

WELLS FARGO & COMPANY/MN  
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**The information in this preliminary pricing supplement is not complete and may be changed. This preliminary pricing supplement and the accompanying market measure supplement, prospectus supplement and prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

Subject To Completion, dated April 5, 2016

PRICING SUPPLEMENT No. 650 dated April , 2016

(To Market Measure Supplement dated March 18, 2015,

Prospectus Supplement dated March 18, 2015

and Prospectus dated March 18, 2015)

**Wells Fargo & Company**

**Medium-Term Notes, Series K**

**Equity Index Linked Securities**

**Market Linked Securities Auto-Callable with Fixed Percentage Buffered Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

n Linked to the S&P 500® Index

n Unlike ordinary debt securities, the securities do not pay interest, do not repay a fixed amount of principal at maturity and are subject to potential automatic call upon the terms described below. Any return you receive on the securities and whether they are automatically called will depend on the performance of the Index

n **Automatic Call.** If the closing level of the Index on any call date is greater than or equal to the starting level, we will automatically call the securities for the original offering price plus the call premium applicable to that call date

Call Date	Call Premium*	
May 8, 2017	6.50%	8.50% of the original offering price
May 7, 2018	13.00%	17.00% of the original offering price
April 29, 2019 (the <u>final calculation day</u> )	19.50%	25.50% of the original offering price

\* The actual call premium applicable to each call date will be determined on the pricing date

n **Payment at Maturity.** If the securities are not automatically called prior to the final calculation day, the payment at maturity will be based upon the closing level of the Index on the final calculation day and could be greater than, equal to or less than the original offering price per security as follows:

- i If the closing level of the Index on the final calculation day is greater than or equal to the starting level, the securities will be automatically called for the original offering price plus the call premium applicable to the final calculation day described above

i

- If the closing level of the Index on the final calculation day is less than the starting level, but not by more than 10%, you will receive the original offering price of your securities at maturity
  - j If the closing level of the Index on the final calculation day is less than the starting level by more than 10%, you will receive less than the original offering price and have 1-to-1 downside exposure to the decrease in the level of the Index in excess of 10%
- n Investors may lose up to 90% of the original offering price
- n Any positive return on the securities will be limited to the applicable call premium, even if the closing level of the Index on the applicable call date significantly exceeds the starting level. You will not participate in any appreciation of the Index beyond the applicable fixed call premium.
- n All payments on the securities are subject to the credit risk of Wells Fargo & Company, and you will have no ability to pursue any securities included in the Index for payment; if Wells Fargo & Company defaults on its obligations, you could lose some or all of your investment
- n No periodic interest or dividends
- n No exchange listing; designed to be held to maturity

**On the date of this preliminary pricing supplement, the estimated value of the securities is approximately \$962.76 per security. While the estimated value of the securities on the pricing date may differ from the estimated value set forth above, we do not expect it to differ significantly absent a material change in market conditions or other relevant factors. In no event will the estimated value of the securities on the pricing date be less than \$947.76 per security. The estimated value of the securities was determined for us by Wells Fargo Securities, LLC using its proprietary pricing models. It is not an indication of actual profit to us or to Wells Fargo Securities, LLC or any of our other affiliates, nor is it an indication of the price, if any, at which Wells Fargo Securities, LLC or any other person may be willing to buy the securities from you at any time after issuance. See Investment Description in this pricing supplement.**

**The securities have complex features and investing in the securities involves risks not associated with an investment in conventional debt securities. See Risk Factors herein on page PRS-10.**

**The securities are unsecured obligations of Wells Fargo & Company and all payments on the securities are subject to the credit risk of Wells Fargo & Company. The securities are not deposits or other obligations of a depository institution and are not insured by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund or any other governmental agency of the United States or any other jurisdiction.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this pricing supplement or the accompanying market measure supplement, prospectus supplement and prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

	Original Offering Price	Agent Discount <sup>(1)</sup>	Proceeds to Wells Fargo
Per Security	\$1,000.00	\$13.25	\$986.75
<b>Total</b>			

<sup>(1)</sup> Wells Fargo Securities, LLC, a wholly owned subsidiary of Wells Fargo & Company, is the agent for the distribution of the securities and is acting as principal. See Investment Description in this pricing supplement for further information.

**Wells Fargo Securities**

## Market Linked Securities Auto-Callable with Fixed Percentage Buffered

### Downside

### Principal at Risk Securities Linked to the S&P 500<sup>®</sup> Index due May 6, 2019

#### Investment Description

The Principal at Risk Securities Linked to the S&P 500<sup>®</sup> Index due May 6, 2019 are senior unsecured debt securities of Wells Fargo & Company ( Wells Fargo ) that do not pay interest, do not repay a fixed amount of principal at maturity and are subject to potential automatic call upon the terms described in this pricing supplement. The return you receive on the securities and whether they are automatically called will depend on the performance of the S&P 500<sup>®</sup> Index (the Index ). The securities provide:

- (i) the possibility of an automatic early call of the securities at a fixed call premium if the closing level of the Index on either of the first two call dates is greater than or equal to the starting level; and
- (ii) if the securities are not automatically called prior to the final calculation day:
  - (a) the possibility of a return equal to the call premium applicable to the final calculation day if the closing level of the Index on the final calculation day is greater than or equal to the starting level;
  - (b) repayment of principal if, **and only if**, the closing level of the Index on the final calculation day is not less than the starting level by more than 10%; and
  - (c) exposure to decreases in the level of the Index if and to the extent the closing level of the Index on the final calculation day is less than the starting level by more than 10%.

**If the closing level of the Index is less than the starting level on each of the three call dates (including the final calculation day), you will not receive any positive return on your investment in the securities. If the closing level of the Index on the final calculation day is less than the starting level by more than 10%, you will receive less, and possibly 90% less, than the original offering price of your securities at maturity.**

**Any positive return on the securities will be limited to the applicable call premium, even if the closing level of the Index on the applicable call date exceeds the starting level by more than percentage represented by that call premium. You will not participate in any appreciation of the Index beyond the applicable fixed call premium.**

All payments on the securities are subject to the credit risk of Wells Fargo.

The Index is an equity index that is intended to provide an indication of the pattern of common stock price movement in the large capitalization segment of the United States equity market.

You should read this pricing supplement together with the market measure supplement dated March 18, 2015, the prospectus supplement dated March 18, 2015 and the prospectus dated March 18, 2015 for additional information

about the securities. Information included in this pricing supplement supersedes information in the market measure supplement, prospectus supplement and prospectus to the extent it is different from that information. Certain defined terms used but not defined herein have the meanings set forth in the prospectus supplement.

You may access the market measure supplement, prospectus supplement and prospectus on the SEC website [www.sec.gov](http://www.sec.gov) as follows (or if such address has changed, by reviewing our filing for the relevant date on the SEC website):

Market Measure Supplement dated March 18, 2015 filed with the SEC on March 18, 2015:  
<http://www.sec.gov/Archives/edgar/data/72971/000119312515096591/d890724d424b2.htm>

Prospectus Supplement dated March 18, 2015 and Prospectus dated March 18, 2015 filed with the SEC on March 18, 2015:  
<http://www.sec.gov/Archives/edgar/data/72971/000119312515096449/d890684d424b2.htm>

The S&P 500 Index is a product of S&P Dow Jones Indices LLC ( SPDJI ), and has been licensed for use by Wells Fargo & Company ( WFC ). Standard & Poor's S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ( S&P ); Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC ( Dow Jones ); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by WFC. The securities are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Investment Description (Continued)**

The original offering price of each security of \$1,000 includes certain costs that are borne by you. Because of these costs, the estimated value of the securities on the pricing date will be less than the original offering price. The costs included in the original offering price relate to selling, structuring, hedging and issuing the securities, as well as to our funding considerations for debt of this type.

The costs related to selling, structuring, hedging and issuing the securities include (i) the agent discount, (ii) the projected profit that our hedge counterparty (which may be one of our affiliates) expects to realize for assuming risks inherent in hedging our obligations under the securities and (iii) hedging and other costs relating to the offering of the securities.

Our funding considerations take into account the higher issuance, operational and ongoing management costs of market-linked debt such as the securities as compared to our conventional debt of the same maturity, as well as our liquidity needs and preferences. Our funding considerations are reflected in the fact that we determine the economic terms of the securities based on an assumed funding rate that is generally lower than the interest rates implied by secondary market prices for our debt obligations and/or by other traded instruments referencing our debt obligations, which we refer to as our secondary market rates. As discussed below, our secondary market rates are used in determining the estimated value of the securities.

If the costs relating to selling, structuring, hedging and issuing the securities were lower, or if the assumed funding rate we use to determine the economic terms of the securities were higher, the economic terms of the securities would be more favorable to you and the estimated value would be higher. The estimated value of the securities as of the pricing date will be set forth in the final pricing supplement.

*Determining the estimated value*

Our affiliate, Wells Fargo Securities, LLC (WFS), calculated the estimated value of the securities set forth on the cover page of this pricing supplement based on its proprietary pricing models. Based on these pricing models and related market inputs and assumptions referred to in this section below, WFS determined an estimated value for the securities by estimating the value of the combination of hypothetical financial instruments that would replicate the payout on the securities, which combination consists of a non-interest bearing, fixed-income bond (the debt component) and one or more derivative instruments underlying the economic terms of the securities (the derivative component).

