

**FR Y-14 A and Q Industry Outreach Call
Between Federal Reserve Staff and Representatives of Wells Fargo
October 13, 2011**

Participants: Andrew J Felton, Benjamin W McDonough, John Kambhu, Eliza Hammel, Scott Chastain, Doug Hoch, Paul Calem, Martin Lord, Nancy Beebe, Kevin Stiroh, Emily Yang, Charles von Althann, Christine E Graham, Edward Brooke, Eric Caban, Lisa H Ryu, Martin Lord, Nancy Beebe, Robert F Sarama, Sabina Golden, Tim P Clark, Wing Oon, Zana Vujicic, Christin Patel, Amy Berardinelli, Anulekha Mohanty and David Farrar (Federal Reserve Staff)

David Mason, David Julian, Nick Deshpande, Ravi Mallela, Brian Hall, Simon Cann, Tammy Greyshock, Kevin Oden, Kevin Choi, Frank Miller, Andrew Gabso, Scott Griffey, Judy Ciesielski, Scott Weaver and Julie White (Wells Fargo)

Summary: Federal Reserve staff participated in an outreach call with representatives of Wells Fargo in order to address technical and/or clarifying questions submitted by the firm related to the FR Y 14 A and Q data schedules proposed by the Federal Reserve Board and to solicit feedback on the proposal. Federal Reserve staff did not respond to substantive comments raised by the participants during the call. A summary of the issues raised by the participants is provided below.

COUNTERPARTY

Q: Will the implementation of the proposed rules for Counterparty Credit Risk (CCR) on an annual schedule replace the requests for CCR CVA templates that have been made over a number of recent quarters?

A: No, under the proposal, CCR would be independent from the CCR CVA templates.

Q: The NPR indicates that “The as-of date for the Trading and CCR data would be during the 3rd or 4th quarter. The as-of date would be communicated to the BHCs after it had occurred but before year-end”. Will the regulators establish a standard period between the notification date and the as-of date? (For example, the as-of date will always be no more than 10 days prior to the notification date.)

A: Substantive comments cannot be responded to during the comment period.

Q: Can you provide any guidance as to when the Fed will release the as-of date for CCR and Trading?

A: Substantive comments cannot be responded to during the comment period.

TRADING

Q: Does the FRB expect the trading market shock results to be reported in any specified template along with total results in the summary template?

A: Under the proposal, the trading results should be reported in two locations in the Summary Schedule, on the Income Statement Worksheet and on the Trading Worksheet.

Q: Can you provide guidance on whether the population of exposures you are requesting in the 'Other Fair Value Assets' tabs should tie to information reported in the FRY-9C?

A: Under the proposal, there are no specifications as to how the firms align the contents of the 'Other Fair Value Assets' tabs with the FRY-9C.

Q: There was originally a template for unfunded commitments and contingent liabilities that is not in the final version.

A: The Federal Register notice is a complete description of the proposal.

Q: Last year we received permission to provide Private Equity data as of 9/30/10, as that data is not generally tracked on a daily basis and would be difficult to account for on any given as-of date. We want to confirm that we can also complete the Private Equity data template as of 9/30 this year.

A: Under the proposal, assuming the firm's accounting cycle for a particular product, the firm should use the most recent accounting marks.

Q: The Other Fair Value Assets template is in a similar category. We would like to complete the Other Fair Values Assets template as of 9/30/11 as well. Is this acceptable?

A: Under the proposal, assuming the firm's accounting cycle for a particular product, the firm should use the most recent accounting marks.

RETAIL

Q: On the real estate template, we have loans that were originated as one product (Option ARM) and have been modified into another product (Fixed Rate), but did not become a new loan. Do you want the product on that loan to be set to Option ARM for the loans entirety or to switch to Fixed Rate at the time of modification and going forward?

A: Under the proposal, original classification should be used.

Q: On the SME Card template, it asks for the Original FICO or Equivalent but the SAS Variable name is REF_FICO. For all other templates where they ask for the Original FICO they are naming the SAS Variable ORIG_FICO. Can you confirm that you want us to name the field REF_FICO?

A: Substantive comments cannot be responded to during the comment period.

Q: For Cards and SME Cards, the data requests both Receivables and UPB (excluding interest and fees). We do not always have the \$ UPB stored in our database. Should we populate the UPB with the Receivables amount?

A: Under the proposal, if this data is not available it should not be reported.

Q: All Outstanding and Receivables are asking for the gross amount Is this correct? This will make reconciliation of certain LOBs very difficult.

A: Yes, under the proposal gross amounts should be reported.

Q: For products that exclude loans with missing LTVs and FICOs (i.e. Mortgage), please confirm that you would only like this information (table D) for the current time period (rather than history).

A: Under the proposal, current period is correct.

Q: We'd also like to confirm that our most recent reporting time period for this submission will be 9/30/11 (even though many docs are referencing 10/31/11).

A: Substantive comments cannot be responded to during the comment period.

Q: For the Small Business portfolio, which dataset should include the loans that are secured by real estate? Last year all Small Business loans were included in the SME template, but there is no longer a collateral type to segment the RE secured loans from the unsecured loans. Do we still include all small business originated loans/lines in the 3 small business schedules? Or should the residential RE secured loans be included in the 3 residential RE datasets as they are on the Y-9C?

A: Generally, reporting for this proposed dataset would conform to Y-9C reporting. Substantive comments cannot be responded to during the comment period.

WHOLESALE

Q: Under the current data instructions, there are loans that meet the criteria for both the CRE data schedule and the C&I data schedule and are consequently included in both data templates. Is this the intent? If so, should we include loans meeting both criteria in both templates or pick one?

A: The relevant loan populations are defined by the Y-9C categories outlined in each schedule. For the Corporate Loan schedule, the relevant Y-9C categories are outlined in the Additional Instructions for Field 27. For the CRE schedule, the relevant Y-9C categories are outlined in Field 4. Under the proposal, no loan will be reported in multiple schedules.

SUMMARY

Q: Provisions essentially represents the change in reserve balance over (reserve build) or under (reserve release) the charge-off usage. We provide for the entire allowance for credit loss through the provision line item (not just the ALLL) in our normal practice. So to be able to align historical and forecasted provision, the request is to change the ALLL reference on the Income Statement Worksheet to an ACL reference (Allowance for Credit Loss). This allows us to align the provision to our current practice which is to provide for the Allowance for Loan and Lease Loss (ALLL) and the Allowance for Unfunded Credit Commitments (AUCC). Specifically, in the 'Income Statement Worksheet', change the following:

- ALLOWANCE FOR LOAN and LEASE LOSSES to ALLOWANCE FOR CREDIT LOSS
 - Row 36: ALLL, prior quarter to ACL, prior quarter
 - Row 39: ALLL, current quarter to ACL, current quarter
- A: Substantive comments cannot be responded to during the comment period.