



**WELLS FARGO SECURITIES, LLC**  
**COMMODITY FUTURES TRADING COMMISSION RULE 1.55(k):**  
**FCM DISCLOSURE DOCUMENT**

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Wells Fargo Securities, LLC (“WFS”, the “Firm”, or “Company”) is a registered futures commission merchant (“FCM”) with the Commodity Futures Trading Commission (“Commission” or “CFTC”) and is a member of the National Futures Association (“NFA”). The Commission requires each FCM, including WFS, to provide the following information to a customer prior to the time the customer first enters into an account agreement with the FCM or deposits money or securities (funds) with the FCM (the “Disclosure Document”). Except as otherwise noted below, the information set out within the Disclosure Document is as of April 30, 2025 (the “Month End Date”). WFS will update this information annually and as necessary to take account of any material change to its business operations, financial condition, or other factors that WFS believes may be material to a customer’s decision to do business with WFS. Nonetheless, WFS’s business activities and financial data are not static and will change in non-material ways frequently throughout any 12-month period.

NOTE: WFS is a subsidiary of Wells Fargo & Company (“WFC”). Information that may be material with respect to WFS for purposes of the Commission’s disclosure requirements may not be material to WFC for purposes of applicable securities laws.

## I. Firm and Principals

WFS's name, address of its principal place of business, phone number, fax number, and email address are:

Wells Fargo Securities, LLC  
500 West 33<sup>rd</sup> Street  
30 Hudson Yards, 14<sup>th</sup> Floor  
New York, NY 10001  
United States

Email: [FCMComplianceDept@wellsfargo.com](mailto:FCMComplianceDept@wellsfargo.com)  
Phone: 704-715-6133  
Fax: 312-368-6480

WFS's designated self-regulatory organization ("DSRO") is the CME Group: <http://www.cmegroup.com>.

WFS's current Statement of Financial Condition and the Report of Independent Registered Public Accounting Firm are available here: [FCM Disclosures – Wells Fargo Corporate & Investment Banking](#).

Within the below chart are the names, titles, and business addresses of each of WFS's principals as defined in §3.1(a). Please refer to Appendix 1 for a biography of each principal that includes their business background, areas of responsibility, and the nature of their duties.

Name	Title	Business Address
Damian George	Senior Vice President	30 Hudson Yards New York, NY 10001
James Gnall	Chief Financial Officer	30 Hudson Yards New York, NY 10001
Kathleen LaCroix	Director	550 S. Tryon Street Charlotte, NC 28202
Timothy O'Hara	Managing Director	30 Hudson Yards New York, NY 10001
Peter Macchio	Chief Compliance Officer	30 Hudson Yards New York, NY 10001
Eamon McCooey	Managing Director Head of FCM	30 Hudson Yards New York, NY 10001
Kara McShane Chester	Executive Vice President	30 Hudson Yards New York, NY 10001
Mary Lou Peters	Executive Vice President, Control Management Executive	30 Hudson Yards New York, NY 10001
Michael Riley	Managing Director	30 Hudson Yards New York, NY 10001
Fernando Rivas	President of WFS	30 Hudson Yards New York, NY 10001

Name	Title	Business Address
Daniel Smith	Chief Operating Officer	30 Hudson Yards New York, NY 10001
Dan Thomas	Managing Director	550 S. Tryon Street Charlotte, NC 28202

## II. Firm's Business

In addition to the FCM business, WFS is a registered broker-dealer with the U.S. Securities Exchange Commission (the "SEC") and a member of the Financial Industry Regulatory Authority ("FINRA") and, in such capacity is a member of certain securities exchanges.

WFS engages in the following business activities and product lines. The chart below includes the approximate percentage of WFS's assets and capital used in each type of activity. The percentages<sup>1</sup> are based on financial information as of the Month End Date, which was the most recent month-end when this Disclosure Document was prepared.

Activity/Product Line	Percentage of Assets	Percentage of Capital
Financing (Resales, Borrows)	32%	17%
Inventory by Business Line	56%	17%
Markets Division – Credit/ABF Trading	34%	10%
Markets Division - Equities	6%	2%
Markets Division - Rates	16%	5%
Markets Division - Other	0%	0%
Other	0%	0%
Receivable from Broker-Dealers and Customers	11%	18%
Investments in Subsidiaries and Receivable from Affiliates	0%	0%
Fixed and All Other Assets	1%	0%
Excess Net Capital	N/A	48%

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<sup>1</sup> Please note, due to rounding, the aggregate sum of the Percentage of Assets and Percentage of Capital may not equal 100%.

### III. FCM Customer Business

- WFS's FCM customer base includes asset managers, banks, broker-dealers, commodity trading advisors, energy producers, government sponsored entities, hedge funds, insurance companies, pension funds, real estate investment trusts, and other institutional customers.
- WFS's FCM customers transact a range of financial products, including interest rate swaps, credit default swaps, financial futures, and commodity futures.
- WFS's FCM business is based in the United States.
- The chart below, which is accurate as of the Month End Date, lists the derivatives exchanges and clearing organizations where WFS is a member and the swap execution facilities ("SEF") through which WFS's customers may effect transactions:

Derivatives Exchange Memberships	Clearing Organization Memberships	SEF Access
CBOE Futures Exchange	Chicago Mercantile Exchange, Inc.	BGC Derivatives Markets, L.P.
Chicago Board of Trade	ICE Clear US Inc.	Bloomberg SEF LLC
Chicago Mercantile Exchange, Inc.	ICE Clear Europe Limited	DW SEF LLC
Commodity Exchange Inc.	ICE Clear Credit LLC	ICAP Global Derivatives Limited
Eurex Exchange	LCH Ltd.	LatAM SEF, LLC
FMX Futures Exchange, L.P.	Options Clearing Corporation	Tradition SEF, LLC
ICE Endex	Nodal Clear, LLC	TW SEF LLC
ICE Futures Europe	MIAX Futures Exchange, LLC	
ICE Futures US, Inc.		
MIAX Futures Exchange, LLC		
New York Mercantile Exchange, Inc.		
Nodal Exchange		

- WFS uses SG Americas Securities, LLC, Société Generale International Limited, and Morgan Stanley & Co. LLC as carrying brokers to provide access to derivatives exchanges and clearing organizations of which WFS is not a direct member. SG Americas Securities, LLC, Société Generale International Limited, and Morgan Stanley & Co. LLC are not affiliates of WFS.
- Under CFTC Regulation 1.44(d), an FCM may elect (upon customer's instruction) to treat the separate accounts of a customer as accounts of separate entities for purposes of margining such accounts in accordance with applicable CFTC Regulations and exchange rules. WFS has made the election to implement separate account margining in accordance with CFTC Regulation 1.44(d). WFS permits certain customers to establish and maintain such separate

accounts. Customers typically establish separate accounts where accounts are: (i) managed by different asset management firms; (ii) managed as separate investment portfolios by the same asset management firm; (iii) subject to liens in connection with operating loans that contractually obligate an FCM to treat the accounts separately; (iv) related to other jointly owned accounts of natural persons the owners of which wish to maintain as separate accounts; or (v) otherwise as required for regulatory or appropriate business purposes. Subject to the terms and conditions of CFTC Regulation 1.44, WFS treats such separate accounts as accounts of separate entities. Among other things, WFS may calculate the margin requirements for each separate account independently from all other separate accounts of the same customer and may disburse excess funds from one separate account notwithstanding that another separate account is undermargined.

Among other terms and conditions set out in CFTC Regulation 1.44, WFS is required to advise its customers for which it maintains separate accounts that:

- in the unlikely event of WFS's bankruptcy, all separate accounts of the customer in each account class (futures, foreign futures, and cleared swaps) will be combined in determining such customer's rights and obligations under the applicable provisions of the U.S. Bankruptcy Code and Part 190 of the Commission's Regulations; and
- in the unlikely event of an FCM's implementation of separate account treatment for some customers were to contribute to a loss that exceeds the FCM's ability to cover, that loss may affect the segregated funds of all of the FCM's customers in one or more account classes.



#### **IV. Permitted Depositories and Counterparties**

Please find below a description of WFS's policies and procedures concerning the choice of bank depositories, custodians, and counterparties to permitted transactions under CFTC Regulation §1.25.

When considering a new depository institution relationship, WFS conducts a due diligence meeting among the FCM Funding and Liquidity Group, FCM Operations, and the depository institution relationship contact. A due diligence form/questionnaire will also be completed by the depository institution and reviewed by the FCM Funding and Liquidity Group.

