

**EXHIBIT A**

Contract Number 1420003-03  
Original Contract Number 1420003

May 2015 F. Dutchie (vw)  
City of Philadelphia  
City Treasurer's Office

## **STANDARD AMENDMENT AGREEMENT**

**THIS STANDARD AMENDMENT AGREEMENT** ("Amendment Agreement") is made as of this        day of        , 2015, and effective July 1, 2015 (the "Effective Date"), by and between THE CITY OF PHILADELPHIA (the "City"), by and through the City Treasurer's Office (the "Department"), and WELLS FARGO BANK, N.A ("Provider"), a national banking association incorporated in the State of Delaware and headquartered in San Francisco, California, with local branch offices located at 1600 John F. Kennedy Boulevard, 4 Penn Center, Suite 810, Philadelphia, Pennsylvania 19103 and 123 South Broad Street, 15th Floor, Philadelphia, Pennsylvania 19109.

### **BACKGROUND**

The City and Provider entered into a certain Contract, Contract Number 1420003, dated January 17, 2014, for an Initial Term from July 1, 2013 through March 30, 2014, which Contract includes the General Provisions, the Provider Agreement and any and all exhibits and attachments thereto (collectively, the "Base Contract"), wherein Provider agreed to render various Services to the City in accordance therewith; and

The City and Provider entered into an Amendment to the Base Contract, Contract Number 1420003-01, for the period March 31, 2014 to June 30, 2014, to add an Additional Term of three (3) months, in order for Provider to continue to render the Services and provide the Materials specified in the Base Contract; and

The City and Provider entered into an Amendment to the Base Contract, as amended, Contract Number 1420003-02, for the period July 1, 2014 to June 30, 2015 to add an Additional

Term of twelve (12) months, in order for Provider to continue to render the Services and provide the Materials specified in the Base Contract; and

The City and Provider desire to enter into an Amendment to the Base Contract, as amended, Contract Number 1420003-03, for the period July 1, 2015 to June 30, 2016 to add an Additional Term of twelve (12) months, in order for Provider to continue to render the Services and provide the Materials specified in the Base Contract; and

The City and Provider have agreed to amend certain terms and conditions of the Base Contract as set forth herein.

In consideration of the mutual obligations set forth herein, and each intending to be legally bound, the City and Provider covenant and agree as of the Effective Date as follows:

#### **ARTICLE I: AMENDMENTS TO THE CONTRACT**

With the exception of the following amendments set forth in this Amendment Agreement, and subject to councilmanic appropriation of funds, the terms and conditions of the Base Contract shall be and remain in full force and effect:

1.1 **Definitions.**

Capitalized terms not otherwise defined herein shall have the meanings set forth in the Base Contract.

1.2 **Term.**

The Base Contract is amended to add an Additional Term, commencing July 1, 2015 and expiring June 30, 2016.

*{THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY. SIGNATURE PAGE FOLLOWS.}*

IN WITNESS WHEREOF, the Parties, intending to be legally bound by all of the Contract Documents, have caused this Amendment Agreement to be executed by their respective duly authorized officers as of the date in the heading of this Amendment Agreement.

**THE CITY OF PHILADELPHIA**

APPROVED AS TO FORM  
SHELLEY R. SMITH, CITY SOLICITOR

Through: The City Treasurer's Office

By: \_\_\_\_\_

Per \_\_\_\_\_  
FRANCOIS A. DUTCHIE  
Divisional Deputy City Solicitor

Title: City Treasurer

**WELLS FARGO BANK, N.A. *also known as Wells Fargo & Company***

CORPORATE SEAL:

By: \_\_\_\_\_

Title: \_\_\_\_\_  
President or Vice-President

Attest: \_\_\_\_\_

Title: \_\_\_\_\_  
(Ass't) Secretary or (Ass't) Treasurer

## **EXHIBIT B**

**Appendix II**  
**Wells Fargo Bank, N.A**  
**Fair Lending Plan**  
**As Required by City Ordinance No. 100549**  
**May, 2015**

Wells Fargo is pleased to respond to the Annual Lending Study commissioned by the City of Philadelphia examining the Lending Practices of Depository Banks.

Background: Bill No. 100549 - states that "the proposed recipient submits a fair lending plan that responds to the latest annual lending disparity study or studies commissioned by the City relating to the performance of the proposed recipient and the performance of any other bank or other institution that the proposed recipient has acquired and such plan is attached as an exhibit to the ordinance approving the contract".

**CORPORATE VALUES & VISION STATEMENT**

Community Development: Wells Fargo's commitment to community development has consistently earned the Bank an "Outstanding" rating from the Office of the Comptroller of the Currency (OCC) who monitors and evaluates the Bank's compliance with the Community Reinvestment Act. At Wells Fargo, we want to satisfy all of our customers needs and help them succeed financially. We'll promote the economic advancement of everyone in our communities including those not yet economically self-sufficient, who have yet to share fully in the prosperity of our extraordinary country. We expect our team members to be community leaders.

