

Wrap Fee Brochure for Separately Managed Account Programs:

Allocation Advisors

Diversified Managed Allocations

Masters Program

Private Advisor Network

Wells Fargo Compass Advisory Program

Customized Portfolios

801 - 37967

Investment Advisory Services of Wells Fargo Advisors

Revised March 2017

Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC, separate registered broker-dealers and non-bank affiliates of Wells Fargo & Company.

One North Jefferson, St. Louis, MO 63103

Phone (314) 875-3000

www.wellsfargoadvisors.com

This brochure provides information about the qualifications and business practices of Wells Fargo Advisors and our Separately Managed Account Advisory Programs. This information should be considered before becoming a Client of one of these Programs. If you have any questions about the Programs or the contents of this brochure, please contact us at the telephone number above.

This information has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Wells Fargo Advisors also is available on the SEC's website at www.adviserinfo.sec.gov.

The advisory services described in this brochure are not insured or otherwise protected by the U.S. Government, the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other government agency, and involve risk, including the possible loss of principal.

Summary of Material Changes

Material Changes to the Wrap Fee Brochure for Separately Managed Account Programs since March 31, 2016:

- The Socially Responsible Core, Responsible Investment, Faith-Based, Sustainable Investment, Islamic, Christian Science, Animal Welfare and Socially Responsible Equity Income portfolios have been added to the Customized Portfolios Program.
- Effective July 2016, Completion Sleeves are no longer available in the Diversified Managed Allocations ("DMA") Program.
- The Conservative Income, Aggressive Income and Aggressive Growth & Income Strategic ETF portfolios have been added to the Allocation Advisors Program.
- The Conservative Income, Moderate Income, Aggressive Income and Aggressive Growth & Income Active/Passive portfolios have been added to the Allocation Advisors Program.
- In November 2016, First Clearing, LLC merged with and consolidated its operations into Wells Fargo Advisors, LLC. The resulting firm is now known as Wells Fargo Clearing Services, LLC ("WFCS"). WFCS operates its brokerage and advisory business under the trade name "Wells Fargo Advisors."
- On December 5, 2016, Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC agreed to a settlement with FINRA regarding allegations that the Firms failed to establish, maintain and enforce reasonable supervisory systems for the use of consolidated reports generated by their registered representatives through available applications. The findings stated that these applications allowed the Firms' representatives to manually enter information regarding customers' external accounts, assets and liabilities into a centralized table which the Firms maintained. This information would then be used to populate reports, including those that would be sent to the Firms' customers. FINRA found that the Firms did not have systems in place to review the contents of the reports, including information about customer holdings away from the Firms. In addition, the Firms' supervisory systems and procedures were inadequate because there was no mechanism allowing representatives to designate which reports were actually provided to customers and the system could not distinguish between draft reports and completed reports that were sent to customers, which should have been subject to the Firms' supervisory systems designed to review customer communications. Without admitting or denying the findings, the Firms agreed to a censure and fine, jointly and severally, of \$1,000,000.
- On December 21, 2016, Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC agreed to a settlement with FINRA regarding allegations that the Firms failed to maintain approximately one million electronic brokerage records in non-erasable and non-rewritable format, which is intended to prevent the alteration or destruction of broker-dealer records stored electronically. The findings also stated that for approximately 1.5 million accounts, the Firm failed to preserve customer account form templates containing the terms and conditions related to the opening and maintenance of accounts, failed to retain certain communications and failed to notify FINRA at least 90 days prior to using new storage media to store electronic broker-dealer records. FINRA also found that the Firms failed to implement an audit system for those records, failed to provide its third party vendors full access to the storage systems, failed to implement an adequate supervisory system and failed to enforce written procedures. Without admitting or denying the findings, the Firms agreed to a censure and fine, jointly and severally, of \$1,500,000. The Firms also consented to a review of its policies and procedures.

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Wells Fargo Advisors ("WFA") is a trade name used by Wells Fargo Clearing Services, LLC ("WFCS"). WFA, whose predecessors span more than 150 years, is a leading national securities firm providing investment and other financial services to individual, corporate, and institutional clients. It is a non-bank affiliate of Wells Fargo & Company ("Wells Fargo"), a publicly held company (NYSE: WFC), and financial holding company and bank holding company founded in 1852. Wells Fargo and its Affiliates are engaged in a number of financial businesses, including retail brokerage and investment advisory services.

WFA is affiliated with Wells Fargo Advisors Financial Network ("WFAFN"), a broker-dealer also providing advisory and brokerage services. Information about the advisory and brokerage services offered by WFAFN is available by contacting them directly. WFA is also affiliated with Wells Fargo Investment Institute, Inc. ("WFII"), a registered investment adviser that provides advisory services and research to WFA.

The terms "*Client*," "*you*," and "*your*" are used throughout this document to refer to the person(s) or organization(s) who contract with us for the services described here. "*WFA*," "*WFCS*," "*we*," "*our*," and "*us*" refer to WFA together with our Affiliates, including but not limited to, Wells Fargo & Company and its agents with respect to any services provided by those agents. "*Affiliate*" means any entity that is controlled by, controls or is under common control with WFA. Each Affiliate is a separate legal entity, none of which is responsible for the obligations of the other.

"*Account*" means collectively or individually any brokerage Account and/or any Advisory Program Account you have with us, including any and all funds, money, securities and/or other property you have deposited with us. "*Securities and/or Other Property*" means, but is not limited to, money, securities, financial instruments and commodities of every kind and nature and related contracts and options, distributions, proceeds, products and accessions of all property.

Services, Fees and Compensation

Types of Advisory Services

We sponsor a number of wrap fee advisory programs that are designed to help you meet your investment objectives and goals. They include Separately Managed Account Programs, Mutual Fund Advisory Programs, Financial Advisor ("FA") Directed Programs and Non-Discretionary, Client Directed Advisory Programs. We also offer Consulting and Financial Planning advisory services. This Disclosure Document is being provided pursuant to Section 204 of the Investment Advisers Act of 1940 and deals solely with our Separately Managed Account Advisory Programs: Allocation Advisors, Diversified Managed Allocations, Masters Program, Private Advisor Network Program, Wells Fargo Compass Advisory Program and Customized Portfolios (collectively referred to as "the Programs") below. Descriptions of the services and fees for the other programs and services we offer can be found in separate disclosure documents, copies of which are available upon request.

Separately Managed Account Programs

The investment advisers who may be selected for these Programs employ methods of analysis that are described in the WFA or the adviser's Disclosure Document. Each adviser employs a variety of investment strategies depending on the investment objectives, financial circumstances, risk tolerance and any restrictions you have indicated. Such strategies ordinarily include long or short-term purchase of securities and, depending on your objectives and the adviser's style, supplemental covered option writing. However, in special circumstances the strategies may also include margin transactions, other option or trading strategies or short-sale transactions.

Regardless of which Program you select, you will retain the right to: (1) withdraw securities or cash; (2) vote on shareholder proposals of beneficially owned security issues, or delegate the authority to vote on such proposals to another person; (3) be provided, in a timely manner, with a written confirmation or other notification of each securities transaction, and all other documents required by law to be provided to security holders; and (4) proceed directly as a security holder against the issuer of any security in your Account and not be obligated to join any person involved in the operation of the applicable Program, or any other Client of the applicable Program, as a condition precedent to initiating such proceeding. We will provide you with periodic monitoring and reporting of your portfolio's performance.

As a minimum criterion for providing advisory services, we require our staff members to have a college degree and/or satisfactory past business experience, plus any required industry examinations and registrations.

A Client request to establish Program services is not considered a market order due to the administrative processing time needed to establish your advisory Account. However, we will make every effort to process your request promptly.

As described below in the "Other Financial Industry Activities and Affiliations" section, we are engaged in a wide range of securities services. We may also give advice and take action in the performance of our duties to other Clients that differ from the advice we give you, or the timing and nature of actions we may take for any of these Programs. Additionally, we may be limited in our ability to divulge or act upon certain information we possess as a result of investment banking activities or other confidential sources.

Allocation Advisors

The Allocation Advisors Program is an investment advisory Program that enables you to invest in one of several discretionary Portfolios. Program portfolios are developed by either us or an unaffiliated investment adviser who has been contracted by us for their management expertise, and who provides their investment strategy to us. The Allocation Advisors Advisory Program is designed to provide a disciplined approach to meet the varying objectives and needs of Clients through objective-based or asset allocation portfolios. We will generally implement recommendations provided by the unaffiliated investment advisers without change; however, maintain discretion over the selection of ETFs used in the portfolio.

WFA develops and manages the Allocation Advisors Portfolios for the Program which are the Strategic ETF Portfolios, the Cyclical Asset Allocation Portfolios Plus ("CAAP Plus"), the Compass ETF Portfolios, and the Allocation Advisors Active/Passive Portfolios. These portfolios are developed with a focus on a risk, return, and correlation between asset classes, while taking into consideration asset allocation guidelines based upon various time frames. The unaffiliated investment advisers, Morningstar Investment Management, LLC and Laffer Investments, also develop Portfolios for this Program. They do not provide other services with respect to the Program.

Portfolios in this Program ordinarily consist of exchange-traded funds ("ETFs"), exchange-traded notes ("ETNs"), closed-end funds, open-end mutual funds and other securities. Mutual funds may include asset allocation funds, alternative strategy mutual funds or other select funds that may utilize derivatives, short-selling, leverage and other strategies to meet stated investment objectives, enhance diversification, hedge risks, accentuate returns or facilitate certain market exposures or more dynamic allocation changes. We or the unaffiliated investment adviser determines both the asset allocation and security selection utilized in the Portfolios, and will review those selections periodically. Both the asset allocation and/or securities utilized in the Portfolios may be adjusted or replaced at any time. Under the Program you give us full discretion over your Account's asset allocation and security selection; which is determined by the portfolio selected by you. The Portfolios can be restricted to meet individual needs and objectives upon request and approval by the Portfolio Manager(s).

Accounts participating in the Program are managed separately and are not pooled. We offer the Program through our registered FAs. Your FA will review your investment advisory needs, objectives and risk tolerance with you, and recommend a portfolio that is appropriate for you. These portfolios are not subject to the same due diligence process that is applied to other unaffiliated or affiliated investment advisers or strategies who participate in other programs available at the Firm.

Investment Process

To meet investors' individual needs for diversified portfolio solutions, the Allocation Advisors Program offers various families of discretionary portfolios. Each family is managed with a different approach to asset allocation, as described below, which are based on time horizon or a unique portfolio objective: strategic, tactical, cyclical or objective oriented. Within each family, the portfolios offered bring together the portfolio investment objective (Income, Growth & Income, and Growth) along with a degree of risk tolerance (Conservative, Moderate, and Aggressive).

Investment Objectives: **Income portfolios** seek current income with capital appreciation as a secondary objective and may forgo both capital appreciation and growth of income, in order to seek current income. **Growth & Income portfolios** seek a higher level of current income than is generally available from growth-oriented equity strategies. Although growth & income investors need current income, they are willing to accept a lower level of current income in exchange for the possibility that their level of income could increase over time. As a result, income and the potential for growth of income are the primary objectives of these portfolios, and capital appreciation is the secondary objective. **Growth Portfolios** seek primarily capital appreciation.

Risk Tolerances: Investors with a similar investment objective may have substantially different risk tolerances. Although all investments involve some degree of risk, including the potential for loss of principal, some securities, such as emerging market equities and high yield bonds, have more risks than other alternatives. Higher risk investments have greater potential for loss, but may generally offer the potential for higher long-term returns. Investors with lower risk tolerance give up some of the potential for higher returns in exchange for lower risk. Investors with a higher risk tolerance pursue higher returns through investment in higher risk securities and asset classes.

Conservative investors generally assume the least risk for a given investment objective, but may still experience losses and have lower expected returns. **Moderate** investors are willing to accept higher risk in exchange for the potential to receive higher returns. **Aggressive** investors seek the highest level of returns within a given investment objective, and should generally have a relatively long investment time frame (typically five years or longer).

Portfolio Families

The Strategic ETF Portfolios utilize an asset allocation approach based on WFA's recommended long-term strategic guidelines, with an outlook of generally 10-15 years. WFA reviews the long-term strategic recommendations on a periodic basis and may change the asset allocation recommendations from time to time in light of new research and analysis. The investment process used to select the securities utilized within the Portfolios for the various asset classes is based primarily on how well the various securities have tracked the specific index or market sector for which the security represents. The Portfolios are comprised primarily of ETFs that have a high correlation to their underlying index. However, the performance of the index-related ETFs will vary somewhat due to transaction costs, market impact and corporate actions such as mergers and spin-offs.

The Allocation Advisors Program offers the following nine Strategic ETF portfolios: Conservative Income, Moderate Income, Aggressive Income, Conservative Growth & Income, Moderate Growth & Income, Aggressive Growth & Income, Conservative Growth, Moderate Growth and Aggressive Growth.

The Cyclical Asset Allocation Portfolios Plus (CAAP Plus) utilize an asset allocation approach that re-evaluates capital market assumptions at least every three months, while managing the portfolios with a time horizon of three to five years. These portfolios do not mirror the asset allocations utilized in either the Compass ETF Portfolios or Strategic ETF Portfolios, but follow generally similar but separate capital market assumptions. These assumptions are based on a cyclical asset allocation approach developed by us, based on our belief as to where we are in the current market cycle (generally a 3-5 year timeframe) instead of over several economic cycles (generally 10-15 year timeframe). The CAAP Plus Portfolios may over or underweight certain sectors with respective sector-related *exchange-traded products* ("ETPs"), which are designed to track specific market industries or asset classes. We determine the sector over or underweight positions in the Portfolios.

The investment process used to select the individual ETFs utilized within the asset classes in the respective Portfolios is based primarily on how accurately the various ETFs have tracked the specific index or market sector the asset class represents. The Portfolios are comprised primarily of the ETFs that have a high correlation to their underlying index. However, the performance of the index-related ETFs will vary somewhat due to transaction costs, market impact and corporate actions such as mergers and spin-offs.