WFS's FCM utilizes several third-party banks to support its business. Selection factors may include, but are not limited to, experience with servicing FCMs, capitalization, acceptability to clearinghouse, creditworthiness, reliability and reach, and access to liquidity.

Each depository institution employed by WFS is highly rated and has been approved within WFC's credit and risk guidelines. The FCM Funding and Liquidity Group initiates requests for a relationship with new depositories to be established. As part of the approval process, the WFC relationship manager and credit officer for the depository review and approve requests to open a new depository relationship. Once a request has been approved, the credit officer separately develops and establishes risk exposure limits. Formal assessments of the depository's ratings are performed annually. Ongoing risk assessment and monitoring of financial institutions includes legal, reputational, geo-political, and regulatory changes. Risk limits and open exposures are monitored daily through Wells Fargo's risk management system. Moreover, concentrations to any single depository or group of depositories are assessed.

Should there be a material change in any of the factors listed, and the depository be deemed no longer suitable, WFS will seek an alternative service provider and exit the relationship.

Although the customer balances maintained at WFS's depository institutions tend to be beyond the coverage afforded by the Federal Deposit Insurance Corporation's ("FDIC") protections, there may be insurance provided by a depository institution of up to \$250,000. Please note that certain depository institutions do not offer insurance on WFS accounts.

## V. Material Risks

The material risks, accompanied by an explanation of how such risks may be material to its customers, of entrusting funds to the FCM, include, without limitation:

**Overview: In order to ensure compliance with its regulatory capital requirements and has sufficient liquidity to meet its ongoing business obligations, WFS holds a significant portion of its assets in cash, U.S. Treasury Securities, U.S. Federal Agency Securities, Asset-Backed Securities, and Corporate Bonds. WFS also invests in other short-term, highly liquid instruments, such as money market instruments.**

WFS's FCM invests customer funds in permissible instruments in accordance with CFTC Regulation §1.25 investment of customer funds. The associated investment risks are issuer credit risk, interest rate risk, and markets liquidity risk. The dollar-weighted average maturity for investment in the cleared swaps customer account is approximately 93 days, for investments in the futures customer account is approximately 88 days, and for investments in the secured customer account is approximately 1 day.

Permitted investments pursuant to CFTC Regulation 1.25(a) include:

- (1) Subject to the terms and conditions set forth, a FCM or derivatives clearing organization ("DCO") may invest customer money in the following instruments (permitted investments):
  - (i) Obligations of the United States and obligations fully guaranteed as to principal and interest by the United States (U.S. government securities);
  - (ii) General obligations of any state or of any political subdivision thereof (municipal securities);
  - (iii) Obligations of any United States government corporation or enterprise sponsored by the United States government (U.S. agency obligations);
  - (iv) Interests in government money market funds as defined in §270.2a-7 of this title, provided that the government money market funds do not choose to rely on the ability to impose discretionary liquidity fees consistent with the requirements of 17 CFR 270.2a7(c)(2)(i) (government money market fund);
  - (v) Interests in exchange-traded funds, as defined in 17 CFR 270.6c-11, which seeks to replicate the performance of a published short-term U.S. Treasury security index composed of bonds, notes, and bills with a remaining maturity of 12 months or less, issued by, or unconditionally guaranteed as to the timely payment of principal and interest by, the U.S. Department of the Treasury (U.S. Treasury exchange-traded fund); and
  - (vi) General obligations of Canada, France, Germany, Japan, and the United Kingdom (permitted foreign sovereign debt), subject to the following:
    - a. A FCM may invest in the permitted foreign sovereign debt of a country to the extent the FCM has balances in segregated accounts owed to its customers denominated in that country's currency; and
    - b. A DCO may invest in the permitted foreign sovereign debt of a country to the extent the DCO has balances in segregated accounts owed to its clearing members that are FCMs denominated in that country's currency.
- (2)

- (i) In addition, a FCM or DCO may buy and sell the permitted investments listed in paragraphs (a)(1)(i) through (vii) of this section pursuant to agreements for resale or repurchase of the instruments, in accordance with the provisions of paragraph (d) of this section.
  - (ii) A FCM or DCO may sell securities deposited by customers as margin pursuant to agreements to repurchase subject to the following:
    - a. Securities subject to such repurchase agreements must be “highly liquid” as defined in paragraph (b)(1) of this section.
    - b. Securities subject to such repurchase agreements must not be “specifically identifiable property” as defined in §190.01 of this chapter.
    - c. The terms and conditions of such an agreement to repurchase must be in accordance with the provisions of paragraph (d) of this section.
    - d. Upon the default by a counterparty to a repurchase agreement, the FCM or DCO shall act promptly to ensure that the default does not result in any direct or indirect cost or expense to the customer.
- (3) Obligations issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Association are permitted while these entities operate under the conservatorship or receivership of the Federal Housing Finance Authority with capital support from the United States.

Certain WFS FCM financial information is publicly available on the NFA website, [www.nfa.futures.org](http://www.nfa.futures.org). Using the ‘BASIC’ search tool available on the homepage, use the ‘Firm’ search and enter ‘Wells Fargo Securities, LLC’. In addition to other background information of WFS, the results will also include FCM Financial Data Reporting information for WFS within the dropdown menu. This includes the FCM Capital Data Report, FCM Customer Segregated Funds Report, FCM Customer Secured Amount Funds Report, and the FCM Cleared Swaps Customer Collateral Report.

#### **Creditworthiness:**

Creditworthiness takes into account many factors, one of which, may be a rating from a nationally recognized ratings organization. On September 25, 2024, S&P Global affirmed the long and short-term issuer credit ratings of A+/A-1.

#### **Leverage and Balance Sheet Leverage:**

As of the Month End Date, WFS has a leverage ratio and a balance sheet leverage ratio of 5.69. WFS defines its leverage ratio in accordance with NFA Notice to Members I-12-14 and NFA Notice to Members I-12-29.

Please find the Firm’s most recent leverage ratio and balance sheet leverage ratio [here](#).

#### **Capital:**

Capital (as of the Month End Date)	
Total Stockholder's Equity	\$ 10,863,913,954

Subordinated Loans	\$ 4,650,000,000
Capital	\$ 15,513,913,954

For more updated information, please see the Firm's most recent [Financial Summary Information](#).

**Liquidity:**

WFS's Tentative Net Capital as of the Month End Date was \$ 12,013,402,215.

For more updated information, please see the Firm's most recent [Financial Summary Information](#).

**Principal Liabilities:**

Principal Liabilities	
Securities sold under repurchase agreements	\$ 82,121,997,165
Securities Sold not yet Purchased at Market	\$ 29,432,846,841
Payable to FCM Customers	\$ 10,369,111,683

For more updated information, please see the Firm's most recent [Financial Summary Information](#).

As referenced above, in addition to being a registered FCM, WFS is registered as a broker-dealer with the SEC and is a member of FINRA and the Securities Investment Protection Corporation ("SIPC"). The Company engages in a wide variety of securities activities in accordance with its status as an affiliate of a financial holding company under the provisions of the Gramm-Leach-Bliley Act of 1999. In general, securities sold by the Company are not bank deposits and are not insured by the FDIC.

The Company clears some of its customers' transactions through Wells Fargo Clearing Services, LLC ("WFCS"), an affiliated clearing broker-dealer, on a fully disclosed basis.

The Company clears the majority of its institutional customer accommodation and market-making transactions. Some futures are carried and cleared by an unaffiliated broker-dealer.

The Company is approved to act as a clearing prime broker. The Company is also designated as a Primary Dealer in U.S. government securities by the Federal Reserve Bank.

The Company is a member of various exchanges where it is approved to trade, execute and clear interest rate swaps, futures, and options.<sup>2</sup>

The following discussion of significant liabilities, contingent or otherwise, and material commitments of WFS includes certain information from WFS's Statement of Financial Condition as of December 31, 2024.

The Company is a party to derivative financial instruments and commitments in the normal course of business to meet the financing needs of customers, conduct trading activities, and manage market risks.

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<sup>2</sup> Please refer to the FCM Customer Business section above.

