

Wells Fargo Enhanced Stock Market CIT

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FUND
DISCLOSURE



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Wells Fargo Enhanced Stock Market CIT

This disclosure summarizes information about the Enhanced Stock Market CIT F, N, and N20 classes that a prospective investor, including plan sponsors and plan participants, should know before investing. Investors should read and retain this disclosure for future reference.

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Investments in the Fund are NOT bank deposits, are NOT guaranteed by Wells Fargo, are NOT insured by the Federal Deposit Insurance Corporation (“FDIC”) or any other agency of the U.S. Government, and are subject to investment risks, including loss of principal.

The interests offered hereby are exempt from registration under the federal securities laws and accordingly this disclosure does not contain information which would otherwise be included if registration were required.

Key information

Established under the Wells Fargo Bank Declaration of Trust Establishing Investment Funds for Employee Benefit Trusts as amended and restated, the Enhanced Stock Market CIT F, N, and N20 classes (collectively referred to as the “Fund”) are collective investment funds trusted by Wells Fargo Bank, N.A. (“Wells Fargo”), and managed by Wells Capital Management, Inc. (“Advisor”).

Investment objective. The Fund seeks total returns in excess of the S&P 500¹ Index, while maintaining risk characteristics similar to the S&P 500 Index. *There is no assurance that the Fund will achieve its objective.*

Strategy. The Fund invests principally in equity securities of large U.S. companies, which are defined as companies with market capitalizations within the range of the S&P 500 Index. The Fund invests in a wide range of sectors and industries, similar to the S&P 500 Index.

The Fund seeks to achieve its objectives by employing a quantitative approach by using stock selection to add value within a S&P 500 Index-aware framework while carefully limiting active risk. The Fund’s stock selection process emphasizes companies with favorable characteristics in the areas of valuation, investor sentiment and quality. Stock selection characteristics include relative cash-flow generation, favorable earnings estimate revisions, and strong corporate financial measures.

Risk versus returns. Unlike insured bank deposits, an investment in the Fund is not insured against loss of principal. Therefore, investors should be prepared to accept some risk with the money invested in the Fund. When an interest in the Fund is redeemed, it may be worth more or less than the amount paid for it.

The unit price of the Fund is expected to vary and investors should expect fluctuations in the value of their investment.

¹ “Standard & Poor’s,” “S&P,” “S&P 500,” and “Standard & Poor’s 500” are trademarks of McGraw-Hill, Inc., and have been licensed for use by Wells Fargo (“Licensee”). The Fund is not sponsored, endorsed, sold or promoted by Standard & Poor’s (“S&P”). S&P makes no representation or warranty, express or implied, regarding the advisability of investing in securities generally or in the Fund particularly or the ability of the S&P 500 Index to track general stock market performance. S&P’s only relationship to the Licensee is the licensing of certain trade marks and trade names of S&P and of the S&P 500 Index which is determined, composed and calculated by S&P without regard to the Licensee or the Fund. S&P has no obligation to take the needs of the Licensee or the owners of the Fund into consideration in determining, composing, or calculating the S&P 500 Index. S&P is not responsible for and has not participated in the determination or calculation of the equation by which the Fund is to be converted into cash. S&P has no obligation or liability in connection of the administration, marketing or trading of the Fund. S&P does not guarantee the accuracy and/or completeness of the S&P 500 Index or any data included therein and S&P shall have no liability for any errors, omissions, or interruption therein. S&P makes no warranty, express or implied, as to results to be obtained by Licensee, owners of the Fund, or any other person or entity from the use of the S&P 500 Index or any data included therein. S&P makes no express or implied warranties, and hereby expressly disclaims all warranties or merchantability or fitness for a particular purpose or use with respect to the S&P 500 Index or any data included therein. Without limiting any of the foregoing, in no event shall S&P have any liability for any special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

You cannot invest directly in an index.

You should consider investing in the Fund if:

- You are seeking long-term capital growth.
- You are seeking to add equity investments to your portfolio.
- You have an investment horizon of at least three to five years.
- You are willing to accept the risk that stock prices may rise and fall significantly and the risks of equity investing.

You should consider not investing in the Fund if:

- You are seeking FDIC insurance coverage or guaranteed rates of return.
- You are unwilling or unable to accept that you may lose money on your investment.
- You are unwilling to accept the risks involved in the securities markets.
- You are seeking monthly dividend income.

