

**WELLS
FARGO**

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Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-9303

Re: Prohibition of Fraud by Advisers to Certain Pooled Investment Vehicles; Accredited Investors in Certain Private Investment Vehicles
File No. S7-25-06,
72 Federal Register 400 (January 4, 2007).

Dear Ms. Morris:

This letter responds to the request of the Securities and Exchange Commission ("the Commission") for comments on its proposed rules governing certain pooled investment vehicles.

Wells Fargo & Company ("Wells Fargo") is a diversified financial services company and includes retail and institutional securities and brokerage businesses. Wells Fargo also has significant fiduciary and investment consulting and advisory businesses which may be affected by the proposal.

As investment consultants and advisors to a broad range of individual investors, Wells Fargo respects the concerns raised by the Commission in proposed rules 509 and 216. It is Wells Fargo's view, however, that any such additional protections should not unfairly restrict access to investment tools which large investors and institutional clients regularly use to achieve portfolio diversification and related risk reduction. It is Wells Fargo's position that diversification in investment portfolios may often be enhanced by including alternative investments and, more specifically, hedge funds.

We have consulted with the American Bankers Association ("ABA") in the preparation of its comment letter on these proposals. We concur with the positions taken by the ABA in their comment letter and believe that they are an appropriate balancing of sometimes competing interests with respect to these investment issues.

Thank you for the opportunity to comment on the proposed rules. Should you wish to discuss any of our comments, please feel free to contact David Lauer of the Wells Fargo Law Department (415)-396-0954.

Sincerely,