These derivative financial instruments include futures, options, swaps, swaptions, credit default swaps, equity swaps, forward commitments to purchase and sell securities, securities purchased and sold on a when issued basis (when issued securities), and firm underwriting commitments. These instruments and commitments involve, to varying degrees, elements of credit and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to the terms of the contract. Market risk is the possibility that a change in interest rates, the underlying assets, indices or a combination of these factors will cause an unfavorable change in the value of a financial instrument. The Company controls the credit risk arising from these instruments and commitments through its credit approval process and through the use of risk control limits and monitoring procedures. It evaluates each customer's or other broker dealer's creditworthiness on a case by case basis. If collateral is deemed necessary to reduce credit risk, the amount and nature of the collateral obtained is based on management's credit evaluation of the other party. Based on the Company's assessment of each of its counterparties, additional collateral was not required by the Company at December 31, 2024.

The notional or contractual amounts of derivative financial instruments exceed the probable loss that could arise from counterparty default or market related risks. The fair value of derivative financial instruments represents principally the estimated unrealized gain (asset) or loss (liability) and is recorded in financial instruments owned, at fair value or financial instruments sold, not yet purchased in the Statement of Financial Condition. The market risk associated with trading financial instruments, including derivatives, the prices of which are constantly fluctuating, is managed by imposing limits as to the type, amounts, and degree of risk that traders may undertake. These limits, approved by senior management and the risk positions of traders, are reviewed on a daily basis to monitor compliance with the limits.

For a listing of the notional or contractual amounts of derivative financial instruments and their related fair values as of December 31, 2024, as well as net trading gains or losses on interest rate contracts, equity contracts, foreign exchange contracts, and credit contracts, please see the Firm's most recent Audited Annual Notes to Statement of Financial Condition [here](#).

Forwards are contracts for delayed delivery of securities or money market instruments in which the seller agrees to make delivery at a specified future date of a specified instrument, at a specified price or yield. Equity contracts are contracts that allow the holder of the option to purchase or sell a financial instrument at a specified price and within a specified period of time from the seller or writer of the option. As a writer of options, the Company receives a premium at the outset and then bears the risk of an unfavorable change in the price of the financial instrument underlying the option and other market risk factors that may impact the fair value of the option.

For a table that provides information on the gross fair values of assets and liabilities, the Statement of Financial Condition netting adjustments and the resulting net fair value amount recorded in the Statement of Financial Condition, as well as the non-cash collateral associated with such arrangements, please see the Firm's most recent Audited Annual Notes to Statement of Financial Condition [here](#).

The Company has no derivatives that contain features that are contingent upon the credit ratings of the Company or its affiliates.

The Company uses credit derivatives to manage exposure to credit risk related to its customer accommodation and market making activity. This may include protection purchased to offset securities owned or sold protection. This credit risk management provides an ability to recover a significant portion of any amounts that would be paid under the credit derivatives written by the Company. The majority of the credit contracts are executed with an affiliate, WFBNA, and the Company would be

required to perform under the noted credit derivatives in the event of a default by the referenced obligors. Events of default include events such as bankruptcy, capital restructuring or lack of principal and/or interest payment. In certain cases, other triggers may exist, such as the credit downgrade of the referenced obligors.

For a listing of credit contracts where protection was sold as of December 31, 2024, please see the Firm's most recent Audited Annual Notes to Statement of Financial Condition [here](#).

The Protection sold – non-investment grade category is based on the portion of the maximum loss exposure for which there is a greater risk that the Company will be required to make a payment or perform under the credit derivative. The current status of the risk of payment or performance being required is considered high if the underlying assets under the credit derivative have an external rating that is below investment grade or an internal credit default grade that would be equivalent to below investment grade external rating. It is important to note that the Protection sold – non-investment grade represents the amount of exposure which would be incurred under an assumed hypothetical circumstance and, accordingly, this disclosure is not an indication of expected loss for which payment is of a high likelihood. Such payment may not result in a loss. As such, the Protection sold – non-investment grade column is not an indication of loss probability.

In the normal course of business, the Company enters into debt and equity underwriting commitments. There were no transactions relating to such underwriting commitments open at December 31, 2024.

The Company has been named as a defendant in various legal actions arising from its normal business activities, and many of those proceedings expose the Company to potential financial loss. We establish accruals for legal actions when potential losses associated with the actions become probable and the costs can be reasonably estimated. For such accruals, we record the amount we consider to be the best estimate within a range of potential losses that are both probable and estimable; however, if we cannot determine a best estimate, then we record the low end of the range of those potential losses. The actual costs of resolving legal actions may be substantially higher or lower than the amounts accrued for those actions. Based on information currently available, advice of counsel, available insurance coverage and established reserves, the Company believes that the eventual outcome of the actions against it will not, individually or in the aggregate, have a material adverse effect on the Company's financial position. However, it is possible that the ultimate resolution of a matter, if unfavorable, may be material to the Company's Statement of Financial Condition for any particular period.

The Company is a member of exchanges and clearing houses that the Company uses to clear its trades and those of the Company's customers. It is common that all members in these organizations are required to collectively guarantee the performance of other members. The Company's obligations under the guarantees are based on a fixed amount or a multiple of the collateral we are required to maintain with these organizations. The Company has not recorded a liability for these arrangements because we believe the likelihood of loss is remote. The maximum exposure to loss represents the estimated loss that would be incurred under an assumed hypothetical circumstance, despite what it believes is an extremely remote possibility, where the value of our interests and any associated collateral declines to zero. As of December 31, 2024, the maximum potential loss related to our clearing house arrangements is \$13,161,986,000. The Company has deposited \$674,340,000 in cash with clearing organizations. Additionally, the Company has pledged collateral amounting to \$3,208,585,000 to clearing organizations.

The Company clears transactions on behalf of its clients through various clearing houses, and the Company stands behind the performance of its clients on such trades. The Company mitigates its exposure to loss in the event of a client default by requiring that clients provide appropriate amounts of

margin at the inception and throughout the life of the transaction. The Company may cease providing clearing services to clients if they do not adhere to their obligations under the clearing agreement. It is difficult to estimate the Company's maximum exposure under such transactions, as this would require an assessment of transactions that clients may execute in the future. The Company manages the exposure through setting credit limits for clients and maintaining termination right over clearing contracts. However, based upon historical experience, the Company believes it is unlikely that it will have to make any material payments under these arrangements and the risk of loss is expected to be remote.

The Company has commitments to enter into resale and securities borrowing agreements, as well as repurchase and securities lending agreements, with certain counterparties, including central clearing organizations. The amount of our unfunded contractual commitments for resale and securities borrowing agreements at December 31, 2024 is \$5,314,306,000. The amount of our unfunded contractual commitments for repurchase and securities lending agreements at December 31, 2024 is \$1,084,535,000.

The Company introduces certain of its customer transactions to an affiliated clearing broker, WFCS, with whom it has a correspondent relationship for clearance and depository services in accordance with the terms of the clearance agreement. In connection therewith, the Company has agreed to indemnify WFCS for credit losses that WFCS may sustain as a result of the failure of the Company's customers to satisfy their obligations in connection with their securities transactions. As of December 31, 2024, substantially all customer obligations were collateralized by securities with a market value in excess of the obligations.

Some contracts that the Company enters into in the normal course of business include indemnification provisions that obligate the Company to make payments to the counterparty or others in the event certain events occur. The contingencies generally relate to the changes in the value of underlying assets, liabilities, or equity securities or upon the occurrence of events, such as an adverse litigation judgment or an adverse interpretation of the tax law. The indemnification clauses are often standard contractual terms and were entered into in the normal course of business based on an assessment that the risk of loss would be remote. Since there are no stated or notional amounts included in the indemnification clauses and the contingencies triggering the obligation to indemnify have not occurred and are not expected to occur, the Company is not able to estimate the maximum potential amount of future payments under these indemnification clauses. There are no amounts reflected in the Statement of Financial Condition as of December 31, 2024, related to these indemnifications.

On February 2, 2018, WFC entered into a consent order with the Board of Governors of the Federal Reserve System ("FRB"). As required by the consent order, the WFC Board of Directors submitted to the FRB a plan to further enhance its governance and oversight of WFC, and WFC submitted to the FRB a plan to further improve WFC's compliance and operational risk management program. WFC continues to engage with the FRB as WFC works to address the consent order provisions. The consent order requires WFC, following the FRB's acceptance and approval of the plans and WFC's adoption and implementation of the plans, to complete an initial third-party review of the enhancements and improvements provided for in the plans. Until this third-party review is complete and the plans are approved and implemented to the satisfaction of the FRB, WFC's total consolidated assets will be limited to the level as of December 31, 2017. Compliance with this asset cap will be measured on a two-quarter daily average basis to allow for management of temporary fluctuations. As of the end of 2024, WFC's total consolidated assets, as calculated pursuant to the requirements of the consent order, were below WFC's level of total assets as of December 31, 2017. Additionally, after removal of the asset cap, a

second third-party review must also be conducted to assess the efficacy and sustainability of the enhancements and improvements.