Who may invest

The Funds are offered exclusively to:

- (1) Employee pension, profit sharing, or stock bonus plans (i) which are qualified within the meaning of Code Section 401(a) and are therefore exempt from tax under Code Section 501(a), including an employee pension, profit sharing, or stock bonus plan created or organized in Puerto Rico which is treated as qualified within the meaning of Code Section 401(a) and is exempt from tax under Code Section 501(a) pursuant to Section 1022(i) of ERISA; (ii) which are administered under one or more documents which authorize part or all of the assets of the trust to be commingled for investment purposes with the assets of other such trusts in a collective investment trust and which adopt each such collective investment trust as a part of the plan; and (iii) with respect to which Wells Fargo is acting as trustee, cotrustee, custodian, investment manager, or agent for the trustee or trustees.
- (2) Governmental plans or units described in Code Section 401(a)(24) or in Code Section 818(a)(6) which satisfy the requirements of Section 3(a)(2), or any other available exemption, of the Securities Act of 1933 and any applicable requirements of the Investment Company Act of 1940 and any eligible governmental plans which meet the requirements of Code Section 457(b) and are exempt under Code Section 457(g) and with respect to which the Bank is acting as trustee, co-trustee, custodian, investment manager, or agent.

- (3) Trusts for the collective investment of assets of any investor which qualify as a “group trust” under the Internal Revenue Service Ruling 81-100 or any successor ruling.
- (4) Separate accounts maintained by an insurance company, the assets of which are derived solely from contributions made under plans qualified under section 401(a) and exempt under section 501(a) of the Code or a governmental plan or unit described in subparagraph (2) above.
- (5) Custodial accounts that are treated as a trust under Code Section 401(f) or under Code Section 457(g)(3) and satisfy all of the other conditions set forth herein (each, a “Plan” and collectively, the “Plans”).
- (6) Plans qualified under Code Section 401(a) that are exempt under Code Section 501(a); funds from Code Section 401(a)(24) governmental retiree benefit plans that are not subject to Federal income taxation; funds from retirement income accounts under Code Section 403(b)(9); and funds from eligible governmental plan trusts or custodial accounts under Code Section 457(b) that are exempt under Code Section 457(g). The Trustee is also permitted, unless restricted in writing by a named fiduciary, to hold funds under this Trust that consist of assets of custodial accounts under Code Section 403(b)(7), provided that if assets of a custodial account under Section 403(b)(7) are invested in an Investment Fund under the terms of this Trust, all assets of such Investment Fund, including the Section 403(b)(7) custodial accounts, are solely permitted to be invested in stock of regulated investment companies. For this purpose a trust includes a custodial account that is treated as a trust under Code Section 401(f), 403(b)(7), 408(h), or 457(g)(3).

Investment policies

Portfolio holdings. Under normal circumstances, the Fund invests primarily in equity securities of large-capitalization U.S. companies.

The Fund may use index futures and/or exchange-traded funds to manage risk and better accomplish its investment objective. In addition, the Fund may hold some of its assets in cash or in money market to maintain liquidity.

Defensive strategies. The Fund may hold cash, money market securities, investment-grade debt securities that are convertible to common stock, or other short-term investments to either maintain liquidity or for short-term defensive purposes when the Fund believes it is in the best interests of the Fund’s investors to do so. During these periods, the Fund may not achieve its objective.

Use of derivatives. In pursuit of its objectives and policies, the Fund may enter into transactions in certain derivatives, each of which involves risk. Derivatives are financial instruments whose values are derived, at least in part, from the prices of other securities or specified assets, indices, or rates.

Futures contracts are the primary type of derivative that may be used.

A variety of internal risk management procedures ensure that the Fund's use of derivatives is closely monitored, remains consistent with the Fund's objectives, and avoids undue exposure to risk.

Portfolio turnover. While the Fund pursues an active trading investment strategy, the Fund generally employs a relatively low turnover approach to investment decisions. The Fund's portfolio turnover rate may be higher than that of passively managed funds that do not pursue an active trading investment strategy. Portfolio turnover generally involves some expense to the Fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestment in other securities.

Securities lending. The Fund does not engage in securities lending activities.

