. The rule requires updates to capital plans in the event of material changes in a BHC's risk profile, including as a result of any significant acquisitions. The Federal Reserve Board assesses the overall financial condition, risk profile, and capital adequacy of BHCs while considering both quantitative and qualitative factors when evaluating capital plans. On June 28, 2017, the FRB notified the Company that it did not object to the Company's capital plan included in the Company's 2017 Comprehensive Capital Analysis and Review ("CCAR") submission.

On June 28, 2017, the Federal Reserve Board notified the Company that it did not object to the Company's capital plan included in the Company's 2017 Comprehensive Capital Analysis and Review ("CCAR") submission.

Major Funding Sources and Liquidity Management

The objective of effective liquidity management is to ensure that we can meet customer loan requests, customer deposit maturities / withdrawals, and other cash commitments efficiently under both normal operating conditions and under periods of Company-specific and / or market stress. To achieve this objective, the Parent's Board of Directors establishes liquidity guidelines that require sufficient asset-based liquidity to cover potential funding requirements and to avoid over-dependence on volatile, less reliable funding markets. These guidelines are monitored on a monthly basis by the Company's Corporate ALCO and on a quarterly basis by the Parent's Board of Directors. These guidelines are established and monitored for both the consolidated Company and for the Parent on a stand-alone basis to ensure that the Parent is a source of strength for its regulated, deposit-taking banking subsidiaries.

We maintain liquidity in the form of cash, cash equivalents, and unencumbered high-quality, liquid securities. These assets make up the Company's primary sources of liquidity. Our cash is primarily on deposit with the Federal Reserve. Securities included as part of our primary sources of liquidity are comprised of United States Treasury and federal agency debt, and mortgage-backed securities issued by federal agencies within our investment securities portfolio. We believe these securities provide a quick source of liquidity through sales or by pledging to obtain financing, regardless of market conditions. Some of these securities are within the held-to-maturity portion of our investment securities portfolio and as such, are not intended for sale but may be pledged to obtain financing. In addition to our primary sources of liquidity, we also have access to liquidity through the sale or financing of other securities, including trading and / or available-for-sale securities, as well as through the sale, securitization or financing of loans, to the extent such securities and loans are not encumbered. In addition, other securities in our held-to-maturity portfolio, to the extent not encumbered, may be pledged to obtain financing.

Deposits have historically provided a sizeable source of relatively stable and low-cost funds. Our deposits are 135% of the Company's total loans. Additional funding is provided by long-term debt and short-term borrowings. We access domestic and international capital markets for long-term funding (generally greater than one year) through issuances of registered debt securities, private placements and asset-backed secured funding.

The following table summarizes our funding sources using average balances for the years indicated.

Figure 7.11 Funding Sources (Average Balances) as a Percentage of Earning Assets

	Year ended December 31,	
	2016	
(in millions)	Average balance	% of earning assets
Funding sources		
Deposits:		
Interest-bearing checking	$ 42,379	2 %
Market rate and other savings	663,557	39
Savings certificates	25,912	2
Other time deposits	55,846	3
Deposits in foreign offices	103,206	6
Total interest-bearing deposits	890,900	52
Short-term borrowings	115,187	7
Long-term debt	239,471	14
Other liabilities	16,702	1
Total interest-bearing liabilities	1,262,260	74
Portion of noninterest-bearing funding sources	448,823	26
Total funding sources	$ 1,711,083	100 %

7.5 Domestic Focus and Description of Foreign Operations

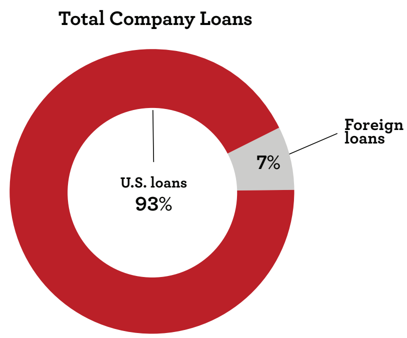
We conduct our foreign operations through WFBNA's overseas branches noted below (none of which are material entities) and the Company's foreign subsidiaries. Our foreign branches are in the following locations:

- Beijing
- Cayman Islands
- Hong Kong
- London
- Seoul
- Shanghai
- Singapore
- Taipei
- Tokyo
- Toronto
- Dubai International Financial Centre

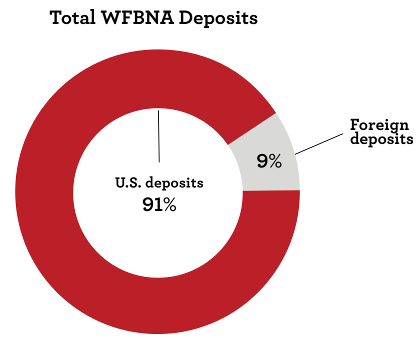
The Company engages in investment advisory and broker-dealer activities outside the United States through a limited number of locally chartered and licensed subsidiaries, the largest of which (by assets) is Wells Fargo Securities International Limited, our London-based broker-dealer, with assets totaling $4.5 billion applying U.K. GAAP.

The Company's aggregate foreign loans total approximately $66 billion, representing approximately 7% of total consolidated loans outstanding and 3% of total consolidated assets, while foreign deposits represent approximately 9% of total deposits.

Approximately 6% of the Company's full-time equivalent team members are employed outside the United States.