Wells Fargo continues to provide access to lending and investment products through:

- Strong relationships to ensure impactful community development performance
- Tailored investments with flexible options
- Improved access to capital in low-moderate income communities

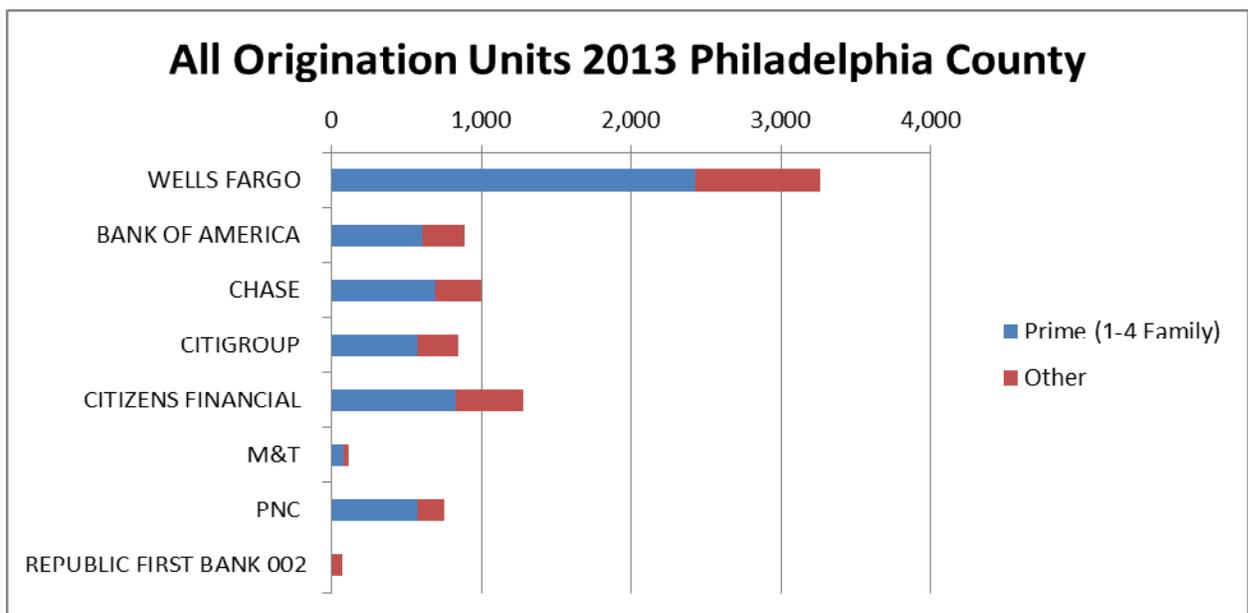
**LENDING RESULTS**

**HOME PURCHASE**

- Per the 2013 Econsult Lending Study Wells Fargo received the 2<sup>nd</sup> highest home purchase lending composite score among all of the ranked depositories, exceeding the next highest ranked lender by more than eleven points, indicating better performance than those lenders and lenders in the city as a whole.
- Wells Fargo was by far the largest mortgage lender in the city of Philadelphia in 2013 originating 2,435 prime loans, a decrease of 17.5 percent between 2012 and 2013. In the past three years, Wells Fargo issued nearly three times as many loans as that of the next highest depositor, and that trend continues into 2013. During 2013, the number of applications decreased by 16.7 percent and denials decreased by 11.5 percent in 2013. Wells Fargo met the City Benchmark for prime loans issued to African-American and Asian applicants, and met the City benchmarks for denial ratios for African-American, Minority and LMI Census tract applicants.

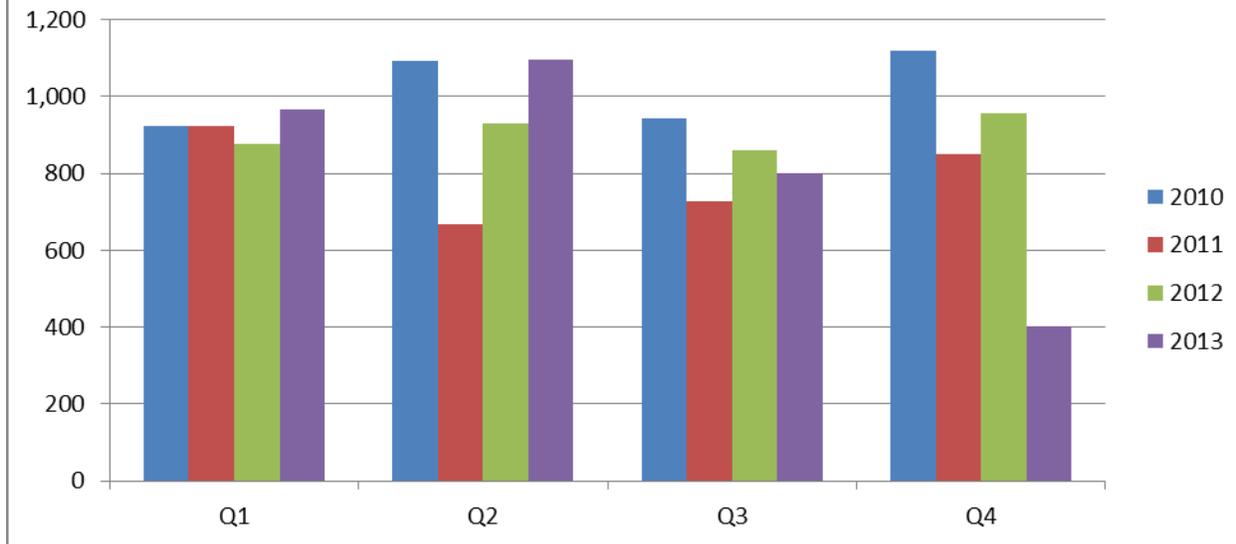
- The CityLIFT Program kicked off in September 2012 and continued into 2013, as a collaborative effort between Wells Fargo, the City of Philadelphia, local non-profits, realtors and Neighborworks America. The aim of the program is to increase access to Homeownership in Philadelphia. The program includes a commitment of \$10.0 million in Home Buyer Education, Down Payment Assistance Grants of \$15,000 for qualified homebuyers and for local initiative funds.