For additional discussion of the Firm's significant liabilities, please see the Firm's most recent Audited Annual Notes to Statement of Financial Condition [here](#).

These discussions can be found in footnote 13 entitled "Derivatives" and footnote 14 entitled "Guarantees, Commitments, and Contingent Liabilities".



## VI. Material Complaints or Actions

Although WFS, in its capacity as broker-dealer and/or FCM, has been subject to regulatory disciplinary matters involving fines or other sanctions, as of the date hereof WFS has not been the subject of any material administrative, civil, enforcement, or criminal complaints or actions that have been filed but not concluded nor any enforcement complaints or actions that have been filed during the last three years, except as follows:

WELLS FARGO SECURITIES, LLC V. LJM INVESTMENT FUND, L.P., AND LJM PARTNERS, LTD.: On March 6, 2018, WFS filed suit in the United States District Court for the Southern District of New York seeking to recover more than \$16MM in losses after it exercised its rights in a Futures and Cleared Swaps Agreement to assume the position of LJM Investments, LLC (“LJM”) and cover LJM’s margin requirements after LJM suffered large losses in February 2018. On May 2, 2018, LJM filed an Answer and Counterclaim alleging that WFS wrongfully ordered an immediate liquidation of LJM’s entire portfolio thereby locking in the portfolio’s primarily unrealized losses. LJM asserted claims based upon breach of contract, breach of the implied covenant of good faith and fair dealing, breach of fiduciary duty, and negligence. The counterclaim was originally dismissed by the court, but in March 2021, the court permitted LJM to file an amended counterclaim asserting one claim for breach of contract. In March 2024, WFS moved for summary judgment and to stay pre-trial proceedings pending a ruling on its motion for summary judgment. On July 24, 2024, the court granted the motion to stay; the motion for summary judgment is pending. Four related lawsuits are also pending or dismissed, as described below. WFS will vigorously defend the matters.

- KAFKA, JOSEPH A. AND TODD V. WELLS FARGO SECURITIES, LLC AND WELLS FARGO & COMPANY: On February 4, 2022, plaintiffs filed a proposed class action in the United States District Court for the Southern District of New York against WFS in connection with futures commission merchant agreements entered into between WFS and LJM Preservation and Growth Fund, LJM Fund, L.P., LJM Master Trading Fund, L.P., LJM Offshore Fund, Ltd., and PFC-LJM 15 Preservations and Growth Fund, L.P.. Plaintiffs claim that they sustained losses when WFS allegedly ordered an immediate liquidation of LJM funds’ portfolios and engaged in self-interested actions following a February 5, 2018 event in the futures and options market. The plaintiffs assert claims based upon gross negligence, fraud, tortious interference with contractual relations, tortious interference with business relations, negligent supervision, breach of contract, breach of implied covenant of good faith and fair dealing, and aiding and abetting breach of fiduciary duty. On August 15, 2022, WFS filed a motion to dismiss the complaint and a motion to strike the plaintiffs’ class claims. On September 15, 2023, the court granted WFS’s motion to dismiss in its entirety, without leave to amend the complaint. On October 21, 2024, the Second Circuit Court of Appeals affirmed the dismissal.
- LJM FUND, LP AND PFC-LJM FUND, LP V. WELLS FARGO SECURITIES, LLC: On February 23, 2022, two LJM funds filed an action against WFS in the Supreme Court for the State of New York, New York County, alleging that WFS wrongfully ordered an immediate liquidation of their portfolios, thereby locking in the portfolios’ unrealized losses. The plaintiffs asserted claims based on breach of contract, breach of implied covenant of good faith and fair dealing, breach of fiduciary duty and negligence. After WFS moved to dismiss, the plaintiffs made in the amended complaint in the *LJM Funds Management, Ltd.* Lawsuit (see below).
- DILLON, MICHAEL AND MARC KAFKA V. WELLS FARGO SECURITIES, LLC: On February 3, 2023, plaintiffs filed a proposed class action in the United States District Court for the Northern District of Illinois against WFS related to the LJM Preservation and Growth Fund, LJM Fund, L.P., PFC- 17

LJM Preservation and Growth Fund, L.P., and the LJM Preservation and Growth Fund, L.P. Plaintiffs claim that they sustained losses when WFS allegedly ordered an immediate liquidation of LJM funds' portfolios and engaged in self-interested actions following a February 5, 2018 volatility event in the options market. Plaintiffs assert claims based upon gross negligence, fraud, tortious interference with contractual relations, tortious interference with business relations, negligent supervision, breach of contract, breach of the implied covenant of good faith and fair dealing, and aiding and abetting breach of fiduciary duty. On April 17, 2023, WFS filed a motion to transfer the case to the United States District Court for the Southern District of New York, which was granted on March 25, 2024. On December 5, 2025, the plaintiffs agreed to voluntarily dismiss the case.

- **LJM FUNDS MANAGEMENT, LTD. V. WELLS FARGO SECURITIES, LLC:** On August 11, 2023, LJM Fund Management, Ltd. ("LJM FML") filed a complaint against WFS in the United States District Court for the Southern District of New York. The complaint asserts claims against WFS for breach of contract and breach of the implied covenant of good faith and fair dealing that are substantially similar to the counterclaims that LJM Investment Fund, L.P. and LJM Partners, Ltd. asserted against WFS in the previously-filed federal litigation and the claims that LJM Fund LP and PFC-LJM Fund LP asserted against WFS in the previously-filed state court litigation. In January 2024, LJM FML dismissed its federal complaint, and on January 11, 2024, LJM FML filed a nearly identical complaint in the Supreme Court of the State of New York, which also added the Two Roads Shared Trust as a plaintiff. On February 26, 2024, WFS moved to dismiss the complaint, which the court granted in part and denied in part in a decision dated June 5, 2024. On July 25, 2024, the plaintiffs filed an amended complaint, which WFS moved to dismiss on September 16, 2024. On December 19, 2024, the court granted in part and denied in part the motion to dismiss, allowing most of plaintiffs' claims to proceed.

The SEC and CFTC have undertaken investigations regarding the WFC's compliance with records retention requirements relating to business communications sent over unapproved electronic messaging channels. In August 2023, WFC entities entered into an agreement pursuant to which they agreed to pay \$125 million to the SEC and \$75 million to the CFTC in order to resolve their investigation.

## VII. Customer Funds Segregation

This section includes a basic overview of customer fund segregation, FCM collateral management and investments, FCMs, and joint FCM/broker-dealers.

**Customer Accounts.** FCMs may maintain up to three different types of accounts for customers, depending on the products a customer trades:

- (i) a **Futures Account (Segregated Account)** for customers that trade futures and options on futures listed on U.S. futures exchanges;
- (ii) a **Secured Account (30.7 Account)** for customers that trade futures and options on futures listed on foreign boards of trade; and
- (iii) a **Cleared Swaps Customer Account** for customers that trade swaps cleared on a DCO registered with the CFTC.

The requirement to maintain these separate accounts reflects the different risks posed by the different products. Cash, securities, and other collateral (collectively, “**Customer Funds**”) required to be held in one type of account, *e.g.*, the Futures Account (Segregated Account), may not be commingled with funds required to be held in another type of account, *e.g.*, the Secured Account (30.7 Account), except as the Commission may permit by order. For example, the Commission has issued orders authorizing ICE Clear Europe Limited, which is registered with the Commission as a DCO, and its FCM clearing members: (i) to hold in Cleared Swaps Customer Accounts Customer Funds used to margin both (a) cleared swaps and (b) foreign futures and foreign options traded on ICE Futures Europe, and to provide for portfolio margining of such cleared swaps and foreign futures and foreign options; and (ii) to hold in Customer Segregated Accounts customer funds used to margin both (c) futures and options on futures traded on ICE Futures US and (d) foreign futures and foreign options traded on ICE Futures Europe, and to provide for portfolio margining of such transactions.

