

October 13, 2016

Edward B. Murray
Mayor, City of Seattle

Councilmember Bruce Harrell
President, Seattle City Council

Councilmember Tim Burgess
Chair, Finance and Budget Committee

City of Seattle
Seattle City Hall
600 Fourth Avenue
Seattle, Washington 98124-4749

Dear Mr. Murray, Mr. Harrell and Mr. Burgess,

I am following up in response to the City's letter dated October 6, 2016, addressed to Mr. Pelos, Ms. Rintala and myself. The City of Seattle is a valued and longstanding customer of Wells Fargo. Given the recent news, we understand the City's concerns and appreciate the opportunity to engage in a constructive dialogue to rebuild our trust with City officials. We are deeply sorry and fully committed to doing what's right for our customers.

The behavior which caused the settlements with the City Attorney of Los Angeles, Consumer Financial Protection Bureau, and the Office of the Comptroller of the Currency, is inconsistent with our values and the culture that 265,000 employees strive to live up to every day. Our goal is to get things right 100 percent of the time. When we make a mistake, we are open about it, we take responsibility, and we fix it.

I would like to provide you with information on what has occurred, how we have rectified this situation, made reparations to those harmed, and the steps Wells Fargo has taken to ensure that this will not happen again.

Over the last several weeks, you may have heard about the settlements we've made involving some of our customers receiving products or services that they did not want or request. Prior to the settlements we hired a third party consulting firm to perform an extensive review of consumer and small business retail banking deposit accounts and unsecured credit cards opened going back to 2011. The third party review determined:

- They examined 93 million consumer and small business retail deposit accounts and unsecured credit card accounts.
- Among this population, approximately 1.5 million deposit accounts and 565,000 credit card accounts were identified as possibly unauthorized.
- Upon further investigation, approximately 100,000 deposit accounts and 15,000 credit card accounts were identified as having incurred fees that may not have been warranted.





It's important for you to know that making things right and restoring the faith you have in us is the very top priority for our entire Wells Fargo leadership team. There is nothing more important than for you to experience the very best from us.

Here's what we're already doing:

- Putting your interests first: We have eliminated product sales goals for our Retail Banking team members who serve customers in our bank branches and call centers.
- Proactively communicating with you: We send a confirmation after you open a new consumer or small business checking, savings, or credit card account so that you know what is happening and can tell us if anything we've confirmed is different than what you expected.
- Full transparency: You can always see your eligible accounts any time when enrolled in Wells Fargo Online®.
- Fixing what went wrong: We have provided full refunds to customers we have already identified and we are broadening our scope of work to find customers we may have missed. If we have any doubt about whether an account was authorized, and any fees were incurred on that account, we will contact our customers and refund fees. In addition, we have:
 - Terminated managers and team members involved in sales practice violations.
 - Established an enterprise-wide Office of Global Ethics and Integrity that sets ethical standards for the company and provides team members with resources on ethical decisions.
 - Implemented an updated, enterprise-wide Code of Ethics and Business Conduct with which all team members must fully comply.
 - Investing \$50 million on monitoring of bank locations, including increasing the number of people dedicated to oversight.
 - CEO and Chairman of the Board John Stumpf has retired from Wells Fargo effective October 12, 2016.

Wells Fargo and the City of Seattle have maintained a longstanding financial relationship and a strong community partnership. Wells Fargo is committed to continuing our support of socially responsible banking practices by providing service and outreach to all members of the community. In addition, we are proud of our consistent leadership and substantive grants to support our local communities including:

1) Wells Fargo Neighborhood LIFT King County - \$5 million Down Payment Assistance Program Grants

- Up to \$7,500 per household to help as many as 449 new homeowners
- Homebuyer and Financial Education Event July 7th and 8th
- Neighborhood LIFT Local Initiatives – Worked closely with the Mayor's Office to select local nonprofits to receive financial support from the Wells Fargo Housing Foundation

2) Wells Fargo Regional Foundation – Seattle Neighborhood Grants Pilot Project

- \$100,000 Neighborhood Planning Grant per neighborhood
- HomeSight – South Seattle / Rainier Valley
- Children's Home Society Washington – Lake City

Together we'll go far



3) Economic Opportunity Grants – Workforce Development

- \$25,000 Urban League Metropolitan Seattle / Workforce development
- \$25,000 Neighborhood House / Education and Workforce development
- \$75,000 Ventures – Small Business Lending / Technical Assistance

4) Wells Fargo Small Business Initiative – Diverse Community Capital

- Craft3 - \$250,000 (grant)
- \$7 million lending / equity investment

The trust you place in me and in Wells Fargo means everything; it's the foundation of our relationship and the way we do business together. We appreciate the opportunity to meet with City officials to discuss our actions to reform our business practices, the reparations to those harmed and the steps we have taken to rebuild your confidence in Wells Fargo as a trusted partner.

Sincerely,



Brennan K. Church
Vice President
Government & Institutional Banking
Wells Fargo Bank - Washington