The program also included a commitment of \$2.2 billion in home purchase lending in the city of Philadelphia over the next five years, to ensure financing is available for credit worthy borrowers focused on supporting efforts to stabilize housing markets with neighborhoods deeply affected by foreclosures. Through the CityLIFT Local Initiative, Wells Fargo provided \$1.3MM in grants that will support foreclosure prevention efforts in the City including the Foreclosure Hotline, Door to Door Outreach, and housing counseling; in addition grants were provided to the Salvation Army, Project Home, The Enterprise Center and Clarifi.



- During 2010, Wells Fargo’s originations rebounded significantly from lending declines experienced by Wachovia in 2008. Wells Fargo stabilized mortgage lending in Philadelphia and continues to be the largest lender in the City.
- Overall mortgage lending in the market decreased from 2012 to 2013 and Wells Fargo prime home lending to Hispanic, LMI borrowers and minority tract borrowers in the city decreased slightly but increased for the African American segment.

## Wells Fargo Origination Units Philadelphia County



All Prime, Single Family Loans, Philadelphia	2012 Wells Fargo	2013 Wells Fargo	Year over year % change
Prime Loans Originated	2953	2435	-17.5%
Loans to African Americans	443	458	+3%
Loans to Hispanics	127	107	-15%
Loans Minority Tracts	907	726	-20%
Loans LMI Borrowers	1,149	1,098	-5%
Loans LMI Tracts	1,196	962	-19%

Home Purchase Loans, Philadelphia	2012 Wells Fargo Penetration %	2013 Wells Fargo Penetration %	2012 All Depositories Penetration %	2013 All Depositories Penetration %
Loans to African Americans	18.3	16.9	26.2	17.6
Loans to Hispanics	4.1	6.2	8	5.1
Loans Minority Tracts	36.3	34.8	43.6	37.4
Loans LMI Borrowers	57.0	46.8	66	44.8
Loans LMI Tracts	48.3	45.1	56.9	38.9

- Achieving higher penetration rates is very difficult given Wells Fargo's significantly higher loan volume. Nonetheless, we continue to partner with our community-based nonprofit partners, housing counseling partners and minority realtor groups to increase fair and responsible lending opportunities for homeowners in the Philadelphia communities.

- For 2013, Wells Fargo’s LMI neighborhood lending goal was 3,100 units. Wells Fargo was able to exceed the established target by making 3,280 home loans in those neighborhoods even with a slight decrease in overall mortgage applications in Philadelphia.

<b>Denial Ratios All Prime</b>	<b>African American</b>	<b>Hispanic</b>	<b>Asian</b>	<b>Minority Tract</b>
<b>Wells Fargo 2012</b>	<b>1.83</b>	<b>2.00</b>	<b>1.11</b>	<b>1.60</b>
<b>Wells Fargo 2013</b>	<b>1.80</b>	<b>2.03</b>	<b>1.56</b>	<b>1.79</b>
<b>All Depositories 2012</b>	<b>1.83</b>	<b>1.84</b>	<b>1.51</b>	<b>1.63</b>
<b>All Depositories 2013</b>	<b>1.84</b>	<b>1.95</b>	<b>1.67</b>	<b>1.75</b>

<b>Denial Ratios Home Purchase</b>	<b>African American</b>	<b>Hispanic</b>	<b>Asian</b>	<b>Minority Tract</b>
<b>Wells Fargo 2012</b>	<b>2.24</b>	<b>3.26</b>	<b>1.22</b>	<b>1.96</b>
<b>Wells Fargo 2013</b>	<b>1.98</b>	<b>2.46</b>	<b>1.96</b>	<b>2.06</b>
<b>All Depositories 2012</b>	<b>1.83</b>	<b>1.90</b>	<b>1.72</b>	<b>1.54</b>
<b>All Depositories 2013</b>	<b>1.90</b>	<b>1.65</b>	<b>1.80</b>	<b>1.71</b>

<b>Denial Ratios Refinance</b>	<b>African American</b>	<b>Hispanic</b>	<b>Asian</b>	<b>Minority Tract</b>
<b>Wells Fargo 2012</b>	<b>1.64</b>	<b>1.51</b>	<b>1.12</b>	<b>1.41</b>
<b>Wells Fargo 2013</b>	<b>1.57</b>	<b>1.69</b>	<b>1.49</b>	<b>1.63</b>
<b>All Depositories 2012</b>	<b>1.74</b>	<b>1.68</b>	<b>1.49</b>	<b>1.51</b>
<b>All Depositories 2013</b>	<b>1.68</b>	<b>1.87</b>	<b>1.70</b>	<b>1.64</b>

- Wells Fargo was in line with City Depository averages for denial ratios in all prime lending in the African American and Asian segments. Wells Fargo was slightly above the City Depository denial ratios for the Hispanic and Minority Tract segments. Ongoing market conditions including under and unemployment and the foreclosure crisis have significantly impacted the volume of credit qualified home purchase mortgage applicants. We continue to work with nonprofit housing counseling organizations to identify opportunities.
- Higher denial rates for minority borrowers reflect differences in credit and transaction risk.
- As authors of the Econsult report themselves points out and the Federal Reserve has repeatedly emphasized, HMDA data alone cannot be used to show racial discrimination. Certain risk factors, such as credit scores, the loan-to-value ratio and type of property are not included in the data. For Wells Fargo, these factors help explain our loan approval decisions.
- Per the Econsult report, within City depositories, African Americans experienced less discrimination for home refinance loans and home improvement loans, but were more likely to receive a home purchase loan, as compared to the sample of all lenders. Red-lining did not appear to be taking place among the universe of all lenders or among City depositories.
- Wells Fargo’s commitment to fair and responsible lending is reflected in the report’s findings, which cite the company as “a national industry leader on anti-predatory issues.”