The estimated value of the debt component is based on a reference interest rate, determined by WFS as of a recent date, that generally tracks our secondary market rates. Because WFS does not continuously calculate our reference interest rate, the reference interest rate used in the calculation of the estimated value of the debt component may be higher or lower than our secondary market rates at the time of that calculation. As noted above, we determine the economic terms of the securities based upon an assumed funding rate that is generally lower than our secondary market rates. In contrast, in determining the estimated value of the securities, we value the debt component using a

reference interest rate that generally tracks our secondary market rates. Because the reference interest rate is generally higher than the assumed funding rate, using the reference interest rate to value the debt component generally results in a lower estimated value for the debt component, which we believe more closely approximates a market valuation of the debt component than if we had used the assumed funding rate.

WFS calculated the estimated value of the derivative component based on a proprietary derivative-pricing model, which generated a theoretical price for the derivative instruments that constitute the derivative component based on various inputs, including the derivative component factors identified in Risk Factors The Value Of The Securities Prior To Stated Maturity Will Be Affected By Numerous Factors, Some Of Which Are Related In Complex Ways. These inputs may be market-observable or may be based on assumptions made by WFS in its discretion.

The estimated value of the securities determined by WFS is subject to important limitations. See Risk Factors The Estimated Value Of The Securities Is Determined By Our Affiliate s Pricing Models, Which May Differ From Those Of Other Dealers and Risk Factors Our Economic Interests And Those Of Any Dealer Participating In The Offering Are Potentially Adverse To Your Interests.

*Valuation of the securities after issuance*

The estimated value of the securities is not an indication of the price, if any, at which WFS or any other person may be willing to buy the securities from you in the secondary market. The price, if any, at which WFS or any of its affiliates may purchase the securities in the secondary market will be based upon WFS s proprietary pricing models and will fluctuate over the term of the securities due to changes in market conditions and other relevant factors.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Investment Description (Continued)**

However, absent changes in these market conditions and other relevant factors, except as otherwise described in the following paragraph, any secondary market price will be lower than the estimated value on the pricing date because the secondary market price will be reduced by a bid-offer spread, which may vary depending on the aggregate face amount of the securities to be purchased in the secondary market transaction, and the expected cost of unwinding any related hedging transactions. Accordingly, unless market conditions and other relevant factors change significantly in your favor, any secondary market price for the securities is likely to be less than the original offering price.

If WFS or any of its affiliates makes a secondary market in the securities at any time up to the issue date or during the 3-month period following the issue date, the secondary market price offered by WFS or any of its affiliates will be increased by an amount reflecting a portion of the costs associated with selling, structuring, hedging and issuing the securities that are included in the original offering price. Because this portion of the costs is not fully deducted upon issuance, any secondary market price offered by WFS or any of its affiliates during this period will be higher than it would be if it were based solely on WFS's proprietary pricing models less the bid-offer spread and hedging unwind costs described above. The amount of this increase in the secondary market price will decline steadily to zero over this 3-month period. If you hold the securities through an account at WFS or any of its affiliates, we expect that this increase will also be reflected in the value indicated for the securities on your brokerage account statement.

If WFS or any of its affiliates makes a secondary market in the securities, WFS expects to provide those secondary market prices to any unaffiliated broker-dealers through which the securities are held and to commercial pricing vendors. If you hold your securities through an account at a broker-dealer other than WFS or any of its affiliates, that broker-dealer may obtain market prices for the securities from WFS (directly or indirectly), but could also obtain such market prices from other sources, and may be willing to purchase the securities at any given time at a price that differs from the price at which WFS or any of its affiliates is willing to purchase the securities. As a result, if you hold your securities through an account at a broker-dealer other than WFS or any of its affiliates, the value of the securities on your brokerage account statement may be different than if you held your securities at WFS or any of its affiliates.

The securities will not be listed or displayed on any securities exchange or any automated quotation system. Although WFS and/or its affiliates may buy the securities from investors, they are not obligated to do so and are not required to make a market for the securities. There can be no assurance that a secondary market will develop.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Investor Considerations**

We have designed the securities for investors who:

- n believe that the closing level of the Index will be greater than or equal to the starting level on one of the three call dates;
- n seek the potential for a fixed return if the Index has appreciated at all as of any of the three call dates in lieu of full participation in any potential appreciation of the Index;
- n understand that if the closing level of the Index is less than the starting level on each of the three call dates (including the final calculation day), they will not receive any positive return on their investment in the securities, and that if the closing level of the Index on the final calculation day is less than the starting level by more than 10%, they will receive less, and possibly 90% less, than the original offering price per security at maturity;
- n understand that the term of the securities may be as short as approximately one year and that they will not receive a higher call premium payable with respect to a later call date if the securities are called on an earlier call date;
- n are willing to forgo interest payments on the securities and dividends on securities included in the Index; and
- n are willing to hold the securities until maturity.

The securities are not designed for, and may not be a suitable investment for, investors who:

- n seek a liquid investment or are unable or unwilling to hold the securities to maturity;
- n require full payment of the original offering price of the securities at maturity;
- n believe that the closing level of the Index will be less than the starting level on each of the three call dates;
- n seek a security with a fixed term;



- n are unwilling to accept the risk that, if the closing level of the Index is less than the starting level on each of the three call dates (including the final calculation day), they will not receive any positive return on their investment in the securities;
- n are unwilling to accept the risk that the closing level of the Index may decrease by more than 10% from the starting level to the ending level;
- n are unwilling to purchase securities with an estimated value as of the pricing date that is lower than the original offering price and that may be as low as the lower estimated value set forth on the cover page;
- n seek current income;
- n are unwilling to accept the risk of exposure to the large capitalization segment of the United States equity market;
- n seek exposure to the upside performance of the Index beyond the applicable call premiums;
- n are unwilling to accept the credit risk of Wells Fargo; or
- n prefer the lower risk of fixed income investments with comparable maturities issued by companies with comparable credit ratings.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered****Downside****Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019****Terms of the Securities****Market Measure:**

S&amp;P 500® Index

**Pricing Date:**

April 29, 2016\*

**Issue Date:**

May 6, 2016\* (T+5)

**Original Offering****Price:**

\$1,000 per security. References in this pricing supplement to a security are to a security with a face amount of \$1,000.

**Automatic Call:**

If the closing level of the Index on any call date (including the final calculation day) is greater than or equal to the starting level, the securities will be automatically called, and on the related call settlement date you will be entitled to receive a cash payment per security in U.S. dollars equal to the original offering price per security plus the call premium applicable to the relevant call date. The last call date is the final calculation day, and payment upon an automatic call on the final calculation day, if applicable, will be made on the stated maturity date.

**Any positive return on the securities will be limited to the applicable call premium, even if the closing level of the Index on the applicable call date significantly exceeds the starting level. You will not participate in any appreciation of the Index beyond the applicable call premium.**

If the securities are automatically called, they will cease to be outstanding on the related call settlement date and you will have no further rights under the securities after such call settlement date. You will not receive any notice from us if the securities are automatically called.

Payment per Security upon

Call Date	Call Premium	an Automatic Call	
May 8, 2017*	6.50%	8.50% of the original offering price	\$1,065.00 \$1,085.00
May 7, 2018*	13.00%	17.00% of the original offering price	\$1,130.00 \$1,170.00
April 29, 2019*	19.50%	25.50% of the original offering price	\$1,195.00 \$1,255.00

**Call Dates and****Call Premiums:**

The actual call premium and payment per security upon an automatic call that is applicable to each call date will be determined on the pricing date and will be within the ranges specified in the foregoing table.

We refer to April 29, 2019\* as the final calculation day.

The call dates are subject to postponement for non-trading days and the occurrence of a market disruption event. See Postponement of a Calculation Day below.

**Call Settlement**

Five business days after the applicable call date (as each such call date may be postponed pursuant to Postponement of a Calculation Day below, if applicable); *provided* that the call settlement date for the last call date is the stated maturity date.

**Date:**

May 6, 2019\*. If the final calculation day is postponed, the stated maturity date will be the later of (i) May 6, 2019\* and (ii) three business days after the final calculation day as postponed. See

**Stated Maturity**

Postponement of a Calculation Day below. If the stated maturity date is not a business day, the payment to be made on the stated maturity date will be made on the next succeeding business day with the same force and effect as if it had been made on the stated maturity date. The securities are not subject to repayment at the option of any holder of the securities prior to the stated maturity date.

**Date:**

If the closing level of the Index is less than the starting level on each of the three call dates, the securities will not be automatically called, and on the stated maturity date, you will be entitled to receive a cash payment per security in U.S. dollars determined as follows:

- if the ending level is greater than or equal to the threshold level: \$1,000; or
- if the ending level is less than the threshold level: \$1,000 *minus*:

**Payment at**

$$\$1,000 \times \frac{\text{threshold level} - \text{ending level}}{\text{starting level}}$$

**Maturity:**

**If the securities are not automatically called prior to the final calculation day and the ending level is less than the threshold level, you will receive less, and possibly 90% less, than the original offering price of your securities at maturity.**

All calculations with respect to any payments on the securities (whether upon automatic call or at maturity) will be rounded to the nearest one hundred-thousandth, with five one-millionths rounded upward (e.g., 0.000005 would be rounded to 0.00001); and such payment will be rounded to the nearest cent, with one-half cent rounded upward.

**Market Linked Securities Auto-Callable with Fixed Percentage Buffered****Downside****Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019****Terms of the Securities (Continued)****Starting Level:**

, which is the closing level of the Index on the pricing date.

