WELLS FARGO
CLEARING SERVICES, LLC

# Unaudited Statement of Financial Condition

**Wells Fargo Clearing Services, LLC**

(A Wholly Owned Limited Liability Company of Wachovia Securities Financial Holdings, LLC)

June 30, 2026

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(Dollars in thousands)

| | | |
|---|---|---|
| **Assets** | | |
| Cash | $ | 1,620,983 |
| Cash and securities segregated under federal and other regulations | | 92,368 |
| Securities purchased under agreements to resell | | 898,591 |
| Receivable from brokers, dealers and clearing organizations | | 668,197 |
| Receivable from customers, net | | 18,515,470 |
| Loans and notes receivable from financial advisors, net | | 2,736,415 |
| Financial instruments owned, at fair value | | 179,256 |
| Property, equipment and leasehold improvements, net | | 300,602 |
| Lease right of use assets | | 452,071 |
| Goodwill and intangible assets | | 1,245,461 |
| Receivable from affiliates | | 20,460 |
| Other assets | | 1,029,699 |
| Total assets | $ | 27,759,573 |
| **Liabilities and Member's Equity** | | |
| Borrowings | $ | 744,768 |
| Payable to brokers, dealers and clearing organizations | | 5,561,920 |
| Payable to customers | | 2,462,519 |
| Financial instruments sold, not yet purchased, at fair value | | 25,639 |
| Lease liabilities | | 496,743 |
| Payable to affiliates | | 234,114 |
| Accrued compensation and benefits | | 512,641 |
| Deferred compensation plan liabilities | | 1,899,672 |
| Accrued expenses and other liabilities | | 491,213 |
| Total liabilities | | 12,429,229 |
| Member's equity | | 15,330,344 |
| Total liabilities and member's equity | $ | 27,759,573 |

The accompanying notes are an integral part of this Unaudited Statement of Financial Condition.

**WELLS FARGO CLEARING SERVICES, LLC**

Notes to Unaudited Statement of Financial Condition

June 30, 2026
(Dollars in thousands)

## (1) Organization and Nature of Business

Wells Fargo Clearing Services, LLC (the Company) is wholly owned by Wachovia Securities Financial Holdings, LLC (WSFH), which is a wholly owned subsidiary of Everen Capital Corporation (Everen), which is a wholly owned subsidiary of WFC Holdings, LLC (WFCH), which is a wholly owned subsidiary of Wells Fargo & Company (WFC). WSFH serves as the holding company for the retail brokerage and clearing businesses headquartered in Saint Louis, Missouri. WSFH's principal operating subsidiaries are the Company and Wells Fargo Advisors Financial Network, LLC (FINET).

The Company is registered as a broker-dealer with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC).

The Company's primary business activities include securities brokerage, investment advisory, asset management services and clearing services. The Company self-clears all customer security transactions.

The chief operating decision maker (CODM) of the Company is the chief executive officer (CEO). The CODM uses net income that is reported on the Company's Statement of Operations to monitor actual results versus prior periods and planned amounts to assess performance and decide how to allocate resources and invest profits. Additionally, the CODM uses excess net capital (see Note 17), which is not a measure of profit or loss, to make operational decisions while maintaining capital adequacy, such as whether to reinvest profits or pay dividends. The Company's operations constitute a single operating segment and therefore, a single reportable segment, because the CODM manages the business activities using information of the Company as a whole. The measure of segment assets is total assets as reported on the Company's Unaudited Statement of Financial Condition. The company derives revenue primarily in the United States.

## (2) Summary of Significant Accounting Policies

### *Basis of Presentation*

The Company's unaudited financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP), the most significant of which are summarized below.

### *Cash and securities segregated under federal and other regulations*

Cash and securities segregated under federal and other regulations represents cash and qualified securities set aside to satisfy requirements under Securities Exchange Act Rule 15c3-3 (the Customer Protection Rule) of the SEC. This cash is held within a special reserve bank account for the benefit of customers.

***Securities Transactions***

Trading securities held to accommodate expected customer order flow are recorded on the trade date, as if they had settled. Profit and losses arising from all securities transactions are recorded on a trade-date basis. Customer securities transactions are recorded on a settlement-date basis.

Financial instruments owned and financial instruments sold, not yet purchased are carried at fair value. Securities owned by customers, including those that collateralize margin or other similar transactions, are not reflected in the Unaudited Statement of Financial Condition as the Company does not have title to these assets.

***Securities Lending Activities***

Securities borrowed and securities loaned are reported as collateralized financing transactions and are recorded in receivables from and payables to brokers, dealers and clearing organizations in the accompanying Unaudited Statement of Financial Condition at the amount of cash collateral advanced or received. Securities borrowed transactions require the Company to deposit cash with the lender in exchange for securities. The market value of securities borrowed is monitored, with additional collateral obtained to ensure full collateralization. The Company has established policies and procedures for mitigating credit risk on securities borrowed transactions, including reviewing and establishing limits for credit exposure, maintaining collateral, and continually assessing the creditworthiness of counterparties. With respect to securities loaned, the Company receives cash collateral in an amount generally in excess of the market value of securities loaned. The Company minimizes credit risk associated with securities borrowed and loaned by daily monitoring collateral values and, when applicable, requiring additional collateral to be deposited with the Company as permitted under contractual provisions.