## HOME REFINANCE

In 2013, Wells Fargo ranked 1st in the number of loans originated among all City Depositories. Wells Fargo issued 1,733 prime home refinance loans, an increase of 18.6 percent from 2012 which was three times as many loans as that of the next highest depositor.

Met or exceeded City benchmarks in all percentage of loans issued to all borrowers except percent of loans issued to LMI and female borrowers. Met or exceeded City averages for denial ratios to African-Americans and minority tract applicants – for the third year in a row. Met or exceeded City averages for denial ratios to Hispanic and Asian applicants – for the second year in a row.

Our loan decisions are based on risk, including credit, loan-to-value and debt-to-income. To the extent there are differences among various groups, they are due to differences in credit risk.

**Home Purchase and Refinance Strategy:** Understand and act on efforts to stabilize Philadelphia's current housing situation and build a strong community for the future. To improve access to financing for low-moderate income homebuyers, Wells Fargo will execute the following strategy.

- Work with HUD approved non-profit Homebuyer counseling agencies and conduct First-Time Homebuyer workshops.
- Host and participate in First-Time Homebuyer Fairs and provide technical assistance to LMI participants on the mortgage process and products.
- Financial Literacy
  - Our *Hands on Banking*® online program provides the basics in money management. This information is also available in Spanish. Wells Fargo is also working with local school districts to make the program part of their curriculum.
  - Wells Fargo will host financial literacy sessions in local bank branches to advance financial literacy in the community and will provide the materials and resources for the event, templates, and resources for promoting the events through community forums, local newspapers and not-for profits.
  - Wells Fargo will make its **Steps to Success**® Training Meeting-in-a-Box and webinar program available to Philadelphia housing agencies and not-for-profits. **Steps To Success**® is a program designed to help new homeowners, or homeowners with past difficulties, achieve and sustain successful homeownership, through education, tools and resources
  - In 2013, Wells Fargo added two new segments to its financial literacy program that focus on the Senior and Military/Veteran communities. The information is specific to the needs of these segments and allows for Wells Fargo team members to share important financial information including how to buy a home or a car, budgeting, credit, etc.
- Sponsor conferences and Partner with Minority Realtor Groups; National Association of Real Estate Brokers (NAREB), National Association of Hispanic Real Estate Professionals (NAHREP) and Asian Real Estate Association of America (AREAA).

- Work with Realtors who serve low and moderate-income communities - CineMeeting simulcasts are held for real estate and mortgage professionals focused on serving the needs of first-time homebuyers, low and moderate-income and diverse customers.
- Wells Fargo is committed to reaching out to LMI borrowers utilizing Wells Fargo's suite of mortgage products that include low down payments with competitive interest rates.
- Provide Home Mortgage Consultants with on-going training/development to ensure expertise in CRA products
- By supporting our Non-Profit Housing Partners, Wells Fargo will continue to provide financial and volunteer support to activities in Philadelphia that drive the vitality of neighborhoods, with a special emphasis on neighborhood non-profit developers.
  - During 2013, Wells Fargo Foundation committed \$11.1 million in grant support to organizations in the City of Philadelphia with a focus on community development, education, health & human services, arts & culture, civic engagement and the environment.
  - Since its inception in 2003, the Wells Fargo Regional Foundation has provided \$21.3 million to support revitalization work in 15 Philadelphia neighborhoods supporting neighborhood planning, affordable housing development & counseling, economic development, neighborhood building, child & family services. In 2013 the Wells Fargo Regional Foundation disbursed \$1.2 million to 35 different Philadelphia-based organizations impacting LMI communities.

## **FORECLOSURE PREVENTION**

- Wells Fargo continues to execute on strategies directed at minimizing foreclosures through partnerships with the City of Philadelphia and local nonprofit organizations to support the ongoing efforts of Housing Counseling Services and to implement their \$16.8 million NSPI and \$43.9 million NSPII grants increasing the efforts to get vacant properties occupied again and strengthen neighborhoods in the City of Philadelphia, which is an important community for Wells Fargo, its customers, and team members.
- In response to rising foreclosures, the Philadelphia Court of Common Pleas granted temporary relief to residential homeowners facing foreclosures by postponing sheriff sales of foreclosed properties. The Honorable Annette M. Rizzo was at the forefront of this effort. In 2008, the City of Philadelphia created the Mortgage Foreclosure Diversion Program, one of the first of its kind in the nation. Under the First Judicial District of Philadelphia, Court of Common Pleas, Regulation No. 2008-01, conciliation conferences to explore alternatives to sheriff sales are mandated for all new foreclosure actions. Housing counselors, lenders, and legal counsel are available during the conciliation process to assist homeowners. Since its inception in 2008, according to the Office of Housing and Community Development, the City has saved 5,755 homes from foreclosure. Wells Fargo has significantly supported the City's efforts around addressing the foreclosure crisis through grant support for the "Save Your Home" Foreclosure Hotline (\$87,025), the Door to Door Outreach initiative (\$120,000) and Housing Counseling throughout the City (\$600,000).

