

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 99216 / December 20, 2023

ADMINISTRATIVE PROCEEDING
File No. 3-19704

In the Matter of	:	
	:	
	:	
Wells Fargo & Company,	:	ORDER DIRECTING SECOND
	:	DISBURSEMENT OF FAIR FUND
Respondent.	:	
	:	

On August 6, 2020, the Commission published a Notice of Proposed Plan of Distribution and Opportunity for Comment (“Notice”),¹ pursuant to Rule 1103 of the Commission’s Rules on Fair Fund and Disgorgement Plans (“Commission’s Rules”);² and simultaneously posted the Proposed Plan of Distribution (the “Proposed Plan”). The Notice advised interested persons that they could obtain a copy of the Proposed Plan from the Commission’s public website or by submitting a written request to Catherine Pappas, United States Securities and Exchange Commission, One Penn Center, 1617 JFK Blvd., Ste. 520, Philadelphia, PA 19103. The Notice also advised that all persons desiring to comment on the Proposed Plan could submit their comments, in writing, within 30 days of the Notice. The Commission received one comment on the Proposed Plan during the comment period. On January 11, 2021, after thorough review and substantial consideration, the Commission issued an order approving the Proposed Plan without modification,³ and posted the approved Corrected Plan of Distribution (the “Plan”).

¹ Exchange Act Rel. No. 89501 (Aug. 6, 2020).

² 17 C.F.R. § 201.1103.

³ See Order Approving Plan of Distribution, Exchange Act Rel. No. 90898 (Jan. 11, 2021).

The Plan provides for the distribution of the Fair Fund, plus accumulated interest, less taxes and investment fees (“Net Available Fair Fund”), to the harmed investors according to the methodology set forth in the Plan. In accordance with the Plan, the Claims Bar Date⁴ has passed and the Fund Administrator has processed all timely submitted claims. All investors whose claims have been denied, in whole or in part, have been notified and provided the opportunity to cure.

On September 12, 2022, the Division of Enforcement, pursuant to delegated authority, issued an Order Directing Disbursement of Fair Fund,⁵ directing the disbursement of \$452,175,789.98 from the Fair Fund to the Fair Fund’s escrow account at The Huntington National Bank (the “Fair Fund’s Escrow Account”) for distribution by the Fund Administrator in accordance with the Plan. Pursuant to the Commission’s Order, the Fund Administrator has successfully distributed \$430,970,355.57 (the “Initial Distribution”).

As of July 31, 2023, there was \$80,371,696.33 remaining in the Fair Fund, comprised of \$21,696,232.17 held in the Fair Fund’s Escrow Account (comprised of the residual funds from the Initial Distribution and accrued interest) and \$58,675,464.16 held by the Commission.⁶

In accordance with Paragraph 98 of the Plan, and after taking into account a reserve of \$1,400,000 for any taxes and investment fees, the Fund Administrator recommends a second distribution of the Fair Fund and further recommends it be done in two tranches. The Fund Administrator recommends \$17,866,919.23 of the Net Available Fair Fund be distributed in the first tranche to Eligible Claimants who filed claims with the Fund Administrator after the Claims

⁴ Capitalized terms not defined in this Order are used as defined in the Plan.

⁵ Exchange Act Rel. No. 95733 (Sept. 12, 2022).

⁶ Since the Initial Distribution, in accordance with paragraph 4 of the Plan and pursuant to Court order, \$4,906,950 has been added to the Fair Fund from the related district court action, *SEC v. Tolstedt*, 20-cv-07987-JST (N.D. Ca.) for distribution to harmed investors.

Bar Date or who were late in curing a rejected claim or requesting a check reissue, and to certain Eligible Claimants that negotiated checks or otherwise received payments in the Initial Distribution.

Pursuant to the Plan, the Fund Administrator has submitted a payment file along with a reasonable assurances letter. The Commission staff has reviewed and accepted the payment file and requests, pursuant to Rule 1101(b)(6) of the Commission's Rules, 17 C.F.R. § 201.1101(b)(6), that the Commission authorize the distribution of \$17,866,919.23 by the Fund Administrator in accordance with the Plan.

Accordingly, it is hereby ORDERED, that the Fund Administrator shall distribute \$17,866,919.23 from the funds held in the Fair Fund's Escrow Account to the Eligible Claimants on the payment file in accordance with the Plan.

For the Commission, by the Division of Enforcement, pursuant to delegated authority.⁷

Vanessa A. Countryman
Secretary

⁷ 17 C.F.R. § 200.30-4(a)(21)(v).