The Allocation Advisors Program offers the following six CAAP Plus Portfolios: Moderate Income, Conservative Growth & Income, Moderate Growth & Income, Moderate Growth & Income Tax Managed, Moderate Growth and Aggressive Growth.

The Compass ETF Portfolios utilize the most active, or tactical, approach to asset allocation amongst the portfolios within the Allocation Advisor Program. While utilizing our recommended long-term strategic asset allocation guidelines (generally 10-15 year outlook) as the basis for the asset allocation for these portfolios, the Compass ETF portfolios also incorporate short-term adjustments generally looking out six to eighteen months. These short-term tactical adjustments reflect our current thinking about near-term risks and opportunities, and are implemented in the Program portfolios on an ad-hoc or as needed basis. The investment process used to select the securities utilized within the Portfolios is based primarily on how well the various securities

have tracked the specific index, market sector, or industry for which the security represents. The Portfolios are comprised primarily of ETFs that have a high correlation to their underlying index. However, the performance of the index-related ETFs will vary somewhat due to transaction costs, market impact and corporate actions such as mergers and spin-offs.

The Allocation Advisors Program offers the following nine Compass ETF portfolios: Conservative Income, Moderate Income, Aggressive Income, Conservative Growth & Income, Moderate Growth & Income, Aggressive Growth & Income, Conservative Growth, Moderate Growth and Aggressive Growth.

The Morningstar Strategic ETF Portfolios follow the guidelines set forth by Morningstar Investment Management, LLC, a registered investment adviser that is unaffiliated with us. We will implement their recommendations with discretion over the selection of ETFs used in the portfolios.

The Allocation Advisors Program offers the following five Morningstar Strategic ETF portfolios: Moderate Income, Conservative Growth & Income, Moderate Growth & Income, Moderate Growth and Aggressive Growth.

The Morningstar ETF Portfolio family follows the guidelines set forth by Morningstar Investment Management, LLC, a registered investment adviser that is unaffiliated with us. We will implement their recommendations with discretion over the selection of ETFs used in the portfolio.

Allocation Advisors offers the **Morningstar ETF Multi-Asset High Income Portfolio** within the **Morningstar ETF Portfolio** family. This objective oriented portfolio offers the Morningstar model of asset allocation with an explicit preference for yield. The resulting portfolio has a more tactical approach than the Morningstar Strategic ETF Portfolios also offered in Allocation Advisors.

The types of securities contained within the selected ETFs for investment in this portfolio may include but are not limited to: U.S., international developed market and emerging market debt obligations; U.S., international developed market and emerging market equities; preferred stocks; real estate investment trusts (REITs); mortgage REITs; Master Limited Partnerships; Royalty Trusts; and Business Development Corporations (BDCs). Debt obligations may include, but are not limited to, investment-grade bonds; high yield (non-investment grade or unrated) bonds; U.S. Treasury or agency securities; U.S. Treasury inflation-protected securities (TIPS); certificates of deposit; commercial paper; mortgage-backed or asset-backed securities; floating-rate securities; loan portfolios; and taxable municipal bonds. The Portfolio may invest in ETFs that employ what may be referred to as "alternative" strategies or asset classes. These may include but are not limited to trading strategies to accentuate returns or manage risk using futures, forward contracts, options, swaps or other derivative securities, or by short-selling. Other strategies they may use could include managed futures, investment in illiquid assets or assets with limited liquidity, or other non-traditional assets. A substantial majority of the securities are expected to produce current income, although some could be held for diversification, appreciation or potential future income. Morningstar monitors the portfolio on an ongoing basis which may lead to the holdings being more actively managed than Morningstar Strategic ETF Portfolios. Morningstar may decide to adjust positions at any time to reposition the portfolio, reduce risk, or improve the Portfolio's risk/return profile.

The Laffer Global Portfolio follows the investment recommendations of Laffer Investments, a global economic asset manager that applies macroeconomic principles to investment portfolio management. We will implement their recommendations with discretion over the selection of ETFs used in the portfolios.

The Laffer Dynamic U.S. Inflation Portfolio follows the investment recommendations of Laffer Investments, a global economic asset manager that applies macroeconomic principles to investment portfolio management. We will implement their recommendations with discretion over the selection of the ETFs used in the portfolio. The Laffer Dynamic U.S. Inflation Portfolio seeks to provide protection from inflationary pressures by constructing a portfolio which seeks to outperform the rate of U.S. Inflation through Laffer Investments' recommendation on asset class allocations using ETFs.

The Allocation Advisors Active/Passive Portfolios utilize an asset allocation approach based on our recommended long-term strategic guidelines, with an outlook of generally 10-15 years. We review our long-term strategic recommendations on a periodic basis and may change the asset allocation recommendations from time to time in light of new research and analysis. The Portfolios are comprised primarily of a combination of ETFs and mutual funds. The combined use of these products provides access to passively managed index correlated investments blended with an allocation of actively managed funds to help actively manage risk and potentially improve the risk/reward profile of the portfolios. However, the performance of the index-correlated securities will typically lag the index due to expenses.

Passive investments, such as certain ETFs, typically have lower embedded costs than actively managed mutual funds. As a result, the embedded costs of the underlying securities will be less when the portfolio allocation is tilted more towards passively managed investments and increase when the portfolio manager shifts towards actively managed investments. Utilizing our same asset allocation model with only passive investments, as offered through one of our other Allocation Advisor Portfolios, could potentially provide similar investment results at a lower cost to you. In addition, mutual funds typically pay additional compensation to us that ETFs do not. While certain investments may be similarly situated, the difference in financial arrangements between ETFs and mutual funds creates a potential conflict of interest in that we have an incentive to weight the Portfolio with securities that pay us additional compensation. We intend, however, to make all investment decisions independent of such financial considerations and based solely on our obligations to consider your objectives and needs.

The Allocation Advisors Program offers the following nine Allocation Advisors Active/Passive Portfolios: Conservative Income, Moderate Income, Aggressive Income, Conservative Growth & Income, Moderate Growth & Income, Aggressive Growth & Income, Conservative Growth, Moderate Growth and Aggressive Growth.

Types of Securities

ETFs and ETNs are passively managed portfolios designed to track the performance of a basket of securities or a certain index. ETFs trade on an exchange the way individual stocks do. In simplest terms, ETFs are passively-managed "baskets" of securities that are designed to closely track the performance of specific indices, market sectors, or industries. ETFs should not be confused with open-end mutual funds, from which they differ in significant ways. Unlike open-end mutual funds, ETFs are priced and can be bought and sold throughout the trading day. Open-end mutual funds, which are used in the Allocation Advisors Active/Passive Portfolios, generally have just one price per day, i.e., the net asset value ("NAV"), which is computed after the market close. ETFs offer increased transparency, as their components are disclosed daily whereas open-end mutual funds are only required to reveal their Portfolio holdings semiannually.

ETNs, like ETFs, trade on an exchange like stocks. ETNs are unsecured debt securities that are linked to the total return of a market index. Investors receive a cash payment at the scheduled maturity or early redemption, based on the performance of the index less investor fees. Unlike mutual funds that may be required to make capital gain distributions to shareholders, an investor will only recognize capital gains or losses upon the sale, redemption or maturity of the ETN.

Closed-end mutual funds are also managed portfolios, but unlike open-end mutual funds, they do not continuously issue and redeem their shares at the NAV. Rather, they have a fixed number of shares that trade on one of the stock exchanges like a common stock. Closed-end mutual funds are bought and sold at the prevailing market price rather than at an NAV established at the end of the trading day.

Allocation Advisors Program Fees

Fees for Allocation Advisors Accounts are only offered on a wrap-fee basis, covering all investment advice, execution, consulting and custodial services. The standard Allocation Advisors fee schedule, shown in the table below, is based on account size. The fee is negotiable. The Allocation Advisors Program fees do not cover internal expenses of any underlying ETFs, closed-end funds, or mutual funds. If you select a Portfolio developed by an unaffiliated investment adviser, the investment adviser will be compensated from 0.05% - 0.20% annually. While the use of certain Portfolios may cost us less, we intend to make all recommendations independent of such fee considerations and based solely on our obligations to consider your objectives and needs.

There is a minimum quarterly client fee requirement of \$125.

Total Account Value	Allocation Advisors Portfolios Annualized Fee
First \$500,000	2.00%
Next \$500,000	1.50%
Next \$1,000,000	1.00%
Over \$2,000,000	Negotiable

Diversified Managed Allocations (DMA)

Under the DMA Program, we assist you in reviewing your investment objectives and selecting among several Optimal Blends that we have developed. Optimal Blends are target allocations comprised of strategies of certain affiliated and unaffiliated investment advisers ("Managers"), mutual funds and/or ETFs designed for Clients with various investment objectives. We create these Optimal Blends based upon money manager and mutual fund due diligence provided by our affiliate, WFII. You may also choose to create your own Customized Blend and target allocation by selecting from our list of available Managers, mutual funds, ETFs and/or variable annuities. Mutual funds and/or ETFs may be selected individually or may also be included as part of an Optimal Blend. In the Optimal Blends or Customized Blends, mutual funds may include asset allocation funds, alternative strategy mutual funds or other select funds that may utilize derivatives, short-selling, leverage and other strategies to meet stated investment objectives, enhance diversification, hedge risks, accentuate returns or facilitate certain market exposures or more dynamic allocation changes. We will also provide you with monitoring and reporting of portfolio performance on a periodic basis.

The intent of the Program is to offer a competitive roster of high-quality Managers, mutual funds and ETFs representing a broad array of investment asset classes and approaches. The varied asset classes and investment styles are generally intended to be complementary in nature with respect to their combined diversification and risk/return-based characteristics. Quantitative and qualitative measures are used to identify a select number of investment vehicles within the varied asset class and investment approach combinations. The factors influencing the inclusion of a Manager or mutual fund on the DMA roster may include a statistical analysis of the Manager or fund's past record and management style; the assessed quality of the investment process; changes in investment process or personnel; the number, continuity and experience of the investment professionals; a completed questionnaire; database information on the firm and interviews with members of the investment management team. The inclusion of ETFs may include an assessment of liquidity levels and tracking error versus corresponding market benchmarks. Using this roster of available investment vehicles, a number of Optimal Blends have been created that combine specific investment advisers and mutual funds and may also include ETFs. The individual Optimal Blends will vary based on the targeted allocations for your identified investment objectives and the amount you invest in the Program.

Managers available in the DMA Program participate in one of two ways:

Discretionary Managers - Discretionary Managers are responsible for the day-to-day investing of your assets participating in their selected investment strategy. Where investment discretion has been assigned to a Discretionary Manager, we will not be responsible for any decision made by the Manager as to the day-to-day management of your assets.

Model Managers - Model Managers provide their investment strategy to us, designating us as the Manager. When designated as Manager, we will manage that portion of your Account on a discretionary basis, including the day-to-day investing of assets, based on the advice provided to us by each Model Manager with respect to the securities and other investments to be purchased and sold for a particular investment strategy. We will generally implement the Model Manager's recommendations without change, subject to any reasonable restrictions you may impose. Manager Profiles associated with the selected investment strategy will indicate when the Manager is acting as a Model Manager.

In addition to acting as a Model Manager, we also have discretion to direct transactions in the following circumstances:

- rebalancing the Account as you directed to maintain levels in conformance with your target allocation when the actual allocation within sub-accounts varies by more than certain established percentages from your target allocation, whether as a result of market changes or additions to, or withdrawals from, the Account;
- any gain or loss selling that you may request;
- selling securities being added to the Account, initially or during the term of the service, that are not compatible with the Manager's investment model portfolio;

- d) liquidating the Account as requested should you terminate the DMA Program Account; and
- e) under certain circumstances, we may retain the right to use discretion to direct trades and notify the Managers after those trades are completed.

We may also assume discretion for the removal of individual Managers, mutual funds or ETFs included in Customized Blends. The investments within the Optimal or Customized Blends may have different tax or liquidity implications in comparison to the individual securities owned through the Managers. Our goal is to create investment vehicle combinations that represent optimal blends of investment classes and styles based on various investment amounts and risk classifications, using the roster of Managers, mutual funds and ETFs.

We may include affiliated Managers on the recommended roster and within Optimal Blends. WFII or their agent conduct due diligence on these Managers and their portfolio strategies consistent with the due diligence performed for unaffiliated Managers. We review the use of affiliated Managers, if any, within an Optimal Blend strategy at least annually to ensure objective and consistent due diligence standards are applied to both affiliated and unaffiliated Managers.

Your FA will review your investment advisory needs, objectives and risk tolerance with you, and recommend either an Optimal Blend or a Customized Blend that is appropriate for you. For Customized Blends you will ultimately select a target allocation of Managers, mutual funds and/or ETFs.

DMA Optimal Blend Model Objectives

The DMA program offers Optimal Blends based on the following investor objectives:

Conservative Income: Conservative Income investors seek current income and preservation of capital as primary goals. With respect to risk considerations, investors are willing to forgo capital appreciation opportunities and accept lower levels of income and total return in exchange for lower risk. To achieve the overall objective the vast majority of assets will be maintained in investment grade fixed income, with relatively moderate exposure to equities (including REITs) and high-yield and emerging market bonds for both return and diversification considerations.

Moderate Income: Moderate Income investors place emphasis on income generation versus capital appreciation. While the growth of assets and the maintenance of purchasing power remain considerations and are reflected in measured risk-taking, these objectives are constrained by both the income-generation objective and a greater emphasis on maintaining safety of principal. Based on these combined goals, these investors are expected to remain predominately invested in fixed income investments, including relatively moderate allocations to high yield and emerging market bonds, complemented by a moderate allocation to broadly diversified equities.

Aggressive Income: Aggressive Income investors seek higher levels of current income, and, given a long-term time horizon and the financial willingness and ability to risk investment capital to achieve their income objectives, will employ more aggressive, higher-risk strategies that may offer higher potential income. In seeking to achieve its income objectives, the vast majority of the blend's assets will generally remain in fixed income investments, complemented by broadly diversified and higher yielding equities, including REITs. To accentuate yield, the fixed income portion will typically maintain substantial exposures to longer maturities and high yield and emerging market bonds.