***Securities Purchased/Sold Under Agreements to Resell/Repurchase***

Transactions involving purchases of securities under agreements to resell (reverse repurchase agreements) or sales of securities under agreements to repurchase (repurchase agreements) are accounted for as collateralized financing transactions and are recorded at their contracted resale or repurchase amounts plus accrued interest. Reverse repurchase agreements are collateralized by securities with a market value in excess of the obligation under the contract which may result in unsecured credit exposure in the event the counterparty to a transaction is unable to fulfill its contractual obligations timely. The Company manages the credit risk associated with these transactions by monitoring the fair value of the collateral obtained, including accrued interest, and by requesting additional collateral when deemed appropriate. The fair value of collateral related to reverse repurchase agreements was $914,791 as of June 30, 2026, consisting of U.S. government agency mortgage backed securities and U.S. treasuries. It is the Company's policy to obtain possession and control of securities purchased under agreements to resell. As of June 30, 2026 the Company has segregated $0 of the collateral associated with its repurchase agreements.

***Fair Value***

Receivable from brokers, dealers and clearing organizations, receivable from customers, securities under agreements to resell, receivable from affiliates, borrowings, securities sold under agreements to repurchase, payable to brokers, dealers and clearing organizations, payable to customers and payable to affiliates are recorded at contracted amounts that approximate fair value. The fair value of certain of these items is not materially sensitive to shifts in market interest rates because of the limited term to maturity and/or the variable interest rates of many of these instruments.

Financial instruments owned and sold, not yet purchased and qualifying securities for the exclusive benefit of customers under Securities Exchange Act Rule 15c3-3 (see Note 3) are recorded at fair value, which is determined by using quoted market or dealer prices, third-party pricing services or other relevant observable information.

The Company categorizes its assets and liabilities that are accounted for at fair value in the Unaudited Statement of Financial Condition into a fair value hierarchy as defined by US GAAP. The fair value hierarchy is directly related to the amount of subjectivity associated with the inputs utilized to determine the fair value of these assets and liabilities (see Note 10).

***Derivatives***

Derivatives are recorded in the financial statements at fair value. The Company uses derivatives as economic hedges to manage market risks associated with the Company's deferred compensation plan liability (see Note 15). In an economic hedge, the effect of change in fair value is generally offset by the unrealized gain or loss on the derivatives linked to the hedged assets and liabilities. Cash collateral related to derivatives is exchanged with the counterparty, Wells Fargo Bank, N.A. (WFBNA), and is recorded as an offset to the derivative fair value asset or liability balance in the Unaudited Statement of Financial Condition. This cash collateral, also referred to as variation margin, is exchanged based upon derivative fair value changes, typically on a one-day lag.

By using derivatives, the Company is exposed to counterparty credit risk, which is the risk that counterparties to the derivative contracts do not perform as expected. If WFBNA fails to perform, the counterparty credit risk is equal to the amount reported as a derivative asset on the Unaudited Statement of Financial Condition. At June 30, 2026, the Company recorded $19,521 of derivative assets and $15 of derivative liabilities, which are included in other assets and other liabilities in the Unaudited Statement of Financial Condition.

***Property, Equipment and Leasehold Improvements***

Property, equipment and leasehold improvements are recorded at cost, net of accumulated depreciation and amortization. Depreciation of property and equipment is recognized on a

straight-line basis using estimated useful lives that range up to 40 years for buildings and up to ten years for furniture and equipment. Leasehold improvements are amortized over the lesser of the estimated useful life of the improvement or the remaining term of the lease. For internal-use software, the Company capitalizes qualifying costs incurred during the application development stage. The resulting asset is amortized on a straight-line basis over the expected life of the asset, generally three to five years. The Company periodically reviews the estimated useful lives of its property, equipment and leasehold improvements.

***Lessee Activity***

The Company enters into operating lease agreements to obtain the right of use (ROU) assets for its business operations, substantially all of which are real estate. Lease liabilities and ROU assets are recognized when the Company enters into operating leases and represent its obligations and rights to use these assets over the period of the leases and may be re-measured for certain modifications, resolution of certain contingencies involving variable consideration, or the Company's exercise of options (renewal, extension, or termination) under the lease.

Operating lease liabilities include fixed and in-substance fixed payments for the contractual duration of the lease, adjusted for renewals or terminations which were deemed probable of exercise when measured. The lease payments are discounted using a rate determined when the lease is recognized. As the Company typically does not know the discount rate implicit in the lease, the Company estimates a discount rate that it believes approximates a collateralized borrowing rate for the estimated duration of the lease. The discount rate is updated when re-measurement events occur. The related operating lease ROU assets may differ from operating lease liabilities due to initial direct costs, deferred or prepaid lease payments and lease incentives.