**Closing Level:**

The closing level of the Index on any trading day means the official closing level of the Index reported by the index sponsor on such trading day, as obtained by the calculation agent on such trading day from the licensed third-party market data vendor contracted by the calculation agent at such time; in particular, taking into account the decimal precision and/or rounding convention employed by such licensed third-party market data vendor on such date. Currently, the calculation agent obtains market data from Thomson Reuters Ltd., but the calculation agent may change its market data vendor at any time without notice. The foregoing provisions of this definition of closing level are subject to the provisions set forth below under Additional Terms of the Securities Market Disruption Events, Adjustments to the Index and Discontinuance of the Index.

**Ending Level:**

The ending level will be the closing level of the Index on the final calculation day.

**Threshold Level:**

, which is equal to 90% of the starting level.

**Postponement of a Calculation Day:**

The call dates (including the final calculation day) are each referred to as a calculation day. If any calculation day is not a trading day, such calculation day will be postponed to the next succeeding trading day. A calculation day is also subject to postponement due to the occurrence of a market disruption event. See Additional Terms of the Securities Market Disruption Events.

A trading day means a day, as determined by the calculation agent, on which (i) the relevant stock exchanges with respect to each security underlying the Index are scheduled to be open for trading for their respective regular trading sessions and (ii) each related futures or options exchange is scheduled to be open for trading for its regular trading session. The relevant stock exchange for any security underlying the Index means the primary exchange or quotation system on which such security is traded, as determined by the calculation agent. The related futures or options exchange for the Index means an exchange or quotation system where trading has a material effect (as determined by the calculation agent) on the overall market for futures or options contracts relating to the Index.

**Calculation Agent:**

Wells Fargo Securities, LLC

<b>No Listing:</b>	The securities will not be listed on any securities exchange or automated quotation system.
<b>Material Tax Consequences:</b>	For a discussion of the material U.S. federal income and certain estate tax consequences of the ownership and disposition of the securities, see United States Federal Tax Considerations.
<b>Agent:</b>	<p>Wells Fargo Securities, LLC, a wholly owned subsidiary of Wells Fargo &amp; Company. The agent may resell the securities to other securities dealers at the original offering price of the securities less a concession not in excess of \$12.50 per security. Such securities dealers may include Wells Fargo Advisors, LLC (<u>WFA</u> ), one of our affiliates. In addition to the concession allowed to WFA, WFS will pay \$0.75 per security of the agent's discount to WFA as a distribution expense fee for each security sold by WFA.</p> <p>The agent or another affiliate of ours expects to realize hedging profits projected by its proprietary pricing models to the extent it assumes the risks inherent in hedging our obligations under the securities. If any dealer participating in the distribution of the securities or any of its affiliates conducts hedging activities for us in connection with the securities, that dealer or its affiliate will expect to realize a profit projected by its proprietary pricing models from such hedging activities. Any such projected profit will be in addition to any discount, concession or distribution expense fee received in connection with the sale of the securities to you.</p>
<b>Denominations:</b>	\$1,000 and any integral multiple of \$1,000.
<b>CUSIP:</b>	94986RJ85

\*To the extent that we make any change to the expected pricing date or expected issue date, the call dates and stated maturity date may also be changed in our discretion to ensure that the term of the securities remains the same.

**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Determining Timing and Amount of Payment on the Securities**

The timing and amount of the payment you will receive will be determined as follows:

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Hypothetical Payout Profile**

The following profile illustrates the potential payment on the securities for a range of hypothetical percentage changes in the closing level of the Index from the pricing date to the applicable call date (including the final calculation day). The profile is based on a hypothetical call premium of 7.50% for the first call date, 15.00% for the second call date and 22.50% for the third call date (based on the midpoint of the ranges specified for the call premiums) and a threshold level equal to 90% of the starting level. This profile has been prepared for purposes of illustration only. Your actual return will depend on (i) whether the securities are automatically called; (ii) if the securities are automatically called, the actual call premium and the actual call date on which the securities are called; (iii) if the securities are not automatically called, the actual ending level of the Index; and (iv) whether you hold your securities to maturity or earlier automatic call.

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## **Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

### **Downside**

### **Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

#### **Risk Factors**

The securities have complex features and investing in the securities will involve risks not associated with an investment in conventional debt securities. You should carefully consider the risk factors set forth below as well as the other information contained in this pricing supplement and the accompanying market measure supplement, prospectus supplement and prospectus, including the documents they incorporate by reference. As described in more detail below, the value of the securities may vary considerably before the stated maturity date due to events that are difficult to predict and are beyond our control. You should reach an investment decision only after you have carefully considered with your advisors the suitability of an investment in the securities in light of your particular circumstances.

#### **If The Securities Are Not Automatically Called And The Ending Level Is Less Than The Threshold Level, You Will Receive Less, And Possibly 90% Less, Than The Original Offering Price Of Your Securities At Maturity.**

We will not repay you a fixed amount on the securities at maturity. If the closing level of the Index is less than the starting level on each of the three call dates, the securities will not be automatically called, and you will receive a payment at maturity that will be equal to or less than the original offering price per security, depending on the ending level (i.e., the closing level of the Index on the final calculation day).

If the ending level is less than the threshold level, the payment you receive at maturity will be reduced by an amount equal to the decline in the level of the Index to the extent it is below the threshold level (expressed as a percentage of the starting level). The threshold level is 90% of the starting level. As a result, you may receive less, and possibly 90% less, than the original offering price per security at maturity, even if the level of the Index is greater than or equal to the starting level or the threshold level at certain times during the term of the securities.

If the securities are not automatically called, your return on the securities will be zero or negative, and therefore will be less than the return you would earn if you bought a traditional interest-bearing debt security of Wells Fargo or another issuer with a similar credit rating with the same stated maturity date.

#### **No Periodic Interest Will Be Paid On The Securities.**

No periodic payments of interest will be made on the securities. However, if the agreed-upon tax treatment is successfully challenged by the Internal Revenue Service (the IRS), you may be required to recognize taxable income over the term of the securities. You should review the section of this pricing supplement entitled United States Federal Tax Considerations.

#### **The Potential Return On The Securities Is Limited To The Call Premium.**

The potential return on the securities is limited to the applicable call premium, regardless of the performance of the Index. The Index may appreciate by significantly more than the percentage represented by the applicable call premium from the pricing date through the applicable call date, in which case an investment in the securities will underperform a hypothetical alternative investment providing a 1-to-1 return based on the performance of the Index. In addition, you will not receive the value of dividends or other distributions paid with respect to the Index. Furthermore, if the



securities are called on an earlier call date, you will receive a lower call premium than if the securities were called on a later call date, and accordingly, if the securities are called on one of the two earlier call dates, you will not receive the highest potential call premium.

**You Will Be Subject To Reinvestment Risk.**

If your securities are automatically called early, the term of the securities may be reduced to as short as approximately one year. There is no guarantee that you would be able to reinvest the proceeds from an investment in the securities at a comparable return for a similar level of risk in the event the securities are automatically called prior to maturity.

**The Securities Are Subject To The Credit Risk Of Wells Fargo.**

The securities are our obligations and are not, either directly or indirectly, an obligation of any third party. Any amounts payable under the securities are subject to our creditworthiness, and you will have no ability to pursue any securities included in the Index for payment. As a result, our actual and perceived creditworthiness may affect the value of the securities and, in the event we were to default on our obligations, you may not receive any amounts owed to you under the terms of the securities.

**The Estimated Value Of The Securities On The Pricing Date, Based On WFS's Proprietary Pricing Models, Will Be Less Than The Original Offering Price.**

The original offering price of the securities includes certain costs that are borne by you. Because of these costs, the estimated value of the securities on the pricing date will be less than the original offering price. The costs included in the original offering price relate to selling, structuring, hedging and issuing the securities, as well as to our funding considerations for debt of this type. The costs related to selling, structuring, hedging and issuing the securities include (i) the agent discount, (ii) the projected profit that our hedge counterparty (which may be one of our affiliates) expects to realize for assuming risks inherent in hedging our obligations under the securities and (iii) hedging and other costs relating to the offering of the securities. Our funding considerations are reflected in the fact

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

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**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Risk Factors (continued)**

that we determine the economic terms of the securities based on an assumed funding rate that is generally lower than our secondary market rates. If the costs relating to selling, structuring, hedging and issuing the securities were lower, or if the assumed funding rate we use to determine the economic terms of the securities were higher, the economic terms of the securities would be more favorable to you and the estimated value would be higher.

**The Estimated Value Of The Securities Is Determined By Our Affiliate s Pricing Models, Which May Differ From Those Of Other Dealers.**

The estimated value of the securities was determined for us by WFS using its proprietary pricing models and related market inputs and assumptions referred to above under Investment Description Determining the estimated value. Certain inputs to these models may be determined by WFS in its discretion. WFS s views on these inputs may differ from other dealers views, and WFS s estimated value of the securities may be higher, and perhaps materially higher, than the estimated value of the securities that would be determined by other dealers in the market. WFS s models and its inputs and related assumptions may prove to be wrong and therefore not an accurate reflection of the value of the securities.

**The Estimated Value Of The Securities Is Not An Indication Of The Price, If Any, At Which WFS Or Any Other Person May Be Willing To Buy The Securities From You In The Secondary Market.**

The price, if any, at which WFS or any of its affiliates may purchase the securities in the secondary market will be based on WFS s proprietary pricing models and will fluctuate over the term of the securities as a result of changes in the market and other factors described in the next risk factor. Any such secondary market price for the securities will also be reduced by a bid-offer spread, which may vary depending on the aggregate face amount of the securities to be purchased in the secondary market transaction, and the expected cost of unwinding any related hedging transactions. Unless the factors described in the next risk factor change significantly in your favor, any such secondary market price for the securities is likely to be less than the original offering price.