Conservative Growth & Income: Conservative Growth & Income investors are characterized as having the dual objectives of generating both capital appreciation and current income while maintaining risk levels that are consistent with a more conservative investment approach. Based on overall risk considerations, these investors seek growth of assets to meet financial goals and protect purchasing power, while, relative to more aggressive mandates, maintaining safety of principal. As such, they are willing to accept lower potential returns in exchange for lower risk. Based on the combined risk, return and yield objectives, the asset allocation for these investors generally maintains the majority of assets in diversified fixed income investments, but with a complementary significant allocation to broadly diversified domestic and international equities.

Moderate Growth & Income: Moderate Growth & Income investors are characterized as seeking both income and capital appreciation while incurring moderate levels of risk. Investors seek to balance potential risk with their goals for current income and moderate growth of capital. Based on these combined goals and risk considerations, both diversified fixed income and equities will typically account for significant portions of the overall asset allocation.

Aggressive Growth & Income: Aggressive Growth and Income investors are characterized as seeking significant growth of capital and income with a higher tolerance for risk. The dual mandate, greater risk tolerance and longer-term time horizon allow these investors to pursue higher-risk and generally more aggressive strategies that may offer higher potential returns. Diversified equities typically represent the majority of the blend. In addition to seeking income through dividend-paying equities, substantial fixed income exposure is generally maintained to enhance income yield and diversification.

Conservative Growth: Conservative Growth investors are characterized as seeking capital appreciation consistent with a majority of assets being held in equities, but with broader diversification and a level of risk-reducing exposures that result in volatility levels that are substantially below an all-equity portfolio. Investors seek growth of capital over current income, but with the maintenance of a more conservative risk profile and willingness to accept lower returns in exchange for lower risk. Based on these combined objectives, the majority of the asset allocation for these investors is maintained in broadly diversified equities, but with significant exposure to fixed income and other complementary assets to reduce risk.

Moderate Growth: Moderate Growth investors are characterized as primarily pursuing growth of principal and being willing to tolerate volatility consistent with the maintenance of a primarily equity portfolio in pursuit of this objective. These investors do not need their portfolios to provide current income, but will look to non-equity exposure as a means to reduce risk and further enhance diversification. Based on these objectives, the asset allocation for these investors will remain predominately in diversified domestic and international equities, while relying on fixed income securities to moderately temper the overall risk level. Within equities considerable exposure will be maintained in asset classes with relatively higher longer-term growth potential, including mid- and small-cap stocks and emerging markets.

Aggressive Growth: Aggressive Growth investors are characterized as seeking long-term capital appreciation as their primary investment goal, with a long-term time horizon, little need for current income and a higher risk tolerance allowing for the potential

of considerable volatility and interim periods of substantial loss of capital in exchange for potential higher longer-term returns. Risk levels are expected to be consistent with a broadly diversified all-equity portfolio. With an emphasis on long-term capital appreciation, exposures to small- to mid-cap and developed and emerging market international equities will typically represent the majority of the overall asset allocation.

Moderate Growth & Income Tax Managed: To complement the DMA Optimal Blends, we offer the DMA Moderate Growth & Income Tax Managed Optimal Blend. The Tax Managed blend is an asset allocation portfolio intended for investors with tax* sensitivity. This blend uses municipal bond separate account strategies or funds where possible within fixed income allocations. The equity separate account strategies and funds within this blend tend to exhibit lower portfolio turnover or may employ other means intended to increase tax efficiency. We also generally favor strategies and funds that have a bottom-up approach to investing (focused on individual company considerations, merits and investment holding periods) as opposed to a top-down approach (more macro-economic focused) that could result in periods of substantially greater turnover. Since tax efficiency is not typically a concern in qualified accounts, the Moderate Growth & Income Tax Managed Optimal Blend is not recommended for IRA or ERISA accounts.

We recommend that you construct your Customized Blend prudently. While the simplicity of having multiple Managers in a single Account may be attractive to you, combining too many Managers in a single portfolio can create a negative Client experience. Please consider the number of positions held by each Manager, their position sizes and turnover when constructing a Customized Blend.

Within a DMA Customized Blend you have the ability to utilize all of the Allocation Advisors Portfolios. Allocation Advisors is a separate discretionary advisory Program offered by us that offers various investment strategies. The Allocation Advisors Program and the available strategies are described earlier in this document.

You also have the ability to use certain Wells Fargo Compass Advisory Program Portfolios within a DMA Customized Blend. The Wells Fargo Compass Advisory Program is a separate discretionary advisory Program offered by us that offers various investment strategies. The Wells Fargo Compass Advisory Program and the available strategies are described in detail later in this document. The Wells Fargo Compass Advisory Program Portfolios available for use within a DMA Customized Blend are: **Managed DSIP - CLOSED TO NEW INVESTORS, Current Equity Income, Blue Chip, Small-Mid Cap, Income Multi-Asset, Conservative Growth & Income, Moderate Growth & Income, Aggressive Growth & Income, Conservative Growth, Moderate Growth and Aggressive Growth.**

FundSource® Optimal Blends within DMA

Within a DMA Customized Blend you also have the ability to utilize all of the available FundSource® Optimal Blends. FundSource is a separate discretionary investment advisory Program offered by us that offers a broad array of mutual funds that invest in and across different investment asset classes and employ varied approaches to investment management. We have created a number of "Optimal Blends" that offer managed portfolios of recommended funds, based on due diligence and asset allocation guidance provided by our affiliate, WFII, and market exposures and fund combinations that we believe are appropriate for a number of different investment objectives. The combination and allocation strategy of the selected mutual funds in an Optimal Blend is based on our determination of the appropriate target asset allocation and/or risk/return profile for your investment objective and risk tolerance. The funds and allocations may be modified from time to time based upon changes in asset allocation guidance or our assessment of factors impacting individual funds or particular combinations.

Fluctuations in the market value of assets, as well as other factors, will affect the actual fund allocation at any given time. In order to maintain the Account in conformance with your targeted fund allocations, we will automatically rebalance it periodically if actual allocations vary by more than certain established percentages from the target allocation. We will generally rebalance the Account annually, unless market conditions indicate we should do so more frequently. You may also request us to rebalance your Account as necessary.

Pathways is a model portfolio series within the FundSource Program that is also available within a DMA Customized Blend. Pathways allows you to allocate assets among various mutual fund portfolios ("Pathways Funds") operated and administered by the Russell Investment Management Company ("Russell"). Prior to May 2011, Pathways was a standalone advisory program offered by us. Russell, which is registered under the Investment Company Act of 1940, evaluates and retains one or more investment management organizations to manage each Pathways Fund.

Russell has created multiple Pathways Optimal Blend Portfolios that contain various risk-based allocations of Russell's funds designed to meet specific investment objectives. When you select a Pathways Optimal Blend, you appoint WFA to manage your portfolio on a discretionary basis. If Russell makes changes to specific model portfolios, or we remove a fund from the roster of available funds, we will act as your attorney-in-fact with full power and authority to buy, exchange, sell or otherwise effect transactions in your name in shares of mutual funds in your Pathways portfolio.

Fund sub-advisors are terminated or replaced by Russell generally due to changes in senior investment personnel and/or a deviation from the desired investment discipline. Such changes to fund investments are made without prior notice to you. We will rebalance your Pathways portfolio periodically should the values of the funds vary by more than certain established percentages from the target allocation you selected.

We classify the mutual funds used in our Mutual Fund Advisory Programs as Recommended, Allowable or Pathways Funds. Recommended Funds and Pathways funds are those funds used in our FundSource discretionary investment advisory service. The Roster of Recommended Funds ("Roster") is determined by due diligence provided by our affiliate, WFII. WFII uses both quantitative and qualitative criteria when evaluating funds for inclusion on the Roster. WFII will typically arrange meetings with Portfolio Managers or representatives of a fund candidate to discuss the underlying investment philosophy of the fund manager and how that philosophy is manifested in security buy and sell decisions. They also seek to understand the capabilities of the Portfolio Manager, and assess how the investment philosophy will perform in different market environments. Additional factors influencing the inclusion of a mutual fund on the Roster of Recommended Funds may include a statistical analysis of the fund's past record and management style; the assessed quality of the investment process; changes in investment process or personnel; the number, continuity and experience of the investment professionals; a completed questionnaire, database information on the firm and interviews with members of the mutual fund management team. This process is a continuing one, and funds may be added or removed from the Roster based on these ongoing assessments.

* WFA does not render legal, accounting, or tax advice. Please consult your tax or legal advisors before taking any action that may have tax consequences.

FundSource Optimal Blends are built based on specified investment objectives, risk/return profiles and/or targeted asset allocations incorporating various exposures to the following major asset classes: cash alternatives, commodities, and domestic and international equity and fixed income securities. Optimal Blends may also incorporate asset allocation funds, alternative strategy mutual funds or other select funds that may utilize derivatives, short-selling, leverage and other strategies to meet stated investment objectives, enhance diversification, hedge risks, accentuate returns or facilitate certain market exposures or more dynamic allocation changes. The allocation targets are generally based on longer-term risk/return assumptions for varied asset classes or investment strategies and may change from time to time in light of new research and analysis. The asset allocation guidelines and risk/return objectives are selected such that the Conservative Income model would be expected to generally have the lowest long-term investment risk, based on historical average risk levels, but also the lowest expected return. As an investor moves to models with higher allocations in equities or other higher-risk assets, historical averages suggest that expected investment risk and potential return increase.

The stated investment objectives and/or allocation guidelines for the Optimal Blends provide the general basis by which these portfolios will be managed. We modify the allocations and/or selected funds when we believe it is in the interests of our investors to do so. Individual mutual funds and mutual fund combinations are selected based on both quantitative and qualitative methods. Quantitative methods include examination of historical performance as well as the biases that have characterized a given manager's investment approach. Qualitative considerations may include the tenure and assessed experience of the investment professionals, the perceived quality of the investment process, the risk/return expectations for individual funds, and other factors that may bear on the investment decision.

From time to time, one or more of the funds held in a Program Account may experience relatively large investments or redemptions due to research and/or model recommendations that we and/or Russell make. These transactions may adversely affect these mutual funds, since they may have to sell portfolio securities as a result of redemptions, or invest the cash that results from additional purchases. Representing the interests of our Clients, we may, but are not required to, take measures to minimize the impact of such transactions if consistent with your investment objectives and those of other Clients participating in the Program.

You are advised and should understand that (a) a mutual fund's past performance is no guarantee of future results; (b) there is a certain market and/or interest rate risk which may adversely affect any mutual fund's objectives and strategies, and could cause a loss in a Client's Account; and (c) Client risk parameters or comparative index selections provided to us are guidelines only; there is no guarantee that they will be met or exceeded. You should also be aware that shares of any particular fund may fluctuate in value and when redeemed may be worth less than their original cost. There is no guarantee that your target allocation or FundSource fund research recommendations will protect against such loss of investment.

We reserve the right to remove a mutual fund from an Optimal Blend and replace it with another fund with a similar management style. In such a case, we may amend the mutual funds you selected for your Account without your consent. You are aware that fund replacements in an Optimal Blend may cause tax consequences.

Our reasons for removing a mutual fund from an Optimal Blend(s) or WFII removing a mutual fund from the Recommended List Roster may include its failure to adhere to expected investment objectives or a given management style, a material change in the professional staff managing the fund, unexplained poor performance, a change of the investment management process, or the identification of a better alternative. We will, at our sole discretion, determine whether any or all of these factors are material when deciding to make a replacement. On occasion, a fund may be removed from the Recommended List Roster and remain in the Optimal Blend, based on trade timing, replacement fund availability or other model-specific trade considerations.

In addition to replacing a mutual fund within an Optimal Blend, we may adjust the target allocation within an Optimal Blend from time to time without your consent. You may also elect to remove a mutual fund from your Account. As mutual funds reach capacity, they may be closed to new contributions by existing investors and/or to new investors. We may seek appropriate, alternative mutual funds for the affected Optimal Blend portfolio(s), or may establish a new version of the model for new FundSource Clients.

We meet as necessary, to make appropriate changes to the firm's current asset allocation recommendations. We will review these recommendations and apply them to the portfolios, as appropriate. We and/or our agent will review the use of any affiliated managers within an Optimal Blend strategy at least annually to ensure objective and consistent due diligence standards are applied to both affiliated and unaffiliated managers. We meet regularly to review the current FundSource recommendations and make appropriate changes to the current asset allocation models and/or the list of research recommended mutual funds.

The affiliated funds offered through the Programs may have provisions to allow sales through advisers at net asset value. In such cases, you should understand that there is a potential conflict of interest where the adviser and/or we offer, recommend, and invest your assets in the affiliated funds because, where permitted by law, we and our affiliates would receive the Program compensation and the compensation for services provided to the fund. Affiliated funds included on the Recommended List are reviewed using the same criteria as non-affiliated funds.

We may give advice and take action in the performance of our duties to you that differ from advice given, or the timing and nature of action taken, with respect to other Program Clients and/or Clients in other advisory Programs. Additionally, we, from time to time, may not be free to divulge or act upon certain information in our possession on behalf of investment banking or other Clients. We, at our discretion, may undertake share class conversions of mutual funds if an advisory or institution share class becomes available, as long as the fund company allows the conversion to be processed on a tax-free exchange basis. We reserve the right to convert mutual fund shares back to non-advisory or institutional share class shares if you leave the Program.

We, at our discretion, may undertake share class conversions of mutual funds if an advisory or institution share class becomes available, as long as the fund company allows the conversion to be processed on a tax-free exchange basis. We reserve the right to convert mutual fund shares back to non-advisory or institutional share class shares if you leave the Program.

While WFII performs due diligence on the mutual funds included on the FundSource roster of mutual funds, they do not perform due diligence specific to each FundSource Optimal Blend for inclusion in the DMA Program.

