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November 22, 2011

Via email

Ms. Leslie F. Seidman Chairman Financial Accounting Standards Board 401 Merritt 7 PO Box 5116 Norwalk, Connecticut 06856-5116

Re: File Reference No. 2011-240 - Proposed Accounting Standards Update, Comprehensive Income (Topic 220), Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05

Dear Ms. Seidman:

Wells Fargo & Company (Wells Fargo) is a diversified financial services company with over \$1.3 trillion in assets providing banking, insurance, trust and investments, mortgage banking, investment banking, retail banking, and consumer finance services. We appreciate the opportunity to comment on the Proposed Accounting Standards Update, Comprehensive Income (Topic 220), Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05 (The Proposed ASU).

Wells Fargo strongly supports the Board's decision to defer certain aspects of ASU 2011-05 relating to the presentation of reclassification adjustments from other comprehensive income to net income. However, we encourage the Board to use this deferral time period to undertake a standard-setting project to define the conceptual basis of other comprehensive income (OCI). We believe that a conceptual basis would provide a foundation for working with the IASB in the joint development of an OCI standard and may facilitate resolving the divergent approaches to OCI between the two boards. Our comments below are made considering this perspective.

The conceptual basis for OCI should be defined: The first step in evaluating how to present reclassification adjustments should be to understand what the balances are intended to represent and to define a principle or characteristics for items qualifying for inclusion in OCI. The FASB has not provided a formal definition of what OCI is intended to represent, and instead relies on existing guidance, which was created over many years and through several independent projects. We believe that questions raised in the deliberations related to the classification and measurement component of the Financial Instruments ED¹ and

¹ Joint FASB and IASB project on Accounting for Financial Instruments

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through ongoing international convergence efforts have increased the focus on the importance of clarity regarding the intended purpose of OCI. These issues are fundamental to understanding comprehensive income and should be resolved before the issuance of further guidance.

- The FASB and IASB should jointly develop an OCI standard: The FASB has acknowledged the importance of convergence on many occasions and is engaged in a number of joint projects with the IASB to accomplish this goal. However, the FASB and IASB chose not to issue a joint standard on this project. Substantial differences still exist in the treatment of the types of items to be reported in OCI as well as the requirements for reclassifying (recycling) those items into net income. Consistent with our comments on the Financial Instruments ED, we encourage the FASB and IASB to resolve their differences before moving further with any guidance related to OCI reclassification adjustments. It seems premature to propose any new guidance on the presentation of reclassification adjustments until their population is known.
- Financial statements must be streamlined to improve usefulness: Based on discussions with our investor relations team, there is very little interest in the nature or amount of these reclassification adjustments. Accordingly, we believe that the disclosure of these items on the face of the income statement, either through additional line items or parenthetical disclosures, will only serve to clutter the financial statements, confuse investors and distract them from more important information. We do not believe the presentation of reclassification amounts on the face of the income statement provides any incremental value to investors. Instead, we recommend that companies continue to be given the option to disclose this information in the notes to the financial statements, where supplemental information is generally presented and expected.
- The reporting requirements for interim financial statements should be clarified: Originally, paragraph ASC 220-10-45-18 of ASU 2011-05 required the separate reporting of reclassification adjustments in interim financial statements. This paragraph has been amended by the Proposed ASU and appears to have deferred this requirement, consistent with the deferral of the annual requirement. However, the revised implementation examples presented in the Proposed ASU address only annual reporting requirements. We recommend that the Board clarify the deferment of these reporting requirements for both annual and interim statements.

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We appreciate the opportunity to comment on the issues contained in the Proposed ASU and are willing to work with the FASB in identifying reporting alternatives for reclassification adjustments that would be both cost-effective and meaningful to investors and other financial statement users. If you have any questions, please contact me at 415-222-3119.

Sincerely,

/s/ Richard D. Levy

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cc: Kathy Murphy – Office of the Comptroller of the Currency Stephen Merriett – Federal Reserve Board Robert Storch – Federal Deposit Insurance Corporation Donna Fisher – American Bankers Association David Wagner – The Clearing House Association