The Company presents operating lease related liabilities within lease liabilities and the related operating lease ROU assets in lease right of use assets in the Unaudited Statement of Financial Condition.

Some of the Company's operating leases include variable lease payments which are periodic adjustments of the Company's payments for the use of the asset based on changes in factors such as consumer price indices, fair market value, tax rates imposed by taxing authorities, or lessor cost of insurance.

The Company accounts for amounts paid for maintenance or other services as lease payments.

***Goodwill***

Goodwill is the cost of an acquired company in excess of the fair value of identifiable net assets at the acquisition date. Impairment exists when the carrying value of a reporting unit exceeds its respective fair value. The Company tests goodwill annually in the fourth quarter, or more frequently under certain conditions, for impairment at the reporting unit level. The Company

identifies reporting units to be assessed for goodwill impairment at the reportable operating segment level or one level below. The Company has one goodwill reporting unit.

The Company has the option of performing a qualitative assessment of goodwill. The Company may also elect to bypass the qualitative test and proceed directly to a quantitative test. If the Company performs a qualitative assessment of goodwill to test for impairment and concludes it is more likely than not that a reporting unit's fair value is greater than its carrying amount, quantitative tests are not required. However, if it is determined more likely than not that a reporting unit's fair value is less than its carrying amount, the Company will complete a quantitative assessment to determine if there is goodwill impairment.

In the fourth quarter of 2025, the Company elected to perform a qualitative assessment of the reporting unit's goodwill and determined that it was more likely than not that our reporting unit's fair value was greater than its carrying amount. As of June 30, 2026, the Company concluded that goodwill was not impaired.

***Intangible Assets***

The Company made an upfront payment of $13,800 to a third party financial advisor for their book of business. This payment will be amortized over 10 years. The purchase price less accumulated amortization of $4,255 and impairment of $375 for a total intangible asset value of $9,170 as of June 30, 2026 is included in goodwill and intangible assets on the Unaudited Statement of Financial Condition.

***Income Taxes***

The Company is a single member limited liability company and is treated as a disregarded entity pursuant to Treasury Regulation Section 301.7701-3 for federal income tax purposes. Generally, disregarded entities are not subject to entity-level federal or state income taxation and, as such, the Company does not provide for income taxes under Financial Accounting Standards Board Accounting Standards Codification (ASC) 740, *Income Taxes*. The Company's taxable income is reported in the tax return of Everen. There are no tax sharing agreements between the Company and Everen. Certain states and foreign jurisdictions may subject the Company to entity-level taxation as a single member limited liability company; however, there is not a material liability for state and foreign income taxes as of June 30, 2026. The Company files tax returns in various states and local jurisdictions and is subject to income tax examinations by tax authorities for years 2017 and forward.

Based upon its evaluation, the Company has concluded that there are no significant uncertain income tax positions relevant to the jurisdictions where it is required to file income tax returns requiring recognition in the Unaudited Statement of Financial Condition. Management monitors proposed and issued tax laws, regulations and cases to determine the potential impact to uncertain income tax positions. At June 30, 2026, management had not identified any potential subsequent events that would have a material impact on unrecognized income tax benefits within the next twelve months.

***Use of Estimates***

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and amounts of income and expense for the reporting period. Actual results could differ from those estimates.

***Other***

Other assets consist primarily of accrued revenue, dividends receivable, correspondent broker-dealer receivables and prepaid expenses. Accrued expenses and other liabilities consist primarily of vendor payables, tax withholding payables, dividends payable, and legal reserves.

## (3) Cash and Securities Segregated Under Federal and Other Regulations

The Company is required to segregate funds in a special reserve bank account for the exclusive benefit of customers under the Customer Protection Rule. The Company performs the computation for assets in the proprietary accounts of broker-dealers (PAB) in accordance with the computation set forth in the Customer Protection Rule, which enables broker-dealers to include PAB assets as allowable assets in their net capital computations, to the extent allowable under Securities Exchange Act Rule 15c3-1 (the Net Capital Rule). At June 30, 2026, the Company segregated qualifying securities with a fair value of $0 and cash of $91,788 for the exclusive benefit of customers, of which $91,788 met the definition of segregated funds pursuant to the Customer Protection Rule. The Company also segregated cash of $580 in a special reserve bank account for PAB as of June 30, 2026.

## (4) Collateral

The Company accepts collateral under securities borrowed agreements and for credit extended to customers. The Company is permitted to repledge or sell these securities held as collateral. At June 30, 2026, the fair value of this collateral was $24,903,733, of which $8,485,019 had been repledged by the Company. The collateral is received predominately from customers and is used by the Company primarily to enter into securities lending agreements and to effectuate short sales made by customers.