All FundSource Optimal Blends are available within a DMA Customized Blend. The descriptions of the **Conservative Income, Conservative Growth & Income, Conservative Growth, Moderate Income, Moderate Growth & Income, Moderate Growth, Aggressive Income, Aggressive Growth & Income and Aggressive Growth** FundSource Optimal Blends are the same as the descriptions for the DMA Optimal Blends listed previously; however, the asset allocation for these FundSource Optimal Blends is

achieved solely through mutual funds.

The following is a description of the other available FundSource Optimal Blends that are available within a DMA Customized Optimal Blend:

Long Term Conservative Equity (Pathways Only)

The Long Term Conservative Equity blend may be appropriate for long-term investors seeking growth of capital with a minimum need for current income. Investors are willing to accept moderate short-term fluctuation in portfolio returns in order to achieve above-average, long-term capital appreciation. Equities are typically 100% of the allocation, with a significant allocation to large cap and domestic equities.

Foundations® Optimal Blends

We offer nine Foundations Optimal Blends. The Foundations portfolios are constructed using the firm's strategic allocation strategy framework with an overlay that allows the portfolio team to opportunistically over/under weight portfolio allocations to take advantage of Wells Fargo Investment Institute's capital market outlook over a forward looking 6-18 month period. Portfolios will typically hold 8-15 mutual funds and dynamically provide investors with diversification across multiple asset classes, investment styles and market sectors over a market cycle. Due to the ability to over or underweight certain asset classes or investment styles, the Foundations portfolios may experience more frequent rebalancing than standard FundSource Optimal Blends. Foundations Blends are available for a diverse range of client investment objectives that include: Conservative Income, Moderate Income, Aggressive Income, Conservative Growth & Income, Moderate Growth & Income, Aggressive Growth & Income, Conservative Growth, Moderate Growth and Aggressive Growth. The Foundations Optimal Blends are available at a \$10,000 investment minimum.

Tax Managed Optimal Blends

(Constructed the same as the portfolios above with tax sensitivity considered as stated below.) To complement the FundSource Optimal Blends, we offer FundSource Tax Managed Optimal Blends. The Tax Managed blends are asset allocation portfolios intended for investors with tax* sensitivity. These blends use municipal bond funds where possible within fixed income allocations. The equity funds within these blends tend to exhibit lower portfolio turnover or may employ other means intended to increase tax efficiency. We generally favor funds that have a bottom-up approach to investing (focused on individual company considerations, merits and investment holding periods) as opposed to a top-down approach (more macro-economic focused) that could result in periods of substantially greater turnover. Since tax efficiency is not typically a concern in qualified accounts, the Tax Managed Optimal Blends are not recommended for IRA or ERISA accounts.

Core American Optimal Blends

We offer five Core American blends. The directive for the Core American blends is to maintain a core allocation to mutual funds from the American Funds Family of funds, but with the remaining assets (generally 50% or more) being allocated among other complementary FundSource recommended funds. The Core American blends include the Core American Conservative Growth blend, Core American Moderate Growth & Income blend, Core American Moderate Growth blend, Core American Growth blend, Core American Aggressive Growth blend and Core American Global Moderate Growth blend.

Global Opportunities Blends

Relative to other FundSource Optimal Blends, Global Opportunities Optimal Blends ("GO Optimal Blends") are designed to facilitate a more dynamic asset allocation framework through the use of managers with relatively flexible mandates that collectively allow for the pursuit of investment opportunities across market capitalizations, geographic regions and asset classes. The managers are intended to employ complementary investment processes that vary by style, investment approach, and risk/return profile. While most managers within the GO Optimal Blends maintain longer-term views (i.e., typically at least a three-year outlook), the inherent flexibility in their investment approaches generally provides increased opportunity to take advantage of the market's often short-term focus and corresponding herd-based overreactions. As a complement, other funds within these blends can focus on shorter-term trends or changes in market conditions based on either qualitative or quantitatively driven systematic approaches. The individual manager flexibility and varied investment approaches and timeframes generally result in more dynamic allocation changes within the context of both risk and return considerations. However, because the outlook for most managers remains multi-year in duration, changes in the blends' overall allocations tend to be more incremental versus radical in nature. It is also important to note that the Optimal Blends are managed from both a risk and a return perspective and, in general, should not be considered to be either continually higher risk or more return-seeking in approach versus more strategically oriented asset allocation approaches. In this context the more dynamic and opportunistic nature of these Optimal Blends is intended to be based on a combined assessment of market factors that may at times lead to either increased portfolio concentrations/risk or increased risk avoidance based on the collective views of the blends' constituents.

The Global Opportunities Optimal Blends include Global Opportunities Income, Global Opportunities Growth & Income, Global Opportunities Asset Allocator, Global Opportunities Moderate Growth, and Global Opportunities Growth.

Optimal Blends with Alternatives

Conservative Growth & Income with Alternatives

Conservative Growth and Income investors seek a balance between current income and moderate capital appreciation. Based on these combined goals, Conservative Growth & Income Optimal Blends will generally maintain the majority of assets in fixed income, but with a complementary significant allocation of broadly diversified equities as a means to support longer-term growth of capital. Given the mix of assets, relatively moderate short-term declines in the value of the portfolio should be expected to occur within the course of a market cycle. Alternative strategies are used to further enhance portfolio diversification and balance portfolio risk.

Moderate Growth & Income with Alternatives

Moderate Growth and Income investors seek a combination of income and capital appreciation. Investors are willing to forego some income in exchange for moderate growth of capital. Investors generally have a longer investment horizon and are willing to accept modest short-term declines in the value of their portfolio over a market cycle. Based on its dual income and growth mandate, the blend will maintain sizable allocations to both equities and fixed income. Equities are diversified across domestic, emerging and international securities. Alternative strategies and fixed income managers are used to further enhance portfolio diversification, balance portfolio risk and, in the case of fixed income, produce current income.

* WFA does not render legal, accounting, or tax advice. Please consult your tax or legal advisors before taking any action that may have tax consequences.

Aggressive Growth & Income with Alternatives

Aggressive Growth and Income investors are characterized as seeking significant levels of growth and income. The risk profile is expected to remain commensurate with the majority of the asset allocation being invested in diversified equities, but with volatility levels that are substantially below an all-equity portfolio. To achieve this combined goal, Aggressive Growth & Income Optimal Blends will maintain a significant allocation to fixed income. The longer-term objective does allow for significant allocations to strategies expected to provide relatively higher long-term growth and/or income generation potential within both the equity and fixed income allocations, including small-caps, mid-caps, and emerging market equities and higher yielding domestic credits and foreign fixed income securities, including emerging market debt. In addition to providing higher long-term growth and income potential, these asset classes can experience relatively higher volatility and periods of loss. Alternative strategies are used to further enhance portfolio diversification and in seeking to reduce overall portfolio volatility and better preserve capital in periods of market distress.

Conservative Growth with Alternatives

Conservative Growth investors are characterized as seeking levels of capital appreciation consistent with a majority of assets being held in equities, but with volatility levels that are substantially below an all-equity portfolio. To achieve this combined goal, the Conservative Growth Optimal Blend will maintain a significant allocation to fixed income. Within equities, greater allocations are given to large-cap managers, but with sizable allocations to mid- and small-cap stocks being included for both growth and diversification considerations. Within fixed income, short- to intermediate-term maturities are generally emphasized over longer-term maturities. Investments in international equities are broadly diversified by region, including a significant allocation in emerging market equities. Alternative strategies are used to further enhance portfolio diversification and in seeking to reduce overall portfolio volatility and better preserve capital in periods of market distress.

Moderate Growth with Alternatives

Moderate Growth investors seek to maximize capital appreciation but with risk levels that are below those of an all-equity portfolio. In this context, investors are willing to accept a lower rate of return in exchange for less risk. These investors do not need their portfolios to provide current income, but will look to non-equity exposure as a means to reduce risk and further enhance diversification. Based on these objectives, the asset allocation for these investors will remain predominately in diversified domestic and international equities, while relying on fixed income and other investments to moderately temper the overall risk level. Within equities considerable exposure will be maintained in asset classes with relatively higher longer-term growth potential, including mid- and small-cap stocks and emerging markets. Alternative strategies are used to further enhance portfolio diversification and reduce overall portfolio volatility and better protect capital in periods of market distress.

Aggressive Growth with Alternatives

Aggressive Growth investors seek to maximize growth of capital over longer periods of time with a risk profile that is willing to tolerate relatively higher levels of volatility and periods of potential loss. The blend will include allocations to cash equivalents, REITs, long-only commodities and alternative strategies, but with the preponderance invested in diversified equities, including substantial allocations to small- and mid-cap stocks and international developed and emerging market equities. Alternative strategies are used to further enhance portfolio diversification and reduce overall portfolio volatility and better preserve capital in periods of market distress.

Alternative Strategies Blends

The Alternative Strategies Model seeks to offer lower volatility, absolute-return-focused investment results that are relatively independent of those generated by long-only exposures to traditional equity and fixed income asset classes. As such, the model is ideally suited to complement portfolios of traditional long-only assets as a means to further enhance portfolio diversification, reduce overall portfolio volatility and better protect capital in periods of prolonged market distress, thereby offering the potential for enhanced risk/reward outcomes over a full market cycle. The model's lower volatility characteristics are generally expected to result in relatively attractive downside protection during sustained difficult market environments, but limit participation during pronounced upmarket moves. To achieve its objectives, the model's individual constituents may incorporate more sophisticated trading and portfolio management strategies, including short-selling and the use of leverage and derivative securities.

Multi-Strategy Blends

Multi-Strategy Income

The Multi-Strategy Income Optimal Blend is a diversified income-oriented solution that uses a multiple asset class approach to provide investors with relatively attractive current income/yield versus more traditional fixed income strategies. While current income is emphasized, the blend also seeks moderate investment/income growth to help preserve longer-term purchasing power. The strategy may allocate a significant portion its investments to managers that employ more flexible allocation strategies that include non-traditional income and alternative investments in an effort to enhance yield, increase diversification and/or improve the managers' ability to manage risk. While emphasis is placed on a full range of fixed income strategies, equity-income oriented investments will be included to help provide growth of income and capital. The blend is appropriate for investors seeking higher current income through a more dynamic and broadly diversified fixed income oriented allocation, but with the maintenance of moderate equity exposure for enhanced diversification and growth potential.

Multi-Strategy Balanced Income

The Multi-Strategy Balanced Income Optimal Blend is a diversified income-oriented solution that uses a multiple asset class approach that is broadly diversified across both fixed income and income-oriented equities. While current income is emphasized, the blend also seeks to balance growth of income and capital to preserve longer-term purchasing power. The strategy may allocate a significant portion of its investments to managers that employ more flexible allocation strategies that include non-traditional income and alternative investments to enhance yield, increase diversification and/or improve managers' ability to manage risk. To achieve its current yield and growing income goals, the strategy will typically maintain a more balanced equity and fixed income allocation. The blend is appropriate for investors seeking higher current income while also maintaining the potential for moderate growth and a risk profile that is commensurate with a more balanced equity and fixed income allocation.

Variable Annuities in DMA

Within a DMA Customized Blend you may also purchase on a non-discretionary basis certain variable annuities included on our Allowable List that are in an advisory share class or I-share class. We will not have investment discretion over the variable annuity assets in your Account and you authorize WFA or its agent to implement your investment decisions and process all transactions related to your purchase of any variable annuity in the Account. In addition, any confirmations for transactions related to the variable annuity must be sent to you even if you have elected to suppress confirmations on other discretionary assets within the

DMA account. Eligible variable annuities within DMA are charged a maximum annual flat fee of 1.5%.

For variable annuities, consider any charges and fees, including mortality and expense charges, administrative charges, and investment management fees and applicable 12b-1 fees for the portfolio options. These charges and fees will reduce the value of your Account and return on your investment. If you have selected a rider, or optional feature, there may be an additional cost. Variable annuity contracts are available in several price structures at WFA. In addition to the variable annuity contract fees and expenses, you will be charged an advisory fee based on the terms set forth in your advisory Client Agreement. This advisory fee will not be taken from the variable annuity contract. Over time, your total expenses to own a variable annuity inside your investment advisory Account may be greater than the total expenses to own a similar annuity outside your investment advisory Account.

Certain variable annuities that are available in DMA may contain subaccounts that are managed by an affiliate of ours. In these instances you should understand that our affiliate is compensated for performing that service and this creates a potential conflict of interest whereby we, or our affiliates, earn additional compensation. We intend, however, to make all recommendations independent of such considerations and based solely on our obligations to consider your objectives and needs.

DMA - Additional Information

Allocation Advisors Portfolios, Wells Fargo Compass Advisory Program Portfolios and FundSource Optimal Blends may be available to you at a lower cost by utilizing them directly through the Allocation Advisors Program, Wells Fargo Compass Advisory Program or FundSource Program rather than through DMA. However, DMA provides additional services and flexibility, such as the ability to combine an Allocation Advisors Portfolio, Wells Fargo Compass Advisory Program Portfolio, and/or FundSource Optimal Blend with other DMA eligible money managers, eligible ETFs and/or other eligible mutual funds within a single account that may be beneficial to you. Please be aware that we may have a financial incentive to recommend the use of an Allocation Advisors Portfolio, Wells Fargo Compass Advisory Program Portfolio or FundSource Optimal Blend within one Program over another; however we intend to make all recommendations independent of such incentives and based solely on our obligations to consider your objectives and needs.

For both Optimal Blends and Customized Blends, we reserve the right to remove a Manager, mutual fund or ETF and replace it with another Manager, mutual fund or ETF without your consent. Any securities traded as a result of such changes may cause you to incur tax consequences. Reasons for removing a Manager may include failure to adhere to expected investment objectives or a given management style, a material change in the Manager's professional staff, unexplained poor performance or dispersion of Client Account performance.

Similar factors are considered in replacing mutual funds or ETFs within any of the Optimal Blends. We will determine whether any or all of these factors are material when deciding whether to make this recommendation. In addition to replacing a Manager, mutual fund or ETF within an Optimal Blend, we may also adjust the target allocation within an Optimal Blend from time to time without your consent. For Customized Blends, you may elect to remove a Manager, mutual fund or ETF from your Account at any time.