If WFS or any of its affiliates makes a secondary market in the securities at any time up to the issue date or during the 3-month period following the issue date, the secondary market price offered by WFS or any of its affiliates will be increased by an amount reflecting a portion of the costs associated with selling, structuring, hedging and issuing the securities that are included in the original offering price. Because this portion of the costs is not fully deducted upon issuance, any secondary market price offered by WFS or any of its affiliates during this period will be higher than it would be if it were based solely on WFS s proprietary pricing models less the bid-offer spread and hedging unwind costs described above. The amount of this increase in the secondary market price will decline steadily to zero over this 3-month period. If you hold the securities through an account at WFS or any of its affiliates, we expect that this increase will also be reflected in the value indicated for the securities on your brokerage account statement. If you hold your securities through an account at a broker-dealer other than WFS or any of its affiliates, the value of the securities on your brokerage account statement may be different than if you held your securities at WFS or any of its affiliates, as discussed above under Investment Description.

**The Value Of The Securities Prior To Stated Maturity Will Be Affected By Numerous Factors, Some Of Which Are Related In Complex Ways.**

The value of the securities prior to stated maturity will be affected by the level of the Index at that time, interest rates at that time and a number of other factors, some of which are interrelated in complex ways. The effect of any one factor may be offset or magnified by the effect of another factor. The following factors, which we refer to as the derivative component factors, are expected to affect the value of the securities. When we refer to the value of your security, we mean the value that you could receive for your security if you are able to sell it in the open market before the stated maturity date.

**Index Performance.** The value of the securities prior to maturity will depend substantially on the level of the Index. The price at which you may be able to sell the securities before stated maturity may be at a discount, which could be substantial, from their original offering price, if the level of the Index at such time is less than, equal to or not sufficiently above the starting level or threshold level.

**Interest Rates.** The value of the securities may be affected by changes in the interest rates in the U.S. markets.

**Volatility Of The Index.** Volatility is the term used to describe the size and frequency of market fluctuations. The value of the securities may be affected if the volatility of the Index changes.

**Time Remaining To Maturity.** The value of the securities at any given time prior to maturity will likely be different from that which would be expected based on the then-current level of the Index. This difference will most likely reflect a discount due to expectations and uncertainty concerning the level of the Index during the period of time still remaining to the stated maturity date. In general, as the time remaining to maturity decreases, the value of the securities will approach the amount that would be payable at maturity based on the then-current level of the Index.

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**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Risk Factors (continued)**

**Dividend Yields On Securities Included In The Index.** The value of the securities may be affected by the dividend yields on securities included in the Index.

In addition to the derivative component factors, the value of the securities will be affected by actual or anticipated changes in our creditworthiness, as reflected in our secondary market rates. The value of the securities will also be limited by the automatic call feature because if the securities are automatically called, the return will not be greater than the applicable call premium. You should understand that the impact of one of the factors specified above, such as a change in interest rates, may offset some or all of any change in the value of the securities attributable to another factor, such as a change in the level of the Index. Because numerous factors are expected to affect the value of the securities, changes in the level of the Index may not result in a comparable change in the value of the securities.

**The Securities Will Not Be Listed On Any Securities Exchange And We Do Not Expect A Trading Market For The Securities To Develop.**

The securities will not be listed or displayed on any securities exchange or any automated quotation system. Although the agent and/or its affiliates may purchase the securities from holders, they are not obligated to do so and are not required to make a market for the securities. There can be no assurance that a secondary market will develop. Because we do not expect that any market makers will participate in a secondary market for the securities, the price at which you may be able to sell your securities is likely to depend on the price, if any, at which the agent is willing to buy your securities.

If a secondary market does exist, it may be limited. Accordingly, there may be a limited number of buyers if you decide to sell your securities prior to stated maturity. This may affect the price you receive upon such sale. Consequently, you should be willing to hold the securities to stated maturity.

**Historical Levels Of The Index Should Not Be Taken As An Indication Of The Future Performance Of The Index During The Term Of The Securities.**

The trading prices of the securities included in the Index will determine the closing level of the Index and, therefore, whether the securities will be automatically called on any of the call dates (including the final calculation day) or the amount payable to you at maturity. As a result, it is impossible to predict whether the closing level of the Index will fall or rise compared to its starting level. Trading prices of the securities included in the Index will be influenced by complex and interrelated political, economic, financial and other factors that can affect the markets in which those securities are traded and the values of those securities themselves. Accordingly, any historical levels of the Index do not provide an indication of the future performance of the Index.

**Changes That Affect The Index May Adversely Affect The Value Of The Securities And The Amount You Will Receive At Stated Maturity.**

The policies of the index sponsor concerning the calculation of the Index and the addition, deletion or substitution of securities comprising the Index and the manner in which the index sponsor takes account of certain changes affecting such securities may affect the level of the Index and, therefore, may affect the value of the securities, the likelihood of the occurrence of an automatic call and the amount payable at maturity. The index sponsor may discontinue or suspend calculation or dissemination of the Index or materially alter the methodology by which it calculates the Index. Any such actions could adversely affect the value of the securities.

**We Cannot Control Actions By Any Of The Unaffiliated Companies Whose Securities Are Included In The Index.**

Actions by any company whose securities are included in the Index may have an adverse effect on the price of its security, the closing level of the Index on any call date (including the final calculation day) and the value of the securities. We are currently one of the companies included in the Index, but we are not affiliated with any of the other companies included in the Index. These unaffiliated companies included in the Index will not be involved in the offering of the securities and will have no obligations with respect to the securities, including any obligation to take our or your interests into consideration for any reason. These companies will not receive any of the proceeds of the offering of the securities and will not be responsible for, and will not have participated in, the determination of the timing of, prices for, or quantities of, the securities to be issued. These companies will not be involved with the administration, marketing or trading of the securities and will have no obligations with respect to any amounts to be paid to you on the securities.

**We And Our Affiliates Have No Affiliation With The Index Sponsor And Have Not Independently Verified Its Public Disclosure Of Information.**

We and our affiliates are not affiliated in any way with the index sponsor and have no ability to control or predict its actions, including any errors in or discontinuation of disclosure regarding the methods or policies relating to the calculation of the Index. We have derived the information about the index sponsor and the Index contained in this pricing supplement and the accompanying market measure supplement from publicly available information, without independent verification. You, as an investor in the securities, should make your own investigation into the Index and the index sponsor. The index sponsor is not involved in the offering of the

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Risk Factors (continued)**

securities made hereby in any way and has no obligation to consider your interests as an owner of the securities in taking any actions that might affect the value of the securities.

**A Call Settlement Date And The Stated Maturity Date May Be Postponed If A Calculation Day Is Postponed.**

A calculation day (including the final calculation day) will be postponed if the applicable originally scheduled calculation day is not a trading day or if the calculation agent determines that a market disruption event has occurred or is continuing on that calculation day. If such a postponement occurs with respect to a calculation day other than the final calculation day, then the related call settlement date will be postponed. If such a postponement occurs with respect to the final calculation day, the stated maturity date will be the later of (i) the initial stated maturity date and (ii) three business days after the postponed final calculation day.

**Our Economic Interests And Those Of Any Dealer Participating In The Offering Are Potentially Adverse To Your Interests.**

You should be aware of the following ways in which our economic interests and those of any dealer participating in the distribution of the securities, which we refer to as a participating dealer, are potentially adverse to your interests as an investor in the securities. In engaging in certain of the activities described below, our affiliates or any participating dealer or its affiliates may take actions that may adversely affect the value of and your return on the securities, and in so doing they will have no obligation to consider your interests as an investor in the securities. Our affiliates or any participating dealer or its affiliates may realize a profit from these activities even if investors do not receive a favorable investment return on the securities.

*The calculation agent is our affiliate and may be required to make discretionary judgments that affect the return you receive on the securities.* WFS, which is our affiliate, will be the calculation agent for the securities. As calculation agent, WFS will determine the closing level of the Index on each calculation day and whether the securities are automatically called, and may be required to make other determinations that affect the return you receive on the securities. In making these determinations, the calculation agent may be required to make discretionary judgments, including determining whether a market disruption event has occurred on a scheduled calculation day, which may result in postponement of that calculation day; determining the closing level of the Index if a calculation day is postponed to the last day to which it may be postponed and a market disruption event occurs on that day; if the Index is discontinued, selecting a successor index or, if no successor index is available, determining the closing level of the Index on the applicable calculation day; and determining whether to adjust the closing level of the Index on a calculation day in the event of certain changes in or modifications to the Index. In making these discretionary judgments, the fact that WFS is our affiliate may cause it to have economic interests that are adverse to your interests as an investor in the securities, and WFS's determinations as calculation agent may adversely affect your return on the securities.

***The estimated value of the securities was calculated by our affiliate and is therefore not an independent third-party valuation.*** WFS calculated the estimated value of the securities set forth on the cover page of this pricing supplement, which involved discretionary judgments by WFS, as described under Risk Factors The Estimated Value Of The Securities Is Determined By Our Affiliate s Pricing Models, Which May Differ From Those Of Other Dealers above. Accordingly, the estimated value of the securities set forth on the cover page of this pricing supplement is not an independent third-party valuation.

