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Headnote

Mutual Reliance Review System for Exemptive Relief Application – issuer to amend base shelf prospectus to add parent company as credit supporter for issuer’s medium term notes – parent company’s financial statements prepared in accordance with U.S. GAAP and audited in accordance with U.S. GAAS – parent company’s financial statements exempt from requirement to reconcile to Canadian GAAP – parent company exempt from requirement to provide statement by auditor (i) disclosing material differences in form and content of the U.S. auditor’s report as compared to a Canadian auditor report and (ii) confirming that U.S. GAAS is substantially similar to Canadian GAAS – relief subject to conditions

Applicable British Columbia Provisions

National Instrument 44-101 *Short Form Prospectus Distributions*

National Instrument 44-102 *Shelf Distributions*

**IN THE MATTER OF THE SECURITIES LEGISLATION OF ALBERTA,
BRITISH COLUMBIA, MANITOBA, NEW BRUNSWICK,
NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA, ONTARIO,
PRINCE EDWARD ISLAND, QUEBEC AND SASKATCHEWAN**

AND

**IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF WELLS FARGO & COMPANY, WELLS FARGO
FINANCIAL, INC. AND WELLS FARGO FINANCIAL CANADA
CORPORATION**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec and Saskatchewan (the “Jurisdictions”) has received an application in respect of Wells Fargo & Company (“WFC”), WFC’s wholly-owned indirect subsidiary, Wells Fargo Financial, Inc. (“WFFI”) and WFFI’s wholly-owned indirect subsidiary, Wells Fargo Financial Canada Corporation (“WFFCC” or the “Issuer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the requirements contained in the Legislation:

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- (a) to reconcile financial statements that are included or incorporated by reference into a base short form shelf prospectus and prepared in accordance with generally accepted accounting principles ("GAAP") of a foreign jurisdiction to Canadian GAAP (the "GAAP Reconciliation Requirement"); and
- (b) to provide, where financial statements that are included or incorporated by reference into a base short form shelf prospectus are audited in accordance with generally accepted auditing standards ("GAAS") of a foreign jurisdiction, a statement by the auditor disclosing any material differences in the form and content of the auditor's report as compared to a Canadian auditor's report and confirming that the auditing standards of the foreign jurisdiction are substantially equivalent to Canadian GAAS (the "GAAS Reconciliation Requirement and together with the GAAP Reconciliation Requirement, the "Reconciliation Requirements");

shall not apply to the WFC Financial Statements included or incorporated by reference in the Prospectus (each as defined below);

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Filer has represented to the Decision Makers that:

1. WFC is a diversified financial services company organized under the laws of the State of Delaware and registered as a bank holding company and financial holding company under the *Bank Holding Company Act of 1956*, as amended. The principal executive offices of WFC are located in San Francisco, California. Based on assets at September 30, 2002, WFC was the fifth largest bank holding company in the United States.
2. WFC is not a reporting issuer or the equivalent thereof in any Jurisdiction and has no present intention of becoming a reporting issuer or the equivalent thereof in any Jurisdiction. All of the directors and senior officers of WFC reside outside Ontario.
3. WFC became a reporting company under the *Securities Exchange Act of 1934* of the United States (the "Exchange Act") many years ago. WFC has filed with the United States Securities and Exchange Commission (the "SEC") all periodic reports required to be filed with the SEC under sections 13(a) and 15(d) of the Exchange Act.