## (5) Offsetting of Securities Financing Agreements

Repurchase and resale activities are subject to master repurchase agreements (MRA) and securities borrowing and lending agreements are subject to master securities lending agreements (MSLA). The Company accounts for transactions subject to these agreements as collateralized financings. Collateral pledged consists of non-cash instruments, such as securities, and is not netted in the Unaudited Statement of Financial Condition against the related collateralized asset or liability. The Company receives securities as collateral that are not recognized in the Unaudited

Statement of Financial Condition. Collateral received or pledged may be increased or decreased over time to maintain certain contractual thresholds as the assets or liabilities underlying each arrangement fluctuate in value. While certain agreements may be over-collateralized, US GAAP requires the disclosure to limit the amount of such collateral to the amount of the related recognized asset or liability.

The following table shows the Company's securities financing agreements as of June 30, 2026:

| | | |
|---|---|---|
| Assets: | | |
| *Resale and securities borrowing agreements* | | |
| Gross amounts recognized | $ | 1,073,044 |
| Gross amounts offset in Unaudited Statement of Financial Condition | | — |
| Net amounts in Unaudited Statement of Financial Condition (1) | | 1,073,044 |
| Non-cash collateral received not recognized in Unaudited Statement of Financial Condition (2) | | 1,067,676 |
| Net amount | $ | 5,368 |
| Liabilities: | | |
| *Repurchase and securities lending agreements* | | |
| Gross amounts recognized | $ | 5,304,187 |
| Gross amounts offset in Unaudited Statement of Financial Condition | | — |
| Net amounts in Unaudited Statement of Financial Condition (3) | | 5,304,187 |
| Non-cash collateral pledged not recognized in Unaudited Statement of Financial Condition (4) | | 5,471,325 |
| Net amount | $ | (167,138) |

(1) Includes $898,591 reported in securities purchased under agreements to resell and $174,453 reported in receivable from brokers, dealers and clearing organizations in the Unaudited Statement of Financial Condition.
(2) Represents the fair value of non-cash collateral received under enforceable MRAs or MSLAs, limited for table presentation purposes to the amount of the recognized asset receivable from each counterparty.
(3) Includes $5,304,187 reported in payable to brokers, dealers and clearing organizations in the Unaudited Statement of Financial Condition.
(4) Represents the fair value of non-cash collateral pledged, related to enforceable MRAs or MSLAs, limited for table presentation purposes to the amount of the recognized liability owed to each counterparty.

## (6) Repurchase and Securities Lending Arrangements

Securities sold under repurchase agreements and securities lending arrangements are effectively short-term collateralized borrowings. While not a material risk, there is the residual risk that a counterparty may default and the Company would be exposed to declines in the market value of the collateral securing these transactions. Credit risk associated with these transactions is subject to many factors such as the liquidity of the collateral and the strength of the counterparties involved. The Company attempts to mitigate these risks by the fact that the majority of the securities financing activities involve highly liquid securities. The Company also monitors the

financial strength of the counterparties, the fair value of collateral pledged relative to repurchase and securities lending contracts and that collateral is properly returned through the clearing and settlement process.

The following table provides the underlying collateral types of the gross obligations under securities lending agreements as of June 30, 2026:

| | Total Gross Obligation |
|---|---|
| **Securities lending** (1) | |
| U.S. government and agency obligations | $ 94,019 |
| Corporate obligations | — |
| Equity securities | 2,393,257 |
| Total securities lending (2) | 2,487,276 |
| Total repurchases and securities lending | $ 2,487,276 |

(1) Securities lending transactions are conducted under enforceable MRAs and MSLAs that allow either party to terminate the transaction on demand. These transactions are considered continuous obligations.
(2) Amount is reported in payable to brokers, dealers and clearing organizations in the Unaudited Statement of Financial Condition.

## (7) Receivable from and Payable to Brokers, Dealers and Clearing Organizations

The Company's receivables from brokers, dealers and clearing organizations include amounts receivable from unsettled trades, amounts receivable for securities failed to deliver, accrued interest receivables and cash paid for securities lending and borrowing activities. A portion of the Company's trades and contracts are cleared through a clearing organization and settled daily between the clearing organization and the Company. As a result of this daily settlement, the amount of unsettled credit exposures is limited to the amount owed the Company for a very short period of time. The Company continually reviews the credit quality of its counterparties.

Receivable from and payable to brokers, dealers and clearing organizations consists of the following at June 30, 2026:

| | | |
|---|---|---|
| *Receivable from brokers, dealers and clearing organizations:* | | |
| Deposits paid for securities borrowed | $ | 174,453 |
| Securities failed to deliver | | 75,301 |
| Receivable from clearing organizations | | 379,910 |
| Receivable from broker-dealers | | 38,533 |
| | $ | 668,197 |
| *Payable to brokers, dealers and clearing organizations:* | | |
| Deposits received from securities loaned | $ | 5,304,187 |
| Securities failed to receive | | 100,648 |
| Payable to clearing organizations | | 134,965 |
| Payable to broker-dealers | | 22,120 |
| | $ | 5,561,920 |

## (8) Receivable from and Payable to Customers

Receivable from and payable to customers represent balances arising in connection with the settlement of cash transactions and securities-based lending transactions. Receivable from customers consists primarily of non-purpose and margin loans to customers, customer cash debits and certain other customer receivables associated with brokerage customer transactions conducted at WFBNA. Payable to customers consists primarily of customer free credits.

