

WellsSelect®

Consulting Services Disclosure Statement

(Schedule H, Form ADV—Part II)

May 2010

This Brochure provides clients with information about Wells Fargo Investments, LLC (“WFI”) and the *WellsSelect* program that should be considered before becoming a client of the *WellsSelect*

program. This information has not been approved or verified by any governmental authority.

Inquiries about these accounts or questions about this brochure may be directed to

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Together we'll go far



Table of Contents

WellsSelect Consulting Services Disclosure Statement

- A. Introduction 1
- B. Consulting Services Provided 1
 - Investment Advisers.....1
 - Funds.....1
 - WellsSelect Fees2
- C. Cash Management..... 3
- D. Investment Advisers and Funds 3
 - Selection of Investment Advisers and Funds3
 - Information about the Client4
 - Reviews4
 - Client Communications4
 - Performance Calculation4
- E. General Information About WFI 4
 - Business Activities; Other Financial Industry Activities and Affiliations...4
 - Additional Compensation and Conflicts of Interest4
 - WFI Personnel5
- F. Code of Ethics 5

Investment and Insurance Products:

► Are NOT insured by the FDIC or any other federal government agency ► Are NOT deposits of or guaranteed by the Bank or any Bank affiliate ► May Lose Value

A. Introduction

Wells Fargo Investments, LLC (“WFI”), a registered investment adviser and broker-dealer, provides consulting services to clients through the *WellsSelect* program (the “Program”). In the Program, WFI assists clients in selecting investment advisory services offered by other investment advisers and in selecting mutual funds; exchange-traded funds (“ETFs”) and/or alternative investments, when available, executes trades for clients, and provides custody, performance reporting and other services. All *WellsSelect* clients are provided brokerage services through one or more WFI brokerage accounts. Clients may choose one or more investment advisers (including Advisers and Subadvisers affiliated with WFI) to manage their account(s), choose to have account assets invested in mutual fund shares, ETF shares, or alternative investments (together “Funds”), or some or all of these options.

Clients that are qualified to invest in alternative investments may receive a recommendation to invest in a product offered through Wells Fargo Alternative Asset Management (WFAAM). WFAAM is an affiliate of WFI and charges internal management fees to their funds. As a result, a conflict of interest exists as WFI will also charge an investment management fee.

WFI offers consulting services to individuals, pension and profit sharing plans, trusts, estates or charitable organizations, and corporate and other business entities.

B. Consulting Services Provided

The Program provides consulting services, investment management, securities transactions, performance monitoring, reporting and custodial services to clients. Clients may choose one or more investment advisers (including Advisers and Subadvisers affiliated with WFI) to manage their account(s), or may select Funds, or both.

Investment Advisers

In the Program, the clients work with a WFI financial consultant to develop an Investment Policy Statement and select one or more investment advisers for their account(s). Clients select their investment adviser(s) from among those advisers included in the Program. Each investment adviser individually manages a client’s portfolio held in a WFI brokerage account based upon the client’s investment objectives. WFI does not manage *WellsSelect* client accounts and does not perform discretionary trading in the accounts.

Generally the Program is available for equity, balanced, and fixed income accounts of \$100,000 or more, and municipal bond fixed income accounts of \$250,000 or more. A client may select more than one investment adviser, but these account minimums will apply to each adviser selected. For each investment adviser selected, a separate WFI brokerage account will be required.

A WFI financial consultant assists the client in completing an Investor Profile and Questionnaire that assesses the client’s investment objectives, tolerance for risk, investment time horizon and preferences. Based on an analysis of this data, WFI provides the client with an Investment Policy Statement as well as a selection of investment advisers deemed appropriate for

that particular client. When a client has selected one or more investment advisers, the adviser(s) will determine whether to accept the client based upon the Investment Policy Statement. *WellsSelect* Program clients will enter into a Client Service Agreement (the “Agreement”) with WFI, and will appoint one or more investment advisers to manage their *WellsSelect* account(s). The Agreement may be terminated by WFI or the client at any time upon written notice to the other party. Clients shall have the right to terminate the Agreement without obligation or penalty by delivering written notice to WFI within five (5) business days from the effective date of the Agreement. If the Agreement is terminated after the five day period, the client will be entitled to a pro rata refund of any prepaid quarterly asset-based fees based upon the number of days remaining in the quarter after the date upon which notice of termination is received. Once the Agreement has been terminated, transactions will be processed at prevailing brokerage rates.