***Research reports by our affiliates or any participating dealer or its affiliates may be inconsistent with an investment in the securities and may adversely affect the level of the Index.*** Our affiliates or any participating dealer in the offering of the securities or its affiliates may, at present or in the future, publish research reports on the Index or the companies whose securities are included in the Index. This research is modified from time to time without notice and may, at present or in the future, express opinions or provide recommendations that are inconsistent with purchasing or holding the securities. Any research reports on the Index or the companies whose securities are included in the Index could adversely affect the level of the Index and, therefore, adversely affect the value of and your return on the securities. You are encouraged to derive information concerning the Index from multiple sources and should not rely on the views expressed by us or our affiliates or any participating dealer or its affiliates. In addition, any research reports on the Index or the companies whose securities are included in the Index published on or prior to the pricing date could result in an increase in the level of the Index on the pricing date, which would adversely affect investors in the securities by increasing the level at which the Index must close on a calculation day in order for investors in the securities to receive a favorable return.

***Business activities of our affiliates or any participating dealer or its affiliates with the companies whose securities are included in the Index may adversely affect the level of the Index.*** Our affiliates or any participating dealer or its affiliates may, at present or in the future, engage in business with the companies whose securities are included in the Index, including making loans to those companies (including exercising creditors remedies with respect to such loans), making equity investments in those companies or providing investment banking, asset management or other advisory services to those companies. These business activities could adversely affect the level of the Index and, therefore, adversely affect the value of

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Risk Factors (continued)**

and your return on the securities. In addition, in the course of these business activities, our affiliates or any participating dealer or its affiliates may acquire non-public information about one or more of the companies whose securities are included in the Index. If our affiliates or any participating dealer or its affiliates do acquire such non-public information, we and they are not obligated to disclose such non-public information to you.

***Hedging activities by our affiliates or any participating dealer or its affiliates may adversely affect the level of the Index.*** We expect to hedge our obligations under the securities through one or more hedge counterparties, which may include our affiliates or any participating dealer or its affiliates. Pursuant to such hedging activities, our hedge counterparties may acquire securities included in the Index or listed or over-the-counter derivative or synthetic instruments related to the Index or such securities. Depending on, among other things, future market conditions, the aggregate amount and the composition of such positions are likely to vary over time. To the extent that our hedge counterparties have a long hedge position in any of the securities included in the Index, or derivative or synthetic instruments related to the Index or such securities, they may liquidate a portion of such holdings at or about the time of a calculation day or at or about the time of a change in the securities included in the Index. These hedging activities could potentially adversely affect the level of the Index and, therefore, adversely affect the value of and your return on the securities.

***Trading activities by our affiliates or any participating dealer or its affiliates may adversely affect the level of the Index.*** Our affiliates or any participating dealer or its affiliates may engage in trading in the securities included in the Index and other instruments relating to the Index or such securities on a regular basis as part of their general broker-dealer and other businesses. Any of these trading activities could potentially adversely affect the level of the Index and, therefore, adversely affect the value of and your return on the securities.

***A participating dealer or its affiliates may realize hedging profits projected by its proprietary pricing models in addition to any selling concession and/or distribution expense fee, creating a further incentive for the participating dealer to sell the securities to you.*** If any participating dealer or any of its affiliates conducts hedging activities for us in connection with the securities, that participating dealer or its affiliates will expect to realize a projected profit from such hedging activities and this projected profit will be in addition to any concession and/or distribution expense fee that the participating dealer realizes for the sale of the securities to you. This additional projected profit may create a further incentive for the participating dealer to sell the securities to you.

**The U.S. Federal Tax Consequences Of An Investment In The Securities Are Unclear.**

There is no direct legal authority regarding the proper U.S. federal tax treatment of the securities, and we do not plan to request a ruling from the IRS. Consequently, significant aspects of the tax treatment of the securities are uncertain, and the IRS or a court might not agree with the treatment of the securities as prepaid derivative contracts that are open



transactions for U.S. federal income tax purposes. If the IRS were successful in asserting an alternative treatment of the securities, the tax consequences of the ownership and disposition of the securities might be materially and adversely affected. In addition, in 2007 the U.S. Treasury Department and the IRS released a notice requesting comments on various issues regarding the U.S. federal income tax treatment of prepaid forward contracts and similar instruments. Any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the securities, including the character and timing of income or loss and the degree, if any, to which income realized by non-U.S. persons should be subject to withholding tax, possibly with retroactive effect. You should read carefully the discussion under United States Federal Tax Considerations in this pricing supplement. You should also consult your tax adviser regarding the U.S. federal tax consequences of an investment in the securities, as well as tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered****Downside****Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019****Hypothetical Returns****If the securities are automatically called:**

Assuming that the securities are automatically called, the following table illustrates, for each hypothetical call date on which the securities are automatically called:

the hypothetical payment per security on the related call settlement date, assuming that the call premiums are equal to the midpoints of their specified ranges;

the hypothetical pre-tax total rate of return; and

the hypothetical pre-tax annualized rate of return.

<b>Hypothetical call date on which securities are automatically called</b>	<b>Hypothetical payment per security on related call settlement date</b>	<b>Hypothetical pre-tax total rate of return</b>	<b>Hypothetical pre-tax annualized rate of return<sup>(1)</sup></b>
1st call date	\$1,075.00	7.50%	7.18%
2nd call date	\$1,150.00	15.00%	7.03%
3rd call date	\$1,225.00	22.50%	6.88%

<sup>(1)</sup> The annualized rates of return are calculated with compounding on a semi-annual basis.

**If the securities are not automatically called:**

Assuming that the securities are not automatically called, the following table illustrates, for a range of hypothetical ending levels of the Index:

the hypothetical percentage change from the hypothetical starting level to the hypothetical ending level, assuming a hypothetical starting level of 2072.78;

the hypothetical payment at stated maturity per security;

the hypothetical pre-tax total rate of return; and

the hypothetical pre-tax annualized rate of return.

<b>Hypothetical ending level</b>	<b>Hypothetical percentage change from the hypothetical starting level to the hypothetical ending level</b>	<b>Hypothetical payment at stated maturity per security</b>	<b>Hypothetical pre-tax total rate of return</b>	<b>Hypothetical pre-tax annualized rate of return<sup>(1)</sup></b>
1,969.14	-5.00%	\$1,000.00	0.00%	0.00%
1,865.50	-10.00%	\$1,000.00	0.00%	0.00%
1,844.77	-11.00%	\$990.00	-1.00%	-0.33%
1,658.22	-20.00%	\$900.00	-10.00%	-3.48%
1,554.59	-25.00%	\$850.00	-15.00%	-5.34%
1,036.39	-50.00%	\$600.00	-40.00%	-16.32%
518.20	-75.00%	\$350.00	-65.00%	-32.10%
0.00	-100.00%	\$100.00	-90.00%	-63.74%

<sup>(1)</sup> The annualized rates of return are calculated with compounding on a semi-annual basis.

The above figures are for purposes of illustration only and may have been rounded for ease of analysis. The actual amount you will receive upon an automatic call or at stated maturity and the resulting pre-tax rate of return will depend on (i) whether the securities are automatically called; (ii) if the securities are automatically called, the actual call premium and the actual call date on which the securities are called; and (iii) if the securities are not automatically called, the actual ending level.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Hypothetical Payment at Maturity**

If the closing level of the Index is less than the starting level on each of the first two call dates, the securities will not be automatically called prior to the final calculation day, and you will receive a payment at maturity that will be greater than, equal to or less than the original offering price per security, depending on the ending level (i.e., the closing level of the Index on the final calculation day). Set forth below are three examples of calculations of the payment at stated maturity (rounded to two decimal places), assuming that the securities have not been automatically called on either of the first two call dates, reflecting a hypothetical call premium applicable to the final calculation day of 22.50% (the midpoint of the specified range for the call premium applicable to the final calculation day) and assuming the hypothetical starting level, threshold level and ending levels indicated in the examples.

**Example 1. Ending level is greater than the starting level, the securities are automatically called on the final calculation day and the payment at maturity is equal to the original offering price plus the applicable call premium:**

Hypothetical starting level: 2072.78

Hypothetical ending level: 2590.98

Since the hypothetical ending level is greater than the hypothetical starting level, the securities are automatically called on the final calculation day and you will receive the original offering price of your securities plus a call premium of 22.50% of the original offering price per security. Even though the Index appreciated by 25.00% from its starting level to its ending level in this example, your return is limited to the call premium of 22.50% that is applicable to the final calculation day.

On the stated maturity date, you would receive \$1,225.00 per security.

**Example 2. Ending level is less than the starting level but greater than the threshold level and the payment at maturity is equal to the original offering price:**

Hypothetical starting level: 2072.78

Hypothetical ending level: 1969.14

Hypothetical threshold level: 1865.50, which is 90% of the hypothetical starting level

Since the hypothetical ending level is less than the hypothetical starting level, but not by more than 10%, you would not lose any of the original offering price of your securities.

On the stated maturity date, you would receive \$1,000.00 per security.

**Example 3. Ending level is less than the threshold level and the payment at maturity is less than the original offering price:**

Hypothetical starting level: 2072.78

Hypothetical ending level: 1036.39

Hypothetical threshold level: 1865.50, which is 90% of the hypothetical starting level

Since the hypothetical ending level is less than the hypothetical starting level by more than 10%, you would lose a portion of the original offering price of your securities and receive a payment at maturity equal to:

$$\begin{array}{r} \$1,000 \\ \$1,000 \times \frac{1865.50 - 1036.39}{2072.78} = \$600.00 \end{array}$$

On the stated maturity date, you would receive \$600.00 per security, resulting in a loss of 40.00%.