Fund management

Fund management. Wells Fargo, as managed by Wells Capital Management, a registered investment advisor and fiduciary under ERISA Section 3(21), manages the portfolio of the Fund in a manner consistent with the policies described under "Investment policies." Investors have no voting or management rights in the Fund. Wells Fargo will devote to the Fund the resources necessary to fulfill its management and administrative duties. Wells Fargo will not invest the Fund's assets in an investment if such investment is not consistent with Wells Fargo's obligations as a fiduciary under applicable laws or regulations.

Reinvestment of income. The Fund reinvests all of its income (including realized capital gains, if any). Such income will not be paid out as dividends or other distributions. Income earned on assets in the Fund is reinvested and included in net asset values.

Excess money/cash reserves. From time to time the Fund will have monies available that will not be invested in equity securities. These monies are typically held as a buying reserve and as a hedge against downturns in the equity markets. In addition to cash, the Fund's cash reserve will be invested in money market securities or investment-grade debt securities that are convertible into common stock.

Investment risk

Important risk factors. Investments in the Fund are subject to the various risks associated with investing in equity securities, which are addressed in this section.

Active trading risk. Frequent trading will result in a higher-than-average portfolio turnover ratio and increased trading expenses.

Counterparty risk. When the Fund enters into a repurchase agreement, an agreement where it buys a security in which the seller agrees to repurchase the security at an agreed upon price and time, the Fund is exposed to the risk that the other party (the counterparty) will not fulfill its contract obligation. Similarly, the Fund is exposed to the same risk if it engages in a reverse repurchase agreement where a broker-dealer agrees to buy securities and the Fund agrees to repurchase them at a later date.

Cyber security and operational risks. Our business, financial, accounting, and data processing systems, or other operating systems and facilities, may stop operating properly or become disabled or damaged as a result of a number of factors, including events that are wholly or partially beyond our control. For example, there could be sudden increases in shareholder transaction volume; electrical or telecommunications outages; degradation or loss of public internet domain; climate change related impacts and natural disasters such as earthquakes, tornados, and hurricanes; disease pandemics; or events arising from local or larger scale political or social matters, including terrorist acts.

The Fund is also subject to the risk of potential cyber incidents which may include, but are not limited to, the harming of or unauthorized access to digital systems (for example, through "hacking" or infection by computer viruses or other malicious software code), denial-of-service attacks on websites, and the inadvertent or intentional release of confidential or proprietary information. Cyber incidents may, among other things, harm Fund operations, result in financial losses to a Fund and its shareholders, cause the release of confidential or highly restricted information, and result in regulatory penalties, reputational damage, and/or increased compliance, reimbursement, or other compensation costs. Fund operations that may be disrupted or halted due to a cyber incident include trading, the processing of shareholder transactions, and the calculation of a Fund's net asset value.

Issues affecting operating systems and facilities, either through cyber incidents or any of the other scenarios described above, may harm the Fund by affecting a Fund's advisor(s), or other service providers, or issuers of securities in which a Fund invests. Although Wells Fargo

has business continuity plans and other safeguards in place, including what we believe to be robust information security procedures and controls, there is no guarantee that these measures will prevent cyber incidents or prevent or ameliorate the effects of significant and widespread disruption to our physical infrastructure or operating systems. Furthermore, Wells Fargo cannot directly control the security or other measures taken by unaffiliated service providers or the issuers of securities in which the Funds invest. Such risks at issuers of securities in which the Fund invests could result in material adverse consequences for such issuers, and may cause the Fund's investment in such securities to lose value.

Derivatives risk. The term “derivatives” covers a broad range of investments, including futures, options, and swap agreements. In general, a derivative refers to any financial instrument whose value is derived, at least in part, from the price of another security or a specified index, asset, or rate.

The use of derivatives presents risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. The use of derivatives can lead to losses because of adverse movements in the price or value of the underlying asset, index, or rate, which may be magnified by certain features of the derivatives. These risks are heightened when the portfolio manager uses derivatives to enhance a Fund's return or as a substitute for a position or security, rather than solely to hedge (or offset) the risk of a position or security held by the Fund. The success of management's derivatives strategies will also be affected by its ability to assess and predict the impact of market or economic developments on the underlying asset, index, or rate and the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. Certain derivative positions may be difficult to close out when a Fund's portfolio manager may believe it would be appropriate to do so. Certain derivative positions (e.g., over-the-counter swaps) are subject to counterparty risk.