Funds

In the Program, a client can also invest in Funds and alternative investments from among those available in the Program, including mutual funds managed by affiliates of WFI. A WFI financial consultant assists the client in completing an Investor Profile and Questionnaire that assesses the client’s investment objective, tolerance for risk, investment time horizon and preferences. Based on an analysis of this data, WFI provides the client with an Investment Policy Statement that contains the client’s investment profile and a proposed asset allocation for allocating the client’s assets among different asset categories. The Investment Policy Statement may include a proposed asset allocation for mutual funds and/or ETFs, depending on the Client’s preference. For qualifying Clients, the Investment Policy Statement also may propose an allocation of assets to alternative investments, including private equity funds, hedge funds, real estate investment trusts, and commodity funds. The Program is available for mutual fund accounts of \$25,000 or more, exchange-traded accounts of \$5,000 or more and alternative investment accounts of \$100,000 or more.

The client may accept, modify or decline WFI’s proposed asset allocation initially or at any time. The client may also choose to have the client’s account(s) reviewed for rebalancing of mutual funds on a quarterly basis to generally maintain the proposed asset allocation. If the client does not choose rebalancing of mutual funds, the client must determine when (if ever) to rebalance the account(s), and the manner in which the account(s) should be rebalanced. Automatic rebalancing is not available for ETFs and alternative investments. The client should contact WFI to discuss rebalancing these types of securities in the Account. The Client is solely responsible for rebalancing ETFs and alternative investments and for reallocating from one Fund asset class to another or changing the weightings of the original asset classes. The Program offers Funds that match the asset classes represented in the Program’s asset allocation models. WFI will identify one or more no-load or load-waived classes of mutual funds, ETF and/or alternative investments deemed suitable for the Client from among those available through the Program, corresponding to each asset class in the proposed asset allocation, as the Client may modify it. WFI may add or delete Funds in the Program. A particular Fund may also discontinue its participation in the Program. In either case, Client grants to WFI the limited discretion to select a substantially similar Fund

that is appropriate for the Client's Account(s) as a substitute. WFI may, but is not required to, consult with the Client regarding whether termination of a Fund from the Program is necessary or desirable. This language shall supersede any language in this Agreement to the contrary.

Except for the automatic rebalancing option for mutual funds, or where WFI makes a mutual fund substitution, the client is solely responsible for selecting the Funds to be held in the account(s) and for decisions regarding the instance and timing to buy, sell, or exchange Fund shares in the account(s). The client must communicate the client's decision to buy, sell, or exchange mutual fund shares to WFI. The client understands and agrees that purchases, redemptions, and exchanges of Fund shares, including money market mutual fund shares, may only be effected through WFI. Some alternative investments permit their investors to buy, sell, or exchange shares infrequently, such as monthly or quarterly, as disclosed in the prospectus or offering document. WFI will provide quarterly reports showing Fund performance and actual asset allocation for the account(s).

WellsSelect Fees

The client pays fees that depend on the type of Account. The Client will pay WFI a quarterly fee for its services based on a percentage of the asset value of the client account(s). The *WellsSelect* fees for each type of account are as follows:

Equity, Balanced, International, Global & Multiple Strategy Portfolio accounts

Asset-based	Fee (Annual Rate)
On the first \$500,000	3.00%
On the next \$500,000	2.50%
On the next \$1,000,000	2.00%
On assets more than \$2,000,000	1.60%

Fixed Income accounts

Asset-based	Fee (Annual Rate)
On the first \$500,000	1.50%
On the next \$500,000	1.25%
On the next \$1,000,000	1.00%
On assets more than \$2,000,000	0.75%

Mutual Fund and Exchange-Traded accounts

Asset-based	Fee (Annual Rate)
On the first \$100,000	1.50%
On the next \$400,000	1.25%
On the next \$500,000	1.00%
On assets more than \$1,000,000	0.75%

Alternative Investment accounts

Asset-based	Fee (Annual Rate)
On the first \$500,000	2.00%
On the next \$500,000	1.50%
On the next \$1,000,000	1.00%
On assets more than \$2,000,000	0.75%

Each financial consultant has the authority to negotiate fee schedules with individual client accounts.

