WELLS FARGO

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October 20, 2010

Securities and Exchange Commission
100 F St., N.E.
Washington, D.C. 20549

Attention: Elizabeth M. Murphy, Secretary

Re: File No. S7-14-10
Release Nos. 34-62495; IA-3052; IC-23940
Concept Release on the U.S. Proxy System

Ladies and Gentlemen:

I am writing on behalf of Wells Fargo & Company ("Wells Fargo") to comment on the Concept Release on the U.S. Proxy System (the "Concept Release"). Wells Fargo is a nationwide, diversified, community-based financial services company, with $1.2 trillion in assets, providing banking, insurance, trust and investments, mortgage banking, investment banking, retail banking, brokerage and consumer finance products and services through banking stores, the internet and other distribution channels to individuals, businesses and institutions in all 50 states, the District of Columbia and in other countries. As of the record date for its 2010 annual meeting, Wells Fargo had approximately 1,200,000 total stockholders, consisting of approximately 220,000 stockholders of record and 980,000 beneficial owners.

We appreciate the Commission's efforts to review and improve the proxy voting and shareholder communications system. In that regard, we offer comments on the sections of the Concept Release related to issuer communications with shareholders, means to facilitate retail investor participation, and proxy advisory firms.

**Issuer Communications with Shareholders**

In order to improve shareholder communications, increase transparency, and foster greater retail investor participation in the voting process, we believe that it is appropriate to revise the OBO/NOBO system. We agree with the recommendation that NOBO status should be the default choice and beneficial owners choosing OBO status should have to periodically reaffirm that status. We believe that ability to have two-way communications between the issuer and its shareholders is important. Accordingly, beneficial owners that choose OBO status should have to pay an appropriate fee to their brokers to retain their anonymity. These changes would substantially improve issuers' ability to communicate with their shareholders about important topics. At the same time, those beneficial owners who do not wish to receive communications from issuers would still have the ability to opt out.

**Means to Facilitate Retail Investor Participation**

As noted above, Wells Fargo believes that retail investor participation can and should be improved. While we do not think that requiring delivery of full sets of proxy materials is necessary, we have found that a second mailing of the Notice of Internet Availability of Proxy Materials that includes a proxy card has increased retail voting. Accordingly, we would support amending the proxy rules to permit inclusion of a proxy card with the initial mailing of that Notice.

Wells Fargo also supports the concept of advance voting instructions for retail investors. Investors should be permitted to provide default voting instructions to their brokers. For example, in the event that a retail investor does not vote within 5 days before a shareholders' meeting, the broker would vote in accordance with the default voting instructions. These standing instructions should be limited to a few options, such as "vote consistent with management's recommendations," "vote against management's recommendations," or "abstain from voting," and would apply to all securities held in a beneficial owner's account. The default voting instructions should not apply in the case of a contested election or other contest. We believe this change would vastly improve retail investor participation and help to mitigate the effect of the amendment to NYSE Rule 452.

**Proxy Advisory Firms**

Proxy advisory firms are enormously influential. Moreover, their "one-size-fits-all" analytical criteria for voting recommendations often disregard facts that could be relevant to a company's specific situation, and they will not allow an issuer to present such facts for consideration before any voting recommendation is made.

Wells Fargo's experience illustrates the significance of proxy advisory firms' influence. Using their own definition of "independence," these firms have recommended votes "against" certain of our director nominees whose relatives are among the 278,000 Wells Fargo team members. (None of these relatives are employed by us in executive positions.) Even though these nominees qualify as "independent" under the guidelines of the New York Stock Exchange and our Director Independence Standards, the percentage vote "for" these nominees dropped from greater than 90% in the year prior to the nominee's relative beginning employment with Wells Fargo to approximately 70% in the first year the proxy advisory firms recommended a vote "against." The vote for each of these nominees remained at approximately 70% in each subsequent year that proxy advisory firms recommended a vote "against" such a director.

Due to the influence that proxy advisory firms hold, we believe it is appropriate to minimize the possibility that their recommendations are based on inaccurate or incomplete information while also allowing issuers to identify facts not considered in the proxy advisory firms' fixed criteria. Accordingly, we recommend that issuers have an opportunity to review draft voting reports and to submit comments regarding voting recommendations or analysis with which they disagree. To the extent the proxy advisory firm determines not to make changes based on the issuer's comments, the issuer's comments should be disclosed to the proxy advisory firm's clients.

Wells Fargo appreciates the opportunity to comment on the Concept Release. Please feel free to contact Jeannine Zahn at 612/667-4652 or me at 612/667-8655 with any questions regarding the issues raised in this letter.

Respectfully submitted,

Laurel A. Holschuh

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Secretary