Source: 2016 Annual Report

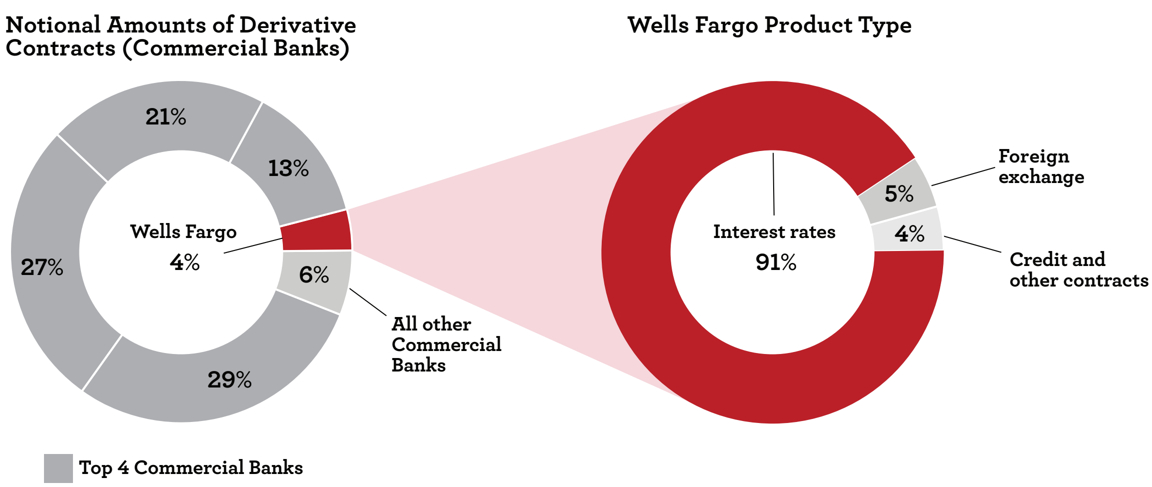


Source: 12/31/16 WFBNA Call Report (FFIEC 031)

7.6 Description of Derivatives and Hedging Activities

We use derivatives to manage exposure to market risk, including interest rate risk, credit risk and foreign currency risk, and to assist customers with their risk management objectives. The majority of derivatives we hold are traditional interest rate and foreign exchange activities, representing 96% of total notional exposure. As shown in the figure below, although we are the fifth-largest commercial bank in terms of total derivative exposures, our derivatives activity is significantly smaller compared to the top four commercial banks.

Figure 7.12 WFBNA Derivatives Market Share and Product Composition



Sources: OCC Quarterly Report on Bank Trading and Derivatives Activities (Q4 2016)

Almost all of the Company's derivatives exposures are within WFBNA. WFS LLC has limited derivatives exposures, which are almost exclusively for hedging purposes.

The Company's use of derivatives helps minimize unplanned fluctuations in earnings, fair values of assets and liabilities, and cash flows caused by interest rate, foreign currency, and other market risk volatility. We designate certain derivatives as hedging instruments in a qualifying hedge accounting relationship (fair value or cash flow hedge). Our remaining derivatives consist of economic hedges that do not qualify for hedge accounting and derivatives held for customer accommodation, trading, or other purposes. As a result of fluctuations in these exposures, hedged assets and liabilities will gain or lose fair value. In a fair value or economic hedge, the effect of this unrealized gain or loss will generally be offset by the gain or loss on the derivatives linked to the hedged assets and liabilities. In a cash flow hedge, where the Company manages the variability of cash payments due to interest rate fluctuations by the use of derivatives linked to hedged assets and liabilities, the hedged asset or liability is not adjusted and the unrealized gain or loss on the derivative is generally reflected in other comprehensive income and not in earnings.

The Company offers various derivatives to our customers, including derivatives designed to hedge or manage interest rate, credit, commodity, equity, and foreign exchange risk. WFBNA is the Company's only registered swaps dealer and transacts the majority of the Company's bilateral and cleared derivative activity. The preponderance of WFBNA's activity constitutes interest rate contracts. The Company's derivative transactions involve market-making activities to better assist its customers with risk management objectives. The Company also hedges and manages its own exposure to risk from these transactions by entering into offsetting derivatives and other financial contracts. The preceding figure shows the product composition of the Company's aggregate firm and customer derivative activity. It also presents the total notional or contractual amounts and fair values for the Company's derivatives. Derivative transactions can be measured in terms of the notional amount, but this amount is not recorded on the Company's balance sheet and is not, when viewed in isolation, a meaningful measure of the risk profile of the instruments. The notional amount is generally not exchanged, but is used only as the basis on which interest and other payments are determined. Derivatives assets and derivative liabilities are reported separately on the balance sheet. We recognize all derivatives on the balance sheet at fair value.

Figure 7.13 Notional or Contractual Amounts and Fair Value of Derivatives

		December 31, 2016	
	Notional or	Fair value	
	contractual	Asset	Liability
(in millions)	amount	derivatives	derivatives
Derivatives designated as hedging instruments			
Interest rate contracts (1)	$ 235,222	6,587	2,710
Foreign exchange contracts (1)	25,861	673	2,779
Total derivatives designated as qualifying hedging instruments		7,260	5,489
Derivatives not designated as hedging instruments			
Economic hedges:			
Interest rate contracts (2)	228,051	1,098	1,441
Equity contracts	7,964	545	83
Foreign exchange contracts	20,435	626	165
Credit contracts - protection purchased	482	102	—
Subtotal		2,371	1,689
Customer accommodation trading and other derivatives:			
Interest rate contracts	6,018,370	57,583	61,058
Commodity contracts	65,532	3,057	2,551
Equity contracts	151,675	4,813	6,029
Foreign exchange contracts	318,999	9,595	9,798
Credit contracts - protection sold	10,483	85	389
Credit contracts - protection purchased	19,964	365	138
Other contracts	961	—	47
Subtotal		75,498	80,010
Total derivatives not designated as hedging instruments		77,869	81,699
Total derivatives before netting		85,129	87,188
Netting (3)		(70,631)	(72,696)
Total		$ 14,498	14,492

(1) Notional amounts presented exclude $1.9 billion of interest rate contracts at December 31, 2016, for certain derivatives that are combined for designation as a hedge on a single instrument. The notional amount for foreign exchange contracts at December 31, 2016 excludes $9.6 billion for certain derivatives that are combined for designation as a hedge on a single instrument.