The client will be subject to a minimum annual fee for each type of account according to the following schedule:

- \$1,800 minimum annual fee for Equity, Balanced, International, and Global account(s) listed on the Client Service Agreement—Schedule A;
- \$2,000 minimum annual fee for MSP account(s) listed on the Client Service Agreement—Schedule A;
- \$1,000 minimum annual fee for Fixed Income account(s) listed on the Client Service Agreement—Schedule A;
- 1.5% asset-based minimum annual fee for Mutual Fund account(s) listed on the Client Service Agreement—Schedule A with balances below \$50,000 (regardless of any negotiated asset-based fees).
- \$1,600 minimum annual fee for Alternative Investment account(s) listed on the Client Service Agreement—Schedule A.

Due to minimum annual fees for each account type, the actual annual fee charged to the account(s) may exceed the annualized asset-based fee percentage set forth in the Client Service Agreement—Schedule A. Accounts may be combined (household) for determining the minimum annual fees. Accounts established prior to the implementation of these minimum annual fees may not be subject to such fees.

The client pays the initial fee on the later of the date the Adviser(s) accept(s) the client or WFI opens up the client(s) account(s) (the "Effective Date"). The initial fee is based on the value of the assets in the account(s) on the Effective Date, and is pro-rated from the Effective Date to the end of the then current calendar quarter. Thereafter, each quarterly fee is computed based on the value of the account assets on the last business day of the previous calendar quarter, and is payable on the business day following the end of that previous calendar quarter.

The asset-based fee includes execution charges and does not include certain dealer mark-ups/mark-downs, odd-lot differentials, transfer taxes, handling charges, exchange fees, offering concessions and related fees for purchases of closed-end investment companies, and any other charges imposed by law on transactions in the client's account(s). The fee also does not include brokerage or other charges for transactions not effected through WFI or its affiliates. WFI may execute principal transactions on the client's behalf and as directed by the client's adviser, to the extent permitted by law, but will not execute principal trades if the adviser is an affiliate of WFI. These transactions may include a mark-up over WFI's cost, which will be an additional cost of the Program. WFI may negotiate the *WellsSelect* fees. If the investment adviser(s) select(s) closed-end investment companies for the client's account(s), the client will bear the client's proportionate share of those investment companies' expenses, including each closed-end company's advisory fee. The Funds in the Program charge management and administrative fees, including shareholding servicing fees and mutual fund Rule 12b-1 distribution fees, which are described in each mutual fund's prospectus. Clients selecting Funds for their *WellsSelect* account(s) will pay their proportionate share of these fees.

Please read the offering documents or prospectus carefully for details on such fees. WFI, in its capacity, acting on behalf of Client, may be eligible to receive such service fees or other selling compensation from certain issuers and not from others. Any such fees received will be in addition to the advisory fee charged to the account(s). ACCORDINGLY, A SUBSTANTIAL CONFLICT OF INTEREST MAY EXIST IN THE SELECTION OF INVESTMENTS. Any such fees distributed by the Fund to WFI are not considered in the calculation of account fees nor are they credited back to the account(s) except as stated herein.

WFI pays a portion of the *WellsSelect* fees to the investment adviser(s) for services provided to the client. The portion of the fee paid to the investment adviser(s) ranges from 0.25% to 0.50% of assets under management for fixed-income accounts, and 0.35% to 0.50% of assets under management for equity, balanced, international, global and multiple strategy portfolio accounts. The portion of the fee paid to the adviser(s) may be more or less than the fee a client may pay if the client obtained the adviser's services directly, depending on the size of the client's account(s). Fees paid to advisers by WFI are paid quarterly in advance.