Futures contracts risk. Transactions in futures contracts involve certain risks and transactions costs. Risks include imperfect correlation between the price of the futures contracts and the price of the underlying securities, the possible absence of a liquid secondary market for any particular instrument, the counterparty or guaranteeing agent defaulting, and trading restrictions imposed by futures exchanges due to price volatility. Futures contracts involve the posting of margin deposits, and movement in the underlying securities may result in calls for additional payments of cash. The need to make such additional payments could require the Fund to liquidate securities at a disadvantageous time.

Neither the Fund nor Wells Fargo is required to register as a commodity pool operator, nor will either of them purchase futures contracts for speculation.

Index tracking risk. The ability to track an index may be affected by, among other things, transaction costs and shareholder purchases and redemptions.

Information risk. The risk that information about a security is unavailable, incomplete, or inaccurate.

Issuer risk. The value of a security may decline for a number of reasons that directly relate to the issuer such as management performance, financial leverage, and reduced demand for the issuer's goods, services, or securities.

Larger company securities risk. Securities of companies with larger market capitalizations may underperform securities of companies with smaller and mid-sized market capitalizations in certain economic environments. Larger, more established companies might be unable to react as quickly to new competitive challenges, such as changes in technology and consumer tastes. Some larger companies may be unable to grow at rates higher than the fastest-growing smaller companies, especially during extended periods of economic expansion.

Leverage risk. Certain transactions may give rise to a form of leverage. Such transactions may include, among others, reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed-delivery, or forward-commitment transactions. Certain derivatives may also create leverage. The use of leverage may cause a Fund to liquidate portfolio positions when it may not be advantageous to do so. Leveraging, including borrowing, may cause a Fund to be more volatile than if the Fund had not been leveraged. This is because leverage tends to increase a Fund's exposure to market risk, interest rate risk, or other risks by, in effect, increasing assets available for investment.

Liquidity risk. Liquidity risk is the risk that a security cannot be sold at the time desired, or cannot be sold without adversely affecting the price. The securities in some foreign companies may be less easy to buy and sell (that is, less liquid) and their prices may be more volatile than securities of comparable U.S. companies. In addition, the differing securities market structures and various potential administrative difficulties, such as delays in clearing and settling portfolio transactions or in receiving payment of dividends, may reduce liquidity and adversely affect the value of some securities.

Market risk. The market price of securities owned by a Fund may go up or down, sometimes rapidly or unpredictably. Securities may decline in value or become illiquid due to factors affecting securities markets generally or particular industries represented in the securities markets, such as labor shortages or increased production costs and competitive conditions within an industry. A security may decline in value or become illiquid due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general

outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. During a general downturn in the securities markets, multiple asset classes may decline in value or become illiquid simultaneously. Equity securities generally have greater price volatility than debt securities, but market risk is a basic risk associated with all securities.

Regulatory risk. Changes in government regulations may adversely affect the value of a security.

Fees and expenses

Trustee fee. Wells Fargo does not charge a trustee fee to the F unit class. Wells Fargo does charge a trustee fee to the Enhanced Stock Market CIT N and N20. As indicated below, Wells Fargo receives these fees from the Fund. Wells Fargo will provide prior notice when their trustee fee increases. Wells Fargo performs the following trustee services:

- Administration
- Investment management
- Investment monitoring
- Regulatory compliance, reporting, and legal support
- Fund disclosures and communications
- Product enhancement and support
- Service provider selection and oversight

Advisory expense. Wells Fargo has retained Wells Capital Management, an affiliated advisor, and will compensate them for investment advisory services.

Fund administrative expense. Wells Fargo will charge the Fund for the following services performed by unaffiliated providers:

- **Audit expense.** Wells Fargo will pay to KPMG, a certified public accountant, a fee for the performance of audit services, as required by applicable law.
- **Form 5500 preparation expense.** Wells Fargo will pay to Ernst & Young, a certified public accountant, a fee for the preparation of Form 5500.
- **Custody expense.** Wells Fargo will pay to State Street Bank and Trust Company a custody fee.
- **Fund accounting expense.** Wells Fargo will pay to State Street Bank and Trust Company fund accounting fees.
- **Transfer agency expense.** Wells Fargo will pay to DST Systems fees associated with NSCC trade aggregation and processing.
- **Other expenses.** Wells Fargo may also incur and pay on behalf of the Fund other third-party expenses, including legal, licensing, and other administrative expenses, excluding costs incurred in establishing and organizing the Funds.