Other than in connection with our consulting responsibilities, we do not assume responsibility for the conduct of Managers, mutual funds or ETFs you select, including their performance or compliance with laws or regulations. You are advised and should understand that:

- a) past performance of a Manager, mutual fund or ETF is no guarantee of future results;
- b) market and/or interest rate risk may adversely affect any objectives and strategies of a Manager, mutual fund or ETF, and could cause a loss in your account;
- c) a Manager's past performance does not reflect management of any DMA Account, the performance of which may vary according to a number of factors, including the size, timing of Account investment, individual Client investment limitations and the process whereby we effect trades based on the advisers' instructions; and
- d) your risk parameters or the comparative index selections you provide us are guidelines only; there is no guarantee that they will be met or exceeded.

Information collected by WFA and/or WFII regarding Managers, mutual funds and ETFs is believed to be reliable and accurate, but we do not necessarily independently review or verify it on all occasions. While performance results are generally reported to us through consultants or Managers on a standard gross of fees or a commission basis, we do not audit or verify that these results are calculated on a uniform or consistent basis as provided by a Manager directly to us or through the consulting service we use.

The target allocation you select applies at the time the Account is established in the DMA Program. Additions to and withdrawals from your Account will generally be allocated based on the target allocation. Fluctuations in the market value of assets, as well as other factors, however, will affect the actual allocation in the sub-accounts at any given time. In order to maintain your overall Account with us in conformance with your target allocation among sub-accounts, we will automatically rebalance, or direct the rebalancing of, the Account periodically if the levels of the sub-accounts vary by more than certain established percentages from the target allocation. If the Account is managed pursuant to a Customized Blend, you may opt out of automatic rebalancing. You may also request us to rebalance or direct the rebalancing of your Account.

The Program is not intended to serve as a vehicle for frequent Manager, mutual fund or ETF switching in response to short-term fluctuations in the securities markets. Program services are designed as long-term investments and, therefore, are not appropriate for "market timing" or other trading strategies that entail rapid or frequent investment and disinvestment, which could disrupt orderly management of the various investment portfolios available in the Service ("disruptive trading"). If disruptive trading activity is detected in Client Accounts, we reserve the right to take appropriate action to stop such activity. We reserve the right to modify these policies at any time.

Withdrawals may cause the individual Manager allocations to fall below the Manager minimums. Managers reserve the right to resign from the management of their allocation should the minimum fall to a point where they can no longer effectively manage the allocation.

DMA Fees

Fees for DMA Accounts are only offered on a wrap-fee basis, covering our execution, consulting and custodial services as well as each Manager's fee for services. We negotiate each Manager's portion of the fee with the Manager based on a variety of factors, including the amount of data-processing facilities, software and other overhead interface believed necessary. We compensate Managers between 0.10% and 0.60% annually based on total aggregate Client dollars with each Manager. Breakpoints will lower the advisory fee as aggregate assets increase. While the use of certain Managers may cost us less, we intend to make all recommendations independent of such fee considerations and based solely on our obligations to consider your objectives and needs.

In addition, mutual funds and ETFs have fees associated with them that you will pay above and beyond the stated contract rate you sign. These fees are embedded within the price of the mutual fund or ETF. Please refer to the prospectus for specific fees associated with a given mutual fund or ETF.

There is a minimum quarterly fee requirement of \$375. For accounts opened prior to October 30, 2015, the minimum quarterly fee is \$500. The following standard fees, which are negotiable, are charged for DMA Accounts:

Total Account Value	Annualized Fee
First \$500,000	2.75%
Next \$500,000	2.50%
Next \$1,000,000	2.00%
Over \$2,000,000	Negotiable

* Eligible Variable Annuities are charged a maximum annual flat fee of 1.5%.

Masters Program

As part of the Masters Program we assist you in reviewing your investment objectives and any particular restrictions you would like to designate with respect to individual securities. Based on this assessment, we also assist you in selecting one or more investment advisers ("Managers") from the designated lists of options. A wide range of Managers and individual portfolios ("Strategies") are offered as a means to satisfy diverse individual client risk-return objectives, preferences and related considerations. To participate in the Masters Program an investment advisor's Strategy must be on the Roster of reviewed Strategies. The Roster and assigned ratings, described below, are based on due diligence provided by our affiliate, WFII. For Managers with more than one investment strategy only selected Strategies may be included in the Masters Program. The Manager and Strategy evaluation process is intended to offer a diverse list of assessed investment Strategies that represent a broad array of asset classes and investment approaches from which you may select one or more Managers and/or Strategies to handle the day-to-day investment management of your Account(s).

Ratings:

Recommended: A Recommended rating is assigned to a strategy in good standing with Wells Fargo Investment Institute ("WFII") and has earned the highest conviction. The evaluation process for consideration of an investment strategy with a Recommended rating is focused on both quantitative and qualitative analysis. Inputs into the process include the review of relevant information requests and documentation provided by the Managers and an analysis of the individual Strategy's past performance records relative to pertinent market or peer benchmarks and market-based expectations. Additional factors considered may include the number, continuity and assessed experience of investment professionals and any substantial changes in investment process or personnel. The review process includes upfront and periodic discussions with Manager personnel. These discussions and resulting information flow may pertain to investment performance, staffing, operations, asset flows, financial condition or other such matters that upon further assessment could influence the ongoing rating or availability of the Strategy in the Masters Program.

Supported Eligibility Review Framework (ERF): A Supported (ERF) rating equates to a level of conviction in a strategy that is not high enough to warrant a Recommended rating. In relation to a Recommended rating, the process by which Strategies with a Supported (ERF) rating are evaluated on an on-going basis is less comprehensive and more quantitatively focused through the Eligibility Review Framework (ERF). While the process may include direct discussions with the Managers, the primary sources of information come from manager-provided documentations and third-party databases. Initial and periodic assessed factors may include a quantitative review of past performance, the number and tenure of investment personnel, and asset levels and flows. A rules-based scoring approach may be applied to assess performance and business-related characteristics on a combined basis, but with a qualitative review of the output being the final determining factor. Strategies with a Supported (ERF) rating may also include Strategies evaluated under the process for a Recommended rating but not currently rated Recommended.

Watch/Watch (ERF): In cases where ongoing assessments indicate areas of uncertainty or potential for growing concern. A Watch rating has three levels:

- **Watch – Level I/Watch Level I (ERF)** indicates an event has occurred that triggers mild concern with respect to the future investment prospects of a product.
- **Watch – Level II/Watch Level II (ERF)** indicates an event has occurred that triggers moderate concern with respect to the future investment prospects of a product.
- **Watch – Level III** indicates an event has occurred that triggers significant concern with respect to the future investment prospects of a product. WFII recommends consideration of restriction of new money into the product.
- **Watch Level III (ERF)** assigned to Supported (ERF) products that fail the performance-based ERF review for three consecutive quarters, and/or trigger a significant concern from the fundamental ERF review. WFII recommends restriction of new money into these products.

Sell/Sell (ERF): Assigned when a strategy is being removed from the Masters list of Recommended Strategies and the time to exit for Clients is desired to be relatively short.

Sunset: Assigned when a strategy is being removed from the Masters list of Recommended Strategies and the time to exit for Clients is desired to be an extended period of time (e.g., over multiple tax years).

Sunset (ERF): Assigned to Supported (ERF) products fail the performance-based ERF review for four consecutive quarters, and/or trigger a heightened concern from the fundamental ERF review. Used when WFII believes a relatively longer time period to exit is acceptable.

In addition to the previously described evaluation processes for both the Recommended and Supported (ERF) ratings, other factors are also considered in determining the particular Strategies offered within the Masters Program, including program needs and business considerations.

Manager Roster/Status Changes and Program Terminations: For Strategies currently available, ongoing reviews can result in a change of rating or removal from the Masters Program. It may be determined that a Strategy no longer meets the criteria for the Recommended rating, but does meet the criteria for the Supported (ERF) rating. In such cases, the Strategy's rating could change upon which time the ongoing review of the Strategy would transition to the evaluation process used for the Supported (ERF) rating. Based on the individual Strategy assessment, a Strategy with a Supported (ERF) rating can also be elevated to the Recommended rating. In such cases, the ongoing review of the Strategy would transition to the evaluation process used for the Recommended rating.

When a Strategy is removed from the Masters Program, we reserve the right to remove and replace the Strategy in your Account without notice. You may also elect to remove and replace a Strategy from your Account. Any securities repositioning effected by the new Manager may cause you to incur tax consequences.

If a strategy is rated Watch, the strategy will remain on Watch until such time that continued assessment warrants either 1) removing the Watch rating or 2) terminating the Strategy from the Masters Program. Circumstances may also arise under which a Strategy is more expeditiously removed from the Program (i.e., without first being rated Watch).

We may include strategies from affiliated Managers on the Rosters. We will conduct due diligence on these Managers and their portfolio Strategies consistent with the same due diligence performed for unaffiliated Managers. At least annually, we and/or our agent will conduct a review of affiliated Manager Strategies within the Program to insure objective and consistent due diligence standards are applied to both affiliated and unaffiliated Managers.

A Manager may have the same Strategy available to Clients in both the Masters Program and the Private Advisor Network Program. In these instances, the fee structure and services provided may be different for the Masters Program and Private Advisor Network Program. Please refer to the disclosure information for each Program contained in this document to review the specific services and fee structure of each Program. Please be aware that we may have a financial incentive to recommend the use of a particular strategy within one Program over another; however, we intend to make all recommendations independent of such incentives and based solely on our obligations to consider your objectives and needs.

With respect to the assignment of investment management and trading responsibilities, Managers available through the Masters Program may participate in one of two ways:

Discretionary Managers - Discretionary Managers are responsible for the day-to-day investing of your assets participating in their selected investment strategy. Where investment discretion has been assigned to a Discretionary Manager, we will not be responsible for any decision made by the Manager as to the day-to-day management of your assets. If you select a Discretionary Manager, that selection will be communicated to the Manager and we will provide them with appropriate information about you. Manager Profiles with the selected investment strategy will indicate when the Manager is acting as a Discretionary Manager.

Model Managers - Model Managers provide their investment strategy to us, designating us as the Manager. When designated as Manager, we will manage your Account on a discretionary basis, including the day-to-day investing of assets, based on the advice provided to us by each Model Manager with respect to the securities and other investments to be purchased and sold for a particular investment strategy. We will generally implement the Model Manager's recommendations without change, subject to any reasonable restrictions you may impose. Manager Profiles associated with the selected investment strategy will indicate when the Manager is acting as a Model Manager.

You are advised and should understand that:

- a) a Manager's past performance is no guarantee of future results;
- b) market and/or interest rate risk may adversely affect a Manager's objectives and Strategies, and could cause a loss in your Account;
- c) a Strategy's past performance may not reflect management of any Masters Account, the performance of which may vary according to a number of factors, including the size, timing of Account investment, individual investment limitations and the process whereby we effect trades based on the Manager's instructions; and
- d) your risk parameters or the comparative index selections you provide us are guidelines only; there is no guarantee that they will be met or exceeded.

Information we and/or WFII collect regarding Masters Managers is believed to be reliable and accurate, but the information is not independently reviewed or verified. While performance results are generally reported to us through consultants or Managers on a standard gross of fees or a commission basis, we do not audit or verify that these results are calculated on a uniform or consistent basis. A recommendation of a Masters Strategy may be effected immediately for its other managed Accounts prior to or simultaneous with providing the same advice for your Account; because of the delay involved, your Account may receive higher or lower execution prices.

Masters Program Fees

Fees for Masters Accounts are only offered on a wrap-fee basis, covering all of our execution, consulting and custodial services as well as each adviser's management fee for the adviser's services. We negotiate each Manager's management portion of the Client

fee with the Manager based on a variety of factors including the amount of data processing facilities, software, and other overhead interface believed necessary. Currently, we compensate advisers between 0.10% and 0.65% annually based on total aggregate Client dollars with each Manager. Breakpoints will lower the advisory fee as aggregate assets increase. While the use of certain management styles or Managers may cost us less, we intend to make all recommendations independent of such fee considerations and based solely on our obligations to consider your objectives and needs. Golden Capital Management, LLC and Metropolitan West Capital Management, LLC, both of which are subsidiaries of Wells Fargo & Company, are included as Managers under Masters. Thus, we and our affiliates receive the entire Masters fee when one of these Managers is selected as adviser for your Account.

There is a minimum quarterly fee requirement of \$375. The following standard fees, which are negotiable, are charged for Masters Accounts:

Total Account Value	Equity & Balanced Accounts Annualized Fee	Fixed Income Accounts Annualized Fee
First \$500,000	2.75%	1.50%
Next \$500,000	2.50%	1.25%
Next \$1,000,000	2.00%	1.00%
Over \$2,000,000	Negotiable	Negotiable

Private Advisor Network Program

Under the Private Advisor Network Program, we may assist you in identifying an investment advisory firm to advise and counsel you relative to your investment of assets. The intent of the Program is to offer a roster of investment advisers representing a broad array of investment classes and styles from which you may select one or more Private Advisor Network advisers to handle the day-to-day management of your Account(s). Private Advisor Network services may include matching the personal and financial data you provide with a database of investment advisers, and providing reports to allow for periodic evaluation and comparison of account performance with objectives.

Under the Private Advisor Network Program, we will provide information on investment advisers that appear to meet your needs. Private Advisor Network advisers classified as "Cleared" in our program have provided sufficient information to our affiliate, WFII, for review and have passed their screening qualifications on an ongoing basis. Some of the factors that are considered for clearing a manager include track record, number of investment professionals, assets under management, and legal and disciplinary history.

Those Private Advisor Network advisers not classified as "Cleared" have not met all or some of the screening qualifications, but certain Clients have specifically requested their inclusion. Generally in these cases, Clients have a pre-existing relationship with the investment adviser that they'd like to continue. While we may accommodate such requests, these managers are not included in our investment adviser identification or in the ongoing review processes described above.