WFI pays a portion of the *WellsSelect* fees, on an ongoing basis, to the WFI financial consultant whose client has entered into the Program. The amount of this compensation may be more or less than what the WFI financial consultant would receive if the client paid separately for investment advice, brokerage or other services. The WFI financial consultant may, therefore, have a financial incentive to recommend the Program over other services. As a registered representative of WFI, the client's financial consultant may receive from time to time and at WFI's discretion other fees, credits, and compensation from WFI related to a client's participation in the Program.

The Program may cost the client more or less than purchasing such services separately. Factors bearing upon the relative cost of the Program include the estimated cost of the services if provided separately outside of the Program, the level of trading activity in the client's account(s), the size of the account(s), the types of investment advisory services, and the types of investments.

C. Cash Management

WFI will maintain custody of the cash, securities, and other investments (the "Assets") in the Account(s) and will receive and credit to the Account(s) all interest, dividends, and other distributions received on the Assets in the Account(s). The Client understands and agrees that WFI will automatically "sweep" all uninvested cash balances in the Account(s) into the default Sweep Feature applicable to Client's Account(s), unless Client has selected an available alternative for which Client qualifies. The Sweep Features shall be defined in the Disclosure Statement for Sweep Features, which WFI may change from time to time upon notice to the Client. The Client may obtain the current Disclosure Statement for Sweep Features by contacting WFI or at www.wellsfargo.com/cashsweep. Wells Fargo Funds Management, LLC[®] and Evergreen Investment Management, LLC, affiliates of WFI, provide investment advisory and administrative services to the *Wells Fargo Advantage Funds*[®] and *Evergreen Funds*

respectively ("*Proprietary Funds*") and receive advisory and administrative fees from the *Proprietary Funds*. The money market mutual funds used for the Money Market Fund Sweep available in the Program include *Proprietary Funds*. Other affiliates of WFI may provide sub-advisory and other services for the *Proprietary Funds* and are paid for these services. WFI may receive Rule 12b-1 shareholder servicing and/or distribution fees from non-*Proprietary Funds*. The Client, like other shareholders, will bear a proportionate share of the money market mutual fund's advisory, administrative, and Rule 12b-1 fees, as well as the Program fee on Account assets invested in fund shares, to the extent permitted by applicable law.

D. Investment Advisers and Funds

Selection of Investment Advisers and Funds

WFI has contracted the services of RogersCasey, also a registered investment adviser, as one of the tools, to evaluate some of the Funds for the Program. WFI, however, has the ultimate authority over the selection and retention of investment advisers and Funds in the Program.

WFI selects investment advisers to participate in the Program, and Funds for the Program, based on qualitative factors. WFI reviews information provided by investment advisers and Fund managers, as well as information from databases and recommendations from industry professionals. WFI interviews prospective investment advisers and Fund managers. WFI compares investment adviser and Fund performance to similar investment advisers, Funds, and market indices. The review also includes the investment advisers' and Funds' investment strategies, the strength of their organizations and personnel, and their compliance with regulatory requirements. In some cases, WFI has RogersCasey compile profiles for each investment adviser and each Fund in the Program.

Managers that are reviewed may be proprietary, affiliated or non-affiliated. Non-proprietary managers are those which are not only an affiliate of WFI, but also a part of the Wealth Management organization. These managers are under the control of the Wealth Management team and WFI is in a position to influence the management policies in those advisory firms. As a result of these relationships, proprietary managers are not generally vetted through the RogersCasey tool but are subject to the other components of the qualitative due diligence process. The due diligence team leverages existing relationships within the Wealth Management Group.

Affiliated managers are those which are affiliated with WFI but are not part of the Wealth Management area. These managers are subject to the full qualitative analysis and are vetted through the RogersCasey tool.

Non-affiliated managers are those firms that are not affiliated in any way to WFI. These managers, like affiliated managers are subject to the full due diligence process in addition to a review by RogersCasey.