Short Term Investment Fund (“STIF”) expenses.

The Fund generally intends to remain nearly fully invested in the securities comprising the Index. The remaining percentage of the Fund’s portfolio will be largely invested in STIF primarily to facilitate contributions and redemptions. STIF is subject to daily management and administrative fees paid to unaffiliated service providers calculated at an annual rate of approximately 0.08%. This cost is not included in the Fund’s expense ratio.

Securities transactions costs. The Fund will pay all brokerage commissions to brokerage firms unaffiliated with Wells Fargo incurred on its portfolio transactions. Securities brokers and dealers for the Fund’s portfolio transactions are selected on the basis of their ability to provide the best execution. This cost is not included in the Fund’s expense ratio.

Plan operations expense. An authorized Plan Fiduciary has instructed Wells Fargo to deduct a fee from the Fund for Plan record-keeping, consultant, and/or participant education expenses performed by contracted service provider(s) chosen by the Plan.

Annual Fund expense table

The expenses are accrued on a daily basis.

Expenses	Unit Class		
	F	N	N20
Trustee	0.000%	0.030%	0.030%
Advisory	0.090%	0.090%	0.090%
Administrative	0.031%	0.031%	0.031%
Plan operations	0.000%	0.000%	0.200%
Total expense ratio	0.121%	0.151%	0.351%
Cost per \$1,000	\$1.21	\$1.51	\$3.51

The numbers above are as of 08/01/2019.

Unit classes. Wells Fargo has created various unit classes of certain CITs with differing imbedded fees. Imbedded fees are accrued in the Net Asset Value (NAV) of the unit class on a daily basis. The summary below provides an explanation of the primary use of the different unit classes.

- The F unit class is primarily available to plans when Wells Fargo exercises investment discretion or acts in a 3(21) or 3(38) fiduciary capacity.
- The N unit classes are primarily used when Wells Fargo exercises no investment discretion for the account.

Valuation of units

Valuation of units. An investment by a Plan in the Fund results in the issuance of a given number of participation interests (“Units”) in the Fund for that Plan’s account. Wells Fargo determines the purchase price and redemption price of Units (the “Unit Value”) as of the close of each day Wells Fargo is open for business or any time Wells Fargo deems appropriate in its discretion (a “Valuation Date”). Generally, the Fund’s Unit Value equals the total value of each asset held by the Fund, less any liabilities, divided by the total number of Units outstanding on the Valuation Date.

The Fund’s investments are generally valued at current market prices with respect to any portion of a Fund’s assets invested directly in marketable securities. Securities are generally valued based on the last sale price during the regular trading session if the security trades on an exchange (closing price). Securities that are not traded primarily on an exchange generally are valued using latest quoted bid prices obtained by an independent pricing service. Securities listed on the Nasdaq Stock Market, Inc., however, are valued at the Nasdaq Official Closing Price (NOCP), and if no NOCP is available, then at the last reported sales price.

Wells Fargo has decided to depart from these general valuation methods and use fair value pricing methods to determine the values of certain investments if the organization believes that the closing price or the latest quoted bid price of a security, including securities that trade primarily on a foreign exchange, does not accurately reflect its current value when the Fund calculates its NAV. In addition, Wells Fargo employs fair value pricing to determine the value of investments in securities and other assets, including illiquid securities, for which current market quotations are not readily available. The closing price or the latest quoted bid price of a security may not reflect its current value if, among other things, a significant event occurs after the closing price or latest quoted bid price but before a Fund calculates its NAV that materially affects the value of the security. Wells Fargo uses various criteria, including a systematic evaluation of U.S. market moves after the close of foreign markets, in deciding whether a foreign security’s market price is still reliable and, if not, what fair market value to assign to the security.

In light of the judgment involved in fair value decisions, there can be no assurance that a fair value assigned to a particular security is accurate or that it reflects the price that the Fund could obtain for such security if it were to sell the security as of the time of fair value pricing. Such fair value pricing may result in NAVs that are higher or lower than NAVs based on the closing price or latest quoted bid price.

Suspension of trading. Under certain circumstances, Wells Fargo may in its discretion choose temporarily not to execute requests to purchase or redeem Units of the Fund. Such circumstances include restriction or suspension of trading on the exchanges where the Fund’s portfolio securities are traded and such other unusual circumstances as would, in the judgment of Wells Fargo, make disposal of the Fund’s investments not reasonably practicable. This may result in a delay in the valuation date as of which the execution of redemptions or purchases occur.