After you have selected one or more investment advisers, we may provide you with a recommendation regarding the retention or replacement of an adviser. Reasons for replacement may include a material change in the adviser's professional staff, legal and disciplinary issues and/or unexplained poor performance. Any such factors may not be determinative or material under the circumstances. You acknowledge that our recommendations will be based only on the information we or WFII have concerning your assets under the Private Advisor Network Program, without regard to the composition of your total portfolio, diversification or liquidity needs and that such recommendations will not serve as a primary basis for investment decisions with respect to your assets. We and WFII may remove or change the status of the Private Advisor Network adviser in the Program. If we do remove your current Private Advisor Network adviser from the Program, we may suggest an alternative for your consideration. As an accommodation, in the event of a status change, you may retain your current Private Advisor Network adviser, but you will be notified in writing that the investment adviser no longer meets the minimum requirements of the Program.

Under the Private Advisor Network program, you grant the investment adviser complete discretionary trading authority and authorize the investment adviser to handle the day-to-day investment management of your Account in accordance with the separate management agreement between you and the investment adviser. WFA has no discretionary trading authority with respect to such Accounts. Information collected by us regarding Private Advisor Network's independent advisers is believed to be reliable and accurate, but we do not necessarily independently review or verify the information. We may include affiliated managers in the roster of Cleared advisers. We have the same screening qualifications for these managers that we do for unaffiliated managers.

While performance results are generally reported to us through advisers on a standard gross of fees or commission basis, we do not audit or verify that these results are calculated on a uniform or consistent basis as provided by the adviser directly to us or through the consulting service utilized by us. Other than in connection with our consulting responsibilities, we do not assume responsibility for the conduct of the investment advisers you select, including their performance or compliance with laws or regulations. You are advised and should understand that:

- a) an adviser's past performance is no guarantee of future results;
- b) certain market and/or interest rate risk may adversely affect any adviser's objectives and strategies, and could cause a loss in your Account; and
- c) risk parameter or comparative index selections provided for Accounts are guidelines only; there is no guarantee that they will be met or exceeded.

Some managers may use covered calls or protective puts (or a combination of both) in your portfolio. Check with your manager or financial advisor to confirm the use of options.

Depending on the strategy implemented, covered calls may limit the upside potential of the securities held in your Account. In certain instances, an option may be assigned and you may be required to sell securities, thus creating realized gains/losses.

The purchaser of a protective put runs the risk of losing the entire value of the purchased option as options become valueless

upon expiration if they are not exercised or sold prior to expiration.

Managers Using Advanced Option Strategies

For managers that use advanced option strategies, such as an Iron Condor Strategy, Clients are required to sign an Advanced Option Strategy Addendum to the Client Agreement, maintain a separate collateral account, be approved for a Level 6 options trading level and have an investment objective of Trading and Speculation.

If the collateral for this account participates in a WFA-sponsored investment advisory program, your collateral account is also subject to the Program fees as described in the applicable Agreement and Investment Advisory Disclosure Document.

Option writing may incur losses in your Account but may be limited by the purchase of options on the same underlying security.

However, even when the writer buys a corresponding hedging option position, the risks still may be significant.

The purchaser of a call or put runs the risk of losing the entire value of the purchased option as options become valueless upon expiration if they are not exercised or sold prior to expiration.

For more information, please see the options disclosure document titled "Characteristics & Risks of Standardized Options."

Private Advisor Network Charges

You have a choice of two options by which to compensate us for Private Advisor Network services:

- (1) **Fee Schedule:** Payment of a fee for both Private Advisor Network services and execution services. We will impose no separate charge for brokerage commissions on agency trades or markups or markdowns on principal transactions, except mutual fund purchases, if any. Also in connection with the Fee Schedule option, you may decide to liquidate your portfolios in a separate account and incur commission charges before transferring assets to your Private Advisor Network account; such assets would be subject to the fees described in addition to the commissions.

The following standard fees, which are negotiable, are charged for Private Advisor Network services:

Total Account Value	Equity & Balanced Accounts* <i>Annualized Fee</i>	Fixed Income Accounts <i>Annualized Fee</i>
First \$500,000	2.00%	1.00%
Next \$500,000	1.50%	0.75%
Next \$1,000,000	1.00%	0.50%
Over \$2,000,000	Negotiable	Negotiable

There is a minimum quarterly fee requirement of \$375.

* For Accounts invested in an Advanced Option Strategy, the advisory fee is calculated based on a target notional value as detailed in the Advanced Option Strategy Addendum to the Client Agreement. The target notional value is the agreed upon value of broad-based equity market index exposure that the underlying option contracts in the portfolio should represent. The target notional value does not change over time unless a new value is agreed upon in writing. The actual value of the index exposure in your Account may be significantly higher or lower than the target notional value.

- (2) **Execution Schedule:** (No separate charge for Private Advisor Network services) Under the Execution Schedule, you will pay for Private Advisor Network services by paying commissions for each transaction in the account at our normal commission rate for such agency transactions and at the normal markup or markdown imposed on Client Accounts for principal transactions. You will also be subject to any other fees associated with our standard brokerage accounts, including postage and handling fees, transfer taxes, exchange fees, and any other fees required by law. In addition, if your household assets are less than \$250,000, you may also be subject to WFA's annual account fee.

Neither the Execution Schedule nor Fee Schedule includes the advisory fees of the third-party investment manager. You pay for the services of your investment adviser separately. You authorize us to pay the separate investment advisory management fee invoiced by the adviser by debiting your Account accordingly. It is your responsibility to determine if any such invoice from the investment adviser is proper or if the fee amount charged is accurate. You may revoke our authorization to pay the investment adviser fee on your behalf any time by written notice to us.

Affiliates of WFA may serve as investment advisers to Clients in the Program. Thus, we and our affiliates will receive the entire advisory fee when an affiliate is selected as adviser for that portion of your Account.

Private Advisor Network Non-Execution Accounts: Certain Clients may wish to utilize the selection or evaluation monitoring services of the Private Advisor Network without any execution service. Fees for such accounts, payment schedules and refunds thereof are negotiated on a case-by-case basis and may be determined as a percentage of assets under management, an annual fee or by consideration of other factors.

Wells Fargo Compass Advisory Program

Through Wells Fargo Compass Advisory Program, we provide investment advisory and brokerage services to your Account on a discretionary basis. WFA manages portfolios based on established guidelines, with extensive oversight, review and controls over these portfolios.

The Wells Fargo Compass Advisory Program is designed to provide a disciplined approach to meet the varying objectives and needs of Clients. Our Program services generally rely on fundamental securities analysis with some emphasis on charting or cyclical analysis as well. Each Wells Fargo Compass Advisory Program Portfolio is developed by utilizing a combination of these analysis methods in the management of the portfolio. Program quality and concentration requirements are established to provide an overall discipline and structure. Such strategies ordinarily include long- and short-term purchase of equity and fixed income securities, ETFs, exchange-traded notes ("ETNs"), open-end mutual funds and closed-end mutual funds ("CEFs"). Mutual funds

may include asset allocation funds, alternative strategy mutual funds or other select funds that may utilize derivatives, short-selling, leverage and other strategies to meet stated investment objectives, enhance diversification, hedge risks, accentuate returns or facilitate certain market exposures or more dynamic allocation changes.

Accounts participating in the Program are managed separately and are not pooled. We market the Program through our registered FAs. Your FA will review your investment advisory needs, objectives and risk tolerance with you, and recommend a portfolio that is appropriate for you. These portfolios are not subject to the same due diligence process that is applied to other unaffiliated or affiliated investment advisers or strategies who participate in other programs available at the Firm.

Individual Equity Strategies

The Blue Chip Portfolio is designed for investors seeking long-term capital growth by investing in a portfolio of predominantly large-capitalization equity securities. The Portfolio Manager(s) primarily employ a fundamental style of investing and maintains an investment approach that blends growth as well as value, depending on market conditions. They may also use technical analysis, which is the study of historical price movements and trend patterns. The Blue Chip Portfolio may also purchase ETFs and CEFs to help achieve broad diversification or exposure to a specific sector or industry.

The Small-Mid Cap Portfolio is designed for long-term investors seeking total return from capital appreciation and dividend income. The portfolio concentrates on a universe of small- and mid-capitalization U.S. stocks. The Portfolio Manager(s) primarily employ a fundamental style of investing and maintains an investment approach that blends growth as well as value, depending on market conditions. They may also use technical analysis, which is the study of historical price movements and trend patterns. Given its small and mid-capitalization holdings, the Small-Mid Cap Portfolio may experience higher volatility and risk than a portfolio of large-capitalization stocks. The risk may be somewhat offset by company, industry and sector diversification within the portfolio. The portfolio may also purchase ETFs and CEFs to achieve broad diversification or exposure to a specific sector or industry.

The Managed Diversified Stock Income Plan (Managed DSIP) Portfolio - CLOSED TO NEW INVESTORS - is designed to produce a growing income stream, with the opportunity for long-term capital appreciation, by investing in a portfolio of equity securities chosen for the likelihood to increase their dividends. This strategy seeks to combat inflation and the inherent volatility of investing. The Managed DSIP Portfolio is constructed of a broadly diversified selection of dividend-paying companies across multiple market capitalizations and industry sectors. The Portfolio Manager(s) for this portfolio primarily utilize a fundamental style of investing. This portfolio is an actively managed portfolio and the Portfolio Manager(s) may initiate changes in the portfolio at any time, for a variety of reasons, including but not limited to help reduce risk, changes in corporate fundamentals, the dividend no longer being viewed as secure, or the equity position has significantly increased since its initial purchase. They may at times temporarily utilize ETFs, U.S. Treasury securities, or short-term instruments.

The Current Equity Income Portfolio is designed to generate current equity income with the potential for long-term capital appreciation by investing in domestic and international equity securities from across all market capitalizations. This strategy seeks to meet its objective by investing in dividend-paying equities that are believed to have sustainable dividends with moderate dividend growth potential, that collectively provide a diversified portfolio, with a yield that is higher than the current broad market average. The Portfolio Manager(s) for this portfolio primarily utilize a fundamental style of investing. This portfolio is an actively managed portfolio and the Portfolio Manager(s) may initiate changes in the portfolio at any time, for a variety of reasons, including but not limited to help reduce risk, changes in corporate fundamentals, the dividend no longer being viewed as secure, or the equity position has significantly increased since its initial purchase. They may at times temporarily utilize ETFs, U.S. Treasury securities, or short-term instruments. They may also use ETFs to gain broad exposure to an industry or sector.

Multi-Asset Strategy

The Income Multi-Asset Portfolio is designed primarily to provide current income, with the potential for income growth and capital appreciation as secondary objectives. The investment process begins with a review of asset classes to determine the most attractive classes, in the opinion of the Portfolio Manager(s). They consider risk, income potential, and potential for income growth, capital appreciation and total return. The Portfolio Manager(s) will shift the investment mix depending on their assessment of risk, yield and return available within the various asset classes. They will construct a portfolio comprised of a broad array of securities with adequate trading liquidity, which are deemed likely to help the portfolio meet its objectives. The types of securities selected for investment in this portfolio may include but are not limited to: U.S., international developed market and emerging market debt obligations; U.S., international developed market and emerging market equities; preferred stocks; real estate investment trusts ("REITs"); mortgage REITs; master limited partnerships; royalty trusts; and business development corporations ("BDCs"). Debt obligations may include, but are not limited to, investment-grade bonds; high yield (non-investment grade or unrated) bonds; U.S. Treasury or agency securities; U.S. Treasury inflation-protected securities ("TIPS"); certificates of deposit; commercial paper; mortgage-backed or asset-backed securities; floating-rate securities; loan portfolios; and taxable municipal bonds. The portfolio may hold individual securities, open- and closed-end funds, and exchange-traded products ("ETPs"). The Portfolio may invest in funds or ETPs that employ what may be referred to as "alternative" strategies or asset classes. These may include but are not limited to trading strategies to accentuate returns or manage risk using futures, forward contracts, options, swaps or other derivative securities, or by short-selling. Other strategies they may use could include managed futures, investment in illiquid assets or assets with limited liquidity, or other non-traditional assets. The portfolio may also invest in funds or ETPs that use alternative strategies other than those specifically listed. A substantial majority of the securities are expected to produce current income, although some could be held for diversification, appreciation or potential future income. The Portfolio is actively managed and the Portfolio Manager(s) monitor the portfolio on an ongoing basis. They may decide to adjust positions at any time to reposition the portfolio, reduce risk, or improve the Portfolio's risk/return profile.

Asset Allocation Strategies

The Wells Fargo Compass Asset Allocation Portfolios utilize a tactical asset allocation approach. While following WFA's recommended long-term strategic asset allocation guidelines which represents our 10-15 year strategic outlook, these portfolios also incorporate short-term adjustments generally looking out six to eighteen months. These short term tactical adjustments reflect our current thinking about near-term risks and opportunities, and are implemented in the Program portfolios on an ad-hoc or as needed basis.

Investors with similar investment objectives may have substantially different risk tolerances. Although all investments involve some degree of risk, including the potential for loss of principal, some securities, such as emerging market equities and high yield bonds,

have more risks than others. Higher risk investments have greater potential for loss, but may generally offer the potential for higher long-term returns. Investors with lower risk tolerance give up some of the potential for higher returns in exchange for lower risk. Investors with a higher risk tolerance pursue higher returns through investment in higher risk securities. Consequently different portfolios offer asset allocation recommendations based on three degrees of risk tolerances - Conservative, Moderate, and Aggressive - for different investment objectives (Income, Growth & Income, and Growth).

To meet investor needs for diversified portfolio solutions, based upon individual investment and risk objectives, the Wells Fargo Compass Advisory Program offers the following six asset allocation portfolios: Conservative Growth & Income, Moderate Growth & Income, Aggressive Growth & Income, Conservative Growth, Moderate Growth, and Aggressive Growth.

To achieve these objectives the portfolios may invest in domestic stocks, preferred stocks, convertible securities, CEFs, ETFs, ETNs, investment-grade obligations or high-yield obligations. ETFs and CEFs may be used to manage allocation across all asset classes. They provide suitable levels of liquidity, diversification, and, in some cases, transaction costs that may be attractive to the Portfolio Manager(s) as they set their core portfolio strategy.