Investment advisers and mutual funds in the Program generally have:

- A definable investment process
- Clearly documented portfolio construction process
- Experienced personnel at all levels
- Clear vision and plan for managing growth
- Strong risk management infrastructure
- Solid data collection and refinement process
- Access to reliable trading channels
- Clear succession plans and low employee turnover
- Above average long term risk adjusted returns
- Strong administrative capabilities

Information about the Client

WFI will provide every *WellsSelect* client's investment adviser with a copy of the client's Investment Policy Statement. If the client informs WFI in writing of any changes in its objectives, financial situation, or other relevant information, WFI will forward this information to the client's financial consultant and investment adviser(s). Investment advisers in the Program may receive information about the client from WFI or from the client. Investment advisers in the Program, and the client's financial consultant, will be reasonably available to communicate directly with the client.

Reviews

WFI financial consultants periodically review client accounts for performance and conformance to stated investment objectives. WFI reviews investment advisers in the Programs, and Funds in the Program, on an ongoing basis regarding their performance, assets under management, personnel, account turnover and other relevant factors. If an investment adviser or Fund will no longer participate in the Program, WFI will assist the client in choosing another investment adviser or Fund.

Client Communications

As part of ongoing investment adviser services, each *WellsSelect* client is sent a notice quarterly requesting that the client inform WFI of any changes in his or her financial condition and investment objectives. WFI will forward this information to the client's financial consultant and investment adviser(s).

WFI may recommend that a client change the client's investment adviser(s) or Fund(s) if, in WFI's judgment, an investment adviser or Fund deviates from its stated investment discipline, or changes its personnel or ownership, in a manner that WFI believes will affect its performance or ability to provide the investment style the client chose. If the client changes an investment adviser or Fund, WFI will assist the client in choosing a replacement investment adviser or Fund.

Clients may receive a quarterly Asset Performance Summary for each account containing account performance on an absolute basis and compared to relevant market indices. For any month when there is transaction activity in an account, WFI will send the client a monthly brokerage account statement, and at least quarterly.

Performance Calculation

WFI calculates account performance using a portfolio accounting system called Fiserv, Inc. That system uses the modified Dietz method to calculate account performance and prepares client performance reports. No third party reviews account performance calculations.

FDx Advisors, Inc. ("FDx") prepares investment adviser and Fund profiles using performance information it receives from WFI and from the investment advisers and Funds in the Program. FDx reviews these results for reasonableness relative to rate of returns of indices and other investment advisers, but does not independently verify them. FDx asks each investment adviser to describe its stated results and how it compiles its historical performance. Investment advisers in the Program do not necessarily calculate their historical performance on a uniform basis.

FDx obtains performance for Funds in the Program from the Funds and, in some cases, from Morningstar, Inc. FDx reviews these results for reasonableness relative to rates of returns of indices and other Funds. FDx does not independently verify them.

E. General Information About WFI

Business Activities; Other Financial Industry Activities and Affiliations

WFI's principal business is as a full service general securities broker-dealer registered with the Securities and Exchange Commission and various other regulatory bodies. The Firm is a member of the Financial Industry Regulatory Authority, Inc. (FINRA). As a broker-dealer, WFI provides a variety of services (including non-advisory discretionary services) and renders advice as to the value and/or advisability of purchasing or selling securities, without receiving special compensation and solely incidental to the conduct of its business as a broker-dealer. The principal business of WFI's executive officers is the day-to-day management of the broker-dealer activities. WFI provides advisory and/or brokerage services through other programs as described in its Consulting Services Disclosure Statement Schedule H, Form ADV—Part II. WFI also performs investment banking activities on behalf of corporate clients, and is compensated for its activities as such. Neither WFI nor any related person is a general partner in any partnership in which clients are solicited to invest.

WFI is a non-bank affiliate of Wells Fargo & Company. Certain subsidiaries of Wells Fargo & Company are engaged in banking and a variety of related businesses, and include registered investment advisers and broker/dealers. Consistent with contractual obligations and federal and state securities laws, Wells Fargo & Company or any of its subsidiaries, affiliates or successors by merger or consolidation or otherwise, may assume certain or all of the Firm's duties under the programs described in this brochure.

Wells Fargo Funds Management, LLC, and Evergreen Investment Management, LLC, affiliates of WFI, provide investment advisory and administrative services to the *Wells Fargo Advantage Funds* and *Evergreen Funds*, respectively.

WFI sponsors wrap fee programs other than the *WellsSelect* Program; brochures for these programs may be obtained upon request.

