
August 29, 2023

Submitted Electronically

Ms. Vanessa Countryman
Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: File Number SR-FINRA-2023-007, Notice of Filing of Amendment No. 1 and Order Instituting Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change, as modified by Amendment No. 1, to Adopt Supplementary Material .18 (Remote Inspection Pilot Program) under FINRA Rule 3110 (Supervision)

Dear Ms. Countryman:

Wells Fargo & Company¹, together with its affiliates and subsidiaries (collectively, “Wells Fargo”), welcomes the opportunity to comment in support of the Financial Industry Regulatory Authority’s (“FINRA”) filing of SR-FINRA-2023-007 with the U.S. Securities and Exchange Commission (“SEC”) to create a Remote Inspection Pilot Program (the “Pilot”). We share our comments in support of the proposed Pilot from the perspectives of our Wealth & Investment Management (“WIM”) division² and our Corporate and Investment Banking (“CIB”) division.³

Wells Fargo supports the Pilot and encourages the SEC to approve it expeditiously. The Pilot includes robust investor-protection safeguards and, therefore, represents a productive, risk-based approach to regulatory modernization. Amendment No. 1 strengthens the Pilot’s safeguards by adding proposed Rule 3110.18(b)(2) to

¹ Wells Fargo (NYSE: WFC) is a leading financial services company that has approximately \$1.9 trillion in assets. It proudly serves one in three U.S. households and more than 10% of small businesses in the U.S., and is a leading middle-market banking provider in the U.S. In the communities we serve, the company focuses its social impact on building a sustainable, inclusive future for all by supporting housing affordability, small business growth, financial health, and a low-carbon economy.

² Wells Fargo Wealth & Investment Management (WIM) is a division within Wells Fargo & Company. WIM provides financial products and services through various bank and brokerage affiliates of Wells Fargo & Company and is one of the largest wealth managers in the U.S., with more than \$1.8 trillion in client assets. WIM provides personalized wealth management, brokerage, financial planning, lending, private banking, trust, and fiduciary products and services to affluent, high-net worth, and ultra-high-net worth clients. WIM operates through advisors in Wells Fargo Advisors, independent brokerage offices, and digitally through Intuitive Investor® and WellsTrade®, as well as through advisors in The Private Bank and other banking centers.

³ Wells Fargo Corporate & Investment Banking (CIB) is a division within Wells Fargo & Company. CIB delivers a suite of capital markets, banking and financial products and services to corporate, commercial real estate, government and institutional clients globally. Products and services include corporate banking, investment banking, treasury management, commercial real estate lending and servicing, equity and fixed income solutions, as well as sales, trading, and research capabilities.

require that a member's supervisory system take any "red flags" into consideration when deciding to conduct a remote inspection. Additionally, the Pilot will provide regulators with the data and experience necessary to make informed decisions on permitting off-site inspections as a permanent element of the overall broker-dealer supervisory framework. We remain confident that the data produced by the Pilot will demonstrate that remote inspections can continue to be an important element of an effective supervisory framework. Wells Fargo anticipates continuing to perform on-site inspections as a component of our supervisory framework, consistent with the Pilot's risk-based approach, during the three-year Pilot.

As the SEC considers the adoption of the Pilot, we encourage the SEC and FINRA to extend Rule 3110.17, which is set to expire on December 31, 2023, to allow broker-dealers to continue to satisfy on-site inspection obligations via remote inspections. Extending the pandemic-era relief to align with the effective date of the Pilot will support a smooth transition for broker-dealers that intend to opt-in to the Pilot. Additionally, Wells Fargo encourages FINRA and the SEC to pursue a coordinated approach between the Pilot and the proposed Residential Supervisory Location proposal (SR-FINRA-2023-006). Coordination is especially important because the Pilot data will be dependent on how an office is classified.

We encourage the SEC to expeditiously approve the Pilot, as amended by Amendment No. 1. If you would like to discuss these issues further or need additional information, please contact John Vahey, Wells Fargo Public Policy, at john.vahey@wellsfargo.com.

Sincerely,

Jim McHale
Executive Vice President
Head of WIM Compliance

Peter Macchio
Executive Vice President
Head of CIB Compliance