(2) Includes economic hedge derivatives used to hedge the risk of changes in the fair value of residential MSRs, MHFS, loans, derivative loan commitments and other interests held.

(3) Represents balance sheet netting of derivative asset and liability balances, related cash collateral and portfolio level counterparty valuation adjustments.

7.7 Material Supervisory Authorities

As a diversified financial services company, the Company is subject to various laws and regulations and to supervision and examination by several material supervisory authorities.

The Company is subject to supervision and examination by the Federal Reserve Board, by virtue of its status as a registered BHC under the BHCA and its election to be treated as a financial holding company under the Gramm-Leach-Bliley Act. The Federal Reserve Board can examine the Parent's subsidiaries (including Forum and WF Properties) in connection with its supervision of the Parent.

Each of the Company's national bank subsidiaries, including WFBNA, is supervised and examined primarily by the OCC, and all our insured depository institutions are also subject to the supervision of the FDIC. The OCC can examine WFBNA's subsidiaries (including WFEGS, WF Funding, and Peony) in connection with its supervision of WFBNA. The overseas branches of WFBNA are supervised by the OCC and by supervisory authorities in their host countries.

WFS LLC and WFCS LLC, along with the Company's other broker-dealer subsidiaries, are subject to regulation and supervision by the SEC and the Financial Industry Regulatory Authority.

The Company's subsidiaries, including those mentioned above, are subject to examination and supervision by other supervisory authorities with regulatory authority over their activities, including the CFTC, the Consumer Financial Protection Bureau, and the Municipal Securities Rulemaking Board.

7.8 Description of Management Information Systems

We use MIS throughout the Company to capture and aggregate relevant information and to generate standard and ad hoc reports that inform decisions regarding day-to-day operations and the overall management of the Company's business. The Company's MIS applications generally take the form of platform and user interfaces with capabilities enabled through data repositories that aggregate and catalogue pertinent data.

The Company's policies and procedures govern its information technology control environment, providing a framework to manage information and cyber security, data integrity, technology implementation and change management, and business continuity of systems and applications.

8 REMEDIATED DEFICIENCIES RELATED TO THE 2015 RESOLUTION PLAN

As introduced in Section 3 (Our 2017 Resolution Plan), on April 12, 2016, the Agencies identified certain deficiencies to our 2015 Resolution Plan. On April 24, 2017, the Agencies determined that we adequately remediated the deficiencies. The following table provides a summary of our 2015 Resolution Plan deficiencies, the Agencies' remediation requirements, and the key actions we took to remediate those deficiencies.

Figure 8.1 Summary of 2015 Resolution Plan Remediated Deficiencies

Feedback Related to Identified Deficiency	Remediation Requirements	Key Actions Wells Fargo Took to Remediate Deficiencies
Governance: "The 2015 Plan contained material errors that required resubmission of the 2015 Plan's financial information...call[ing] into question the executability of the 2015 Plan."	Implement a robust process to ensure quality control and accuracy regarding resolution plan submissions and the consistency of financial and other information reported for material legal entities and other elements of its resolution plan.	We developed processes for quality control and accuracy and consistency of resolution plan submissions, including the consistency of financial information. This included enhancing executive and senior management oversight, implementing enhanced governance structures, and independent review and challenge processes related to the resolution plan. We developed policies and procedures to ensure we continue to refine our plan preparation process on an ongoing basis.
Operational: Shared Services: Failure to "reflect sufficient progress toward identifying shared services and establishing SLAs and contingency arrangements" between material entities, as well as between material entities and third parties.	Identify all critical services necessary to support the Company's material entities and regional units identified for disposition.	We identified shared services and established SLAs and contingency arrangements. We enhanced our processes to incorporate the mapping of critical services into our LER criteria and implementation efforts, including through identification of areas of potential misalignment between the LER criteria and our existing service delivery model and the execution of actions to align our service delivery model with our LER Criteria to improve resolvability. We strengthened ongoing governance processes related to shared services.

Feedback Related to Identified Deficiency	Remediation Requirements	Key Actions Wells Fargo Took to Remediate Deficiencies
Operational: Bridge Strategy: "The 2015 Plan's bridge bank exit relied on separating WFBNA into regional units, which requires [the Company] to address a range of operational issues."	Demonstrate that the Company's strategy can be executed as described in the 2015 Plan by demonstrating that the separation and sale are sufficiently actionable.	We performed a due diligence analysis consistent with the due diligence process we undertake when we buy or sell any portfolio or business, enabling us to identify and confirm no material issues exist that could impede the regional portfolio sales to be conducted during the FDIC receivership. We developed a repeatable and controlled process to review each regional portfolio and determine if there were any components included in the regional portfolios that were necessary to the ongoing Company operations and therefore could not be included in the regional portfolio sales. We developed a new technology solution that facilitates multiple concurrent divestitures and associated TSAs while maintaining our customers' use and access to banking products and maintaining the security of their information. This fully implemented enhanced TSA technology capability enables us to increase the potential pool of buyers beyond those contemplated in our 2015 submission, providing additional flexibility for our resolution strategy.
Legal Entity Rationalization: The Company's "legal entity rationalization criteria lack the specificity that would clearly lead to actions or arrangements that promote the best alignment of legal entities and business lines to improve the [Company's] resolvability."	Establish legal entity rationalization criteria that (A) are clear, actionable, and promote the best alignment of legal entities and business lines to improve the Company's resolvability and (B) govern the firm's corporate structure and arrangements between legal entities in a way that facilitates the Company's resolvability as its activities, technology, business models, or geographic footprint change over time (collectively, strategic changes).	Through the lens of our resolvability risks, we revised our previous LER Criteria so that they more clearly identify actions that we took and will take to better align our legal entities, business lines, and the system by which the Company provides critical services. We engaged in assessments of our legal entity structure against the revised LER Criteria in the context of our preferred resolution strategy, and took actions to optimize our organizational structure to strengthen our resolvability. We more fully incorporated LER processes into the day-to-day management of the Company, and we formalized governance processes related to legal entity rationalization to ensure the application of the LER criteria to our legal entity structure periodically (at a minimum annually) and on an event-driven basis.

