



**Comptroller of the Currency
Administrator of National Banks**

Multinational Banking Department
250 E Street, S.W.
Washington, DC 20219

May 21, 1997

**Corporate Decision #97-26
May 1997**

Ms. Pui-Mei Wong
Assistant Vice President
Wells Fargo Bank, N.A.
111 Sutter Street, 16th Floor
San Francisco, California 94163

Dear Ms. Wong:

This is to advise you that the Office of the Comptroller of the Currency ("OCC") has approved the Bank's application for permission to establish branches at the following locations:

1578 Howe Avenue, Sacramento, California
21st & K Street, Sacramento, California
5300 Sunrise Boulevard, Fair Oaks, California

If the branches are not opened within eighteen months from this date, the approval will automatically terminate unless the OCC grants an extension. The Bank must advise this Office in writing at least ten days before the proposed branch opening dates so that we may issue the necessary authorization letters. In no event should the branches be opened for business until the OCC has issued the necessary letters of authority.

As we advised you earlier, the OCC removed the above three branch applications from our expedited review procedures in light of adverse comments we received from two members of the public. We subsequently performed a targeted investigation of your bank's corporate policy on branch closings and record of opening and closing branches subsequent to the acquisition of the various First Interstate Banks on April 1, 1996.

Based upon our examiners' review, we concluded that the Bank's policy and record of opening and closing branches have not, in the aggregate, had a negative impact on the Bank's performance under the Community Reinvestment Act, particularly with regard to low- and moderate-income areas. Our letters to the persons filing the adverse comments, which describe in more detail the results of the targeted review, are incorporated herein by reference and copies are attached for your convenience.

**Please direct all correspondence on these applications or any other licensing matters to:
Licensing Manager, Mail Stop 6-2 at the above address.**

Sincerely,

/s/

Richard T. Erb
Licensing Manager

Enclosures

Control Numbers 97-ML-05-0106 thru 0108



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Washington, DC 20219

ATTACHMENT A

May 21, 1997

Mr. Bruce Lyall
Recycled Records
1377 Haight Street
San Francisco, California 94117

Dear Mr. Lyall:

As we advised you earlier, the OCC removed three pending branch applications by Wells Fargo Bank, N.A. ("Wells") from our expedited review procedures in light of the adverse comments we received from you and another member of the public. Your comments were generated by Wells' announcement of the closing of its Haight & Belvedere branch in San Francisco, California.

In response to your comments, our national bank examiners performed a targeted investigation at Wells of their branch closing policy and their record of opening and closing branches subsequent to their acquisition of various First Interstate Banks on April 1, 1996. Our examiners reviewed Wells' corporate policy and the documentation used by bank management to support their decisions.

The purpose of our examiners' review was to determine the adequacy of Wells' corporate policy and whether that bank's practices in closing branches are consistent with that policy. Toward those ends, our examiners reviewed the bank's record of consolidating branches into other branches and of relocating branches to determine their impact on census tracts of various income levels.

We found that Wells' corporate policy for branch closings addresses regulatory requirements. We also found that the bank's practices comply with its policy. Additionally, our review disclosed that during the twelve months ending March 31, 1997, Wells opened 230 new branches, closed 40, relocated 145, and consolidated 120 into other branches. Of the 40 branch closures, eight were in low- or moderate-income areas. These eight branches do not include the Haight & Belvedere branch as it is located in a middle-income census tract.

With respect to the branches that were relocated or consolidated into other branches, 12 involved moves out of low- or moderate-income areas, while 23 involved moves into low- or moderate-income areas. In addition, 34 of the bank's new branches are in low- or moderate-

income areas. Currently, Wells has applications pending before the OCC for 37 additional branches, five of which are in low- or moderate-income areas.

Based on this review, we concluded that Wells' branch closing policy and their record of opening and closing branches has not, in the aggregate, had a negative impact on its performance under the Community Reinvestment Act (CRA), particularly with regard to low- and moderate-income areas. Under the CRA, FDIC-insured depository institutions have a continuing and affirmative obligation to help meet the credit needs of the local communities in which they are chartered.

Our most recent, full-scope CRA examination of Wells was dated March 31, 1996. At that time we determined that the bank had an outstanding record of performance. We are not aware of any other more recent information, including the results of the latest review of branch closings, that would suggest that Wells' record does not support our approval of the pending branch applications. Accordingly, today we approved the three applications that had been placed on hold in response to your comments.

In the event of questions, please contact Ms. Cindy Hausch-Booth at (202) 874-5060.

Sincerely,

/s/

Richard T. Erb
Acting Deputy Comptroller



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Washington, DC 20219

ATTACHMENT B

May 21, 1997

Mr. K.C. Evans
c/o Coffee, Tea & Spice
1630 Haight Street
San Francisco, California 94117

Dear Mr. Evans:

As we advised you earlier, the OCC removed three pending branch applications by Wells Fargo Bank, N.A. ("Wells") from our expedited review procedures in light of the adverse comments we received from you and another member of the public. Your comments were generated by Wells' announcement of the closing of its Haight & Belvedere branch in San Francisco, California.

In response to your comments, our national bank examiners performed a targeted investigation at Wells of their branch closing policy and their record of opening and closing branches subsequent to their acquisition of various First Interstate Banks on April 1, 1996. Our examiners reviewed Wells' corporate policy and the documentation used by bank management to support their decisions.

The purpose of our examiners' review was to determine the adequacy of Wells' corporate policy and whether that bank's practices in closing branches are consistent with that policy. Toward those ends, our examiners reviewed the bank's record of consolidating branches into other branches and of relocating branches to determine their impact on census tracts of various income levels.

We found that Wells' corporate policy for branch closings addresses regulatory requirements. We also found that the bank's practices comply with its policy. Additionally, our review disclosed that during the twelve months ending March 31, 1997, Wells opened 230 new branches, closed 40, relocated 145, and consolidated 120 into other branches. Of the 40 branch closures, eight were in low- or moderate-income areas. These eight branches do not include the Haight & Belvedere branch as it is located in a middle-income census tract.

With respect to the branches that were relocated or consolidated into other branches, 12 involved moves out of low- or moderate-income areas, while 23 involved moves into low- or moderate-income areas. In addition, 34 of the bank's new branches are in low- or moderate-income areas. Currently, Wells has applications pending before the OCC for 37 additional

branches, five of which are in low- or moderate-income areas.

Based on this review, we concluded that Wells' branch closing policy and their record of opening and closing branches has not, in the aggregate, had a negative impact on its performance under the Community Reinvestment Act (CRA), particularly with regard to low- and moderate-income areas. Under the CRA, FDIC-insured depository institutions have a continuing and affirmative obligation to help meet the credit needs of the local communities in which they are chartered.

Our most recent, full-scope CRA examination of Wells was dated March 31, 1996. At that time we determined that the bank had an outstanding record of performance. We are not aware of any other more recent information, including the results of the latest review of branch closings, that would suggest that Wells' record does not support our approval of the pending branch applications. Accordingly, today we approved the three applications that had been placed on hold in response to your comments.

In the event of questions, please contact Ms. Cindy Hausch-Booth at (202) 874-5060.

Sincerely,

/s/

Richard T. Erb
Acting Deputy Comptroller