- **Futures Account (Segregated Account)** Funds that customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on futures exchanges located in the U.S., *i.e.*, designated contract markets, are held in a Futures Account (Segregated Account) in accordance with section 4d(a)(2) and section 4d(b) of the Commodity Exchange Act (“CEA”) and CFTC Regulation 1.20. Futures Customer Funds held in the Futures Account (Segregated Account) may not be used to meet the obligations of the FCM or any other person, including another customer.

Futures Customer Funds may be commingled in a single account, *i.e.*, a customer omnibus account, and held with: (i) a bank or trust company located in the U.S.; (ii) a bank or trust company located outside of the U.S. that has in excess of \$1 billion of regulatory capital; (iii) an FCM; or (iv) a DCO. Written acknowledgment must be obtained from each depository and provided to the FCM’s DSRO. Such commingled accounts must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM’s customers. Unless a customer provides instructions to the contrary, an FCM may hold Futures Customer Funds only: (i) in the U.S.; (ii) in a money center country;<sup>3</sup> or (iii) in the country of origin of the currency.

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<sup>3</sup> Money center countries means Canada, France, Italy, Germany, Japan, and the United Kingdom.

An FCM must hold sufficient U.S. dollars in the U.S. to meet all U.S. dollar obligations and sufficient funds in each other currency to meet obligations in such currency. Notwithstanding the foregoing, assets denominated in a currency may be held to meet obligations denominated in another currency (other than the U.S. dollar) as follows: (i) U.S. dollars may be held in the U.S. or in money center countries to meet obligations denominated in any other currency; and (ii) funds in money center currencies<sup>4</sup> may be held in the U.S. or in money center countries to meet obligations denominated in currencies other than the U.S. dollar.

- **Secured Account (30.7 Account)** Funds that Secured (30.7) Customers deposit with an FCM, or that are otherwise required to be held for the benefit of customers, to margin futures and options on futures contracts traded on foreign boards of trade, *i.e.*, Secured 30.7 Customer Funds, and sometimes referred to as the foreign futures and foreign options secured amount, are held in a Secured Account (30.7 Account) in accordance with CFTC Regulation 30.7.

Funds required to be held in the Secured Account (30.7 Account) for or on behalf of Secured (30.7) Customers may be commingled in an omnibus account and held with: (i) a bank or trust company located in the U.S.; (ii) a bank or trust company located outside the U.S. that has in excess of \$1 billion in regulatory capital; (iii) an FCM; (iv) a DCO; (v) the clearing organization of any foreign board of trade; (vi) a foreign broker; or (vii) such clearing organization's or foreign broker's designated depositories. Written acknowledgment must be obtained from each depository and provided to the FCM's DSRO. Such commingled accounts must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's Secured (30.7) Customers. As explained below, CFTC Regulation 30.7 restricts the amount of such funds that may be held outside of the U.S.

Customers trading on foreign markets assume additional risks. Laws or regulations will vary depending on the foreign jurisdiction in which the transaction occurs, and funds held in a Secured Account (30.7 Account) outside of the U.S. may not receive the same level of protection as Futures Customer Funds. If the foreign broker carrying Secured (30.7) Customer positions fails, the broker will be liquidated in accordance with the laws of the jurisdiction in which it is organized, which laws may differ significantly from the U.S. Bankruptcy Code. Return of Secured 30.7 Customer Funds to the U.S. will be delayed and likely will be subject to the costs of administration of the failed foreign broker in accordance with the law of the applicable jurisdiction, as well as possible other intervening foreign brokers, if multiple foreign brokers were used to process the U.S. customers' transactions on foreign markets.

If the foreign broker does not fail but the Secured (30.7) Customers' U.S. FCM fails, the foreign broker may want to assure that appropriate authorization has been obtained before returning the Secured 30.7 Customer Funds to the FCM's trustee, which may delay their return. If both the foreign broker and the U.S. FCM were to fail, potential differences between the trustee for the U.S. FCM and the administrator for the foreign broker, each with independent fiduciary obligations under applicable law, may result in significant delays and additional administrative expenses. Use of other intervening foreign brokers by the U.S. FCM to process the trades of 30.7 Customers on foreign markets may cause additional delays and administrative expenses.

To reduce the potential risk to Secured 30.7 Customer Funds held outside of the U.S., CFTC Regulation 30.7 generally provides that an FCM may not deposit or hold Secured 30.7 Customer Funds in permitted accounts outside of the U.S. except as necessary to meet margin requirements,

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<sup>4</sup> Money center currencies mean the currency of any money center country and the Euro.

including prefunding margin requirements, established by rule, regulation, or order of the relevant foreign boards of trade or foreign clearing organizations, or to meet margin calls issued by foreign brokers carrying the Secured (30.7) Customers' positions. The rule further provides, however, that, in order to avoid the daily transfer of funds from accounts in the U.S., an FCM may maintain in accounts located outside of the U.S. an additional amount of up to 20 percent of the total amount of funds necessary to meet margin and prefunding margin requirements to avoid daily transfers of funds.

- **Cleared Swaps Customer Account.** Funds deposited with an FCM, or otherwise required to be held for the benefit of customers, to margin swaps cleared through a registered DCO, *i.e.*, Cleared Swaps Customer Collateral, are held in a Cleared Swaps Customer Account in accordance with the provisions of section 4d(f) of the CEA and Part 22 of the Commission's rules. Funds required to be held in a Cleared Swaps Customer Account may be commingled in an omnibus account and held with: (i) a bank or trust company located in the U.S.; (ii) a bank or trust company located outside of the U.S. that has in excess of \$1 billion of regulatory capital; (iii) a DCO; or (iv) another FCM. Such commingled accounts must be properly titled to make clear that the funds belong to, and are being held for the benefit of, the FCM's Cleared Swaps Customers.

**Investment of Customer Funds.** Section 4d(a)(2) of the CEA authorizes FCMs to invest Futures Customer Funds in obligations of the United States, in general obligations of any state or of any political subdivision thereof, and in obligations fully guaranteed as to principal and interest by the United States. Section 4d(f) authorizes FCMs to invest Cleared Swaps Customer Collateral in similar instruments.

CFTC Regulation 1.25 authorizes FCMs to invest Futures Customer Funds, Cleared Swaps Customer Collateral, and Secured 30.7 Customer Funds in instruments of a similar nature. Commission rules further provide that the FCM may retain all gains earned and is responsible for investment losses incurred in connection with the investment of Customer Funds. However, the FCM and customer may agree that the FCM will pay the customer interest on the funds deposited.

Permitted investments in accordance with CFTC Regulation 1.25 include:

- (i) Obligations of the United States and obligations fully guaranteed as to principal and interest by the United States (U.S. government securities);
- (ii) General obligations of any State or of any political subdivision thereof (municipal securities);
- (iii) Obligations of any United States government corporation or enterprise sponsored by the United States government (U.S. agency obligations);<sup>5</sup>
- (iv) Interests in certain government money market mutual funds;
- (v) U.S. Short Term Treasury ETFs and applicable concentration limits; and
- (vi) General obligations of Canada, France, Germany, Japan, and the United Kingdom (permitted foreign sovereign debt), subject to maturity and liability requirements.

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<sup>5</sup> Obligations issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Association are permitted only while these entities operate under the conservatorship or receivership of the Federal Housing Finance Authority with capital support from the United States.

The duration of the securities in which an FCM invests Customer Funds cannot exceed, on average, two years, except for investments in money market mutual funds.

An FCM may also engage in repurchase and reverse repurchase transactions with non-affiliated registered broker-dealers, provided such transactions are made on a delivery versus payment basis and involve only permitted investments. All funds or securities received in repurchase and reverse repurchase transactions with Customer Funds must be held in the appropriate Customer Account, *i.e.*, Futures Customer Account, Secured (30.7) Account, or Cleared Swaps Customer Account. Further, in accordance with the provisions of CFTC Regulation 1.25, all such funds or collateral must be received in the appropriate Customer Account on a delivery versus payment basis in immediately available funds.<sup>6</sup>

**No SIPC Protection.** Although WFS is a registered broker-dealer, it is important to understand that the funds deposited with WFS for trading futures and options on futures contracts on either U.S. or foreign markets or cleared swaps are not protected by the Securities Investor Protection Corporation (“SIPC”).