Margin and non-purpose loans represent credit extended to customers to finance their purchases of securities by borrowing against securities they own and are fully collateralized by these securities in customer accounts. The borrowers of a non-purpose or margin loan are contractually required to continually adjust the amount of the collateral as its fair value changes. The Company subjects the borrowers to an internal qualification process, monitors customer activity, and assesses the amount of unsecured customer receivables for exposure. When the receivable from a brokerage customer is considered to be impaired, the amount of the impairment is generally measured based on the fair value of the securities acting as collateral.

Receivable from customers is reported net of the allowance for doubtful accounts, which was $0 at June 30, 2026.

## (9) Financial Instruments Owned and Financial Instruments Sold, Not Yet Purchased

At June 30, 2026, financial instruments owned and financial instruments sold, not yet purchased consist of the following, at fair value:

| | Financial Instruments owned | Financial Instruments sold, not yet purchased |
|---|---|---|
| Bankers' acceptances, commercial paper and certificates of deposit | $ 10,007 | $ 5 |
| U.S. government and agency obligations | 63,489 | 20,776 |
| State and municipal government obligations | 92,277 | — |
| Corporate obligations | 6,660 | 4,278 |
| Equity securities | 6,823 | 580 |
| Total | $ 179,256 | $ 25,639 |

## (10) Fair Value Measurement

The Company groups its financial assets and liabilities measured at fair value in three levels, based on markets in which these assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 – Valuation is based upon quoted prices for identical instruments traded in active markets.

Level 2 – Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques in which all significant assumptions are observable in the market.

Level 3 – Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect the Company's own estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of discounted cash flow models, option pricing models and similar techniques.

Financial instruments owned and sold, not yet purchased are recorded at fair value on a recurring basis. Fair value measurement is based upon various sources of market pricing. The Company uses quoted prices in active markets where available and will classify such instruments as Level 1 of the fair value hierarchy. Examples include certain equity securities and some highly liquid government securities such as U.S. government obligations.

Securities traded in secondary markets are typically valued using unadjusted vendor prices. These prices are reviewed and may be adjusted using quoted market prices for similar securities if determined necessary. These securities are classified as Level 2 of the hierarchy. Examples include bankers' acceptances, commercial paper and certificates of deposit, certain U.S.

government and agency obligations, state and municipal government obligations, corporate obligations and certain equity securities.

The balances of assets and liabilities measured at fair value by level as of June 30, 2026, are as follows:

| | Total | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| **Securities segregated under federal regulations:** | | | | |
| U.S. government obligations | $ — | $ — | $ — | $ — |
| **Financial instruments owned:** | | | | |
| Bankers' acceptances, commercial paper and certificates of deposit | $ 10,007 | $ — | $ 10,007 | $ — |
| U.S. government and agency obligations | 63,489 | 58,515 | 4,974 | — |
| State and municipal government obligations | 92,277 | — | 92,277 | — |
| Corporate obligations | 6,660 | — | 6,660 | — |
| Equity securities | 6,823 | — | 6,823 | — |
| Total financial instruments owned | $ 179,256 | $ 58,515 | $ 120,741 | $ — |
| **Financial instruments sold, not yet purchased:** | | | | |
| Bankers' acceptances, commercial paper and certificates of deposit | $ 5 | $ — | 5 | $ — |
| U.S. government and agency obligations | 20,776 | 20,289 | 487 | — |
| State and municipal government obligations | — | — | — | — |
| Corporate obligations | 4,278 | — | 4,278 | — |
| Equity securities | 580 | — | 580 | — |
| Total financial instruments sold, not yet purchased | $ 25,639 | $ 20,289 | $ 5,350 | $ — |

## (11) Property, Equipment and Leasehold Improvements

Property, equipment and leasehold improvements consist of the following at June 30, 2026:

| | | |
|---|---|---|
| Property and leasehold improvements | $ | 616,064 |
| Furniture and equipment | | 182,760 |
| Communications and computer equipment | | 155,621 |
| | | 954,445 |
| Accumulated depreciation and amortization | | (653,843) |
| Total | $ | 300,602 |

## (12) Transactions with Related Parties

***Services Provided by Affiliates***

The Company has service agreements with WFC and its affiliates under which the Company receives certain technology and systems, operations, product support and general and administrative support services.

The Company has agreements with WFC and its affiliates for general and administrative services which are directly billed.

The Company receives investment advisory services from Wells Fargo Investment Institute, Inc.

The Company also has an agreement with Wells Fargo Securities, LLC (WFS) to remit 20% of the retail selling concessions retained as consideration for involvement in syndicate services led by WFS.