- In markets hit hard by foreclosures, we have accelerated our modification efforts by hosting large-scale Home Preservation Events. For Wells Fargo Home Mortgage customers who attend, many receive modifications on the spot or within a short period after the event. A Home Preservation Event took place on September 11 & 12, 2010 at the Pennsylvania Convention Center:
  - 14,000 Wells Fargo & Wachovia customers in the Philadelphia area were invited
  - A total of 542 appointments during the two day event.
  - Workout results for loans reviewed at the event as of 05/20/2010
    - 100% have received a final decision
      - 70% have been approved for some kind of a workout option – 90% of those were modifications
      - 30% were denied or cancelled by the borrower

A second Home Preservation event was held on October 5 & 6, 2011 at the Philadelphia Convention Center:

- 34,918 Wells Fargo & Wachovia customers in the Philadelphia area were invited
- A total of 659 appointments during the two day event.
- Workout results for loans reviewed at the event as of 05/14/2012
  - 100% have received a final decision
    - 44% have been approved for some kind of a workout option
    - 53% were denied or cancelled by the borrower

A third Home Preservation event was held on August 14 & 15, 2012 at the Philadelphia Convention Center:

- 14,000 Wells Fargo & Wachovia customers in the Philadelphia area were invited
- A total of 551 appointments during the two day event.
- Workout results for loans reviewed at the event as of 05/14/2012
  - 100% have received a final decision
    - 44% have been approved for some kind of a workout option
    - 53% were denied or cancelled by the borrower

A fourth Home Preservation event was held on September 19, 2013 at the Philadelphia Convention Center:

- 3,800 Wells Fargo & Wachovia customers in the Philadelphia area were invited
- A total of 279 appointments and Wells Fargo reviewed 302 loans.
- Exit Survey results show 97% of customers who attended would recommend the event to others.

- A fifth Home Preservation event was scheduled for August 2014 in the Philadelphia market. Additional, smaller Home Preservation events in partnership with local community organizations are planned over the year. These events target specific neighborhoods, working with a smaller population having challenges with their mortgages, creating significant impact for customers.
- Wells Fargo is committed to work with the City of Philadelphia to reach as many of its customers as we can to provide guidance for staying in their homes
- We have instituted a 1:1 customer ownership model “Single Point of Contact” where our borrowers are assigned a direct contact (agent), who will work with them on identifying what

options are available to stay in their home. It is a national model/best practice and is now being implemented throughout the industry.

- We continue to work with trusted 3rd parties in the community to assist our customers with mortgage challenges. This includes non-profit housing counselors, faith-based leaders including the NAACP, the Philadelphia Black Clergy and the Hispanic Clergy of Philadelphia, officials from the city's mediation & diversion program, and elected officials.
- Wells Fargo works with the Urban Affairs Coalition (UAC) through the Foreclosure Prevention Task Force to create the Foreclosure Prevention Resource Guide – a how to guide for housing professionals, homeowners and others who are faced with potential foreclosure issues. The guide is free and it is available online at [www.gpuac.org/foreclosurehelp.htm](http://www.gpuac.org/foreclosurehelp.htm) or to receive a free hard copy, e-mail [foreclosureguide@gpuac.org](mailto:foreclosureguide@gpuac.org)
- Wells Fargo has also worked with the National Urban League to co-sponsor a new edition of *The Foreclosure Workbook: The Complete Guide to Understanding Foreclosure and Saving Your Home* by author Carla Douglin. The book is available free-of-charge to homeowners across the nation who are experiencing challenges making their mortgage payments and who may face potential foreclosure.

## **HOME IMPROVEMENT LOANS**

In 2012, Wells Fargo ranked 2<sup>nd</sup> in the number of loans originated among all City Depositories. Wells Fargo. From 2012 to 2013, home improvement loan applications (among peer City depositories) decreased by 4.8 percent and denials decreased by 14.9 percent. In 2013, Wells Fargo remained flat year over year and issued 52 prime home improvement loans. While Wells Fargo did not meet or exceed the City averages for proportion of loans or denial ratio categories for any of the segments, our loan decisions are always based on risk, including credit, loan-to-value and debt-to-income. To the extent there are differences among various groups, they are due to differences in credit risk.

**Strategy:** To recover, rebuild and sustain homeownership, including offering assistance and guidance to communities to plan their use of available Housing Economic Recovery Act dollars.

- Through the *Renew, Restore, Rebuild* Program, Wells Fargo provides education, guidance and government-backed renovation loan products to include: Financing options for purchase and renovation of residential properties using government-backed FHA renovation financing, FHA 203k Streamline renovation loan and Standard FHA 203k renovation loan.

Our plan is to lend responsibly to all consumer groups, partner with non-profits and City Government to support city-wide lending initiatives and identify products that meet community needs.

## **SMALL BUSINESS LENDING**

In 2013, Wells Fargo remained ranked in first place, while Citigroup dropped to second (after being tied with Wells Fargo for first place in 2012). In 2013, Wells Fargo extended 1,827 small business loans in Philadelphia County. 612 or (34%) of the loans were in LMI census tracts.

**Strategy:** To support small business development through identification of capital and technical assistance resources in order to increase employment and expand small business opportunities in the City of Philadelphia.

Wells Fargo Bank employs approximately 200 small business, business banking and retail banking specialists dedicated to providing financial services to businesses in the City of Philadelphia. Many of these bankers are located in Wells Fargo stores, the majority of which are located in LMI neighborhoods and minority areas.