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4. As at September 30, 2002, WFC had approximately \$45.8 billion in long-term debt outstanding. All of WFC's outstanding long-term debt is rated A+ by Standard & Poor's, AA by Fitch, Inc. and Aa2 by Moody's Investors Service.
5. WFFI was incorporated under the laws of the State of Iowa and is a wholly-owned indirect subsidiary of WFC. The principal executive offices of WFFI are located in Des Moines, Iowa. WFFI is a U.S.\$18 billion company providing instalment and home equity lending, automobile financing, consumer and private label credit cards, leasing and receivables financing to consumers and businesses.
6. WFFI is not a reporting issuer or the equivalent thereof in any Jurisdiction and has no present intention of becoming a reporting issuer or the equivalent thereof in any Jurisdiction. All of the directors and senior officers of WFFI reside outside Ontario.
7. WFFI became a reporting company under the Exchange Act many years ago. WFFI has filed with the SEC all periodic reports (the "WFFI Filings") required to be filed with the SEC under sections 13(a) and 15(d) of the Exchange Act. However, for the reasons described below, WFFI has no present intention of making any further WFFI Filings with the SEC in the future.
8. As at September 30, 2002, WFFI had approximately US\$10.3 billion in long term debt outstanding. All of WFFI's outstanding long-term debt, which is guaranteed by WFC is rated A+ by Standard Poor's, AA by Fitch, Inc., and Aa2 by Moody's Investors Service.
9. WFFC is an unlimited liability company amalgamated under the laws of the Province of Nova Scotia and is a wholly-owned indirect subsidiary of WFFI and WFC. The principal executive offices of WFFC are located in Toronto, Ontario. The main business of WFFC is to raise capital for its Canadian affiliates for use in their consumer finance and related businesses.
10. WFFC is a reporting issuer or the equivalent thereof in each Jurisdiction and is not in default of any of its requirements under the Legislation.
11. WFFC has issued \$550,000,000 principal amount of medium term notes (the "Notes") under a short form base shelf prospectus (the "Prospectus") dated October 3, 2001. WFFC may issue up to \$1,500,000,000 principal amount of Notes (or the equivalent thereof in U.S. dollars) under the Prospectus from time to time over a twenty-five month period beginning October 3, 2001.

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12. WFFI has unconditionally guaranteed the payment of principal, premium (if any) and interest due under the Notes, and as such WFFI is a credit supporter (as defined under National Instrument 44-101 ("NI 44-101")) in respect of the Notes. Accordingly, WFFI has historically filed the WFFI Filings with Canadian provincial securities regulatory authorities.
13. In order to consolidate all debt securities issuance to the capital markets at the level of the parent of WFFI, on October 22, 2002 WFC issued a full and unconditional guarantee of all outstanding term debt securities of WFFI. In addition, WFC will guarantee the outstanding Notes (the "WFC Guarantee") on the same basis as the existing guarantee of the Notes by WFFI.
14. WFFI will continue to guarantee the Notes but will no longer make the WFFI Filings under the Exchange Act (and with the Canadian provincial securities regulatory authorities) and will no longer be a separately rated company.
15. WFFC intends to file an amendment to the Prospectus relating to the WFC Guarantee and incorporating by reference WFC's 2001 Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q for the quarters ended March 31, 2002, June 30, 2002 and September 30, 2002. The Prospectus will also incorporate by reference all documents required by Item 13.2 of Form 44-101F3 and will include a certificate of WFC.
16. The consolidated financial statements of WFC (the "WFC Financial Statements") and its subsidiaries that will be included in/or incorporated by reference into the Prospectus will be prepared in accordance with U.S. GAAP.
17. Holders of all outstanding Notes have, by extraordinary resolution, approved (i) the WFC Guarantee and (ii) WFFI ceasing to, among other things, prepare annual audited financial statements and file such financial statements with the trustee under the indenture governing the Notes. An extraordinary resolution requires the approval of holders of Notes representing at least 66-2/3 of the principal amount of all Notes outstanding under the indenture governing the Notes.
18. Following the announcement on October 22, 2002 of the intention to (i) implement the WFC Guarantee and (ii) have WFFI cease to make the WFFI Filings, Dominion Bond Rating Service confirmed the existing senior unsecured debt rating of AA(low) for WFFC.

AND WHEREAS under the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

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AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Reconciliation Requirements shall not apply to the WFC Financial Statements included or incorporated by reference in the Prospectus provided that:

- (a) the WFC Financial Statements that are included or incorporated by reference in the Prospectus are prepared in accordance with U.S. GAAP and otherwise comply with the requirements of United States law, and in the case of the WFC audited annual financial statements, such financial statements are audited in accordance with U.S. GAAS;
- (b) the Notes maintain an approved rating, as that term is defined in NI 44-101;
- (c) WFC maintains direct or indirect beneficial ownership of all the voting shares of WFFC;
- (d) WFC continues to satisfy the eligibility criteria set forth in paragraph 3.1 of NI 71-101 – *The Multijurisdictional Disclosure System* (or any applicable successor provision) for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure; and
- (e) WFC continues to fully and unconditionally guarantee payment of the principal and interest on the Notes.

DATED March 18, 2003

Heidi Franken
Assistant Manager, Continuous Disclosure