

**IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, C.S.5, AS AMENDED**

- AND -

**IN THE MATTER OF
WELLS FARGO FINANCIAL CANADA CORPORATION**

**STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Staff of the Ontario Securities Commission (“Staff”) make the following allegations:

I. THE RESPONDENT

1. Wells Fargo Financial Canada Corporation (“Wells Fargo”) is an unlimited liability company, amalgamated under the laws of Nova Scotia. It is a reporting issuer in Ontario and has its principal office in Toronto.
2. Wells Fargo's main business is raising capital for the consumer finance and related businesses of its Canadian affiliates. These businesses include the financing and leasing of equipment, purchasing sales finance contracts from retail merchants, and providing revolving lines of credit to small businesses. As part of its operations, Wells Fargo regularly issues guaranteed debt.

II. THE SHELF DISTRIBUTION SYSTEM

3. Wells Fargo is a participant in the Shelf Distribution System (“Shelf Distribution System”), pursuant to Canadian Securities Administrators’ National Instrument 44-101 and 44-102 (respectively “NI 44-101” and “NI 44-102”). The Shelf Distribution System permits certain reporting issuers to raise capital continuously without having to prepare and file a prospectus prior to each distribution of securities.
4. Reporting issuers permitted to use the Shelf Distribution System may file a base shelf prospectus qualifying a maximum number of securities for distribution during a specified period of time.
5. The base shelf prospectus omits important information for future distributions, such as the size of a distribution and the terms of the securities. The omitted information must be filed by the reporting issuer in a prospectus supplement at the time of each distribution.
6. Timely filing of a prospectus supplement ensures that the market is promptly and fully informed of a distribution under a base shelf prospectus.

III. REPEATED LATE FILING BY WELLS FARGO

7. Wells Fargo participates in the Shelf Distribution System through a Medium Term Note ("MTN") program under Part 8 of NI 44-102. An MTN program permits the future distribution of debt securities where the specific terms of individual debt securities are not set or disclosed until the time of distribution.
8. In October 2001, Wells Fargo filed a short-form base shelf prospectus (the "2001 Shelf Prospectus"). The 2001 Shelf Prospectus qualified up to \$1.5 billion of unsecured MTNs for distribution during the period ending November 30, 2003.

9. Pursuant to Part 8 of NI 44-102, within seven days of the month following an MTN distribution, the reporting issuer must file a prospectus supplement containing information including the date of issue, price, rate of interest, maturity date and any rights of redemption (“MTN Pricing Supplement”).
10. Wells Fargo made five distributions under the 2001 Shelf Prospectus, as outlined in the table below. Two MTN Pricing Supplements for distributions totalling \$350 million were filed late.

2001 Shelf Prospectus Distributions

No.	Date of Distribution	Date of Filing	Principal Amount	Late Filing?
1.	October 23, 2001	November 8, 2001	\$200 million	No
2.	May 2, 2002	February 24, 2003	\$150 million	Yes: 8 months, 17 days
3.	August 26, 2002	February 25, 2003	\$200 million	Yes: 5 months, 18 days
4.	March 21, 2003	April 3, 2003	\$200 million	No
5.	June 17, 2003	June 27, 2003	\$200 million	No

11. In March 2003, in response to a warning by Staff, representatives of Wells Fargo gave assurances that all future MTN Pricing Supplements would be filed on time. Furthermore, Wells Fargo advised Staff that it had prepared a plan to more effectively administer its MTN program so as to avoid further late filings.
12. In November 2003, the 2001 Shelf Prospectus lapsed. Wells Fargo filed a subsequent short-form base shelf prospectus (the “2003 Shelf Prospectus”) qualifying up to \$1.5 billion of unsecured MTNs for distribution during the period ending November 30, 2005.

13. Wells Fargo has made four distributions under the 2003 Shelf Prospectus, as outlined in the table below. Two MTN Pricing Supplements for distributions totalling \$600 million were filed late.

2003 Shelf Prospectus Distribution

No.	Date of Distribution	Date of Filing	Principal Amount	Late Filing?
1.	June 24, 2004	June 25, 2004	\$200 million	No
2.	August 24, 2004	September 10, 2004	\$200 million	Yes: 3 days
3.	September 22, 2004	October 15, 2004	\$400 million	Yes: 8 days
4.	October 29, 2004	October 29, 2004	\$400 million	No

IV. STAFF'S POSITION

14. On four occasions over a twenty month period, Wells Fargo failed to meet its filing requirements, pursuant to Part 8 of NI 44-102, for MTN Pricing Supplements totalling \$950 million.
15. Wells Fargo has repeatedly breached Ontario securities law and engaged in conduct contrary to the public interest.

DATED AT TORONTO this 22nd day of December, 2004