Growth and Income Strategies. The three Growth & Income Portfolios are designed for investors seeking a higher level of current income than is generally available from growth-oriented equity strategies. Although these investors need current income, they are willing to accept a lower level of current income in exchange for the possibility that their level of income could increase over time. As a result, income and the potential for growth and income are the primary objectives of these portfolios, and capital appreciation is the secondary objective. The primary investment performance drivers for the Growth & Income Portfolios are the asset allocation strategy and the security selection investment decisions.

Growth Strategies. The three Growth Portfolios seek primarily capital appreciation, consistent with the portfolio's specific risk tolerance.

Wells Fargo Compass Advisory Program Fees

Fees for Wells Fargo Compass Advisory Program Accounts are only offered on a wrap-fee basis, covering all investment advice, execution, consulting and custodial services. The standard Wells Fargo Compass Advisory Program fee schedule, shown in the table below, is based on Account size. The fee is negotiable. The fees do not cover the fees and expenses of any underlying ETFs, closed-end funds, or mutual funds.

There is a minimum quarterly Client fee requirement of \$250.

Total Account Value	Individual, Multi-Asset, and Asset Allocation Growth Strategies Annualized Fee	Asset Allocation Growth and Income Strategies Annualized Fee
First \$500,000	2.50%	2.00%
Next \$500,000	2.00%	1.50%
Next \$1,000,000	1.50%	1.00%
Over \$2,000,000	Negotiable	Negotiable

Customized Portfolios

Under the Customized Portfolios Program, we will assist you in selecting from portfolios based on the investment strategies of one of our affiliates, Wells Fargo Bank, N.A. ("WFB") or Wells Fargo Investment Institute, Inc. ("WFII"), including fixed income portfolios (the Bank Managed Portfolios), equity portfolios (the Bank Model Portfolios) and the option portfolios (WFII Managed Portfolios).

Fixed Income Portfolios

The fixed income portfolios (the Bank Managed Portfolios) within the Customized Portfolios Program are managed on a fully discretionary basis by WFB. WFB handles the day-to-day investment management of your Account in accordance with your stated investment objectives. These fixed income portfolios specialize in meeting the unique needs of sophisticated individuals and select institutions and follow a disciplined portfolio management approach. The portfolios are customized based on several factors that may include income and liquidity needs, risk tolerance, tax status and time horizon. Portfolio Managers will manage to the appropriate duration while adhering to the maximum effective maturity** allowed for the strategy using a full range of investment grade bonds. While not typical, in some instances the portfolio manager may find it necessary or preferable to hold bond positions that are below investment grade. Portfolio Managers will use discretion as to the timing of the disposition (or retention) of positions used to fund an account initially or positions that are transferred into an account. Client Accounts are managed separately and are not pooled. The fixed income portfolios may also be sub-advised by subsidiaries or affiliates of Wells Fargo & Co.

Taxable Fixed Income Portfolios:

Portfolio Name	Maturity Selection	Effective Maturity**
Taxable Short Term Asset Mgmt	6 Month to 2.5 Year Average Duration	4 Year Maximum Effective Maturity
Taxable Limited Maturity	1.5 to 3.5 Year Average Duration	5 Year Maximum Effective Maturity
Taxable Intermediate	2.5 to 4.5 Year Average Duration	10 Year Maximum Effective Maturity
Taxable Core	3 to 6 Year Average Duration	No Maximum Effective Maturity

* Closed to new investors effective 6/30/2015

** Effective Maturity Explained: Many corporate and municipal bonds with longer maturities are issued with call features which provide the issuer the option to redeem the bonds at certain dates prior to stated final maturity. Effective Maturity takes into consideration that a bond could be called prior to the stated final maturity. The Effective Maturity Date is generally determined by the bond's price and yield relative to the market however there are no assurances a bond will actually be called until the issuer initiates such an action. For instance, issuers may choose to call bonds in market environments where interest rates are moving lower, in order to retire debt obligations with higher coupons; conversely, in rising interest rate environments issues may choose not to call lower coupon bonds and may hold bonds until the stated final maturity.

Municipal Bond Portfolios:

<u>Portfolio Name</u>	<u>Maturity Selection</u>	<u>Effective Maturity**</u>
Tax Sensitive Short Term Asset Mgmt	6 Month to 2.5 Year Average Duration	4 Year Maximum Effective Maturity
Tax Sensitive Limited Duration	1.5 to 4 Year Average Duration	10 Year Maximum Effective Maturity
Tax Sensitive Core*	3 to 6 Year Average Duration	15 Year Maximum Effective Maturity
Tax Sensitive Intermediate	4.5 to 7 Year Average Duration	17 Year Maximum Effective Maturity
Tax Sensitive Core Extended	6.2 to 8.5 Year Average Duration	30 Year Maximum Effective Maturity

* Closed to new investors effective 6/30/2015

** Effective Maturity Explained: Many corporate and municipal bonds with longer maturities are issued with call features which provide the issuer the option to redeem the bonds at certain dates prior to stated final maturity. Effective Maturity takes into consideration that a bond could be called prior to the stated final maturity. The Effective Maturity Date is generally determined by the bond's price and yield relative to the market however there are no assurances a bond will actually be called until the issuer initiates such an action. For instance, issuers may choose to call bonds in market environments where interest rates are moving lower, in order to retire debt obligations with higher coupons; conversely, in rising interest rate environments issues may choose not to call lower coupon bonds and may hold bonds until the stated final maturity.

Custom Option Portfolio

The custom option portfolios (the WFII Managed Portfolios) within the Customized Portfolios Program are managed on a fully discretionary basis by WFII. WFII handles the day-to-day investment management of your Account in accordance with your stated investment objectives. These custom option portfolios seek to provide income alternatives and/or hedge downside risk on your selected securities. The type of option strategy employed and securities included in your Account for the option overlay will be determined by your unique needs and stated investment objectives. The portfolios are customized based on several factors that may include income and liquidity needs, risk tolerance, tax status and time horizon. Portfolio Managers will use covered calls or protective puts (or a combination of both) based on these factors.

Depending on the strategy implemented, covered calls may limit the upside potential of the securities held in your Account. In certain instances, an option may be assigned and you may be required to sell securities, thus creating realized gains/losses.

The purchaser of a protective put runs the risk of losing the entire value of the purchased option as options become valueless upon expiration if they are not exercised or sold prior to expiration.

For more information, please see the options disclosure document titled "Characteristics & Risks of Standardized Options."

Iron Condor Option Portfolio

The Iron Condor Option Portfolio (the WFII Managed Portfolios) within the Customized Portfolios Program is managed on a fully discretionary basis by WFII. WFII handles the day-to-day investment management of your Account in accordance with the portfolio strategy and your stated investment objectives. This portfolio seeks to provide income alternatives using equity index options in a strategy commonly referred to as an "iron condor". Generally, an iron condor is an option trading strategy using two long options and two short options with the same expiration dates and different strike prices. Clients investing in this portfolio are required to maintain a separate collateral account, be approved for a Level 6 options trading level and have an investment objective of Trading and Speculation. Clients will also be required to sign the Advanced Option Strategy Addendum to the Client Agreement.

If the collateral for this account participates in a WFA-sponsored investment advisory program, your collateral account is also subject to the Program fees as described in the applicable Agreement and Investment Advisory Disclosure Document.

Option writing may incur losses in your Account but may be limited by the purchase of options on the same underlying index. However, even when the writer buys a corresponding hedging option position, the risks still may be significant.

The purchaser of a call or put runs the risk of losing the entire value of the purchased option as options become valueless upon expiration if they are not exercised or sold prior to expiration.

For more information, please see the options disclosure document titled "Characteristics & Risks of Standardized Options."

Equity Portfolios

The Customized Portfolios Program also offers nine equity portfolios (Bank Model Portfolios). For Bank Model Portfolios, WFA will manage your Account on a discretionary basis based on advice provided to us by WFB as to the securities and other investments to be purchased and sold for a particular investment strategy. We will generally implement WFB's recommendations without change, subject to any reasonable restrictions you may impose. We will handle the day-to-day investment management of your Account in accordance with your stated investment objectives and will buy, sell or otherwise trade and settle securities or other investments for your Account without discussing these transactions with you in advance.

The Global Dividend Payers strategy seeks to provide investors with an actively managed, diversified global equity strategy that provides a higher than market dividend yield. The strategy invests in companies that typically have above market dividend yields and a history or expectation of increasing dividend payouts combined with underlying strong balance sheets and attractive fundamental attributes. Dividends on American depository receipts ("ADRs") may be subject to foreign tax withholding. Please see "Other Account Fees" for additional information.

The Socially Responsible Core strategy provides a sector-diversified U.S. large-cap equity portfolio. Environmental, social and governance ("ESG") factors are fully integrated into the strategy, which favors firms with strong corporate governance. The strategy excludes tobacco stocks, coal mining companies, and firms involved in the production of controversial weapons as defined under international agreements.

The Responsible Investment strategy provides a sector-diversified U.S. large-cap equity portfolio with extensive responsible investment policies and full ESG integration. The strategy is managed to be consistent with the concerns of traditional social investors. It excludes companies with significant revenue from the sale of alcohol, tobacco, gambling, adult entertainment, and

weapons manufacturing, as well as those judged to have poor ESG performance in one or more areas.

The Faith-Based strategy provides a U.S. large-cap equity portfolio with extensive responsible investment policies and full ESG integration. The strategy is managed to be consistent with the concerns of faith-based investors, and in particular excludes companies judged to have issues related to life ethics (e.g., abortion, use of fetal stem cells). The strategy also excludes firms with significant revenue from the sale of alcohol, tobacco, gambling, adult entertainment, and weapons manufacturing, as well as those judged to have poor ESG performance in one or more areas.

The Sustainable Investment strategy provides a U.S. large-cap equity portfolio focused on sustainability, with full ESG integration. The strategy is managed to be consistent with the concerns of investors concerned with climate change and other sustainability issues. The strategy excludes companies engaged in the production of fossil fuels, as well as mining companies and other companies judged to have poor sustainability characteristics. The strategy also avoids companies with significant revenue from the sale of tobacco, alcohol, gambling, adult entertainment, and weapons manufacturing.

The Islamic strategy provides a U.S. large-cap equity portfolio with full ESG integration, constructed to meet the needs of Islamic investors. It excludes companies with significant revenue from the sale of tobacco, alcohol, gambling, entertainment, pork, weapons manufacturing, and conventional financial services, as well as companies with unacceptably high levels of debt.

The Christian Science strategy provides a large-cap equity portfolio with full ESG integration, constructed to meet the needs of Christian Science investors. It excludes companies with significant revenue from the sale of tobacco, alcohol, gambling, adult entertainment, and weapons manufacturing, as well as those involved in for-profit healthcare. The strategy favors companies that contribute to a healthy society through the team's analysis of ESG metrics.

The Animal Welfare strategy provides a large-cap equity portfolio with full ESG integration, constructed to meet the needs of investors focused on animal welfare. The strategy seeks to include companies engaged in the humane treatment of animals, and excludes companies with significant revenue from the sale of tobacco, alcohol, gambling, adult entertainment, and weapons manufacturing.

The Socially Responsible Equity Income strategy provides an income-oriented U.S. equity strategy designed to be consistent with the concerns of traditional social investors. It excludes companies with significant revenue from the sale of alcohol, tobacco, gambling, adult entertainment, and weapons manufacturing, as well as those judged to have poor ESG performance in one or more areas. No sector is excluded under the ESG policies.

Customized Portfolios Account Fees

Fees for Customized Portfolios Accounts are only offered on a wrap-fee basis, covering all of our execution, consulting and custodial services as well as the adviser's management fee for the adviser's services. With the exception of the Iron Condor Option Portfolio, the fee is based on Account size*. We negotiate the adviser's management portion of the fee with the adviser based on a variety of factors, including the amount of data-processing facilities, software, and other overhead interface believed necessary. Currently, we compensate the advisers 0.28% or less of assets under management for the fixed income, option and equity portfolios. When recommending this program, we may have a potential conflict of interest since we and our affiliates receive the entire wrap fee you are charged. We intend, however, to make all recommendations independent of such fee considerations, and based solely on our obligation to consider your objectives and needs.

There is a minimum quarterly fee requirement of \$250 for all strategies within Customized Portfolios. The following standard fees, which are negotiable, are charged for Customized Portfolios accounts:

Fixed Income Strategies (Bank Managed Portfolios)		Equity Portfolios (Bank Model Portfolios) & Option Portfolios* (WFII Managed Portfolios)	
Total Account Value	Annualized Fee	Total Account Value	Annualized Fee
First \$5,000,000	1.25%	First \$500,000	2.50%
Next \$15,000,000	0.75%	Next \$500,000	2.00%
Over \$20,000,000	Negotiable	Next \$1,000,000	1.50%
		Over \$2,000,000	Negotiable

* As detailed in the Advanced Option Strategy Addendum to the Client Agreement, the Iron Condor Option Portfolio's advisory fees are calculated based on a target notional value. The target notional value is the agreed upon value of broad-based equity market index exposure that the underlying option contracts in the portfolio should represent. The target notional value does not change over time unless a new value is agreed upon in writing. The actual value of the index exposure in your Account may be significantly higher or lower than the target notional value.

Fees and Compensation

You should be aware that the imposition of the minimum quarterly fee for any of the above Programs may cause the Program fee rate (expressed as a percentage) to be greater than the fee stated in the Fee Schedule tables above. Under certain circumstances, the minimum fee may be waived.

We may act as sub-adviser and/or provide certain services for the advisory programs offered by our affiliate Wells Fargo Advisors Financial Network, LLC and certain fully-disclosed firms that clear their transactions through us as a qualified custodian. The fees charged that these firms require may differ from those we charge as stated in this Disclosure Document. Please refer to the disclosure documents of those firms, as appropriate, to determine the fees they charge.