Additional Compensation and Conflicts of Interest

WFI and its affiliates may, as principal, buy securities for itself from, or sell securities it owns to *WellsSelect* clients as permitted by law, and may receive additional compensation in the form of a mark-up or markdown reflected in the security's price. WFI and affiliates also may effect transactions for clients in securities or other investments for which they are acting as underwriter, market maker, dealer or sales agent and receive additional compensation in the forms of sales commissions or other fees.

WFI has entered into agreements with certain mutual fund families to share the educational, training, recordkeeping and other costs associated with the sale of mutual fund shares. The sharing of costs can take the form of payments made by the fund families to WFI. WFI also receives revenue from Wells Fargo Funds Management, LLC and Evergreen Investment Management, LLC, affiliates of WFI, relating to customer assets held by *Proprietary Funds*. These payments are in addition to the sales charges disclosed in the fee tables found in the prospectuses of the mutual funds of these fund families and *Proprietary Funds*.

Such payments from mutual fund families, including Wells Fargo Funds Management, LLC and Evergreen Investment Management, LLC, do not affect whether they are selected for inclusion in the *WellsSelect* Program.

WFI and its affiliates have adopted policies and procedures designed to prevent, among other things, any improper or abusive conduct when potential conflicts of interest may exist, such as when it or its employees trade for their own accounts, or act as a broker-dealer and investment banker. WFI and its affiliates have adopted procedures to guard against insider trading, including "Chinese Walls" procedures (which prohibit the distribution of information known in one area to another area), a restricted list and other monitoring devices.

WFI may aggregate client transactions for execution. When an aggregated transaction cannot be completely filled, WFI or the *WellsSelect* investment adviser(s) will allocate the partial execution among participating clients in a manner believed to be equitable.

WFI may pay nominal referral fees to employees of its affiliates, including Wells Fargo Bank, N.A. WFI may pay solicitors who refer investment advisory clients to WFI.

Investment advisers in the Program, and mutual funds and/or their investment advisers in the Program, may reimburse WFI for the costs of client meetings, or educational and training

meetings held with WFI financial consultants. Investment advisers in the Program also may, but rarely do, compensate FDx for training and marketing expenses.

WFI Personnel

WFI maintains no rigid educational or business background requirements for employees, but professional personnel generally have a minimum of a college degree or equivalent business experience.

The following are brief biographical sketches of WFI principal executive officers:

Charles W. Daggs, III is Executive Vice President at Wells Fargo Bank, N.A. and Senior Managing Director of Private Client Services for the California region. Mr. Daggs was born in 1947 and graduated with honors in 1969 with a B.S. in Economics from the University of Maryland. Mr. Daggs joined Wells Fargo in January of 1998 having spent 25 years in the securities industry. Prior to joining Wells Fargo, Mr. Daggs served as CEO of Chicago based Rodman & Renshaw, Inc., was a Senior Managing Director and Partner of Bear Stearns & Company and served as Chairman & CEO of San Francisco based Sutro & Co., Inc.

Lisa Amador, Senior Vice President Director of Compliance for WFI, born in 1962, received her Bachelor of Science degree in Economics from the University of Oregon in 1984. Prior to assuming the role of Compliance Director in April of 2007, Ms. Amador was a WFI Compliance Manager and Project Manager from 2004–2007. From 1999 through 2005 Ms. Amador was a Project Management Manager for the Wells Fargo Technology Department. Ms. Amador has been working in the securities industry since 1978.

Dean Junkans, Chief Investment Officer for Wells Fargo Investments, born in 1959, received his B.S. in Economics from the University of Wisconsin in 1981 and his M.S. in Applied Economics from Purdue University in 1982. He also holds the Chartered Financial Analyst (CFA) designation which he obtained in 1990. Prior to becoming the Chief Investment Officer for WFI, Mr. Junkans was the Senior Vice President for Nelson Capital Management and the Senior Director of Investments for Wells Fargo Private Client Services from 1998 to 2004. Prior to that, he was the Senior Portfolio Manager at Norwest Investment Management, Inc. from 1994 to 1998.

F. Code of Ethics

A copy of WFI's Code of Ethics can be obtained upon request.