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WELLS FARGO

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September 12, 2003

VIA FEDERAL EXPRESS

Secretary
Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549-0609

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SEP 15 2003
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File No. S7-14-03

Dear Sir:

I am writing on behalf of Wells Fargo & Company to comment on the new disclosure rules proposed in SEC Release 34-48301.

Disclosure Regarding Nominating Committee Charter. The rule proposals would require a description in the proxy statement of the material terms of the nominating committee charter and where the charter would be available. We believe it is likely, as it is in our case, that the nominating functions of the board committee in question are only a part of that committee's responsibilities. Either attaching the nominating committee charter or describing its material terms could likely go far beyond the nominating function, adding to the length and diminishing the relevancy of the proxy statement insofar as the election of directors is concerned. Moreover, we believe that the intent of the present proposal is served, namely informing stockholders about how they may play a role in the director nomination process, by the disclosures proposed elsewhere in the release or already in existence directing stockholders how to submit director nominations and stockholder proposals. Stockholders with an interest in the nominating committee charter would be directed where to find it, and we think that is useful information.

*Minimum Qualifications for Nominees and Standards **for** the Board*. We believe that the proposal to disclose minimum qualifications for directors and standards for the structure and composition of the board rests on the erroneous assumption that there are or should be objective and quantifiable standards that a nominating committee applies in selecting nominees for the board. Selecting directors is not a task to be accomplished by applying mathematical formulas or referring to checklists. Our experience has been that the attributes of the ideal director, even assuming such a person is available, are impossible to measure with precision and change over time depending on the existing composition of the board, the company's business objectives, the regulatory environment and other developments that cannot be imagined in advance. Moreover, the weight given to various attributes may change over time. Any description of such standards, how they are applied and the desired composition of the resulting board would either be incomplete -- to the extent it sought to be specific -- or uninformative -- to the extent it sought to be general -- or out-of-date -- to the extent circumstances had changed since the description was printed. Any attempt to state and follow objectively measurable standards would deprive stockholders of a nominating committee's best judgment at the time and would deprive a nominating committee of its right to rely on the business judgment rule in the nomination process. Instead of being able to suggest to the board those candidates it deems suitable at the time, taking into account all relevant factors, a nominating committee would find itself in the position of having to defend its suggested candidates in the face of standards previously disclosed which may no longer fit current circumstances. We note that this shift would work in favor of stockholders, who have no legal duties to other stockholders and who, despite their financial interest, may not be sufficiently knowledgeable or motivated to act in the company's best interest in this critical role.

Nominating Committee's Process. The objections stated in the preceding paragraph also apply to disclosure of a nominating committee's process. Any written description of the process, beyond what already appears in the proxy statement to guide stockholders who wish to submit proposals or director nominations, would either be inaccurate or not helpful, since the process may vary from time to time or depend on the candidate under consideration. After the adoption of the other rule proposals being considered, a stockholder would already have access to the committee's charter and be fully informed about submitting his or her own director nominations or stockholder proposals.

Specific Source of First-Time Nominees. The process by which a potential director becomes a full-fledged nominee may be a long and multi-layered one. A suggestion by one director may be taken up by another, who then becomes an advocate, but the actual contact may be made by yet another member of the board. The result is that by the time a person is named in the proxy statement for election to the board, the actual source of the nomination may be unclear or difficult to explain. In any event, we do not believe such information is helpful to a stockholder in deciding whether to vote for the nominee or in trying to decide whether to nominate his or her own candidate for the board.

Director Recommendations from 3-Percent Stockholders. There is no basis in corporation law for treating **a** three-percent stockholder any differently from a stockholder with one share. We think this proposal, by tilting the playing field in favor of the larger stockholder, would make it that much easier to introduce factions into the boardroom and diminish the productivity of the board. Our company's policy on nominations from stockholders is the same regardless of how many shares the stockholder owns. Explanations of why a particular nominee is rejected should not be required because it implies that it is possible to describe in a coherent and informative way what standards a nominating committee is applying at any particular time. Objectifying or quantifying these reasons also deprives the stockholders of the benefit of a nominating committee's exercise of its own best judgment. We believe, as we stated above, that this is a hopeless task without value to stockholders. If, notwithstanding our view, this proposal is adopted in some form, we believe that the threshold for disclosure should be higher, at least five percent, to make the balkanization of the boardroom less likely, and the stockholder(s) should have had at least three years' experience as an investor in the company. In such case, the only disclosure required should be whether a five-percent, three-year stockholder(s) had suggested a director, whether the slate includes the nominee suggested and, if so, the name of the nominee. We again point out that stockholders have no legal duty to act in the best interests of other stockholders; only directors bear this obligation. And we do not believe that a stockholder who has held the stock for only one year has a "long-term investment interest" that merits special treatment.

Stockholder Communications Directlv with Directors. Our experience with communications aimed at directors is that most of them bear on matters that are not appropriate for resolution in the boardroom. Our directors receive letters by those with political or personal causes, personal problems with services provided by subsidiaries of our company, objections to television programs or other events sponsored by our company and even solicitations for educational programs, magazine subscriptions and other products. In fact, most of our directors have asked that members of management use their discretion in forwarding these communications. To those directors we forward only those items that are relevant to their service as directors and we route other items to appropriate persons elsewhere in the company. Of course, we honor the requests of those directors who wish to see all their mail. Especially when channels of communication have now been opened for making possible irregularities known to the audit committee and the long-standing procedure for submitting stockholder proposals is well understood, we believe the most efficient way to deal with these remaining miscellaneous communications is pre-screening by management. While we would be happy to explain our procedure in the proxy statement, we don't think it would be fair to name those directors who have agreed to receive their mail directly because this would unfairly make them targets of inappropriate requests of the board. And to ensure that the communications are in fact from stockholders, we request that any final rule on this subject include a requirement that stockholder communications directed to members of the board include proof of stock ownership.

Thank you for your attention to these comments.

Very truly yours,

WELLS FARGO & COMPANY

By Robert S. Singer
Robert S. Single?
Vice President and
Assistant Secretary