

United States Senate

June 9, 2018

Timothy Sloan
Chief Executive Officer
Wells Fargo & Co.
420 Montgomery Street
San Francisco, CA 94104

Dear Mr. Sloan:

I appreciated the opportunity to meet with you when you visited Capitol Hill recently, but I am writing to express my concern about your plan to lay off at least 61 employees in Frederick, Maryland and hundreds more across the country.

It is deeply concerning that Wells Fargo is proceeding to lay off workers after receiving a \$3.4 billion windfall from the tax bill signed into law last year. As a result of this law, your company's effective tax rate will drop nearly one-third from what you paid in 2016.¹ Analysts predict an increase in your quarterly dividend from \$0.39 to \$0.45 per share² with projections of your stock buyback activity over the next twelve months as high as \$27 billion.³

Yet recent reports indicate that you plan to close 800 branches by 2020⁴ while laying off hundreds of employees around the country, including 593 in Winterville, North Carolina,⁵ 460 in Bethlehem, Pennsylvania,⁶ 100 in Fort Mill, South Carolina,⁷ 46 in Menomonee Falls, Wisconsin,⁸ 28 in Pittsford, New York,⁹ nine in Raleigh, North Carolina,¹⁰ six in Columbia, South Carolina,¹¹ and at least 61 of my constituents in Frederick, Maryland.¹²

¹ Phillips, Matt and Jim Tankersley. "Biggest Banks Pass Fed's Stress Test." The New York Times, June 21, 2018.

² Renaissance Research. "Wells Fargo: Stress Tests Bode Well for Dividends and Buybacks." Seeking Alpha, June 25, 2018.

³ *Ibid.*

⁴ Egan, Matt. "Wells Fargo plans to close 800 more branches by 2020." CNN Money, January 12, 2018.

⁵ Irizarry, Ana. "Nearly 600 Wells Fargo employees face layoffs in Winterville." North Carolina Business News Wire, April 19, 2018.

⁶ Salamone, Anthony and Andrew Wagaman. "Wells Fargo closing Lehigh Valley call center, cutting 460 jobs." Allentown Morning Call, October 17, 2017.

⁷ Hudson, Carolina. "Wells Fargo lays off 100 people in Charlotte region." Charlotte Business Journal, June 22, 2018.

⁸ Spaulding, Michael. "Wells Fargo announces additional layoffs in Menomonee Falls." WTMJ.com, June 8, 2018.

⁹ Gorbman, Randy. "Wells Fargo to lay off 28 staffers in Pittsford." WXXI.org, June 6, 2018.

¹⁰ Roberts, Deon. "Wells Fargo cuts more staff in the Charlotte region, and elsewhere in the Carolinas." The Charlotte Observer, June 22, 2018.

¹¹ *Ibid.*

¹² Wilen, Holden. "Wells Fargo lays off 63 at Frederick mortgage office." Baltimore Business Journal, June 25, 2018.

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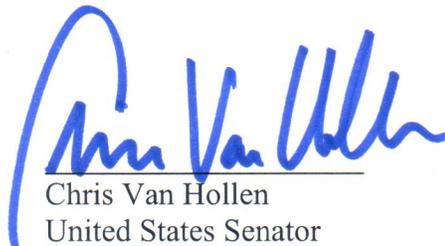
While you are eliminating jobs in the United States, you are adding similar positions abroad.¹³ A May 8, 2017 press release issued by Wells Fargo states that from 2011 to 2017, your Philippine operation grew from fewer than 100 employees to more than 4,000—and that you are constructing a second facility to accommodate more than 7,000.¹⁴ It seems that Wells Fargo is making a concerted effort to move American jobs overseas.

In light of the considerable benefits you have received from the American people, I ask that you not continue with these layoffs and instead bring jobs back to the United States. The tax windfall should not be used to establish foreign call centers or further enrich wealthy shareholders at the expense of American workers.

I ask that you provide the following information to my office by July 23, 2018:

1. How many of the positions eliminated in Frederick is Wells Fargo planning to send abroad?
2. If Wells Fargo is not shipping these jobs abroad, why not replace these positions by bringing foreign call and processing centers back to the United States?
3. How many jobs has Wells Fargo shipped abroad to call and servicing centers in the past five years? Please break out your response by year.
4. What are you doing to help the displaced workers in Frederick find internal positions at Wells Fargo? Please describe any outplacement services you will make available to employees who are not placed internally and any compensation and benefits you will provide to them.
5. How is Wells Fargo investing in its long-term growth and in the long-term growth of its domestic workforce?

Sincerely,



Chris Van Hollen
United States Senator

¹³ Roberts, Deon. "Wells Fargo cuts more staff in the Charlotte region, and elsewhere in the Carolinas." The Charlotte Observer, June 22, 2018.

¹⁴ Wells Fargo. "Wells Fargo Opens New Recruitment Center Designed to Give Applicants the Look and feel of a Typical Retail Bank Branch in the U.S." Business Wire, May 8, 2017.
<https://www.businesswire.com/news/home/20170508005563/en/Wells-Fargo-Opens-New-Recruitment-Center-Designed>