



November 14, 2013

Board of Governors of the Federal Reserve System
c/o: Robert deV. Frierson, Secretary
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Re: Proposed Information Collection
Complex Institution Liquidity Monitoring Report - FR 2052a

Ladies and Gentlemen:

This letter is submitted on behalf of Wells Fargo & Company ("**Wells Fargo**" or "**we**") in response to the Notice of Proposed Information Collection on the FR 2052a (the "**Information Request**") issued by the Board of Governors of the Federal Reserve System (the "**Board**"). The Board has proposed to implement the FR 2052a to gather daily information on selected assets, liabilities, funding activities and contingent liabilities from banking organizations that have been designated as global systemically important banks by the Financial Stability Board (the "**FSB**"). The reports are proposed to be used to monitor the reporting organization's overall liquidity profile and liquidity risks within its business lines. We appreciate the opportunity to provide the Board with our comments on the Information Request.

We understand that the financial crisis highlighted the importance of monitoring liquidity on an institution-specific and system-wide basis, and we support efforts by the Board and other U.S. and international regulators to improve regulatory standards and industry practices with respect to liquidity through, among other initiatives, the introduction of new liquidity reporting requirements like the Information Request. The Board is already collecting substantially similar, if not identical, data on a daily basis through the 4G Liquidity Monitoring Tool process (the "**4G**") and is developing the next generation of liquidity data collection reports (the "**5G**"). In light of this, we respectfully request that the Board suspend implementation of the FR 2052a permanently and focus both its own and the banks' efforts on the 5G solution that will reflect the final liquidity rules. If this is not possible, we request that the Board delay implementation of the FR 2052a until December 31, 2014 to allow organizations additional time to address new reporting and certification requirements.

I. Delay Implementation of the FR 2052a until December 31, 2014

Because of new reporting requirements associated with the FR 2052a and the introduction of new certification standards, we request that the Board delay implementation of the FR 2052a until December 31, 2014. In addition, we request that the Board revise proposed reporting time deadlines for daily reports and for the certified month-end report.

Our review of the FR 2052a has identified inconsistencies between data points collected by the FR 2052a and those currently collected through the 4G, on which the FR 2052a is based and presumably is intended to replace. For instance, there are variances between the instructions on the FR 2052a and the 4G with respect to reporting of Derivative Receivables (Item 5.10) and Derivative Payables (Item 11.10), with the FR 2052a requiring reporting of only non-collateralized derivatives. There are also differences in the instructions with respect to reporting of Loan Cash Inflows (Item 6.2). It is unclear to us whether these differences were inadvertent or intended, but their introduction creates operational and reporting complexities that are not possible to address by the proposed December 31, 2013 effective date.

The Information Request also proposes to introduce a new month-end certification requirement, and reporting organizations will not be in a position to resolve reporting ambiguities and implement reporting and control procedures by January 2014. The 4G has been compiled on a best-efforts basis and reporting organizations have necessarily made interpretive judgments regarding the 4G's instructions. The scope of any variances in interpretation across the spectrum of reporting organizations is unclear and makes the comparability of the data collected difficult to assess. The formalization of these data requests in the form of the FR 2052a and the introduction of a new month-end certification requirement create a heightened expectation for the comparability of the data across organizations. Although the Information Request does not provide the content of the proposed certification, we assume it would require certification of the accuracy and completeness of the information presented. Because of the potential for variances in interpretation of the instructions and the previous requirement of a best-efforts only reporting standard, the certification requirement should not be imposed without first affording organizations the opportunity to become more familiar with the reporting requirements, and for ambiguities in interpretation to be identified and resolved, and affording them the time necessary to develop reporting and control procedures to transition from a best-efforts standard to the rigorous standards appropriate for certified filings.

In addition to delaying implementation of the FR 2052a and the certification requirement, we also request that the Board adjust the timing for the filing of reports. As proposed, the FR 2052a would be reported daily by 10:00 am, Eastern, two business days after the as-of date ("T+2"). With respect to the time of reporting, we request that the Board take into account that not all reporting organizations are headquartered on the East Coast. As a result, the reporting deadline should be extended until 10:00 am, Pacific, to afford additional reporting time for reporting organizations headquartered on the West Coast. As mentioned above, the Information Request also introduces a month-end certification requirement. We do not believe

requiring a certified month-end report on a T+2 basis is reasonable or practical. The organization's books have not been closed at this point, and for any certification to be meaningful the month-end certification should be provided no earlier than T+14 based on a final version of the month-end report. This is consistent with other reporting requirements where the time to close the books is recognized and related certifications are not required so quickly. As an example, a publicly traded company's quarterly report on Form 10-Q is not required to be filed earlier than 40 days after quarter-end.

We also note that the Board has indicated it anticipates issuing a series of additional ad hoc data requests that may form the basis of further revisions to the FR 2052a. The introduction of these new requests should not be integrated into, or subject to the certification requirements of, the FR 2052a until organizations have been given a reasonable amount of time to implement new reporting protocols for these new data elements. Sourcing new data requests involves multiple systems of record and requires significant technology resources and testing to ensure data reporting integrity. The proposed 30-day lead time for new ad-hoc reporting requirements will not be sufficient, and the effective date for the introduction of any new data requests should be determined after consultation with the industry and consideration of the volume and complexity of the new requests.

II. Defer implementation of the FR 2052a in light of other efforts to develop new liquidity data collection reports.

The Information Request is only one of a number of reporting templates the Board and FSB have developed, or are in the process of developing, for purposes of monitoring liquidity metrics. For instance:

- The Board is in the process of developing the 5G; and
- The Board's release of its proposal to implement the Basel III liquidity coverage ratio (the "LCR") indicated plans to propose new LCR-based reporting requirements;
- The Board has released a proposal to implement the FR 2420 Report of Selected Money Market Rates;
- The Board's 2012 implementation of the FR Y-15 report, which contains liquidity metric disclosures on the schedules for interconnectedness, complexity indicators and ancillary indicators; and
- The FSB recently introduced a data collection template for funding dependencies (Phase 2 of the Data Gap Initiative) designed to collect and pool information on interconnectedness and risk concentrations within the global financial network.

As mentioned previously, Wells Fargo supports the Board's efforts to improve regulatory standards and industry practices with respect to liquidity, and we understand that this effort

may at times result in different data collection initiatives. We believe, however, that the industry and Board's efforts should be focused on the ultimate objective of developing the 5G to the highest level of robustness and reporting controls and accuracy and implementing the LCR. Each new report, or revision to an existing report, requires the deployment of significant resources to analyze new or revised reporting requirements and to develop new or revised reporting and control procedures. Although we recognize that the Information Request is well intended, we believe that the introduction of interim requirements such as the FR 2052a may have the unintended consequence of diverting the focus of both reporting organizations and supervisors from developing the 5G and implementing the LCR. As a result, we request that implementation of the FR 2052a be deferred and would welcome the opportunity to work with Board staff to achieve a successful implementation of the 5G that both meets supervisory requirements and is useful to reporting organizations in understanding LCR calculation methodologies. For instance, we would recommend that the 5G provide reporting organizations with a calculation tab for the LCR so that they may determine how data collected is used to establish the LCR. In the United Kingdom, organizations have access to a calculation template, which allows them to confirm the calculations and better assess completion of the template.

Once again, we appreciate the opportunity to provide comments on the Information Request. If you have any questions, please feel free to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "Paul R. Ackerman". The signature is fluid and cursive, with the first name "Paul" being the most prominent.

Paul R. Ackerman