Further, Commission rules require WFS to hold funds deposited to margin futures and options on futures contracts traded on U.S. designated contract markets in Futures Customer Accounts. Similarly, WFS must hold funds deposited to margin cleared swaps and futures and options on futures contracts traded on foreign boards of trade in a Cleared Swaps Customer Account or a Secured (30.7) Account, respectively. In computing its Customer Funds requirements under relevant Commission rules, WFS may only consider those Customer Funds actually held in the applicable Customer Accounts and may not apply free funds in an account under identical ownership but of a different classification or account type (*e.g.*, securities, Futures Customer, Secured 30.7) to an account’s margin deficiency. In order to be used for margin purposes, the funds must actually transfer to the identically owned undermargined account. Further, the method of determining the value at which customer positions will be transferred will generally be the fair market value determined by the relevant DCO.

For additional information on the protection of customer funds, please see the Futures Industry Association’s “Protection of Customer Funds Frequently Asked Questions”: [PCF.indd \(fia.org\)](https://www.fia.org/PCF.indd).

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<sup>6</sup> As discussed below, NFA publishes a report twice a month, which shows for each FCM, *inter alia*, the percentage of Customer Funds that are held in cash and each of the permitted investments under Commission Regulation 1.25. The report also indicates whether the FCM held any Customer Funds during that month at a depository that is an affiliate of the FCM.

## **VIII. Filing a Complaint**

A customer that wishes to file a complaint about WFS or one of its employees with the CFTC can contact the Division of Enforcement either electronically at [Complaint](#) or by calling the Division of Enforcement toll-free at 866-FON-CFTC (866-366-2382).

A customer that wishes to file a complaint about WFS or one of its employees with the NFA can file a complaint electronically at <http://www.nfa.futures.org/basicnet/Complaint.aspx> or by calling NFA directly at 800-621-3570.

A customer that wishes to file a complaint about WFS or one of its employees with the Chicago Mercantile Exchange can file a complaint electronically at: <http://www.cmegroup.com/market-regulation/file-complaint.html> or by calling the CME at 312-341-7970.

## IX. Relevant Financial Data

WFS's annual audited financial statements are available [here](#).

Please find financial data as of the Month End Date, which was the most recent month-end when the Disclosure Document was prepared.

WFS's total equity, regulatory capital, and net worth, all computed in accordance with U.S. Generally Accepted Accounting Principles and CFTC Regulation 1.17, as applicable:

<b>Total Equity</b>	\$ 10,863,913,954
<b>Regulatory Capital</b>	\$ 9,464,390,647
<b>Net Worth</b>	\$ 10,863,913,954

For more updated information, please see the Firm's [Financial Summary Information](#).

The percentage of the dollar value of the proprietary margin requirements (which includes WFS and a number of affiliates) as a percentage of the aggregate margin requirement of the Firm's futures, cleared swaps, and 30.7 customers is 15.34%.

For an updated percentage, please click [here](#).

The number of futures customers, cleared swaps customers, and 30.7 customers that comprise 50 percent of WFS's total funds held for futures customers, cleared swaps customers, and 30.7 customers, respectively:

<b>Client Origin</b>	<b># of clients making up 50% of WFS's total funds held</b>
Futures	15
Cleared Swaps	19
Secured	9

For the most updated number of futures customers, cleared swaps customers, and secured customers that comprise 50 percent of WFS's total funds held for futures customers, cleared swaps customers, and 30.7 customers, respectively, please click [here](#).

As a general practice, WFS does not enter into unhedged over-the-counter transactions on its own behalf, although WFS does engage in over-the-counter transactions as a principal in relation to its liquidity management, customer accommodation, and market-making activities. As a result of these activities, WFS maintains an inventory of financial instruments owned and financial instruments sold, but not yet purchased, consisting of trading securities and derivatives.<sup>7</sup> WFS typically hedges its exposures to such instruments on a portfolio level, rather than at the transaction level. In order to

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<sup>7</sup> Please refer to the notes of the Firm's most recent audited financial statement for a more detailed discussion.



monitor the effectiveness of WFS's hedging activities, WFS utilizes various risk management techniques, including value at risk and stress scenario analysis.

The amount, generic source, and purpose of any unsecured lines of credit (or similar short-term funding) that WFS has obtained but not yet drawn upon:

(In Millions)						
Legal Entity Providing Funding	Description	Commitment Type	Secured / Unsecured	Limit	Drawn	Available
WFC Holdings, LLC	Revolving Note and Subordination Agreement	Committed	Unsecured	\$6,000	\$4,650	\$1,350
WFC Holdings, LLC	Uncommitted Line of Credit	Uncommitted	Unsecured	\$15,000	\$9,200	\$5,800
WFC Holdings, LLC	Committed Line of Credit	Committed	Unsecured	\$18,000	\$5,100	\$12,900
WFC Holdings, LLC	Uncommitted Line of Credit	Uncommitted	Unsecured	\$500	\$159	\$341

WFS's FCM business does not extend any margin financing services or accept illiquid assets for its customers at this time.

The percentage of futures customer, cleared swaps customer, and 30.7 customer receivable balances that WFS had to write-off as uncollectable during the past 12-month period, as compared to the balance of funds required to be held for futures customers, cleared swaps customers, and 30.7 customers as of the Month End Date is approximately 0%.

Additional financial information on all FCMs is also available on the CFTC's website at: <http://www.cftc.gov/MarketReports/FinancialDataforFCMs/index.htm>.

Customers should be aware that the NFA publishes on its website certain financial information with respect to each FCM. The FCM Capital Report provides each FCM's most recent month-end adjusted net capital, required net capital, and excess net capital.<sup>8</sup> In addition, NFA publishes twice monthly a Futures Customer Funds report, which shows for each FCM: (i) total funds held in Futures Customer Accounts; (ii) total funds required to be held in Futures Customer Accounts; and (iii) excess segregated funds, *i.e.*, the FCM's Residual Interest. This report also shows the percentage of Futures Customer Funds that are held in cash and each of the permitted investments under CFTC Regulation 1.25. Finally, the report indicates whether the FCM held any Futures Customer Funds during that month at a depository that is an affiliate of the FCM.

The report shows the most recent semi-monthly information, but the public will also have the ability to see information for the most recent twelve-month period. A Secured 30.7 Customer Funds report and a Customer Cleared Swaps Collateral report provides the same information with respect to the Secured 30.7 Account and the Cleared Swaps Customer Account.

<sup>8</sup> Information for a twelve-month period is available.

The above financial information reports can be found by conducting a search for a specific FCM in NFA's BASIC system: [BASIC | NFA](#), and then clicking on "View Financial Information" on the FCM's BASIC Details page.

## **X. Risk Practices, Controls, and Procedures**

WFS has an established risk management department (“Risk Department”) to provide oversight and to coordinate key business decisions. This Risk Department is staffed with risk officers that interact with WFC credit officers. Risk management in WFS is also integrated with the risk management processes and systems utilized at the corporate level of WFC.

The Risk Department uses processes, procedures, and systems to which the trading and execution employees do not have access. Risk management decisions are determined independently of the trading and execution team.

The Risk Department is responsible for defining and maintaining WFS’s counterparty risk procedures, which encompasses the methodology to monitor, control, and remedy credit risk. In addition, the Risk Department works within the confines of WFC’s corporate credit risk policies, which encompasses the definition of acceptable creditworthy counterparties.

Generally, credit limits are set by the relevant Wells Fargo legal entity at the customer level to manage overall credit exposure to each customer (based on a qualitative assessment, credit due diligence, and analysis of the customer’s management and its liquidity and risk functions). Within the clearing product, limits are set to control overall credit risk to the customer as well as intraday credit risk limits to control trade size.

### **Current Risk Controls and Procedures:**

Counterparty risk exists in the event a customer or counterparty fails. Therefore, it is important that procedures are in place to evaluate and monitor counterparty exposure as well as customer credit worthiness on an ongoing basis.

Risk may be introduced to WFS through either customer or house trading activity in both listed and OTC derivative trades that are executed and/or cleared by WFS acting as agent. WFS will set its own risk limits for all customers with which all customers must comply.

#### *Listed Futures*

WFS will establish risk limits for its customers in order to ensure that trades and positions do not exceed acceptable levels of risk. These risk limits will be determined by the Risk Department and responsible Credit Risk Officers and will be based for each customer, without limitation, on the assets of the customer, its trading style, the markets traded, its credit rating, its country of origin, and the relevant trading experience and track record of such customer. The risk limits provided will detail limits based upon position size and order size in each contract traded by the customer.

Electronic trading platforms that are approved for use by WFS customers allow WFS to set limits on ticket size. All of these trading platforms support basic risk limits where a ‘fat finger’ or order size limit is established in each contract that a customer wishes to trade. Additionally, a position limit shall be established in each contract that a customer trades.