To the extent that the starting level, threshold level and ending level differ from the values assumed above, the results indicated above would be different.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

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**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Additional Terms of the Securities**

Wells Fargo will issue the securities as part of a series of senior unsecured debt securities entitled Medium-Term Notes, Series K, which is more fully described in the prospectus supplement. Information included in this pricing supplement supersedes information in the market measure supplement, prospectus supplement and prospectus to the extent that it is different from that information.

**Calculation Agent**

Wells Fargo Securities, LLC, one of our subsidiaries, will act as initial calculation agent for the securities and may appoint agents to assist it in the performance of its duties. Pursuant to the calculation agent agreement, we may appoint a different calculation agent without your consent and without notifying you.

The calculation agent will determine whether the securities are automatically called on any of the call dates and the amount of the payment you receive upon automatic call or at stated maturity. In addition, the calculation agent will, among other things:

determine whether a market disruption event has occurred;

determine the closing level of the Index under certain circumstances;

determine if adjustments are required to the closing level of the Index under various circumstances; and

if publication of the Index is discontinued, select a successor equity index (as defined below) or, if no successor equity index is available, determine the closing level of the Index.

All determinations made by the calculation agent will be at the sole discretion of the calculation agent and, in the absence of manifest error, will be conclusive for all purposes and binding on us and you. The calculation agent will have no liability for its determinations.

**Market Disruption Events**

A market disruption event means any of the following events as determined by the calculation agent in its sole discretion:

- (A) The occurrence or existence of a material suspension of or limitation imposed on trading by the relevant stock exchanges or otherwise relating to securities which then comprise 20% or more of the level of the

Index or any successor equity index at any time during the one-hour period that ends at the close of trading on that day, whether by reason of movements in price exceeding limits permitted by those relevant stock exchanges or otherwise.

- (B) The occurrence or existence of a material suspension of or limitation imposed on trading by any related futures or options exchange or otherwise in futures or options contracts relating to the Index or any successor equity index on any related futures or options exchange at any time during the one-hour period that ends at the close of trading on that day, whether by reason of movements in price exceeding limits permitted by the related futures or options exchange or otherwise.
- (C) The occurrence or existence of any event, other than an early closure, that materially disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for, securities that then comprise 20% or more of the level of the Index or any successor equity index on their relevant stock exchanges at any time during the one-hour period that ends at the close of trading on that day.
- (D) The occurrence or existence of any event, other than an early closure, that materially disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for, futures or options contracts relating to the Index or any successor equity index on any related futures or options exchange at any time during the one-hour period that ends at the close of trading on that day.
- (E) The closure on any exchange business day of the relevant stock exchanges on which securities that then comprise 20% or more of the level of the Index or any successor equity index are traded or any related futures or options exchange prior to its scheduled closing time unless the earlier closing time is announced by the relevant stock exchange or related futures or options exchange, as applicable, at least one hour prior to the earlier of (1) the actual closing time for the regular trading session on such relevant stock exchange or related futures or options exchange, as applicable, and (2) the submission deadline for orders to be entered into the relevant stock exchange or related futures or options exchange, as applicable, system for execution at such actual closing time on that day.
- (F) The relevant stock exchange for any security underlying the Index or successor equity index or any related futures or options exchange fails to open for trading during its regular trading session.

**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Additional Terms of the Securities (Continued)**

For purposes of determining whether a market disruption event has occurred:

- (1) the relevant percentage contribution of a security to the level of the Index or any successor equity index will be based on a comparison of (x) the portion of the level of such index attributable to that security and (y) the overall level of the Index or successor equity index, in each case immediately before the occurrence of the market disruption event;
- (2) the close of trading on any trading day for the Index or any successor equity index means the scheduled closing time of the relevant stock exchanges with respect to the securities underlying the Index or successor equity index on such trading day; provided that, if the actual closing time of the regular trading session of any such relevant stock exchange is earlier than its scheduled closing time on such trading day, then (x) for purposes of clauses (A) and (C) of the definition of market disruption event above, with respect to any security underlying the Index or successor equity index for which such relevant stock exchange is its relevant stock exchange, the close of trading means such actual closing time and (y) for purposes of clauses (B) and (D) of the definition of market disruption event above, with respect to any futures or options contract relating to the Index or successor equity index, the close of trading means the latest actual closing time of the regular trading session of any of the relevant stock exchanges, but in no event later than the scheduled closing time of the relevant stock exchanges;
- (3) the scheduled closing time of any relevant stock exchange or related futures or options exchange on any trading day for the Index or any successor equity index means the scheduled weekday closing time of such relevant stock exchange or related futures or options exchange on such trading day, without regard to after hours or any other trading outside the regular trading session hours; and
- (4) an exchange business day means any trading day for the Index or any successor equity index on which each relevant stock exchange for the securities underlying the Index or any successor equity index and each related futures or options exchange are open for trading during their respective regular trading sessions, notwithstanding any such relevant stock exchange or related futures or options exchange closing prior to its scheduled closing time.

If a market disruption event occurs or is continuing on any calculation day, then such calculation day will be postponed to the first succeeding trading day on which a market disruption event has not occurred and is not continuing; however, if such first succeeding trading day has not occurred as of the eighth trading day after the originally scheduled calculation day, that eighth trading day shall be deemed to be the calculation day. If a calculation day has been postponed eight trading days after the originally scheduled calculation day and a market disruption event



occurs or is continuing with respect to the Index on such eighth trading day, the calculation agent will determine the closing level of the Index on such eighth trading day in accordance with the formula for and method of calculating the closing level of the Index last in effect prior to commencement of the market disruption event, using the closing price (or, with respect to any relevant security, if a market disruption event has occurred with respect to such security, its good faith estimate of the value of such security at the scheduled closing time of the relevant stock exchange for such security or, if earlier, the actual closing time of the regular trading session of such relevant stock exchange) on such date of each security included in the Index. As used herein, closing price means, with respect to any security on any date, the relevant stock exchange traded or quoted price of such security as of the scheduled closing time of the relevant stock exchange for such security or, if earlier, the actual closing time of the regular trading session of such relevant stock exchange.

### **Adjustments to the Index**

If at any time the sponsor or publisher of the Index (the index sponsor ) makes a material change in the formula for or the method of calculating the Index, or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent stock and capitalization and other routine events), then, from and after that time, the calculation agent will, at the close of business in New York, New York, on each date that the closing level of the Index is to be calculated, calculate a substitute closing level of the Index in accordance with the formula for and method of calculating the Index last in effect prior to the change, but using only those securities that comprised the Index immediately prior to that change. Accordingly, if the method of calculating the Index is modified so that the level of the Index is a fraction or a multiple of what it would have been if it had not been modified, then the calculation agent will adjust the Index in order to arrive at a level of the Index as if it had not been modified.

### **Discontinuance of the Index**

If the index sponsor discontinues publication of the Index, and such index sponsor or another entity publishes a successor or substitute equity index that the calculation agent determines, in its sole discretion, to be comparable to the Index (a successor equity index ), then, upon the calculation agent's notification of that determination to the trustee and Wells Fargo, the calculation agent will substitute the successor equity index as calculated by the relevant index sponsor or any other entity for purposes of calculating the closing level of the Index on any date of determination. Upon any selection by the calculation agent of a successor equity index, Wells Fargo will cause notice to be given to holders of the securities.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**Additional Terms of the Securities (Continued)**

In the event that the index sponsor discontinues publication of the Index prior to, and the discontinuance is continuing on, a calculation day and the calculation agent determines that no successor equity index is available at such time, the calculation agent will calculate a substitute closing level for the Index in accordance with the formula for and method of calculating the Index last in effect prior to the discontinuance, but using only those securities that comprised the Index immediately prior to that discontinuance. If a successor equity index is selected or the calculation agent calculates a level as a substitute for the Index, the successor equity index or level will be used as a substitute for the Index for all purposes, including the purpose of determining whether a market disruption event exists.

If on a calculation day the index sponsor fails to calculate and announce the level of the Index, the calculation agent will calculate a substitute closing level of the Index in accordance with the formula for and method of calculating the Index last in effect prior to the failure, but using only those securities that comprised the Index immediately prior to that failure; *provided* that, if a market disruption event occurs or is continuing on such day, then the provisions set forth above under **Market Disruption Events** shall apply in lieu of the foregoing.

Notwithstanding these alternative arrangements, discontinuance of the publication of, or the failure by the index sponsor to calculate and announce the level of, the Index may adversely affect the value of the securities.

**Events of Default and Acceleration**

If an event of default with respect to the securities has occurred and is continuing, the amount payable to a holder of a security upon any acceleration permitted by the securities, with respect to each security, will be equal to the amount payable on the securities on the maturity date, calculated as provided herein, as though the date of acceleration were the final calculation day; *provided* that if the closing level of the Index on the date of acceleration is equal to or greater than the starting level, then the amount payable on the securities will be calculated using a call premium that is prorated to the date of acceleration.

**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

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**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**The S&P 500® Index**

The S&P 500 Index is an equity index that is intended to provide an indication of the pattern of common stock price movement in the large capitalization segment of the United States equity market. Wells Fargo & Company is one of the companies currently included in the S&P 500 Index. See Description of Equity Indices The S&P 500 Index in the accompanying market measure supplement for additional information about the S&P 500 Index.