Purchases and redemptions of units

Direction of investments. Plans generally are administered by a representative of the Plan sponsor (“Plan Administrator”) or an administrative committee (the “Committee”) appointed by the sponsoring company’s board of directors as set forth in the Plan documents. Only authorized persons, which may include the Plan trustee, Plan Administrator, the Committee, a Plan participant, discretionary trustee, or an investment manager, can direct the purchase or redemption of Units.

How to invest in the Fund. Wells Fargo, as trustee of the Fund, receives contributions to the Fund (including contributions made under the Plans and proceeds from the sale of other Plan investments) and invests them in accordance with the proper investment directions from an authorized party. In certain cases, at Wells Fargo’s discretion, in-kind contributions will be accepted and may be required to purchase Units if Wells Fargo determines that such an in-kind transaction will be advantageous to the Fund. In making this determination, Wells Fargo will take into consideration the contribution amount relative to the size of the Fund and the net asset value impact of probable trading costs.

Units in the Fund, including fractional Units thereof, will be purchased at the Unit Value next determined after funds are received by Wells Fargo pursuant to proper investment instructions. (See “Valuation of units.”)

Contributions under a Plan which are received by Wells Fargo without proper investment instructions from the Plan sponsor and other uninvested cash will be invested automatically no later than the next business day in a cash equivalent type investment pursuant to procedures formulated with Wells Fargo in advance. A business day is a day when Wells Fargo and the New York Stock Exchange are open for business.

All investments in the Fund are subject to a determination by Wells Fargo that the investment instructions are complete. Wells Fargo reserves the right at its discretion to (i) suspend the availability of Units and (ii) reject requests for purchase of Units when, in the judgment of Wells Fargo, such suspension or rejection is in the best interest of the Fund. Certificates for Fund Units will not be issued.

Trading cutoff times. Requests to purchase or redeem Units of the Fund must be received before 4:00 p.m. Eastern Time on a Valuation Date. If the markets close early, trading for the Fund may close early, and requests to purchase or redeem Units of the Fund must be received before such earlier time. Requests received in proper form before these times are processed the same day. Requests received after these times are processed the next business day. Some Plans may have earlier cutoff times due to administrative requirements.

Redemption of units. The Plan Administrator, Committee, Plan participant, or other authorized party may instruct Wells Fargo in writing to redeem some or all Units. Units will be redeemed at the Unit Value next determined following receipt by Wells Fargo of written redemption instructions. Redemption proceeds will generally be paid to the account within one business day after receipt of the redemption request and in all cases within six business days after such receipt.

Redemption proceeds are deposited to the Plan's account. In the absence of instructions to the contrary, cash proceeds of Unit redemptions will be invested for the benefit of a Plan in a cash equivalent type investment in accordance with procedures formulated with Wells Fargo in advance.

Redemptions are subject to determination by Wells Fargo that the investment instructions, distribution requests, and other distribution documents, if any, are complete. Subject to applicable legal and regulatory restrictions, Wells Fargo may impose reasonable notice requirements at its discretion, and may suspend redemption privileges or postpone the date of payment of redemption proceeds indefinitely.

When Wells Fargo has actual knowledge that a Plan is not legally permitted to invest in or to continue to invest in the Fund, such Plan's interest in the Fund immediately will be redeemed. Wells Fargo may make such redemptions in its sole discretion.

Units in the Fund are not transferable.

Although Wells Fargo does not anticipate the need to make in-kind distributions of portfolio securities, it may, at its discretion, make such distributions in lieu of or in addition to cash distributions.

Scope of responsibility and limitation of liability

Wells Fargo and its agents will not be liable with respect to any direction received from a Plan Administrator, Committee, Plan participant, or other authorized party and have no duty to inquire as to whether any such direction is made in accordance with the provisions of the applicable Plan. Wells Fargo and its agents will not incur any personal liability for any act or obligation of, or claim against, the Fund, and all persons dealing with the Fund, in any way, must look only to the assets of the Fund for payment of any obligation of the Fund.

Wells Fargo recommends that each employer or Plan Administrator consult with an attorney, accountant, or other appropriate professional advisor(s) regarding the advisability of adopting a Plan and/or investing in the Fund.