9 CONCLUSION

Our 2017 Resolution Plan reflects our commitment to (1) mitigate the resolution risks created by our business profile and the execution risks of our strategy, (2) make tangible changes to our Company in order to enhance resolvability, (3) develop capabilities to facilitate an orderly resolution and (4) embed resolvability risk management into the ongoing management of our Company as a whole. These actions are foundational to the creation of our plan and support the continuation of our critical operations and business activities while facilitating the orderly resolution of our Company.

- First, our approach is designed to mitigate the resolution risks created by our business profile and the execution risks of our strategy. We believe our chosen MPOE strategy allows for the orderly resolution of WFBNA under FDIC receivership and the resolution of our other material entities through separate regimes, all while minimizing the impact to markets, customers and counterparties.
- Second, we made tangible changes to our structural, financial, operational and governance models to enhance resolvability. For instance, we developed an IHC structure to help ensure appropriate capital and liquidity are available to support the Company's resolution strategy. As outlined in our 2017 Resolution Plan, we took a variety of actions through our legal entity rationalization process to simplify our legal structure and enhance separability. We will continue to assess on an ongoing basis if additional changes are warranted and act to implement such changes.
- Third, we believe our capabilities facilitate orderly resolution in support of the strategy and maximize optionality in resolution. Our capabilities are designed to allow for flexibility. For example, in aggregating and disaggregating region portfolio sales and divestitures under a variety of permutations to resolve WFBNA. Another example of our flexibility is the clearing agreements with third-party members of FMUs that WFBNA currently accesses through WFS LLC to help ensure WFBNA retains access to these FMUs if WFS LLC commences SIPA liquidation. These enhanced capabilities are designed to strengthen the Company's financial, operational, and structural soundness, maintain our compliance with agency guidance, and support the effective execution of our resolution plan.
- Fourth, we embedded resolvability risk management into the ongoing management of the Company as a whole. Our enhanced governance processes help ensure resolution planning and legal entity governance initiatives are evaluated both on an event-driven basis (*e.g.,* new product introduction or the acquisition / divestiture of business activities) and on a periodic basis. Moreover, we enhanced our capabilities in consideration of our specific resolvability risks to help improve the certainty of successful execution of our plan.

We take seriously our commitment to ensuring an orderly resolution under stress without the need for extraordinary government support and without disrupting the financial stability of the United States. Resolution planning has the full commitment of the Company's Board of Directors and senior management, as well as appropriate subject matter experts and teams across the Company. We believe our strategy and developed capabilities support the credible execution of our 2017 Resolution Plan. We continue to refine our strategy and capabilities to support our resolution plan and the orderly resolution of the Company.

10 PRINCIPAL OFFICER BIOGRAPHIES

Name	Title
Timothy J. Sloan	Timothy (Tim) J. Sloan was elected chief executive officer of Wells Fargo & Company and a member of the Board of Directors in October 2016. He became president in November 2015. Previously he served as chief operating officer from November 2015 to October 2016. In that role, Tim was responsible for the operations of the company's four main business groups: Community Banking, Consumer Lending, Wealth and Investment Management, and Wholesale Banking. A 29-year company veteran, Tim had led the company's Wholesale Banking business beginning in 2014 — overseeing approximately 50 different businesses, including Capital Markets, Commercial (middle market) Banking, Commercial Real Estate, Asset-Backed Finance, Equipment Finance, Corporate Banking, Insurance, International, Investment Banking, and Treasury Management. Prior to that, he served as Wells Fargo's chief financial officer, responsible for financial management functions including controllers, financial reporting, asset liability management, treasury, investor relations, and investment portfolios. From September 2010 to February 2011, Tim served as chief administrative officer and managed Corporate Communications, Corporate Social Responsibility, Enterprise Marketing, Government Relations, and Corporate Human Resources. From 1991 to 2010, Tim held various leadership roles in Wholesale Banking, including head of Commercial Banking, Real Estate, and Specialized Financial Services. Prior to joining Wells Fargo in the Loan Adjustment Group in 1987, he worked for Continental Illinois Bank in Chicago. Tim earned his B.A. in economics and history and his M.B.A. in finance and accounting, both from the University of Michigan–Ann Arbor. With a strong commitment to community, Tim serves on the Board of Overseers of the Huntington Library and is a trustee of the City of Hope. He also is a member of the Board of Trustees at California Institute of Technology and a member of the University of Michigan's Ross School of Business Advisory Board.
Franklin R. Codel	Franklin R. Codel serves as head of Wells Fargo Consumer Lending and is a member of the Wells Fargo Operating Committee. The Consumer Lending team serves 14 million United States households by helping consumers with their borrowing needs, from major purchases to achieving and sustaining homeownership. In his role, Codel leads a team of 45,000 consumer lending professionals in Home Lending, Dealer Services and Personal Lending. Wells Fargo Home Lending is the nation's largest combined mortgage and home equity lender and servicer, funding nearly one of every eight loans and servicing one of every six loans in the country. Wells Fargo Dealer Services, which includes the indirect auto lending and commercial services businesses, is the nation's second largest auto finance lender with relationships with over 14,000 automobile dealers and serves almost 4 million customers. The Personal Lending team extends access to credit through its Education Finance Services, Personal Lines and Loans and Direct Auto businesses. Wells Fargo is America's second largest provider of private student loans. Codel joined Wells Fargo in 1993 and previously served as head of Home Lending (2015-2016), head of Mortgage Production (2011-2015) and as head of Mortgage Finance (2004-2011). Codel earned a Bachelor's degree in engineering science from Harvard University in 1986. In 1989, he received his M.B.A. in Finance from the University of Texas at Austin. He currently represents Wells Fargo Home Lending on the board of the Mortgage Bankers Association and the Housing Policy Council of the Financial Services Roundtable. He also currently serves as a board member for the Des Moines Community Foundation and the United Way of Central Iowa. Codel is based in West Des Moines, Iowa.