**Historical Information**

We obtained the closing levels listed below from Bloomberg Financial Markets without independent verification.

The historical performance of the Index should not be taken as an indication of the future performance of the Index during the term of the securities.

The following graph sets forth daily closing levels of the Index on each day in the period from January 1, 2006 through April 1, 2016. The closing level on April 1, 2016 was 2072.78.

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered****Downside****Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019****The S&P 500® Index (Continued)**

The following table sets forth the high and low closing levels, as well as end-of-period closing levels, of the Index for each quarter in the period from January 1, 2006 through March 31, 2016 and for April 1, 2016.

	<b>High</b>	<b>Low</b>	<b>Last</b>
2006			
First Quarter	1307.25	1254.78	1294.83
Second Quarter	1325.76	1223.69	1270.20
Third Quarter	1339.15	1234.49	1335.85
Fourth Quarter	1427.09	1331.32	1418.30
2007			
First Quarter	1459.68	1374.12	1420.86
Second Quarter	1539.18	1424.55	1503.35
Third Quarter	1553.08	1406.70	1526.75
Fourth Quarter	1565.15	1407.22	1468.36
2008			
First Quarter	1447.16	1273.37	1322.70
Second Quarter	1426.63	1278.38	1280.00
Third Quarter	1305.32	1106.39	1166.36
Fourth Quarter	1161.06	752.44	903.25
2009			
First Quarter	934.70	676.53	797.87
Second Quarter	946.21	811.08	919.32
Third Quarter	1071.66	879.13	1057.08
Fourth Quarter	1127.78	1025.21	1115.10
2010			
First Quarter	1174.17	1056.74	1169.43
Second Quarter	1217.28	1030.71	1030.71
Third Quarter	1148.67	1022.58	1141.20
Fourth Quarter	1259.78	1137.03	1257.64
2011			
First Quarter	1343.01	1256.88	1325.83
Second Quarter	1363.61	1265.42	1320.64
Third Quarter	1353.22	1119.46	1131.42
Fourth Quarter	1285.09	1099.23	1257.60
2012			
First Quarter	1416.51	1277.06	1408.47
Second Quarter	1419.04	1278.04	1362.16

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Third Quarter	1465.77	1334.76	1440.67
Fourth Quarter	1461.40	1353.33	1426.19
2013			
First Quarter	1569.19	1457.15	1569.19
Second Quarter	1669.16	1541.61	1606.28
Third Quarter	1725.52	1614.08	1681.55
Fourth Quarter	1848.36	1655.45	1848.36
2014			
First Quarter	1878.04	1741.89	1872.34
Second Quarter	1962.87	1815.69	1960.23
Third Quarter	2011.36	1909.57	1972.29
Fourth Quarter	2090.57	1862.49	2058.90
2015			
First Quarter	2117.39	1992.67	2067.89
Second Quarter	2130.82	2057.64	2063.11
Third Quarter	2128.28	1867.61	1920.03
Fourth Quarter	2109.79	1923.82	2043.94
2016			
First Quarter	2063.95	1829.08	2059.74
April 1, 2016	2072.78	2072.78	2072.78

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**ERISA Considerations**

Each fiduciary of a pension, profit-sharing or other employee benefit plan to which Title I of the Employee Retirement Income Security Act of 1974 ( ERISA ) applies (a plan ), should consider the fiduciary standards of ERISA in the context of the plan's particular circumstances before authorizing an investment in the securities. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the plan. When we use the term holder in this section, we are referring to a beneficial owner of the securities and not the record holder.

Section 406 of ERISA and Section 4975 of the Code prohibit plans, as well as individual retirement accounts and Keogh plans to which Section 4975 of the Code applies (also plans ), from engaging in specified transactions involving plan assets with persons who are parties in interest under ERISA or disqualified persons under the Code (collectively, parties in interest ) with respect to such plan. A violation of those prohibited transaction rules may result in an excise tax or other liabilities under ERISA and/or Section 4975 of the Code for such persons, unless statutory or administrative exemptive relief is available. Therefore, a fiduciary of a plan should also consider whether an investment in the securities might constitute or give rise to a prohibited transaction under ERISA and the Code.

Employee benefit plans that are governmental plans, as defined in Section 3(32) of ERISA, certain church plans, as defined in Section 3(33) of ERISA, and foreign plans, as described in Section 4(b)(4) of ERISA (collectively, Non-ERISA Arrangements ), are not subject to the requirements of ERISA, or Section 4975 of the Code, but may be subject to similar rules under other applicable laws or regulations ( Similar Laws ).

We and our affiliates may each be considered a party in interest with respect to many plans. Special caution should be exercised, therefore, before the securities are purchased by a plan. In particular, the fiduciary of the plan should consider whether statutory or administrative exemptive relief is available. The U.S. Department of Labor has issued five prohibited transaction class exemptions ( PTCEs ) that may provide exemptive relief for direct or indirect prohibited transactions resulting from the purchase or holding of the securities. Those class exemptions are:

PTCE 96-23, for specified transactions determined by in-house asset managers;

PTCE 95-60, for specified transactions involving insurance company general accounts;

PTCE 91-38, for specified transactions involving bank collective investment funds;

PTCE 90-1, for specified transactions involving insurance company separate accounts; and

PTCE 84-14, for specified transactions determined by independent qualified professional asset managers.

In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide an exemption for transactions between a plan and a person who is a party in interest (other than a fiduciary who has or exercises any discretionary authority or control with respect to investment of the plan assets involved in the transaction or renders investment advice with respect thereto) solely by reason of providing services to the plan (or by reason of a relationship to such a service provider), if in connection with the transaction of the plan receives no less, and pays no more, than adequate consideration (within the meaning of Section 408(b)(17) of ERISA).

Any purchaser or holder of the securities or any interest in the securities will be deemed to have represented by its purchase and holding that either:

no portion of the assets used by such purchaser or holder to acquire or purchase the securities constitutes assets of any plan or Non-ERISA Arrangement; or

the purchase and holding of the securities by such purchaser or holder will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or similar violation under any Similar Laws.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries or other persons considering purchasing the securities on behalf of or with plan assets of any plan consult with their counsel regarding the potential consequences under ERISA and the Code of the acquisition of the securities and the availability of exemptive relief.

The securities are contractual financial instruments. The financial exposure provided by the securities is not a substitute or proxy for, and is not intended as a substitute or proxy for, individualized investment management or advice for the benefit of any purchaser or

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**ERISA Considerations (Continued)**

holder of the securities. The securities have not been designed and will not be administered in a manner intended to reflect the individualized needs and objectives of any purchaser or holder of the securities.

Each purchaser or holder of the securities acknowledges and agrees that:

- (i) the purchaser or holder or its fiduciary has made and shall make all investment decisions for the purchaser or holder and the purchaser or holder has not relied and shall not rely in any way upon us or our affiliates to act as a fiduciary or adviser of the purchaser or holder with respect to (a) the design and terms of the securities, (b) the purchaser or holder's investment in the securities, or (c) the exercise of or failure to exercise any rights we have under or with respect to the securities;
- (ii) we and our affiliates have acted and will act solely for our own account in connection with (a) all transactions relating to the securities and (b) all hedging transactions in connection with our obligations under the securities;
- (iii) any and all assets and positions relating to hedging transactions by us or our affiliates are assets and positions of those entities and are not assets and positions held for the benefit of the purchaser or holder;
- (iv) our interests may be adverse to the interests of the purchaser or holder; and
- (v) neither we nor any of our affiliates is a fiduciary or adviser of the purchaser or holder in connection with any such assets, positions or transactions, and any information that we or any of our affiliates may provide is not intended to be impartial investment advice.

Purchasers of the securities have the exclusive responsibility for ensuring that their purchase, holding and subsequent disposition of the securities does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any Similar Law. Nothing herein shall be construed as a representation that an investment in the securities would be appropriate for, or would meet any or all of the relevant legal requirements with respect to investments by, plans or Non-ERISA Arrangements generally or any particular plan or Non-ERISA Arrangement



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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

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**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**United States Federal Tax Considerations**

The following is a discussion of the material U.S. federal income and certain estate tax consequences of the ownership and disposition of the securities. It applies to you only if you purchase a security for cash in the initial offering at the issue price, which is the first price at which a substantial amount of the securities is sold to the public, and hold the security as a capital asset within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the Code ). It does not address all of the tax consequences that may be relevant to you in light of your particular circumstances or if you are an investor subject to special rules, such as:

a financial institution;

a regulated investment company ;

a tax-exempt entity, including an individual retirement account or Roth IRA ;

a dealer or trader subject to a mark-to-market method of tax accounting with respect to the securities;

a person holding a security as part of a straddle or conversion transaction or who has entered into a constructive sale with respect to a security;

a U.S. holder (as defined below) whose functional currency is not the U.S. dollar; or

an entity classified as a partnership for U.S. federal income tax purposes.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds the securities, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. If you are a partnership holding the securities or a partner in such a partnership, you should consult your tax adviser as to your particular U.S. federal tax consequences of holding and disposing of the securities.