#### *OTC Derivatives*

The Risk Department operates systems to monitor the utilization of limits by customers. These monitoring systems dynamically display current positions, P/L and risk sensitivities and available credit for each customer.

Limits may be expressed, and monitored, in multiple terms including: Initial Margin, Maximum Potential Exposure, Sensitivity, and other metrics deemed relevant to the customer in question.

All position and risk limits will be monitored for appropriateness by the Risk Department and the limits may be changed whenever as appropriate. WFS performs stress tests on limits at least weekly and periodically evaluates the ability of customers to meet both Initial Margin and Variation Margin requirements.

This Disclosure Document was first used on June 18, 2025.

## **Appendix 1. Biographies**

### **Damian George**

Senior Vice President

Wells Fargo & Company

Damian George is a senior vice president and external financial reporting manager for the controllers division of Wells Fargo. In his role, he is responsible for the regulatory and financial reporting of Wells Fargo's registered broker dealers. Damian joined the firm in September 2013.

Prior to joining Wells Fargo, Damian was the Chief Financial Officer and executive director of Morgan Stanley's Alternative Investments area; Ceres Managed Futures. While there, he was responsible for managing the regulatory and financial reporting of the firm's commodity investment funds. Prior to Morgan Stanley, Damian worked at Citigroup in multiple roles, including as Chief Financial Officer of the hedge fund management group and senior vice president of the financial control division. Damian has also held roles at Fuji Securities, Merrill Lynch, and the National Futures Association.

Damian received a B.A. in accounting and an M.B.A. in international finance from Fordham University. He is a Certified Public Accountant and currently holds the Series 3, 7, and 27 and CIRO CFO/PDO licenses.

### **James (Jamie) Gnall**

Business Finance Leader

Wells Fargo & Company

Jamie is the Business Finance Leader for Markets within the Corporate & Investment Bank for Wells Fargo located in New York. Jamie joined Wells Fargo in June 2020, from Citibank where he was the Chief Compliance Officer for Global Functions reporting directly to the Global Chief Compliance Officer of Citibank. Prior to this role, Jamie worked at Deutsche Bank from 2003 to 2018, holding several roles within Finance and Global Markets. Prior to joining Citibank, Jamie was the Global Divisional Control Officer from 2015-2018, managing the first line of defense for Global Markets. The more recent Finance roles Jamie held while at DB, was Head of the Americas Finance for Corporate Banking & Securities from 2011-2015 and CFO of the Americas, a position he held from 2008-2011.

Jamie joined Deutsche Bank from Credit Suisse where he was the Global Product Controller for FX, Money Markets, Interest Rates and Commodities. Prior to Credit Suisse, Jamie was at DLJ for seven years and managed several product control teams in the Fixed Income Division. Prior to DLJ, Jamie worked at KPMG for five years, where he was a manager in the Audit Practice concentrating in the Financial Services Practice.

Jamie has a Bachelors Degree in Accounting from SUNY Buffalo and is a registered CPA of NYS. Jamie also holds a FINRA Series 27 license.

### **Kathleen (Katy) LaCroix**

Director

New Business Management

Katy LaCroix is a Director for the New Business Management (NBM) team within Wells Fargo Corporate & Investment Banking (CIB). Based in Charlotte, N.C., she is responsible for all activity relating to transitioning clients from the sales process to first trade. Katy joined Wells Fargo Securities in 2013 as a member of the FCM's Client Transition Management team and was named the head of that team in 2018. In 2021, Katy assumed her current, expanded role leading New Business Management for the markets division.

Prior to joining Wells Fargo, Katy worked for PricewaterhouseCoopers in Boston, MA as a regulatory business analyst. She began her career at NewEdge in the Client Services department and transitioned into the customer onboarding group within the front office. Katy earned a B.A. in sociology at DePaul University.

**Peter Macchio**

Managing Director

Chief Compliance Officer, Wells Fargo Securities, LLC

Chief Compliance Officer, Wells Fargo Bank, N.A. Swap Dealer

Head of Corporate and Investment Banking Compliance

Peter Macchio is the Managing Director, Chief Compliance Officer for Wells Fargo Bank, N.A.'s Swap Dealer, and Chief Compliance Officer for Wells Fargo Securities, LLC and Head of Compliance for the Corporate and Investment Bank (CIB) including the International Compliance teams located in APAC, EMEA, Canada and LatAm.

In this position, Peter is responsible for managing the compliance risk program for investment banking/capital markets, research, asset backed finance, corporate banking, commercial real estate, the financial institutions group, securities as well as Wells Fargo's swap dealer and futures businesses globally.

Prior to joining Wells Fargo in October 2022, Peter spent 17 years at Bank of America as the leader of various governance, supervision, and control roles supporting Global Banking and Markets. In his most recent role, he served as the Head of Governance and Business Controls for the Capital Markets group of Merrill Lynch. Peter has held a variety of senior compliance, supervisory and control positions in the securities and banking industries over his 30-year career.

Peter obtained his B.S. in Economics from Plattsburg State University. Peter also holds several FINRA securities licenses.

**Eamon McCooey**

Managing Director

Head of Equity Finance / Global Exchange Traded Services

Corporate & Investment Banking

Wells Fargo & Company

Eamon McCooey is a Managing Director for the Equity Finance and Global Exchange Traded Services group (FCM) within Wells Fargo Corporate and Investment Banking (CIB). Based in New York, he is currently responsible for the Firm's Prime Brokerage, Securities Lending, Synthetic Equity, and FCM businesses.

Eamon and his team are responsible for building out the firm's platform capabilities to service the alternative asset manager community. His team provides the following services to their client: sales, agency trading, securities lending, capital introduction, consulting, new business management, product development, and client services.

Eamon joined Wells Fargo in 2013 to run the Prime Brokerage business with the goal of integrating their market leading emerging manager platform and buildout of their institutional prime brokerage offering.

Prior to joining Wells Fargo Eamon worked at Deutsche Bank from 2000 to 2013 where he held numerous senior positions within their Prime Finance division including Global Head of Product Development and Head of US Prime Services. From 1995 to 2000, Eamon worked at CIBC, where he held a number of senior positions their Financial Products division. Eamon started his career in 1986 at Kidder, Peabody & Co. where he worked until 1995.

Eamon obtained a B.A. in Finance from the Iona College and a NASD Registered Representative and Supervisory Principal. He holds his Series 24, 7, and 63 licenses.

**Kara McShane**

Head of Commercial Real Estate, Managing Director & Executive Vice President (EVP)  
Corporate & Investment Banking  
Wells Fargo & Company

Kara McShane is a managing director, EVP, and head of Commercial Real Estate (CRE) at Wells Fargo. Operating throughout the United States as well as in Canada, the United Kingdom, and Ireland, CRE delivers a fully integrated platform of banking, financing, capital markets, and servicing solutions for commercial real estate companies. The full suite of CRE products includes balance sheet lending, CMBS origination and distribution, loan and securities financing, global payments and liquidity, debt and equity for the affordable housing industry, and agency financing for multifamily assets.

Kara is based in New York City and currently serves on the Wells Fargo Management Committee, the Corporate & Investment Banking Operating Committee, and is an executive sponsor of the Corporate & Investment Banking Inclusion Council. She has more than 30 years of commercial real estate and fixed income experience. Since joining Wells Fargo in 2010, she has held a number of senior leadership positions, including head of Structured Real Estate and head of Commercial Real Estate Capital Markets & Finance.

Prior to her time at Wells Fargo, Kara was a managing director at Morgan Stanley and held various leadership roles, including head of Securitized Products Group Capital Markets, co-head of Commercial Real Estate Capital Markets & Trading, and head of CMBS Capital Markets. Kara also held positions as a fixed income portfolio manager and trader responsible for the commercial real estate sector at AllianceBernstein, where she managed CMBS and REIT debt. Previously, Kara was a partner at Sanford C. Bernstein & Co., where she was a fixed income portfolio manager and trader.

As an active member of the industry and community, Kara currently serves on the board of Breaking Ground, a leading NYC nonprofit for supportive and affordable housing. Kara also sits on the board of directors of The Real Estate Roundtable, the Board of Governors for REBNY, the Mortgage Bankers Association's (MBA) Commercial Real Estate/Multifamily Finance Board of Governors (COMBOG), the board of Easdtail Secured, the board of Wells Fargo Securities and sits on the Policy Advisory Board for The Harvard Joint Center for Housing Studies. She was also a founding member and served on the Commercial Real Estate Finance Council (CREFC) Women's Network Advisory Board after previously serving on the Board of Governors of CREFC's predecessor, the Commercial Mortgage Securities Association.