***Clearing Services***

The Company provides retail clearing services for its affiliates, FINET and WFS. The Company collects revenues from customers on behalf of these affiliates from which it deducts its retail clearing service fees. At June 30, 2026, the Company owed $90 to FINET and $0 to WFS which is included in payable to brokers, dealers and clearing organizations in the Unaudited Statement of Financial Condition.

In conjunction with the retail clearing services provided to FINET, the Company funds margin and non-purpose loan balances of FINET retail customers.

The Company enters into securities transactions with affiliates. At June 30, 2026, the Company had securities failed to receive of $0 from WFS. At June 30, 2026, the Company had $0 of securities failed to deliver to WFS.

***Bank Sweep***

The Company has arrangements with affiliated banks under which it offers a bank deposit product that allows customers' available cash balances to be swept into overnight deposit accounts.

***Money Market and Mutual Funds***

The Company has an agreement with FINET to pay mutual fund administrative services fees earned on FINET customer balances to FINET.

Receivables of $3,242 from WFBNA related to settlement of money market overnight deposit balances are included in receivable from brokers, dealers and clearing organizations in the Unaudited Statement of Financial Condition.

***Securities Lending Activities***

The Company had $58,413 due from WFS related to securities borrowed at June 30, 2026, which is included in receivable from brokers, dealers and clearing organizations in the Unaudited Statement of Financial Condition.

At June 30, 2026, the Company also had $2,361,904 payable to WFS related to securities loaned, which is included in payable to brokers, dealers and clearing organizations in the Unaudited Statement of Financial Condition.

***Securities Purchased/Sold Under Agreements to Resell/Repurchase***

The Company participates in reverse repurchase agreements with WFCH and WFBNA. At June 30, 2026, the Company had $420,043 outstanding with WFCH and $478,548 with WFBNA, which are included in securities purchased under agreements to resell in the Unaudited Statement of Financial Condition.

***Other***

The Company has executed an equity total return swap agreement with WFBNA to economically hedge its deferred compensation liability (see Note 15). At June 30, 2026, the Company had $2,874 outstanding dividends receivable related to this arrangement, which is included in other assets in the Unaudited Statement of Financial Condition.

Certain customer brokerage transactions are conducted at WFBNA. These transactions are settled on the following business day. At June 30, 2026, the Company had a payable to WFBNA totaling $224,575, which is included in payable to affiliates in the Unaudited Statement of Financial Condition.

At June 30, 2026, the Company had $20,460 receivable from WFC and its affiliates for other shared services not disclosed above, which is included in receivable from affiliates in the Unaudited Statement of Financial Condition. The Company also owed $9,539 to WFC and its affiliates for payroll, technology and other shared services, which is included in payable to affiliates in the Unaudited Statement of Financial Condition.

The transactions with affiliates described above and the effect thereof on the accompanying financial statements may not necessarily be indicative of the effect that might have resulted from dealing with non-affiliated parties.

## (13) Loans and Notes Receivable from Financial Advisors, Net

Loans and notes receivable from financial advisors represent amounts provided to financial advisors primarily as recruitment and other performance incentives. Certain amounts provided to financial advisors as loans or notes receivable are forgiven or repaid either as a percentage of the financial advisor’s gross production or on a fixed repayment schedule. The amortization period for the loans does not exceed nineteen years.

Loans and notes receivable from financial advisors are reported net of credit losses of $169,501 as of June 30, 2026.

## (14) Financing

The Company has in place lines of credit agreements with its affiliates. The interest rate charged on those agreements is the daily Secured Overnight Funding Rate ("SOFR") with an additional premium referred to as basis points ("bs pts"). Those agreements and the balances outstanding are reflected in the below table as of June 30, 2026:

| Committed/ Uncommitted | Lending Affiliate | Notional Amount | Balance Outstanding | Interest Rate | Date of Agreement | Termination Date |
|---|---|---|---|---|---|---|
| Committed | WFCH | 3,000,000 | — | SOFR + 77 bs pts | 6/11/2026 | 6/11/2029 |
| Uncommitted | WFCH | 6,000,000 | 743,076 | SOFR + 76 bs pts | 2/13/2025 | 8/13/2027 |
| Uncommitted | WFCH | 5,000,000 | — | SOFR + 75 bs pts | 2/12/2026 | 2/12/2029 |
| | | $14,000,000 | $ 743,076 | | | |

The Company had interest payables of $1,692 to WFCH as of June 30, 2026 reflected in Borrowings on the Unaudited Statement of Financial Condition.

