

# Press Release

---

April 08, 2020

## Federal Reserve Board announces, due to the extraordinary disruptions from the coronavirus, that it will temporarily and narrowly modify the growth restriction on Wells Fargo so that it can provide additional support to small businesses

For release at 11:30 a.m. EDT

Share 

---

Due to the extraordinary disruptions from the coronavirus, the Federal Reserve Board on Wednesday announced that it will temporarily and narrowly modify the growth restriction on Wells Fargo so that it can provide additional support to small businesses. The change will only allow the firm to make additional small business loans as part of the Paycheck Protection Program, or PPP, and the Federal Reserve's forthcoming Main Street Lending Program.

The Board will require benefits from the PPP and the Main Street Lending Program to be transferred to the U.S. Treasury or to non-profit organizations approved by the Federal Reserve that support small businesses. The change will be in place as long as the facilities are active.

The Board's growth restriction was implemented because of widespread compliance and operational breakdowns that resulted in harm to consumers and because the company's activities were ineffectively overseen by its board of directors. The growth restriction does not prevent the firm from engaging in any type of activity, including the PPP, the Main Street Lending Program, or accepting customer deposits. Rather, it provides an overall cap on the size of the firm's balance sheet. The change today provides additional support to small businesses hurt by the economic effects of the coronavirus by allowing activities from the PPP and the Main Street Lending Program to not count against the cap.

The changes do not otherwise modify the Board's February 2018 enforcement action against Wells Fargo. The Board continues to hold the company accountable for successfully addressing the widespread breakdowns that resulted in harm to consumers identified as part of that action and for completing the requirements of the agreement.

For media inquiries, call 202-452-2955

 [Amendment of Consent Order \(PDF\)](#)

---

### Related Content

[Board Votes](#)

Last Update: April 08, 2020