



City of Seattle

October 6, 2016

Perry Pelos, Executive Vice President
Wells Fargo Bank
420 Montgomery Street
San Francisco, CA 94104

Shelley Rintala, Senior Vice President
Brennan Church, Vice President/Relationship Manager
Wells Fargo Bank
Government Banking NW Region
999 Third Avenue, Suite 1060
Seattle, WA 98104

Dear Mr. Pelos, Ms. Rintala and Mr. Church:

As you know, following a competitive process, Wells Fargo was awarded a contract in 2013 to provide banking services to the City of Seattle. While this contractual relationship has met the City's banking needs, we were extremely disappointed to hear of the alleged unethical and likely illegal conduct that Wells Fargo has acknowledged engaging in.

Wells Fargo's practice of opening accounts in customers' names without their knowledge or approval is reprehensible, particularly in that it appears this strategy was not only condoned by management, but encouraged. Such a betrayal of the public trust is completely unacceptable. Your organization's underhanded practices greatly harm not only the customers who have been shouldered with bogus fees and unfairly reduced credit scores through no fault of their own, but also your own reputation and relationship with your institutional customers, including the City of Seattle.

The people of Seattle expect far better from the City's business partners. In light of this, and effective immediately, we have concluded that we cannot continue to work with Wells Fargo as lender on the \$100 million bond financing for Seattle City Light that was on track to close this month. The City and its taxpayers must trust the practices and integrity of the institutions that handle our public funds.

If we are to consider continuing a relationship in the future, it is essential that you provide us with detailed information about how you intend to rectify this situation, make reparations to those harmed, and ensure something like this never happens again.

One factor that made Wells Fargo competitive in earning the City's business was a commitment to socially responsible banking practices by providing service and outreach to all members of our community. Especially important was your work with the Bank On Financial Empowerment Network and support of Express Credit Union in providing financial education and services for low- and middle-income households and the unbanked. While these efforts have been appreciated, the recent allegations have undermined our confidence in Wells Fargo as a trusted partner. Your good faith effort to transparently reform your business practices and make reparations to those harmed will be required to rebuild that trust.

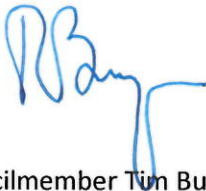
Sincerely,



Edward B. Murray
Mayor, City of Seattle



Councilmember Bruce Harrell
President, Seattle City Council



Councilmember Tim Burgess
Chair, Finance and Budget Committee