Name	Title
Hope A. Hardison	Hope A. Hardison, Senior Executive Vice President, Chief Administrative Officer (CAO), and Human Resources Director assumed her CAO role in September 2015. She has been HR Director since September 2010. As CAO, Hardison manages Human Resources, Corporate Communications, Marketing, Government & Community Relations, Enterprise Data & Analytics, and the Regulatory Data Program Office, overseeing the company's brand, communications, reputation management, and stakeholder engagement efforts. In her role as Human Resources Director, Hardison leads a team that develops and implements people strategies to support Wells Fargo's business objectives, as well as the management of compensation and benefits, human resource service centers, systems and payroll, finance, team member relations and assistance, talent management, learning and development and diversity for more than 269,000 Wells Fargo team members. Hardison is a 23-year veteran of Wells Fargo. From 2008 to 2010, she served as the head of Compensation and Benefits and was responsible for managing benefits, executive and team member compensation, and mergers and acquisitions. She also managed international team member compensation and benefit programs. She has held numerous finance, strategic planning and compensation roles since joining Wells Fargo in 1993. She holds a bachelor's degree in economics from Swarthmore College and has done graduate work in applied economics and statistics at the University of California, Santa Cruz. She also serves on the board of trustees at the UC Santa Cruz Foundation.
Richard D. Levy	Richard Levy is Executive Vice President and Controller for Wells Fargo & Company. He is responsible for the company's accounting and tax management, financial planning, analysis and reporting, procurement, supply chain management, accounting policy, accounts payable and the company's compliance with the Sarbanes-Oxley Act. Rich joined Wells Fargo as Controller in 2002 and has over 30 years of public accounting and financial services industry experience. Before joining the company, he was Senior Vice President and Controller for New York Life Insurance Company. Previously, he was a partner with Coopers & Lybrand where he headed the firms' national tax practice for financial institutions. Before joining Coopers & Lybrand, he was a Senior Vice President at Midlantic Corporation, a New Jersey-based regional bank holding company where he was responsible for all the tax and accounting. He is an accounting graduate of Pennsylvania State University and received his master's degree in taxation from Pace University's Lubin School of Graduate Studies. He is also a Certified Public Accountant.
Michael J. Loughlin	Senior Executive Vice President and Chief Risk Officer Michael J. Loughlin oversees all risk-taking activities at Wells Fargo, including credit, market, operational, compliance, information security (including cyber risk), and financial crimes risk management. He is also involved in issues such as liquidity, capital, profit planning, and compensation. As the leader of the Corporate Risk group, which includes 5,000 team members, he serves on the Wells Fargo Operating Committee and is based in San Francisco. Mike assumed his role as Chief Risk Officer in 2006. Previously, he was responsible for credit approval, policy, and reporting for Wholesale Banking. A banking professional with 36 years of experience, he joined the company in 1986 after Wells Fargo acquired Crocker Bank. Before serving as head of credit for Wells Fargo Wholesale Banking, he was responsible for the private banking business of Private Client Services, headed systems and operations for the Wholesale Banking unit, and held other positions within Commercial and Corporate Banking including head of U.S. Corporate Banking and Regional Vice President in the Santa Clara Valley Regional Commercial Banking Office.

Name	Title
	He received his bachelor's degree from the University of California at Berkeley. Mike serves on the board of directors for Students Rising Above, an organization dedicated to helping low-income, first-generation college students realize their potential by guiding and supporting them through college graduation and into the workforce.
Mary T. Mack	Mary Mack is responsible for retail and small business banking at Wells Fargo. She and her team serve approximately 22 million retail banking households and 3 million small business owners. The organization provides financial services to customers through more than 6,000 retail branches and 13,000 ATMs in 39 states and the District of Columbia. Community Banking serves mass market, affluent and small business banking customers. Mary also leads the Business Strategic Planning, Analytics, and Initiatives Group and the Distribution Strategies and Services Group. Mary began her career with Wells Fargo in 1984 and has a broad mix of brokerage / advisory, banking and finance experience. She most recently held the position of President and Head of Wells Fargo Advisors, LLC, one of the United States' largest full-service retail brokerage organizations. Prior to that, Mary led the Financial Services Group and was responsible for investment, advisory and banking products; the firm's research and advice model; Financial Advisor (FA) recruiting, FA productivity and development and the client and FA platform. Over her 32 year tenure with Wells Fargo, Mary also held a variety of leadership positions including the head of Wealth Brokerage Services; leader of Wachovia's Client Partnership; director of Community Affairs; General Bank regional president; and managing director of Healthcare Corporate Banking. A graduate of Davidson College in North Carolina with a bachelor's degree in International Political Economy, Mary also serves on the college's board of trustees. She is a past member of Civic Progress St. Louis and past co-chair of the St. Louis Regional Chamber's Financial Forum. She also served on the executive committee of the United Way of Greater St. Louis, the board or executive committee for Johnson C. Smith University, the United Way of Central Carolinas, Junior Achievement, Childcare Resources, and the Arts & Science Council. She is also a founding member of the Foundation for Fort Mill Schools. Mary was named by Fortune magazine as one of the "50 Most Powerful Women in Business" for 2016. In addition, she was named among the "25 Most Powerful Women in Finance" for 2014 and 2015 by American Banker magazine and ranked among the top 20 "Women to Watch" in financial services by Investment News in 2015.
Avid Modjtabai	Avid Modjtabai is responsible for Wells Fargo's Payments, Virtual Solutions and Innovation (PVSI) group, and leads approximately 35,000 team members. The PVSI group brings together the company's robust payments platforms, digital capabilities, online channels and innovation teams. PVSI also invests in research and development and strategic partnerships to design new products and customer experiences. PVSI includes Consumer Credit Card, Retail Services, Consumer Deposits, Treasury Management, Merchant Services, Payment Strategies, Virtual Channels, Operations, and the Enterprise Innovation Group. A 24-year veteran of Wells Fargo, Modjtabai has served in a number of senior leadership roles. Prior to leading PVSI, she was the head of the Consumer Lending Group and enterprise-wide Operations. The Consumer Lending group included Home Lending, Dealer Services, Consumer Credit Cards, Student Lending, Personal Lines and Loans and Retail Services. She led more than 65,000 team members who served more than 34 million households, helping consumers with their borrowing needs—from everyday goods and services to major purchases to achieving and sustaining homeownership. The Operations team, which remains under Modjtabai in her new role, includes check processing, statement processing, ATM operations, ACH and wires, fraud disputes, cash vaults, lockbox, safe-deposit processing, armored logistics, accounting support for retail stores, and deposit document retention.