Wells Fargo Small Business Lending includes:

- Credit amounts as low as \$5,000 on business loans
- Investments in Philadelphia Community Development Financial Institutions (CDFIs)
- Business Credit Cards and Lines of Credit

Wells Fargo has a comprehensive suite of products to help businesses grow and manage cash flow. Wells Fargo Advantage® Business Service Package is a flexible, full-featured business banking account, designed to help minimize fees. A business can choose at least three of the following accounts and services to complete your package:

- Wells Fargo® Business Platinum Debit Card
- Wells Fargo Business Online®
  - Free Business Bill Pay
  - Free Business Spending Report
- Any Business Savings Account
  - Earn a bonus interest rate on a Business Market Rate Savings account
- Wells Fargo® Business Platinum Credit Cards (subject to credit approval)
- Wells Fargo Business Secured Credit Card (for businesses that want to establish or rebuild credit)
  - Wells Fargo Business Card Rewards® Program
- Business Loans or Lines of Credit (subject to credit approval)
  - Wells Fargo BusinessLine® Line of Credit
  - Wells Fargo BusinessLoan® Term Loan
  - Wells Fargo Equipment Express® Loan
  - Wells Fargo Business Real Estate Financing
    - Wells Fargo Express Equity® Loan
    - Wells Fargo Express Refi® Loan
  - Wells Fargo Small Business Advantage® Line of Credit
  - Wells Fargo SBA Loans and Lines of Credit
  - Other business loans and lines of credit
- Direct Pay through Wells Fargo Business Online
- Business Time Accounts (Certificates of Deposits or CDs)
- Wells Fargo Merchant Services
- Wells Fargo Business Payroll Services

Wells Fargo (NYSE: WFC) is introducing **Wells Fargo Works for Small Business**, a broad initiative to deliver resources, guidance and services to help more small businesses achieve financial success. With the new initiative, Wells Fargo also is announcing a goal to extend \$100 billion in new lending to small businesses by 2018.

## **COMMUNITY PARTNERSHIPS SUPPORTING SMALL and MICRO BUSINESS**

Wells Fargo has provided the grants and investments to the following organizations and expects to continue our partnership to support Small and Micro-Business in the City of Philadelphia.

**Greater Hispanic Chamber of Commerce** – Funding will provide resources to help individuals start new businesses and adopt best practices; facilitate access for their members to local, regional, national and international opportunities to grow their businesses. With the help of Wells Fargo, the Chamber will contribute to a healthy business environment and improve the quality of life for the Greater Philadelphia Hispanic community.

- Wells Fargo will host several small business networking activities and seminars addressing small business financing and expansion.

**Cooperative Business Assistance Corporation (CBAC)** – CBAC will provide loans and technical assistance to small businesses located in low and moderate-income census tracts and minority census tracts in Philadelphia neighborhoods. The intent is to increase the impact in distressed neighborhoods, create new employment opportunities and increase access to capital and technical assistance.

- Wells Fargo will be working with CBAC to provide small and micro lending seminars focusing on business finance and technical assistance.

**African-American Chamber of Commerce** – Wells Fargo works with the Chamber and provides education, support, and marketing for individuals in low-moderate income communities seeking to build and grow profitable businesses. At Wells Fargo, we believe strongly that the best way to revitalize low to moderate income communities is to develop economic solutions for the residents. With today's economic contraction hitting large companies' especially hard, most financial experts believe that small business will lead the way forward for our economy including most job growth. As we grow business and personal income, we will help to transform communities and lives.

- Wells Fargo will host several workshops and networking mixers throughout the City of Philadelphia.

**Urban Affairs Coalition (UAC)** – Wells Fargo continues to play an active role on the organizations Small Business Lending Capacity building Committee and the Board of Directors. Currently, the Small Business Lending Committee is creating a multi-bank, multi-year support system for Community Development Finance Institutions (CDFI's) to increase their lending capacity.

- Wells Fargo will provide loan capital, operational funds and technical assistance to selected CDFI's.
- Wells Fargo will continue to provide financial education seminars for existing and new small business owners.
- UAC Community and Economic Development Committee created a sub-committee to address issues with Housing Counseling agencies in the City, with the intent to develop a sustainable solution for funding and impact regarding credit, pre-purchase and foreclosure counseling.
- UAC Community and Economic Development Committee created a sub-committee to address the issues surrounding the permanent funding of Housing Counseling in the City of Philadelphia. A Funding Collaborative was created and includes representation from all of the City financial institutions, non-profit partners, Office of Housing & Community Development – City of Philadelphia and PA Housing Finance Agency.

**Urban League of Philadelphia** – The Entrepreneurship Center provides technical assistance, strategic planning and linkages to resources to help small businesses grow their financial and human capital. The goal is to empower entrepreneurs to increase revenue and create employment opportunities in the region.

- Wells Fargo will continue to provide financial education seminars for existing and new small business owners.

- Urban League partners with Wells Fargo to support the Home Preservation events helping homeowners having challenges with their mortgages.
- An annual small business event is scheduled during Small Business Week each year in June at the Entrepreneurship Center, historically drawing 100-200 small business owners from the City.

**University of PA (Wharton Small Business Development Center)** – The Wharton School received a multi-year commitment of \$500,000 to support the Wharton SBDC, enabling the Wharton SBDC to enhance their core programs that help over 700 small businesses annually to start, grow and prosper. Funds will be used to support the Business Building Program; the High-Impact Growth Consulting Program and SBDC-developed Wharton Course Projects.