## (15) Employee Benefits and Deferred Compensation Plans

### *Defined Contribution Retirement Plans*

WFC sponsors a qualified defined contribution retirement plan, the Wells Fargo & Company 401(k) Plan (401(k) Plan). Under the 401(k) Plan, after 1 month of service, eligible employees may contribute up to 50% of their certified compensation, subject to statutory limits. With some exceptions, employees with one year of service who are employed in a benefit-eligible position on December 15 are eligible to receive the matching contributions, which are dollar for dollar up to 6% of certified compensation. The 401(k) Plan also includes a non-discretionary base contribution of 1% of certified compensation for employees with annual compensation of less than $75,000. Eligible employees are 100% vested in their matching contributions and base contributions after three years of service. Base and matching contributions are made annually at year-end. The 401(k) Plan provides installment payment options to the existing lump sum and partial lump sum distribution options as well as to offer optional investment advisory services.

### *Deferred Compensation and Stock-Based Compensation Plans*

The Company maintains various unfunded deferred compensation plans in which select groups of employees are participants, as defined by the individual plans. Certain plans include awards subject to specific vesting dates or salary deferrals as defined in the individual plans.

Certain of the deferred compensation plans allow the participants to select a rate of return option which tracks the return on selected financial instruments. The Company economically hedges the related deferred compensation liabilities using total return swap derivative contracts. Derivative transactions can be measured in terms of notional amount, but this amount is not recorded in the financial statements and is not, when viewed in isolation, a meaningful measure of the risk profile of the instruments. The notional amount is generally not exchanged, but is used only as the basis of which interest and other payments are determined. On a daily basis, variation margin related to these derivative transactions are settled between the Company and its counterparty. At June 30, 2026, the notional amount of derivative contracts was $2,277,357.

The Company participates in various stock-based compensation plans of WFC under which restricted shares, restricted stock rights (RSRs) and performance share awards (PSAs) may be granted periodically to certain employees. Restricted shares, RSRs and PSAs generally vest over three to five years, during which time the holder may be entitled to receive additional RSRs, PSAs or cash payments equal to the cash dividends that would have been paid had the RSRs or PSAs been issued and outstanding shares of common stock. RSRs and PSAs granted as dividend equivalents are subject to the same vesting schedule and conditions as the underlying award.

### *Other Benefits*

WFC provides health care and other benefits for certain active and retired employees. The Company reserves the right to amend, modify or terminate any of the benefits at any time.

## (16) Dividends

For the six months ended June 30, 2026, the Company paid $1,000,000 in dividends to WSFH. The Company's ability to make capital and certain other distributions is subject to the rules and regulations of the SEC, FINRA and various other regulatory agencies and exchanges.

## (17) Net Capital

The Company is subject to the Net Capital Rule, which requires the maintenance of minimum net capital, as defined. The Company elected to use the alternative method, permitted by the Net Capital Rule, which requires that the Company maintain minimum net capital, as defined, equal to the greater of $1,500 or 2% of aggregate debit balances arising from customer transactions, which was $145,043 at June 30, 2026.

At June 30, 2026, the Company had net capital of $8,685,257 which was $8,540,214 in excess of its required minimum net capital. At June 30, 2026, the Company's net capital balance was 119.76% of aggregate debit balances.

## (18) Financial Instruments with Off-balance Sheet Risk

In the normal course of business, the Company has activities that involve the execution, settlement and financing of various customer securities transactions. These activities may expose the Company to off-balance-sheet risk in the event the customer or other broker is unable to fulfill its contractual obligations and the Company has to purchase or sell the financial instrument underlying the contract at a loss.

The Company's customer securities activities are transacted on either a cash or margin basis. In margin transactions, the Company extends credit to customers, subject to various regulatory and internal margin requirements, collateralized by cash and securities in the customers' accounts. In connection with these activities, the Company executes and clears customer transactions involving the sale of securities not yet purchased, substantially all of which are transacted on a margin basis subject to individual exchange regulations. The Company also offers non-purpose loans to its customers through a revolving line collateralized by the customers' cash and securities. These transactions may expose the Company to significant off-balance-sheet risk in the event margin and other contractual collateral are not sufficient to fully cover losses that customers may incur. In the event a customer fails to satisfy its obligations, the Company may be required to purchase or sell financial instruments at prevailing market prices to fulfill the customer's obligations. The Company seeks to control the risks associated with its customer activities by requiring customers to maintain margin and other contractual collateral in compliance with various regulatory and internal guidelines. The Company monitors required margin and other contractual collateral levels daily and, pursuant to such guidelines, requires the customer to deposit additional collateral or to reduce positions when necessary.

The Company's customer financing and securities settlement activities require the Company to pledge customer securities as collateral in support of various secured financing sources such as

securities loaned. In the event the counterparty is unable to meet its contractual obligation to return customer securities pledged as collateral, the Company may be exposed to the risk of acquiring the securities at prevailing market prices in order to satisfy its customer obligations. The Company controls this risk by monitoring the market value of securities pledged on a daily basis and by requiring adjustments of collateral levels in the event of excess market exposure. In addition, the Company establishes credit limits for such activities and monitors compliance on a daily basis.

## (19) Leasing Activity

The Company leases office space primarily related to its branch network under operating leases expiring at various dates through the year 2038.