Name	Title
	Previously, Modjtabai served as the head of the Technology and Operations Group and Chief Information Officer. As CIO she was responsible for all core technology functions across the company including computing, data centers, connectivity and voice and data networks, end-user services, enterprise architecture, application development, information security, and technology governance. She was also responsible for customer conversion activities and systems and operations integration for Wells Fargo's merger with Wachovia. Modjtabai also served as head of Human Resources and led the Internet Services Group. Her early roles at the company included management positions in Consumer Deposits and the Investment Group, following work at McKinsey & Company, where she focused on strategy initiatives in financial services. Modjtabai has been named as one of the "Most Powerful Women in Banking" by American Banker. The San Francisco Business Times named her one of the "100 Most Influential Women in Bay Area Business" and Bank Technology News recognized her as one of "The Innovators." Additionally, she received the "Ellis Island Medal of Honor," awarded for her outstanding personal and professional achievements, coupled with preserving the richness of her heritage. As an active member of the community, she serves on the board of trustees for The Marine Mammal Center and on the board of directors for Avnet, Inc., a leading global technology distributor. She earned a Bachelor's degree in industrial engineering from Stanford University and an M.B.A in finance from Columbia University.
C. Allen Parker	As Senior Executive Vice President and General Counsel of Wells Fargo & Company, Allen Parker is responsible for the company's legal affairs. He serves on the Wells Fargo Operating Committee and is based in San Francisco. Allen joined the company in March 2017 from Cravath, Swaine & Moore LLP, where he was presiding partner from January 2013 until December 2016, responsible for development and implementation of firm-wide strategy and firm leadership. While at Cravath, he also served as deputy presiding partner from January 2007 to December 2012 and as managing partner of the corporate department from January 2001 to December 2004. He also chaired the firm's Diversity Committee from January 2007 to December 2016. Allen joined Cravath in 1984 and was a partner from 1990 to 2017. Allen earned an undergraduate degree from Duke University, an M.A. from the University of Chicago, and a J.D. from the Columbia University School of Law. He is on the board of trustees of the National Humanities Center and the board of directors of the American Society for the Prevention of Cruelty to Animals. He is also a member of the Council on Foreign Relations, the Dean's Council of the Columbia University School of Law, and the Board of Visitors of the Duke University School of Law.
Perry G. Pelos	Perry Pelos is Senior Executive Vice President and head of Wholesale Banking at Wells Fargo, where he oversees 10 major lines of business dedicated to helping small, mid-sized, and large commercial and corporate companies succeed financially. Wholesale business lines include Business Banking Group, Commercial Real Estate, Corporate Banking, Financial Institutions Group, Government & Institutional Banking, Middle Market Banking, Principal Investments, Wells Fargo Commercial Capital, Wells Fargo Insurance, and Wells Fargo Securities. Perry serves on the Wells Fargo Operating Committee and is based in San Francisco. Perry began his current role in October 2016. Previously, he served as the head of Commercial Banking Services and oversaw several important Wholesale lines of business, including Business Banking (serving companies with $5 million to $20 million in annual sales), Middle Market Banking (serving companies with $20 million to $1 billion in annual sales), and Corporate Banking (serving large corporations with sales of $1 billion or more), as well as Treasury Management and Insurance.

Name	Title
	From 2010 to 2015 he headed Middle Market Banking (formerly named Commercial Banking Group), with responsibility for more than 25 divisions nationwide. Before that, he was division manager for the Middle Market Central division. In 1998, he was appointed head of the Corporate Banking division, and prior to that he held several positions in Middle Market and Corporate Banking. Perry joined Wells Fargo in 1987 in the company's Commercial Banking training program. Perry received a B.A. in economics from Northwestern University and an M.B.A. in finance and accounting from Northwestern's Kellogg School of Management. His outside interests include serving on the board of the San Francisco Symphony and serving as a board member and treasurer of the Bay Area Council, a business-sponsored, public policy advocacy organization for the nine-county Bay Area.
John R. Shrewsberry	Senior Executive Vice President John Shrewsberry is the chief financial officer responsible for Wells Fargo's financial management functions including accounting and control, financial planning and analysis, line of business finance functions, asset-liability management, treasury, tax management, investor relations, and the company's investment portfolios. John is also responsible for Wells Fargo's corporate development, information technology, corporate properties and security, and corporate strategy functions. John serves on the Wells Fargo Operating and Market Risk Committees and is based in San Francisco. A 22-year veteran of banking and investing, John served as head of Wells Fargo Securities from 2006 through May 2014, where he was responsible for investment banking and capital markets activity. From 2001 through 2005, he was the group head of Wells Fargo Commercial Capital, the successor to a commercial finance company he co-founded that became part of Wells Fargo in 2001. Previously, John worked at Goldman Sachs and Credit Suisse First Boston in the principal finance areas. He started his career as a Certified Public Accountant at Coopers & Lybrand. John earned his B.A. in economics from Claremont McKenna College and an M.B.A. from the Yale School of Management. John currently serves on the board for the Committee on Capital Markets Regulation, the Financial Economics Institute, the Yale School of Management, the Yale Corporation Investment Committee and he is active with the Juvenile Diabetes Research Foundation.
Jonathan G. Weiss	Mr. Weiss is the Head of Wealth and Investment Management. He has served as the Senior Executive Vice President and Head of Wealth and Investment Management since July 1, 2017. Mr. Weiss has served with the Company or its predecessors for 12 years.