- Wells Fargo will host several workshops, networking events and provide technical assistance to Small Business Owners in West and Southwest Philadelphia.

**Philadelphia Chinatown Development Corporation** – PCDC has received funding to support community outreach, housing counseling, community services programs and development of a Business Improvement District. This funding enabled PCDC to leverage additional resources that facilitated economic development projects and the hiring of a Main Street Manager to organize local business owners.

- Wells Fargo works with the Main Street Program to provide technical assistance and access to capital for small businesses in Chinatown.
- PCDC has been supported by the Wells Fargo Regional Foundation for the development of a neighborhood plan and the implementation of that plan. Additionally they have been supported with a renewal grant to continue the impact of the original resident-driven neighborhood plan in Philadelphia’s Chinatown neighborhoods.

**Finanta** – A subcommittee of the Urban Affairs Coalition focused on CDFI Capacity Building with small business lenders in the City of Philadelphia. Wells Fargo along with other financial institutions participate in this initiative which is ongoing to assist in driving capacity at Finanta to increase peer lending, micro-lending and small business lending throughout the City neighborhoods. Wells Fargo will provide grant to support Finanta’s micro-lending business in North Philadelphia. FINANTA is committed to supporting entrepreneurs and first-time homeowners with financial education and lending services that match the ever-changing needs of their families and businesses.

- Wells Fargo will work with Finanta as a partner with the Wells Fargo Small Business Solutions Expo and other small business technical assistance and access to capital events.
- Wells Fargo provided grant dollars to Finanta to support Rosca, a “peer lending” micro-lending program supporting North Philadelphia neighborhoods.

**The Enterprise Center** – Wells Fargo expects to replicate a Small Business Solution Expo in West Philadelphia (in partnership with the Enterprise Center) to provide a venue for micro and small businesses to meet with representatives from Wells Fargo, Community Development Finance Institutions, Small Business Development Centers, Legal Services, Accountants, Healthcare, Fraud Services and the City of Philadelphia Commerce Department. The Expo helps Businesses to 1) Grow and Expand, 2) Identify new ways to reduce expenses and 3) Increase operation efficiency. The Businesses gain access to: Credit Solutions (Lending Products), Non-Credit Solutions (Merchant Services, Insurance, Payroll) and Business Advisory Services (Accounting, Legal, Fraud Prevention, Healthcare, and Strategic Planning). Over 90 Small Business Owners attended past Expo events.

Wells Fargo provided a \$100,000 grant as part of the CityLIFT initiative to support the opening of the Venture Accelerator Center and to promote the Elevate! small business loan program in the City of Philadelphia.

- Wells Fargo expects to be scheduling an annual Small Business Solution Expo (Business Education Series) in partnership with the Enterprise Center that focuses on business development in North Philadelphia. The Expo will focus on key areas that are essential in growing and developing a business. Attendees met the experts in the following rotating table discussions. Social Media/Marketing, Payroll, Insurance, Financing, Sales and Accounting. In the past 75-100 Small Business Owners attended the event.

### **NEIGHBORHOOD ANALYSIS**

The home and business lending practices in nine City neighborhoods were examined. These neighborhoods contain census tracts classified as minority and low-to-moderate-income (LMI). All nine neighborhoods are located in areas where community development corporations and empowerment zones have been established.

Wells Fargo made 61 loans within the nine neighborhoods. Wells Fargo made 2.48 percent of all its City loans in those nine areas. Its market share in the neighborhoods was 7.18 percent. Its market share in all of Philadelphia was 11.98 percent. The largest number of loans by Wells Fargo was made in the OARC neighborhood (38 loans), where Wells Fargo had a market share of 7.54 percent.

### **BRANCH ANALYSIS**

Forty-six percent of census tracts in the City are LMI tracts. Wells Fargo surpassed the Citywide benchmark for locating branches in LMI areas. 36 percent of Wells Fargo's branches were located in LMI areas. Wells Fargo surpassed the Citywide benchmark of 31 percent for branches located in LMI areas for the second year in a row.

**EXHIBIT C**

City of Philadelphia  
**Office of the City Treasurer**



**Authorized Depository**  
**COMPLIANCE:**  
**Philadelphia City Code**  
**CHAPTER 19-200. CITY FUNDS--**  
**DEPOSITS, INVESTMENTS,**  
**DISBURSEMENTS**

**R.F.I.**  
**Questionnaire**  
**Annual Request for Information**

# **Calendar Year 2014**

#### D. COMMUNITY REINVESTMENT GOALS

*Financial institution's annual Community Reinvestment Goals should include information on the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.*

- a. Provide an overview of the financial institution's annual Community Reinvestment Goals.

Wells Fargo Bank, N.A., remains committed to consistently improving the ways we serve all City residents. We bring strength and capacity to our communities through a broad array of financial initiatives, products and services. Our employees spend time, effort and resources on helping to increase the supply of affordable housing through responsible lending, providing credit for homeownership to qualified buyers, teaching financial literacy, providing credit and technical support to small business owners and mobilizing employee volunteers. Every day, Wells Fargo employees seek to improve the communities in which they live; work and play by supporting a number of key focus areas.