Kara received her A.B. in economics from Duke University and her M.B.A. in finance and management from Columbia University's Graduate School of Business.



**Tim O'Hara**

Managing Director

Head of Banking, and Executive Vice President

Wells Fargo & Company

Tim O'Hara is a managing director, executive vice president, and head of Banking for Wells Fargo's Corporate & Investment Bank (CIB). Tim has responsibility for all corporate and investment banking origination and execution within CIB's Banking division, which is comprised of industry, regional and specialty coverage, equity and debt capital markets, mergers and acquisitions, corporate lending, portfolio management, and treasury management.

Prior to joining Wells Fargo, Tim was a managing director and global co-head of Credit within BlackRock Alternative Investors (BAI). In this role, Tim was responsible for determining the strategic direction and growth initiatives of the Global Credit platform. He also was accountable for investments and investment, performance, business management, product strategy, business development and alternative credit sourcing. Tim was a member of multiple investment committees, including the opportunistic credit, private equity and impact funds, and he served on BlackRock's Global Operating Committee, the Human Capital Committee, and the Alternative Investors Executive Committee.

Prior to BlackRock, Tim was a managing director at Credit Suisse, A.G., where he held several senior management roles over his career, including CEO of Credit Suisse Holdings (USA), CEO of Global Markets, member of the Credit Suisse A.G. Executive Board, and co-head of Investment Banking. For much of his career, he worked within the bank's Fixed Income Division. Tim also held roles including co-head of Global Securities, global head of Equities, head of Global Credit Products, head of Fixed Income (North America), and global head of Leveraged Finance.

Tim serves on the board of directors for the University of Virginia Investment Management Company (UVIMCO). Tim is a former member of the University of Virginia College Foundation Board and co-heads the Foundation's New York Council. He formerly served on the board of directors of Project Morry, a year-round youth development organization. Tim is a past member of the board of directors of the Securities Industry and Financial Markets Association (SIFMA), where he was also a member of the executive committee of the board, and he served as a member of the board of trustees of the Credit Suisse Americas Foundation and the Credit Suisse A.G. Foundation.

Tim received his B.A., economics from the University of Virginia and his M.B.A., finance from the Wharton School at the University of Pennsylvania.

**Mary Lou Peters**

Executive Vice President, Control Management Executive  
Corporate & Investment Banking, Wells Fargo & Company

Mary Lou Peters is the Control Management Executive for the Corporate & Investment Bank (CIB), responsible for leading front-line operational risk management and developing an aggregate view of the risks across the CIB businesses globally, including Markets, Banking, Commercial Real Estate, and the bank's international activities.

Mary Lou joined Wells Fargo in 2019 from Ernst & Young, where she led a practice consulting with banks across the industry on front-line risk and controls. Prior to Ernst & Young, Mary Lou was the global head of Non-Market Risk for Morgan's Fixed Income, Commodities, and Currencies division, where she managed first-line risk and control for more than a decade, and was a member of FICC's Operating and Management Committees. She also served as a trustee of the Morgan Stanley Foundation. Before moving into the FICC line of business, Mary Lou held various roles in Morgan Stanley's Legal Department. She began her career in law, as an associate in the Business and Securities Litigation practice of Weil, Gotshal & Manges.

Mary Lou holds a B.A. in political science from Michigan State University and a J.D. from the University of Michigan Law School.

**Mike Riley**

Managing Director  
Co-Head of Markets, and Executive Vice President  
Wells Fargo & Company

Mike Riley is co-head and executive vice president of the Markets division within Wells Fargo's Corporate & Investment Banking ("CIB") organization.

CIB delivers a comprehensive suite of capital markets, banking, and financial products and services to corporate, commercial real estate, government, and institutional clients across the globe. As co-head of Markets, Mike oversees all of CIB's markets-driven activities, including the Equities, Structured Products, Credit Sales & Trading, Foreign Exchange, Municipal Products, Rates, Commodities, and CVA.

Before becoming co-head of Markets, Mike served as the head of the Equities within Markets. With more than 17 years of capital markets experience, he was the head of Options Trading at Getco before joining Wells Fargo in 2013. Mike also spent 12 years on the equity desk at UBS, where he co-headed Equity Derivative Trading for the Americas from 2009 to 2012.

Prior to joining UBS and beginning his corporate career, Mike was a decorated officer in the Navy where he served aboard the nuclear submarine USS Memphis.

Mike earned a B.S. in economics and a B.S. in chemical engineering from the University of Pennsylvania and its Wharton School of Business. He earned a master's degree in chemical engineering practice from MIT. While working at UBS, Mike also attended the University of Chicago where he earned a master of science degree in financial mathematics. Additionally, Mike holds both a Certified Financial Advisor (CFA) and a Financial Risk Manager (FRM) certification.

**Fernando Rivas**

Senior Executive President  
CEO of Corporate & Investment Banking

President of WFS  
Wells Fargo & Company

Fernando Rivas is Co-Chief Executive Officer of Corporate & Investment Banking at Wells Fargo and serves on the Company's Operating Committee.

The Corporate & Investment Bank delivers a comprehensive suite of corporate banking; investment banking; sales, trading, financing and research; and commercial real estate banking to corporate, institutional and government clients around the globe.

Fernando started his nearly 30-year career at JPMorgan Chase and held multiple leadership roles at the company. Most recently, he was Head of North America Investment Banking. Prior to this role, he was Co-Head of the Global Financial Institutions Group. Over the course of his career, he has served numerous financial services firms on some of the most significant and complex mergers and acquisitions and capital raises in the industry. He spent over three years based in London.

Fernando earned his B.A. from the University of Pennsylvania.

**Daniel Smith**  
Managing Director  
Global Head of Corporate & Investment Banking Operations  
Wells Fargo & Company

Daniel Smith is the Head of Operations and Capital Markets Executive for the Corporate & Investment Bank (CIB), responsible for leading all Operational Controls and Support across the CIB businesses globally.

Daniel and his team are responsible for supporting the CIB Business in risk and control precision; driving efficiency and simplicity, to allow for scalable straight through processing; and to drive and create efficiency to support business growth.

Daniel joined Wells Fargo in 2024 from Barclays where he was the Head of Americas Operations and functionally The Global Head of Middle Office; Collateral Management and Valuation Services; and Confirmations for 7 years. Prior to Barclays, Daniel spent over 15 years at Morgan Stanley in both London and New York in several Operational roles across a vast array of product coverage; with the last role being the Global Head of Foreign Exchange Operations.

Daniel holds a BA (Hons) in Business Studies from The Nottingham Trent University (UK) and holds his Series 27 and 99 Licenses.

**Daniel J. Thomas**

Managing Director

Co-Head of Markets and Executive Vice President

Corporate & Investment Banking

Wells Fargo & Company

Dan Thomas is Head of Finance for the Corporate and Investment Banking (CIB) division of Wells Fargo. In this role, Dan helps create and execute CIB's roadmap for optimal financial performance by providing strategic financial leadership to the CIB Chief Executive Officer, CIB Operating Committee, and to the business lines and leaders that make up CIB.

Dan provides strategic financial guidance to a division which includes a top-ranked commercial real estate finance and capital markets platform that provides investment banking, leveraged finance, mergers and acquisitions, equity and fixed income sales, trading, and research solutions to large and middle market companies.

Prior to his current role, Dan led CIB's Financial Resource Management team, which helped allocate balance sheet, capital, funding, and liquidity resources to support client and financial return objectives. Dan has also led various CIB lines of business through the years, including prime brokerage, derivatives clearing, and futures execution.

Dan also led the Rates and Commodities Sales and Marketing teams for Wells Fargo Securities during the implementation of Doff Frank derivatives regulation and move to a centralized derivatives clearing and the Global Rates business for Wachovia, a Wells Fargo predecessor. He joined First Union National Bank, a predecessor to Wachovia, in 1998. Prior to joining First Union, Dan worked for CoreStates Financial Corporation, also a Wachovia predecessor, running its client derivatives business. Before that, he worked for First Fidelity Bancorporation, managing its balance sheet hedging portfolio.

Dan obtained his B.A. degree in economics from Georgetown University and his J.D. from Temple Law School.