We will not attempt to ascertain whether any of the issuers of the underlying stocks of the Index (the underlying stocks ) is treated as a U.S. real property holding corporation ( USRPHC ) within the meaning of Section 897 of the Code or as a passive foreign investment company ( PFIC ) within the meaning of Section 1297 of the Code. If any of the issuers of the underlying stocks were so treated, certain adverse U.S. federal income tax consequences might apply to you, in the case of a USRPHC if you are a non-U.S. holder (as defined below) and in the case of a PFIC if you are a U.S. holder (as defined below), upon the sale, exchange or other disposition of the securities. You should refer to information filed with the Securities and Exchange Commission or another governmental authority by the issuers of

the underlying stocks and consult your tax adviser regarding the possible consequences to you if any of the issuers of the underlying stocks is or becomes a USRPHC or PFIC.

This discussion is based on the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as of the date of this pricing supplement, changes to any of which subsequent to the date of this pricing supplement may affect the tax consequences described herein, possibly with retroactive effect. This discussion does not address the effects of any applicable state, local or non-U.S. tax laws or the potential application of the alternative minimum tax or of the Medicare tax on investment income. You should consult your tax adviser concerning the application of U.S. federal income and estate tax laws to your particular situation (including the possibility of alternative treatments of the securities), as well as any tax consequences arising under the laws of any state, local or non-U.S. jurisdiction.

### **Tax Treatment of the Securities**

In the opinion of our counsel, Davis Polk & Wardwell LLP, which is based on current market conditions, a security should be treated as a prepaid derivative contract that is an open transaction for U.S. federal income tax purposes. By purchasing a security, you agree (in the absence of an administrative determination or judicial ruling to the contrary) to this treatment.

**Due to the absence of statutory, judicial or administrative authorities that directly address the U.S. federal tax treatment of the securities or similar instruments, significant aspects of the treatment of an investment in the securities are uncertain. We do not plan to request a ruling from the IRS, and the IRS or a court might not agree with the treatment described below. Accordingly, you should consult your tax adviser regarding all aspects of the U.S. federal income and estate tax consequences**

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**Market Linked Securities Auto-Callable with Fixed Percentage Buffered**

**Downside**

**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**United States Federal Tax Considerations (Continued)**

**of an investment in the securities. Unless otherwise indicated, the following discussion is based on the treatment of the securities as prepaid derivative contracts that are open transactions.**

**Tax Consequences to U.S. Holders**

This section applies only to U.S. holders. You are a U.S. holder if you are a beneficial owner of a security that is, for U.S. federal income tax purposes:

a citizen or individual resident of the United States;

a corporation created or organized in or under the laws of the United States, any state therein or the District of Columbia; or

an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

*Tax Treatment Prior to Maturity.* You should not be required to recognize income over the term of the securities prior to maturity, other than pursuant to a sale, exchange or retirement as described below.

*Sale, Exchange or Retirement of the Securities.* Upon a sale, exchange or retirement of the securities, you should recognize gain or loss equal to the difference between the amount realized on the sale, exchange or retirement and your tax basis in the securities that are sold, exchanged or retired. Your tax basis in the securities should equal the amount you paid to acquire them. This gain or loss should be long-term capital gain or loss if at the time of the sale, exchange or retirement you held the securities for more than one year, and short-term capital gain or loss otherwise. Long-term capital gains recognized by non-corporate U.S. holders are generally subject to taxation at reduced rates. The deductibility of capital losses is subject to certain limitations.

***Possible Alternative Tax Treatments of an Investment in the Securities***

Alternative U.S. federal income tax treatments of the securities are possible that, if applied, could materially and adversely affect the timing and/or character of income, gain or loss with respect to them. It is possible, for example, that the securities could be treated as debt instruments governed by Treasury regulations relating to the taxation of contingent payment debt instruments. In that case, regardless of your method of tax accounting for U.S. federal income tax purposes, you would be required to accrue income based on our comparable yield for similar non-contingent debt, determined as of the time of issuance of the securities, in each year that you held the securities, even though we are not required to make any payment with respect to the securities prior to maturity. In addition, any gain on the sale, exchange or retirement of the securities would be treated as ordinary income.

Other possible U.S. federal income tax treatments of the securities could also affect the timing and character of income or loss with respect to the securities. In 2007, the U.S. Treasury Department and the IRS released a notice requesting comments on the U.S. federal income tax treatment of prepaid forward contracts and similar instruments. The notice focuses in particular on whether to require holders of these instruments to accrue income over the term of their investment. It also asks for comments on a number of related topics, including the character of income or loss with respect to these instruments; whether short-term instruments should be subject to any such accrual regime; the relevance of factors such as the exchange-traded status of the instruments and the nature of the underlying property to which the instruments are linked; and whether these instruments are or should be subject to the constructive ownership regime, which very generally can operate to recharacterize certain long-term capital gain as ordinary income and impose a notional interest charge. While the notice requests comments on appropriate transition rules and effective dates, any Treasury regulations or other guidance promulgated after consideration of these issues could materially and adversely affect the tax consequences of an investment in the securities, possibly with retroactive effect. You should consult your tax adviser regarding the possible alternative treatments of an investment in the securities and the issues presented by this notice.

### **Tax Consequences to Non-U.S. Holders**

This section applies only to non-U.S. holders. You are a non-U.S. holder if you are a beneficial owner of a security that is, for U.S. federal income tax purposes:

an individual who is classified as a nonresident alien;

a foreign corporation; or

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**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**United States Federal Tax Considerations (Continued)**

a foreign estate or trust.

You are not a non-U.S. holder for purposes of this discussion if you are (i) an individual who is present in the United States for 183 days or more in the taxable year of disposition or (ii) a former citizen or resident of the United States. If you are or may become such a person during the period in which you hold a security, you should consult your tax adviser regarding the U.S. federal tax consequences of an investment in the securities.

*Sale, Exchange or Retirement of the Securities.* Subject to the possible application of Section 897 of the Code, you generally should not be subject to U.S. federal income or withholding tax in respect of amounts paid to you, provided that income in respect of the securities is not effectively connected with your conduct of a trade or business in the United States.

If you are engaged in a U.S. trade or business, and if income from the securities is effectively connected with the conduct of that trade or business, you generally will be subject to regular U.S. federal income tax with respect to that income in the same manner as if you were a U.S. holder, unless an applicable income tax treaty provides otherwise. If you are such a holder and you are a corporation, you should also consider the potential application of a 30% (or lower treaty rate) branch profits tax.

*Tax Consequences Under Possible Alternative Treatments.* If all or any portion of a security were recharacterized as a debt instrument, subject to the possible application of Section 897 of the Code and the discussion below regarding FATCA, any payment made to you with respect to the security generally should not be subject to U.S. federal withholding or income tax, provided that: (i) income or gain in respect of the security is not effectively connected with your conduct of a trade or business in the United States, and (ii) you provide an appropriate IRS Form W-8 certifying under penalties of perjury that you are not a United States person.

Other U.S. federal income tax treatments of the securities are also possible. In 2007, the U.S. Treasury Department and the IRS released a notice requesting comments on the U.S. federal income tax treatment of prepaid forward contracts and similar instruments. Among the issues addressed in the notice is the degree, if any, to which income with respect to instruments such as the securities should be subject to U.S. withholding tax. While the notice requests comments on appropriate transition rules and effective dates, it is possible that any Treasury regulations or other guidance promulgated after consideration of these issues might materially and adversely affect the withholding tax consequences of an investment in the securities, possibly with retroactive effect. If withholding applies to the securities, we will not be required to pay any additional amounts with respect to amounts withheld. Accordingly, you should consult your tax adviser regarding the issues presented by the notice.

***U.S. Federal Estate Tax***

If you are an individual non-U.S. holder or an entity the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers), you should note that, absent an

applicable treaty exemption, the securities may be treated as U.S. situs property subject to U.S. federal estate tax. If you are such an individual or entity, you should consult your tax adviser regarding the U.S. federal estate tax consequences of investing in the securities.

### **Information Reporting and Backup Withholding**

Amounts paid on the securities, and the proceeds of a sale, exchange or other disposition of the securities, may be subject to information reporting and, if you fail to provide certain identifying information (such as an accurate taxpayer identification number if you are a U.S. holder) or meet certain other conditions, may also be subject to backup withholding at the rate specified in the Code. If you are a non-U.S. holder that provides an appropriate IRS Form W-8, you will generally establish an exemption from backup withholding. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the relevant information is timely furnished to the IRS.

### **FATCA Legislation**

Legislation commonly referred to as FATCA generally imposes a withholding tax of 30% on payments to certain non-U.S. entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements have been satisfied. An intergovernmental agreement between the United States and the non-U.S. entity's jurisdiction may modify these requirements. This legislation applies to certain financial instruments that are treated as paying U.S.-source interest or other U.S.-source fixed or determinable annual or periodical income. If the securities were treated as debt

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**Principal at Risk Securities Linked to the S&P 500® Index due May 6, 2019**

**United States Federal Tax Considerations (Continued)**

instruments, the withholding regime under FATCA would apply to any amounts treated as interest and, after 2018, gross proceeds of a disposition of the securities. If withholding applies to the securities, we will not be required to pay any additional amounts with respect to amounts withheld. If you are a non-U.S. holder, or a U.S. holder holding securities through a non-U.S. intermediary, you should consult your tax adviser regarding the potential application of FATCA to the securities.

**The preceding discussion constitutes the full opinion of Davis Polk & Wardwell LLP regarding the material U.S. federal tax consequences of owning and disposing of the securities.**

**You should consult your tax adviser regarding all aspects of the U.S. federal income and estate tax consequences of an investment in the securities and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.**

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