Minimum future rental payments on operating leases at June 30, 2026 are displayed in the following table. Information on the remaining average lease term and discount rate are also included below.

| Years ending December 31: | | Lease payments (in thousands, except for weighted averages) |
|---|---|---|
| 2026 | $ | 15,434 |
| 2027 | | 108,172 |
| 2028 | | 104,743 |
| 2029 | | 85,681 |
| 2030 | | 69,788 |
| Thereafter | | 212,033 |
| Total lease payments | | 595,851 |
| Less: imputed interest | | 99,108 |
| Total operating lease liabilities | $ | 496,743 |
| Weighted average remaining lease term (in years) | | 6.5 |
| Weighted average discount rate | | 5.1 % |

Minimum future rental commitments do not include operating leases entered into by affiliates for which the Company shares rent expense. Some of the Company's leases contain escalation clauses and renewal options. The Company does not include renewal or termination options in the establishment of the lease term when it is not reasonably certain that the Company will exercise them.

## (20) Guarantees, Commitments and Contingent Liabilities

***Exchange Member Guarantees***

The Company is a member of various exchanges that trade and clear securities or futures contracts or both. Associated with its memberships, the Company may be required to pay a proportionate share of the financial obligations of another member who may default on its obligations to an exchange. Although the rules governing different exchange memberships vary, in general the Company's guarantee obligations would arise only if an exchange had previously exhausted its resources. In addition, any such guarantee obligation would be apportioned among the other non-defaulting members of the exchange. The Company has not recorded any contingent liability in the financial statements for these agreements and believes that any potential requirement to make payments under these agreements is remote. The maximum exposure to loss represents the estimated loss that would be incurred under an assumed hypothetical circumstance, despite what it believes is an extremely remote possibility, where the value of our interests and any associated collateral declines to zero. The maximum exposure to loss related to our clearing arrangements at June 30, 2026 is $420,474.

***Litigation and Regulatory Matter Contingencies***

The Company is involved in a number of judicial, regulatory, governmental, arbitration, and other proceedings or investigations that expose the Company to potential financial losses or other adverse consequences. These proceedings and investigations include actions brought against Wells Fargo and/ or our subsidiaries with respect to corporate-related matters and transactions in which Wells Fargo and/or our subsidiaries were involved. In addition, Wells Fargo and our subsidiaries may be requested to provide information to or otherwise cooperate with government authorities in the conduct of investigations of other persons or industry groups. Based on information currently available, advice of counsel, available insurance coverage, and established reserves, Wells Fargo believes that the eventual outcome of the actions against Wells Fargo and/ or its subsidiaries will not, individually or in the aggregate, have a material adverse effect on Wells Fargo's consolidated financial condition.

***Cash Sweep Litigation (August 2024)***

Seven class actions were filed in federal courts against Wells Fargo & Co., Wells Fargo Clearing Services, and Wells Fargo Bank (collectively, "Wells Fargo") regarding Wells Fargo Advisors' bank deposit sweep program. These class actions were consolidated in the United States District Court for the Northern District of California. Plaintiffs alleged that the cash sweep program benefits Wells Fargo disproportionately and offers lower rates than the market. Plaintiffs seek to represent all customers affected by the program, claiming breach of fiduciary duty, breach of contract, and other violations. In April 2025, plaintiffs filed a consolidated complaint, and Wells Fargo moved to dismiss the complaint. The court dismissed some claims, but plaintiffs' claims for breach of contract on the failure to pay a reasonable rate, breach of covenant of good faith and fair dealing - and breach of fiduciary duty claims brought by advisory clients - will proceed against Wells Fargo Clearing Services only. Mediation in November 2025 was unsuccessful. In June 2026, the District Court denied plaintiffs' motion for class certification. The ruling provided for a pathway through which non-advisory plaintiffs may attempt certification again, and

Plaintiffs' revised motion for class certification is currently due in late August 2026. Plaintiffs have appealed the ruling as to advisory clients.

***Other Contingencies***

Some contracts that the Company enters into in the normal course of business include non-cancelable clauses and indemnification provisions that obligate the Company to make payments to the counterparty or others if certain events occur. These contingencies generally relate to changes in the value of underlying assets, liabilities, or equity securities or upon the occurrence of events, such as an adverse litigation judgment or an adverse interpretation of the tax law. The indemnification clauses are often standard contractual terms and were entered into in the normal course of business based on an assessment that the risk of loss would be remote. Since there are no stated or notional amounts included in the indemnification clauses and the contingencies triggering the obligation to indemnify have not occurred and are not expected to occur, the Company is not able to estimate the maximum potential amount of future payments under these indemnification clauses. There are no amounts reflected in the Unaudited Statement of Financial Condition as of June 30, 2026, related to these indemnification clauses.

## (21) Subsequent Events

The Company has evaluated the effects of events that have occurred subsequent to June 30, 2026 through August 28, 2026, the date the Company issued its unaudited financial statements. During this period, there have been no other material subsequent events.