In the area of **Financial Education**, our Hands on Banking® (HOB) online program addresses all of the basics of smart money management. The curriculum is designed for four age groups: Adults, Young Adults (ages 15-21), Teens (grades 6-8), and Kids (grades 4 and 5); small business, Seniors and the Military/Veteran community. This fun, interactive, and engaging financial education program is designed for both self-paced, individual learning and group use. The curriculum aligns with national and state principles and standards for mathematics, reading, and economics. All units and lessons are available in both English and Spanish. In 2014, we conducted and supported over 80 financial literacy seminars and reached more than 2,500 participants in Philadelphia. We host financial education sessions in local bank branches to advance financial literacy in the community. Wells Fargo will provide materials and resources, for the event; templates and resources for promoting the events through community forums, local media and not-for-profits.

In the area of **Affordable Housing**, for 2014 Wells Fargo Bank, N.A. originated 1,093 residential mortgages in low and moderate income areas of Philadelphia. We continue to support a network of nonprofit community housing counselors through foundation grants and employee resources. Our employees conduct first time homebuyers' seminars and sponsor homeownership fairs to help increase the number of homeowners in the city. We also provide construction financing products for affordable rental and homeownership units.

In the area of **Small Business**, Wells Fargo Bank, N.A. provides small business loans, mortgages, credit cards, vehicle and equipment leasing to help entrepreneurs and small businesses grow. We have Small Business Financial Specialists through our extensive branch network in Philadelphia, telephone contact centers and the Internet. We maintain an active participation with the Small Business Administration (SBA) and work with local small business development centers and associations to help educate entrepreneurs on personal and business finance topics. Also, we work closely with city wide small business initiatives and provide capital to smaller community lenders.

**b. Provide the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.**

Type	2014 Goals	2014 Results	2015 Goals
Small Business Loans	800	612	650
Home Mortgages	3200	1093	1200

Home Improvement Loans	<b>170</b>	<b>130</b>	<b>140</b>
Community Development Investments	<b>2</b>	<b>3</b>	<b>2</b>

**If applicable, explain why previous year results did not meet the stated goal.**

Wells Fargo did not achieve 2014 goals for Mortgage, Home Improvement and Small Business due to shifts in both the overall lending market and the consumer demand. However, Wells Fargo continues to be the largest lender, issuing nearly three times as many loans as that of the City's next highest depositor. Both low and moderate income group borrowers decreased in the number of prime loans from 2012 to 2013, at 13.6% and 1.2%, respectively. Over 45% of loans made to businesses with less than \$1 million in revenue were made to businesses located in low and moderate income areas, remaining largely unchanged from 2012. Wells Fargo Community Development Investments increased from 2013-2014, due to market conditions and a variety of new opportunities for affordable housing tax credit projects in Philadelphia.

- c. **Provide the actual number and dollar amounts of small business loans, home mortgages, home improvement loans, community development investments, consumer loans, and other commercial loans made in neighborhoods within the City of Philadelphia.**

## **Calendar Year 2014**

*Number of Loans by Income*

<b>Type</b>	<b>Low</b>	<b>Mod</b>	<b>Mid</b>	<b>Upp</b>	<b>Total</b>
Residential Mortgage	242	851	1290	1118	3501
Home Improvement	44	86	103	44	277
Small Business Loans	215	397	447	768	1827
Community Development	3	-	1	3	7
Consumer Loans	n/a	n/a	n/a	n/a	n/a
Other Commercial Loans	n/a	n/a	n/a	n/a	n/a
<b>Total:</b>	504	1334	1841	1933	5612
How many business loans were originated?	215	397	447	768	1827

*Value of Loans (\$) by Income*

<b>Type</b>	<b>Low</b>	<b>Mod</b>	<b>Mid</b>	<b>Upp</b>	<b>Total</b>
Residential Mortgage	31,779	95,398	202,604	407,223	737,004
Home Improvement	1,235	3,841	4,905	3,386	13,367
Small Business Loans	9,813	16,600	13,864	35,418	75,694
Community Development	9,521	0	10,125	13,914	33,559
Consumer Loans	n/a	n/a	n/a	n/a	n/a
Other Commercial Loans	n/a	n/a	n/a	n/a	n/a
<b>Total:</b>	52,347	115,839	231,498	459,940	859,625
% of Consumer Loans made through Credit Cards	n/a	n/a	n/a	n/a	n/a

- d. **Provide information on other types of community development investments made in neighborhoods within the City of Philadelphia (for example: Grants, Education, Public or related Commercial Development).**

In addition to its lending, Wells Fargo also brings strength and capacity to its communities through a mixture of supportive services.

Investments in Philadelphia MSA: (not tracked to census tract or county level)

Grants

409 \$11,100,000

Low Income Housing Tax Credits

3

\$22,246,033

Equity Equivalent Investments (EQ2)

1

\$500,000

The **Wells Fargo Foundation** supports a variety of programs focusing on community/economic development, education, health and human services and arts and culture. Our **Wells Fargo Volunteers!** Chapter encourages and supports bank employees' volunteer service throughout the City. Further, **The Wells Fargo Regional Foundation**, a separate private foundation affiliated with Wells Fargo, works to improve the quality of life for children and families living in low-income communities by concentrating its resources on neighborhood-based community development initiatives. **Since its inception in 1998, the Wells Fargo Regional Foundation has made grants totaling more than \$22 million to Philadelphia-based non-profit organizations supporting various City neighborhoods.**

- e. **Briefly describe any lending outreach programs geared toward minorities, low-income persons, immigrants, or women. This description should include the targeted community, the type of product (i.e. commercial, home lending, unsecured consumer) and any program outcomes.**

See Question 2a above