11 GLOSSARY OF TERMS AND FMUs

The following glossary is included for convenience. Each capitalized or abbreviated term or FMU below is also defined in the body of this document.

Glossary Term	Definition
2015 Resolution Plan	Resolution plan submitted by the Company to the Agencies on July 1, 2015 pursuant to Section 165(d) of the Dodd-Frank Act
2017 Guidance	The Agencies' Guidance for 2017 § 165(d) Annual Resolution Plan Submissions by Domestic Covered Companies that Submitted Resolution Plans in July 2015
2017 Resolution Plan	Resolution plan submitted by the Company to the Agencies on July 1, 2017 pursuant to Section 165(d) of the Dodd-Frank Act
Agencies	The Federal Reserve Board and the FDIC
Basel III	A comprehensive set of reform measures, developed by the Basel Committee on Banking Supervision, to strengthen the regulation, supervision, and risk management of the banking sector
BHC	Bank Holding Company
BHCA	Bank Holding Company Act
Board of Directors	The Board of Directors of the Parent
Boards of Directors	In its plural form, "Boards of Directors" may refer to both the Boards of Directors and the Boards of Managers of our material entities
Bridge Bank	Bridge Bank refers to the bridge depository institution chartered by the OCC and formed by the FDIC, as receiver of WFBNA, by transferring certain assets and liabilities from the WFBNA receivership pursuant to a purchase and assumption agreement in accordance with 12 U.S.C. § 1821(n)
CET1	Common Equity Tier 1
CFO	Chief Financial Officer
CFTC	Commodity Futures Trading Commission
Committed Repurchase Facilities	An agreement by which WFC Holdings will enter into repurchase transactions to provide liquidity to WFS LLC and WFCS LLC upon the occurrence of certain pre-defined capital- and liquidity-based triggers
Company	Wells Fargo & Company together with its consolidated subsidiaries
core business line	A business line of the covered company, including associated operations, services, functions and support that, in the view of the covered company, upon failure would result in a material loss of revenue, profit, or franchise value
Corporate ALCO	Corporate Asset / Liability Management Committee
critical operation	An operation of the Company, including associated services, functions and support, the failure or discontinuance of which would pose a threat to the financial stability of the United States

Glossary Term	Definition
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
Enterprise Severity Level	The Enterprise Severity Levels indicate the magnitude of stress experienced by the Company, ranging from Target Operating Range: Enterprise Severity Level 5 to Resolution: Enterprise Severity Level 1
FDIC	Federal Deposit Insurance Corporation
Federal Reserve Board	Board of Governors of the Federal Reserve System
Final Contribution Event	The occurrence of certain pre-defined capital and liquidity-based triggers, the breach of which cause WFC Holdings to be contractually obligated to provide support to WFBNA under the Secured Support Agreement and WFS LLC and WFCS LLC under the Committed Repurchase Facilities
Final TLAC Rule	Total Loss-Absorbing Capacity, Long-Term Debt, and Clean Holding Company Requirements for Systemically Important U.S. Bank Holding Companies and Intermediate Holding Companies of Systemically Important Foreign Banking Organizations, 82 Fed. Reg. 8266 (January 24, 2017) (codified at 12 C.F.R. Part 252)
FMU	Financial Market Utility, a multilateral system that provides the infrastructure for transferring, clearing, and settling payments, securities, and other financial transactions among financial institutions or between financial institutions and the system
Forum	Forum Capital Markets, LLC
Federal Reserve Board	Board of Governors of the Federal Reserve System
G-SIB	Global Systemically Important Bank
Governance Structure	Enterprise Governance and Incident Response Structure
Guarantee Policy	Our enterprise-wide Intercompany Guarantee Policy
HQLA	High-Quality Liquid Asset
IHC	Intermediate Holding Company
IPO	Initial Public Offering
ISDA Master Agreements	International Swaps and Derivatives Association master agreements
ISDA Protocol	International Swaps and Derivatives Association Resolution Stay Protocol. The ISDA Protocol was developed by the ISDA, in coordination with the Financial Stability Board and international regulators, to reduce systemic risk by staying the early termination of QFCs upon the commencement of resolution proceedings by an affiliate of a QFC party
least-cost test	The least-cost analysis requires the FDIC to choose the resolution method in which the total amount of the FDIC's expenditures and liabilities incurred (including any immediate or long-term obligation and any direct or contingent liability) has the lowest cost to the Deposit Insurance Fund
LER Criteria	Legal Entity Rationalization Criteria
MIS	Management Information Systems
MPOE	Multiple Point of Entry
National Depositor Preference Statute	Title III of the Omnibus Budget Reconciliation Act of 1993
OCC	Office of the Comptroller of the Currency
Operating Material Entities	WFBNA, WFS LLC, and WFCS LLC

