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16 UNITED STATES DISTRICT COURT  
17 NORTHERN DISTRICT OF CALIFORNIA

19 IN RE WELLS FARGO & COMPANY  
20 SHAREHOLDER DERIVATIVE  
LITIGATION

21 This Document Relates to:  
22 ALL ACTIONS.

Lead Case No. 3:16-cv-05541-JST

**SUMMARY NOTICE OF  
SETTLEMENT OF SHAREHOLDER  
DERIVATIVE LITIGATION**

The Honorable Jon S. Tigar

1 **TO: ALL RECORD AND BENEFICIAL OWNERS OF WELLS FARGO & COMPANY**  
2 **COMMON STOCK AS OF FEBRUARY 26, 2019 (THE “RECORD DATE”), WHO**  
3 **CONTINUE TO OWN SUCH SHARES (“WELLS FARGO SHAREHOLDERS”)**

4 **YOU ARE HEREBY NOTIFIED**, that pursuant to an Order of the United States District  
5 Court for the Northern District of California, a hearing will be held on August 1, 2019, at 2 p.m.,  
6 before the Honorable Jon S. Tigar, United States District Judge, at the United States District  
7 Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, California  
8 94102, for the purpose of determining whether the proposed settlement of the above captioned  
9 derivative action (the “Derivative Action”), with a total settlement value of \$320 million (as  
10 described below), should be approved as fair, reasonable and adequate, and whether a judgment  
11 dismissing the Defendants (as identified in the Stipulation of Settlement (“Stipulation”)) from the  
12 Derivative Action with prejudice should be entered. As part of the hearing, the Court will  
13 consider an application by Co-Lead Counsel in the Derivative Action for an award of attorneys’  
14 fees not to exceed \$68 million and reimbursement awards for Co-Lead Plaintiffs to be paid from  
15 Co-Lead Counsel’s attorneys’ fees not to exceed \$25,000. ***Because this is a shareholder***  
16 ***derivative action brought for the benefit of Wells Fargo, no individual Wells Fargo***  
17 ***shareholder has the right to receive any individual compensation as a result of the settlement***  
18 ***of this action.***

19 The benefits to the Company of the proposed Settlement, which is subject to Court  
20 approval, include Monetary Consideration of \$240 million in value. Wells Fargo also agrees and  
21 acknowledges that facts alleged in the Derivative Action were a significant factor in causing (i)  
22 certain corporate governance changes undertaken by Wells Fargo during the pendency of the  
23 Derivative Action (the “Corporate Governance Reforms”) (*see* Stipulation Ex. A), which include  
24 improvement to Wells Fargo’s internal controls, internal reporting, and expanded and enhanced  
25 oversight of risk management by Wells Fargo’s Board of Directors; and (ii) certain remedial steps  
26 with respect to compensation reductions and forfeitures undertaken by Wells Fargo during the  
27 pendency of the Derivative Action (the “Clawbacks”) (*see* Stipulation Ex. B). The Parties agreed  
28 that the Corporate Governance Reforms and the Clawbacks set forth in Exhibits A and B to the  
Stipulation have a value to Wells Fargo of \$80 million, for a total Settlement value to Wells

1 Fargo of \$320 million, not including the Co-Lead Plaintiffs' counsel's fee award.

2 **IF YOU ARE AN OWNER OF WELLS FARGO COMMON STOCK, YOUR**  
3 **RIGHTS MAY BE AFFECTED BY THE SETTLEMENT.** A more detailed form of notice  
4 describing the Settlement has been published as a Current Report on Form 8-K filed with the  
5 Securities and Exchange Commission, has been published on Wells Fargo's company website at  
6 [https://www.wellsfargo.com/assets/pdf/about/investor-relations/sec-filings/2019/federal-](https://www.wellsfargo.com/assets/pdf/about/investor-relations/sec-filings/2019/federal-settlement-notice.pdf)  
7 [settlement-notice.pdf](https://www.wellsfargo.com/assets/pdf/about/investor-relations/sec-filings/2019/federal-settlement-notice.pdf), and is also available, as is the Stipulation and other relevant documents, at  
8 <http://www.wellsfargoderivativesettlement.com/>. More information is also available by calling 1-  
9 888-334-6164.

10 Inquiries, other than requests for the detailed form of notice, may be made to a  
11 representative of Co-Lead Counsel. Should you have any other questions regarding the proposed  
12 Settlement or the Derivative Action, please contact Co-Lead Counsel for Plaintiffs:

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14 **LIEFF, CABRASER, HEIMANN &**  
15 **BERNSTEIN, LLP**  
16 Richard M. Heimann  
17 Katherine C. Lubin  
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25 150 East Palmetto Park Road, Suite 600  
26 Boca Raton, FL 33432

27 Wells Fargo shareholders who have no objection to the Settlement do not need to appear  
28 at the final approval hearing or take any action.

29 If you wish to object to any aspect of the Settlement, the Fee Application, the  
30 Reimbursement Awards, or the Final Judgment and Order of Dismissal (as defined in the  
31 Stipulation), you must provide in writing your full name, appropriate proof of your Wells Fargo  
32 stock ownership as of the Record Date, the basis for your objection, and your signature. You may  
33 not ask the Court to order a larger settlement; the Court can only approve or deny the Settlement.  
34 You may also appear at the Settlement Hearing on August 1, 2019, either in person or through  
35 your own attorney. If you appear through your own attorney, you are responsible for paying that  
36 attorney. All written objections and supporting papers must: (a) clearly identify the case name  
37 and number (*In re Wells Fargo & Company Shareholder Derivative Litigation*, 3:16-cv-05541-  
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1 JST (N.D. Cal.)); (b) be submitted to the Court either by mailing them to the Clerk of the Court  
2 for the United States District Court for the Northern District of California, 450 Golden Gate  
3 Avenue, Box 36060, San Francisco, CA 94102, or by filing them in person at any location of the  
4 United States District Court for the Northern District of California; and (c) be filed or postmarked  
5 on or before twenty-one (21) calendar days prior to the Settlement Hearing.

6 **PLEASE DO NOT CALL OR WRITE THE COURT OR THE CLERK OF THE**  
7 **COURT REGARDING THIS NOTICE.**

8 DATED: May 14, 2019

BY ORDER OF THE UNITED STATES DISTRICT  
COURT FOR THE NORTHERN DISTRICT OF  
CALIFORNIA

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