WELLS FARGO

January 8, 2008

Via e-mail

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW.
Washington, D.C. 20551
Attention: Financial Statements for Bank Holding Companies, 7100-0128 and Financial Statements for Nonbank Subsidiaries of U.S. Bank Holding Companies, 7100-0244, March 2008
regs.comments@federalreserve.gov

Re: Proposed Agency Information Collection Activities;
Request for Comment – Proposed Revisions to the Financial Statements for Bank Holding Companies (FRY-9C) and Financial Statements for Nonbank Subsidiaries of U.S. Bank Holding Companies (FRY-11)

Wells Fargo & Company ("Wells Fargo") appreciates the opportunity to comment on the proposed revisions to the Financial Statements for Bank Holding Companies ("FRY-9C") ("BHCs") (the "Proposal") set forth in the request for comment by the Board of Governors of the Federal Reserve System (the "Board"). Wells Fargo is a diverse financial services company with $549 billion in assets, providing banking, insurance, investments, mortgage and consumer finance through almost 6,000 stores and the internet across North America and internationally. At September 30, 2007, Wells Fargo was the fifth largest bank holding company, based on assets, and filed numerous regulatory reports with the Board. Wells Fargo's lead bank, Wells Fargo Bank, N.A. is a member of The Clearing House Association, L.L.C., which, on behalf of its members, also provided comments on the Proposal to the Board.

Many of the proposed revisions are related to revisions to the Reports of Condition and Income ("Call Reports") proposed jointly by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation, (collectively "the Agencies") in an earlier request for comment. Our comments on the Proposal are consistent with comments on the earlier request for comment and are as follows:

Loans Reported at Fair Value Under a Fair Value Option

The Board has proposed to add items to Schedule HC-C, part I, Loans and Leases, and to HC-D, Trading Assets, to collect data on the loans reported in this schedule that are measured at fair value under a fair value option. In addition to reporting the fair value and unpaid principal amount of such loans by major loan category, the Board proposes to collect the aggregate amount of difference between the fair value and the unpaid principal balance of such loans broken out between changes attributable to the credit risk of the loan since origination and the amount attributable to all other factors.

The Board has invited comment related to the ability of bank holding companies to disaggregate changes in the fair value of loans into two categories: 1) changes in credit risk and 2) changes due to all other factors. Although the information may exist in theory, it is not readily available in practice. Fair value pricing is not performed on a component basis, but rather amounts are priced based on the total trade. Consequently, BHCs would need to develop incremental processes to work backwards to derive the theoretical components solely to meet the FRY-9C Report requirements. If BHCs were to attempt to derive this information, it is not clear that the data would be reliable. The information would not be comparable across the industry due to varying methods to estimate the components and therefore would be of limited, if any, usefulness. Finally, any attempt to derive this data would place a significant burden on BHCs that would be analogous to the burden placed on hedging specific risk elements as part of a FAS 133 hedge. There would be little reporting benefit from the significant cost associated with this complex and largely unreliable effort. **Therefore, Wells Fargo strongly opposes the collection of data attributing the aggregate difference between the fair value and the unpaid principal of loans measured at fair value under a fair value option to changes in credit risk since origination of the loans.**

Other comments

The Board is proposing to expand the scope of Schedule HC-P to include, among other items, originations of open-end 1-4 family residential mortgages during the quarter for which would be reported 1) total commitment under the lines of credit and 2) principal amount funded under the lines of credit. Draft instructions for the proposed line items currently are not available. **Wells Fargo would encourage the Board to clearly define both terms under originations of open-end 1-4 family residential mortgages during the quarter in the FRY-9C Report Instructions.** We believe these terms as they apply to open-end 1-4 family residential mortgages absent a clear and concise definition will be subject to vast interpretation and could result in unnecessary and costly programming to capture the data. To avoid diversity in practice and costly programming changes that might not be necessary, we recommend that with regard to originations of open-end 1-4 family residential mortgages 1) total commitments be defined as the initial committed balance made to customers on newly established open-ended lines of credit and 2) principal amount funded be defined as initial fundings made to customers on newly established lines. Application of this principle would establish consistency. Clear and concise instructions will help ensure the Agencies and banks have the same understanding of the information requested.

The Board also proposes eliminating reporting of the FRY-11/S by BHCs for entities that issue trust preferred securities to reduce burden on the industry. Elimination of reporting for these entities will not compromise the collection of essential information for analysts which can also be obtained from the parent company-only financial statements. **Wells Fargo fully supports the elimination of the filing requirements for entities that issue trust preferred securities and commends the Board on its efforts to reduce burden.**

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We appreciate the opportunity to comment on the issues contained in the Board's proposal. If you have any questions, please contact me at (612) 667-7768.

Sincerely,

/s/ James E. Hanson

James E. Hanson
Director, Financial Reporting / M & A

cc: Ms. Donna Fisher, American Bankers Association
Ms. Gail Haas, The Clearing House Association, L.L.C.