Glossary Term	Definition
OTC	Over-the-Counter
Parent	Wells Fargo & Company
PCS	Payment, Clearing and Settlement
PCS Office	The office responsible for Wells Fargo's interactions with FMUs before and during resolution
Peony	Peony Asset Management, Inc.
Post-Stabilization Period	The 14-month period following the Stabilization Period at the end of which the Bridge Bank will be returned to private ownership via one or more public offerings
QFCs	Qualified Financial Contracts, which are financial contracts used for derivatives, securities lending, and short-term funding transactions such as repurchase agreements
RCAP	Resolution Capital Adequacy and Positioning
RCEN	Resolution Capital Execution Need
RLAP	Resolution Liquidity Adequacy and Positioning
RLEN	Resolution Liquidity Execution Need
RRPO	Recovery and Resolution Program Office
SEC	Securities and Exchange Commission
Secured Support Agreement	A secured support agreement by which WFC Holdings will provide significant financial resources to WFBNA, WFS LLC, and WFCS LLC upon the occurrence of certain pre-defined capital and liquidity based triggers
Service Catalog	Our centralized service catalog to evaluate critical service and component providers, including key personnel, facilities, systems, third-party vendors and FMUs, and intellectual property
Service Material Entities	WFIS, WFEGS, Forum and WF Properties. Service Material Entities are legal entities that engage primarily in providing services to other legal entities
SIPA	Securities Investor Protection Act
SIPC	Securities Investor Protection Corporation
SLA	Service Level Agreement
Stabilization Period	The period following the Parent's bankruptcy filing, characterized initially by customer and counterparty outflows but concluding with the stabilization of each material entity, as indicated by liquidity indicators (including cessation of deposit and other outflows), as well as other measures such as profitability
strategic actions	A set of asset portfolio sales, line of business divestitures, and regional portfolio sales involving discrete operations (*e.g.*, significant assets, portfolios, legal entities, or business lines) that Wells Fargo believes could be sold or transferred in resolution, which individually or in the aggregate provide meaningful optionality under different market conditions.
Support Agreements	The Secured Support Agreement and Committed Repurchase Facilities
Surviving Bank	The banking franchise that would emerge from the resolution of WFBNA and be returned to private ownership through the IPO
TLAC	Total Loss-Absorbing Capacity
TSA	Transition Services Agreement
Volcker Rule	Section 619 of the Dodd-Frank Act and the rules and regulations promulgated thereunder

Glossary Term	Definition
WF Funding	Wells Fargo Funding, Inc.
WF Properties	Wells Fargo Properties, Inc.
WFBNA	Wells Fargo Bank, National Association
WFC Holdings	WFC Holdings, LLC
WFCS LLC	Wells Fargo Clearing Services, LLC
WFEGS	Wells Fargo Enterprise Global Services, LLC
WFIS	Wells Fargo India Solutions Private Limited
WFS LLC	Wells Fargo Securities, LLC

Material FMU	Description
Clearing House Interbank Payment System (CHIPS)	CHIPS is a U.S. real-time system for transmitting and settling high-value wire transfer payments among participating banks, providing immediate and final settlement throughout the day.
Electronic Payments Network (EPN)	EPN, one of two central clearinghouses for ACH transactions, is the only private sector clearinghouse that processes consumer and business ACH payment transactions submitted to the ACH Network in the United States.
SVPCO	SVPCO is the check image exchange business that was established for the purpose of providing a cost-effective way to exchange and settle check images through a secure electronic connectivity.
Viewpointe	Viewpointe is an exchange that enables its members to electronically exchange and clear check images.
Visa	Visa, Inc. and its wholly-owned consolidated subsidiaries (Visa), facilitate authorization, clearing and settlement of electronic payment transactions worldwide.
Fed Services	Fed Services is inclusive of Fedwire Funds, FedACH, FedChecks, and Fedwire Securities. The Federal Reserve Bank and, collectively, the Fed Services are essential to the Company's ability to operate and provide services to its clients.
LCH.Clearnet Ltd.	LCH.Clearnet Ltd. provides clearing, settlement, risk management, central counterparty services, and a guarantee of completion for certain transactions involving swaps, foreign exchange, fixed income, commodities, listed derivatives, and equities.
Options Clearing Corporation (OCC)	OCC is a derivatives clearing organization allowing each of WFS LLC and WFCS LLC to provide clearing and settlement services for the options products supported for their respective customers, as well as on their own behalf.
Intercontinental Exchange (ICE)	ICE is inclusive of ICE Clear Credit, ICE Clear Europe, and ICE Clear US. These three entities support the trading and clearing of derivatives across a wide set of asset classes, including energy and agricultural commodities, interest rates, equities, equity derivatives, credit derivatives, bonds, and currencies.
Chicago Mercantile Exchange (CME)	CME is a derivatives marketplace that owns and operates multiple derivative exchanges and provides clearing and settlement services for Exchange-Traded and Over-the-Counter (OTC) derivative products.
National Securities Clearing Corporation (NSCC)	NSCC clears and settles equities, corporate bonds, municipal securities, and unit investment trusts within the United States on behalf of its financial institution members.
Fixed Income Clearing Corporation (FICC)	FICC operates as a clearing agency with two sub-divisions: Government Securities Division (GSD) and Mortgage-Backed Securities Division (MBSD).

Material FMU	Overview Description
Bank of New York Mellon (BNYM)	BNYM provides Asset, Treasury and Broker Dealer Services, as well as custodial and settlement bank services, facilitates the settlement of Fed eligible securities and mortgage-backed securities, and acts as an agent for tri-party repo activities.
Depository Trust Corporation (DTC)	DTC provides for the settlement of book-entry transfers and pledges of interest in eligible deposited securities and net funds settlement.
CLS	CLS operates the world's largest multicurrency cash settlement service to mitigate FX settlement risk for its settlement members and their customers globally.