Float. Wells Fargo may deposit funds pending investment or presentment of checks for payment in non-interest bearing suspense or demand deposit accounts maintained by State Street Bank and Trust Company for brief periods of time in order to facilitate servicing of the Plan. Wells Fargo does not receive compensation ("float") from the use of any such deposit accounts.

Gifts. Wells Fargo has a policy regarding receipt of gifts, which would constitute compensation under the 408(b)(2) regulation. In general, Wells Fargo employees cannot accept cash or cash equivalent gifts. Gifts valued over \$200 (\$300 to various events) must be approved in advance. Gifts based on family or similar relationships or discounts generally available in similar contexts are not included. Any gifts given to Wells Fargo or its employees would be direct compensation. Wells Fargo does not expect the value of gifts it or its employees receive as a service provider to this plan to exceed \$250.

Soft dollar. Wells Fargo, an affiliate, or a non-affiliated advisor may receive research paid for by "soft dollar" credits from executing broker/dealers on securities transactions as permitted in Section 28(e) of the Securities and Exchange Act of 1934. Not all research generated may be useful to each account for which a particular transaction was made. In exchange for those research services, an account may pay somewhat higher commissions for the securities transactions than commissions obtainable on a non-soft-dollar basis. In instances where a service includes both a research component and a non-research component, the non-research portion will be paid in "hard dollars" by Wells Fargo. The types of products, research, or services Wells Fargo obtains with "soft dollars" include various quotation services with real time, options, and exchange pricing; information on various indices; information on current versus historical equity spreads, risk/return analysis, analytical reports, financial statements, charting graphics, and screening of fundamental, economic, and political data. Wells Fargo determines in good faith that the commissions are reasonable in relation to the value of the brokerage and research provided.

Regulatory oversight

Office of the Comptroller of the Currency. Wells Fargo, as a national bank, is subject to the regulations of the Office of the Comptroller of the Currency (“OCC”). These regulations help ensure that banks meet their fiduciary obligations to their customers. Investments in the Fund, however, are not bank deposits, are not insured by the FDIC or any other agency of the U.S. Government, and may lose value.

ERISA. The Employee Retirement Income Security Act of 1974, as amended (“ERISA”), places certain investment restrictions on the Fund. ERISA provides that fiduciaries, including Wells Fargo, are subject to certain fiduciary obligations in addition to any obligations imposed by instruments establishing the Fund. Wells Fargo does provide services as a Fiduciary.

Federal income tax. The Fund is intended to be a group trust qualified under Section 401(a) of the Code, and exempt from Federal income tax under Section 501(a) of the Code. The Fund is expected to remain exempt from federal income taxation so long as it is operated in accordance with its terms as they may be amended from time to time to conform with rules and regulations adopted by the Internal Revenue Service.

Annual reports. Each year, Wells Fargo makes available annual reports on the Fund to employers and Plan Administrators. The annual reports contain audited financial statements and other information on the Fund not contained in this document. The Fund’s annual year-end is December 31. A copy of the most recent annual report can be viewed online at wellsfargofunds.com/collective. Employers and Plan Administrators can access the website or may obtain a copy of the annual report by contacting their Wells Fargo Relationship Manager.

Copies of the Declaration of Trust. Copies of the Wells Fargo Bank Declaration of Trust Establishing Investment Funds for Employee Benefit Trusts as amended and restated may be obtained at wellsfargofunds.com/collective. Employers and Plan Administrators can access the website or may obtain a copy of the Declaration of Trust by contacting their Relationship Manager.

Copies of the disclosure. Employers and Plan Administrators may obtain additional copies of this disclosure by contacting their Wells Fargo Relationship Manager. Plan participants should contact their employer.

A collective investment trust fund (CIT) is a pooled investment vehicle that is exempt from SEC registration as an investment company under Section 3(c)(11) of the Investment Company Act of 1940 and maintained by a bank or trust company for the collective investment of qualified retirement plans. CITs are authorized by the Office of the Comptroller of the Currency (OCC) and are also known as “A2” funds, referring to the section in OCC rules that defines them. The Fund is not a mutual fund and not subject to the same registration requirements and restrictions as mutual funds. These funds are NOT FDIC insured, NOT an obligation or a deposit of Wells Fargo Bank, NOT guaranteed by the Bank, and involve investment risk, including possible loss of principal.