You should be aware that commissions or Program fees charged may be higher or lower than those otherwise available if you were to select a separate brokerage service and negotiate commissions in the absence of the extra advisory service provided. Our fee schedules may be subject to negotiation, depending upon a range of factors including, but not limited to, Account sizes and overall range of services provided.

You should consider the value of these advisory services when making such comparisons. The combination of custodial, advisory and brokerage services may not be available separately or may require multiple Accounts, documentation and fees. You should also consider the amount of anticipated trading activity when selecting among the Programs and assessing the overall cost. Advisory Programs typically assume a normal amount of trading activity and, therefore, under particular circumstances, prolonged periods of inactivity or asset allocations with significant fixed income or cash weightings may result in higher fees than if commissions were paid separately for each transaction.

If you liquidate securities prior to initiating or after terminating Program services, you will be subject to customary brokerage charges with respect to that transaction, in addition to any Program fees that are applicable during the period. For securities purchased previously in a brokerage Account and subsequently moved into an advisory Account, these securities may be included in the calculation of the Program fee, in addition to any previous brokerage charges paid.

A portion of the fees or commissions charged for the Programs described here will be paid to our FAs in connection with the introduction of Accounts as well as for providing client-related services within the Programs. This compensation may be more or less than a FA would receive if you paid separately for investment advice, brokerage, and other services, and may vary, depending on the program or services offered. If a Financial Advisor wishes to discount the Program Fee below certain levels, they may have the ability to do so, but may earn reduced compensation associated with the discount. This creates an incentive for Financial Advisors to price accounts at or above those levels. We may also advance to Financial Advisors a portion of the future estimated fees for Clients who invest in a Program. Therefore, your Financial Advisor may have an incentive to recommend these Programs over other Programs or services.

We may have an incentive to recommend the use of one advisory Program over another based upon the fees of each Program, the FA payout specific to each Program, embedded costs of each Program (such as manager fees, and expense ratios for mutual funds or ETFs) or other compensation considerations. We intend, however, to make all recommendations independent of such considerations and based solely on our obligations to consider your objectives and needs.

Unless agreed to otherwise, you authorize us to deduct fees at the rate indicated in the Fee Schedule for your Program quarterly, in advance, from your Account(s). For the purposes of calculating the Program fees, "Account Value" means the sum of the absolute market value of all eligible long and short security positions, including accrued income, cash and cash alternatives held in your Account. If your Account has short positions, the Account Value reflects the short position's absolute value. A short position does not offset the value of long positions in the account. In valuing your Account, we will use the closing prices or, if not available, bid prices of the last recorded transactions for listed securities, options and over-the-counter NASDAQ securities. For mutual funds, we will use the fund's most current net asset value, as computed by the fund company. In doing so, we will use the information provided by quotation services believed to be reliable. If any such prices are unavailable or believed to be unreliable, we will determine prices in good faith so as to reflect our understanding of fair market value. Due to trade date or settlement date accounting, the treatment of accrued income and other factors, the Account Value used in the calculation of fees may differ from that shown on your monthly account statement and/or performance report.

There are Advisory Programs that calculate fees based on the Account Value allocated to each investment type. For example, in these Advisory Programs you may pay a different fee rate for equity securities than you do for mutual funds and/or cash alternatives. Your FA may receive additional compensation based on the amount of your Account Value allocated to each investment type. You should consider these and other differences when deciding which Advisory Program or brokerage service best suits your individual needs.

The initial fee is calculated as of the date that the Account is accepted into the Program and covers the remainder of the calendar quarter. There may be a short delay between inception and initial transactions. Subsequent fees will be determined for calendar quarter periods and calculated on the basis of the market value of the securities and cash and cash alternatives held for your Account on the last business day of the prior calendar quarter.

No fee adjustment will be made during any fee period for appreciation or depreciation in the value of the assets in your Account during that period. The Account will be charged or refunded a prorated quarterly fee on any net additions or net withdrawals in the Account during a month. Fees will be charged or refunded if the net addition or net withdrawal would generate a fee or refund of at least \$40 for that quarter. Fees will be assessed in the month following the net addition or net withdrawal. Fees are based on the Value of the Assets in your Account, and we shall not be compensated on the basis of a share of capital gains on or capital appreciation of the funds or any portion of your funds.

Whenever there are changes to the fee schedule, the schedule charges previously in effect shall continue until the next billing cycle.

Risk in the Use of Margin

To the extent margin is used in your Account, you should be aware that the margin debit balance does not reduce the market value of eligible program assets. If you use margin to purchase additional securities, your total value of eligible program assets increases and therefore your asset-based fee will increase. In addition, you will be charged margin interest on the debit balance in your Account.

The increased asset-based fee that you pay may provide an incentive for your Financial Advisor to recommend the use of margin. However, we intend to make all recommendations independent of such considerations and based solely on our obligations to consider your objectives and needs. Please note that using margin is not suitable for all investors; the use of margin increases leverage in your Account and therefore increases its risk. Additionally, if margin is used in your account, the Firm may receive additional compensation. Please see the Margin Disclosure Statement and the General Account Agreement and Disclosure Document for more details on the risks of margin use.

If your advisory Account is used as collateral for a non-purpose loan, your Financial Advisor and the Firm may receive additional compensation as a result of the loan. This additional compensation may provide your Financial Advisor an incentive to recommend the use of a loan to you using your advisory Account as collateral. However, we intend to make all recommendations independent of such considerations and based solely on our obligations to consider your objectives and needs.

Additional Considerations Associated with Pledging Advisory Accounts

In addition to the risks mentioned above, with respect to investment advisory account(s) that are pledged or otherwise used as collateral for margin or any other securities-based lending product, the exercise of our rights and powers over the assets in your advisory account(s), including the disposition and sale of any and all assets pledged as collateral may be contrary to your interests and the investment objective of your advisory account(s). Any recommendation to use margin or a securities-based lending product, as well as the related compensation that we or our affiliate may receive, could create conflicts of interest between you and us or, if applicable, our affiliate. For example, such recommendation to use margin or a securities-based lending product could result in a situation in which we are required to liquidate securities your Financial Advisor or money manager would otherwise not sell, and which may not otherwise be in your best interests to sell, to satisfy a maintenance call. We or a third-party money manager will seek to manage your advisory account(s) as agreed under your advisory Program agreement(s), provided that, if a maintenance call takes place, we or your money manager may not be able to manage your advisory account(s) consistent with our or the money manager's overall strategy. Any action taken by us, or an affiliate, against the assets in your advisory account(s) pursuant to the use of margin or a securities-based lending product will not constitute a breach of our fiduciary duties as an investment advisor to you under your advisory Program agreement(s). In addition, the costs associated with using margin or a securities-based lending product, including the costs associated with a maintenance call, are not included in your advisory program fees and may result in additional compensation to us, our affiliate, and the Financial Advisor.

Other Account Fees

The fee does not include certain dealer markups or markdowns, odd lot differentials, transfer taxes, exchange fees, execution fees (foreign and/or domestic) when applicable, ADR custodial pass through fees, foreign financial transaction taxes when applicable, and any other fees required by law. Cash balances in the Account may be invested in money market mutual funds including, as permitted by law, those with which we have agreements to provide advisory, administrative, distribution, and other services, and for which we receive compensation for the services rendered. As a shareholder of a money market fund, in addition to fees you pay us under this Program, you will bear a proportionate share of the money market fund's expenses, including the investment management fees that are paid to the fund's investment adviser, a WFA affiliate. For more information about these funds, refer to their prospectuses. In a low interest rate environment, the yield that you earn on cash and cash alternatives including cash sweep funds, CDs and money market funds may not offset advisory fees. In some instances, the effective yield of the investment may in fact be negative.

If you invest in foreign stocks or American depository receipts ("ADRs"), you may be subject to foreign tax withholding on the dividends paid or interest earned. An ADR represents underlying shares of a foreign corporation which are held and issued by a U.S. bank. While ADRs are traded on U.S. markets, the income and tax withholding are subject to the rules and regulation of the foreign tax authorities with jurisdiction over the underlying corporation. When dividends or interest is paid to investors on foreign securities, the tax authorities for that country may require the payor to withhold taxes for certain foreign investors. This can negatively impact the rate of return on your investment. U.S. clients may be eligible to reclaim a portion of foreign taxes that are withheld and/or receive a preferential foreign tax rate on foreign securities by filing specific tax forms seeking such relief. We do not provide tax advice. Please consult your tax advisor for specific information on foreign tax withholding, your eligibility to reclaim a portion of taxes withheld and/or receiving a preferential foreign tax rate and the costs associated with these filings.

Non-brokerage fees, such as IRA fees, are not included in the wrap fee and may be charged to your Account separately. Excluded from this value are securities that you may purchase and wish to hold in your brokerage Account, but which are not included in the services provided under the Program you select. In this case, you will pay separately for the execution costs associated with making such separate transactions. As described more fully below, the minimum Account fee and the standard annualized fees may be different, depending on the asset classes invested by the Account.

If you choose to use Trust services provided by our affiliate, Wells Fargo Bank, N.A., additional costs may apply that are in addition to the advisory fees disclosed above. These Trust services would include custody of your account at Wells Fargo Bank, N.A. The fees for these services will be separately agreed upon and disclosed to you by the bank and compensation for those services will be paid directly to the bank separate from the advisory fee.

Costs of Investing in Mutual Funds and Exchange Traded Funds

In addition to Program fees, as a shareholder of a money market, mutual fund, closed-end fund or ETF, you will bear a proportionate share of the fund's expenses, including investment management fees that are paid to the fund's investment adviser, who may be an affiliate of ours. We may receive fees from these mutual funds or closed-end funds. You should carefully consider these underlying expenses, in addition to the Program fees, when considering any advisory Program.

We may earn additional revenue from our possession and temporary investment of cash balances in your Account(s) before they are "swept" into a money market fund or Depository Product. You may elect not to participate in the cash sweep program; however, it will then be your responsibility to monitor the cash sweep options, and determine whether you prefer to invest cash balances in products offered outside the sweep program.

You or your money manager may maintain a percentage of portfolio assets in cash and cash alternatives, such as money market securities. Advisory Program fees are typically charged on cash and/or cash alternatives held in Program accounts.

You may pay more in Program fees with respect to those securities than the interest earnings they generate. Smaller accounts may be affected more due to the Program fee structure. If you remain invested in cash and/or cash alternatives over time, you should consider whether an advisory program continues to be suitable for you.

We or our service providers may collect from any of the mutual funds in which you invest compensation for recordkeeping, sub-accounting, shareholder communications, administrative, and other similar services we provide to a fund for your benefit. In addition, we may collect other asset-based fees for the execution of fund share purchases, or the performance of clearance, settlement, custodial or other ancillary functions, except as indicated below. We or our service providers may collect such fees directly or indirectly from some or all of the mutual funds in which you invest, and we may pay any such fees it receives to our FAs. The amount of the fees we or your FA receive will vary, depending on the percentage paid pursuant to a fund's Rule 12b-1 plan or as otherwise agreed to by the fund. These fees are in addition to the quarterly program fee and are embedded in the mutual fund pricing. In the case of ERISA Accounts, any fees described above that are paid to us or an affiliate will be waived or credited against your Program fees. We may also receive payments in the form of marketing support from mutual fund companies.

Certain ETF providers pay us a licensing fee to create ETFs that track a Wells Fargo index. That fee is based on the assets under management of the ETF. For purposes of calculating the index licensing fee, WFA discretionary ERISA and IRA assets invested in an ETF based on a Wells Fargo index are excluded from the calculation.

Mutual fund companies may also provide compensation to offset or reimburse Wells Fargo Advisors for costs incurred in conducting comprehensive training and educational meetings for its Financial Advisors. These meetings or events are held to teach Financial Advisors about the product characteristics, sales materials, suitability, customer support services and successful sales techniques as they relate to various mutual funds.

We or our service providers may collect from any of the mutual funds in which you invest any or all of the various forms of compensation listed above for services we provide to a fund for your benefit. The additional compensation received from each fund family, and even from fund to fund within the same fund family, may vary. As a result, we may have a financial incentive to recommend one fund over a similarly situated fund due to the compensation we may receive from one fund versus another. This could also result in an increase in your cost as a result of us recommending a more expensive fund. We intend, however to make all recommendations independent of such financial considerations and based solely on our obligations to consider your objectives and needs. These payments are in addition to the quarterly Program fee and are imbedded in the mutual fund pricing. In the case of ERISA Accounts, the payments described above that are paid to us or an affiliate will be waived or credited against your Program fees.

Certain funds make multiple no-load, institutional, advisory, or load-waived share classes available for purchase through investment advisory programs. These share classes may be available only through our investment advisory programs and have different and lower shareholder servicing, sub-accounting, investment management and 12b-1 fees and charges from other shares classes offered by those Funds. As a result, some Clients may have purchased these lower-cost institutional share classes, while others may have purchased a non-institutional share class. We review our policies, procedures and systems to determine whether to continue to support these multiple no-load and load-waived share classes, and reserve the right to no longer offer certain share classes within our Programs.

Mutual fund companies typically offer multiple share classes with varying levels of fees and expenses. In general, we select advisory or institutional share classes for our advisory platform to provide lower share class pricing for our Clients. When we select a mutual fund share class, we consider a number of factors including our costs to operate the platform and we may not, in all instances, select the lowest fee share class that is available from the fund company.

Account Termination

Client Agreements may be terminated by either party at any time upon written notice. If you terminate your Agreement, a pro rata refund will be made, less reasonable start-up costs. In the event of cancellation of Client Agreements, fees previously paid pursuant to the Fee Schedule will be refunded on a pro rata basis, as of the date notice of such cancellation is received by the non-canceling party, less reasonable start-up costs.

If you choose to terminate your Agreement with any of our investment advisory Programs, we can liquidate your Account if you instruct us to do so. If so instructed we will liquidate your Account in an orderly and efficient manner. We do not charge for such redemption; however, you should be aware that certain mutual funds impose redemption fees as stated in their fund prospectus. You should also keep in mind that the decision to liquidate security issues or mutual funds may result in tax consequences that should be discussed with your tax advisor.

We will not be responsible for market fluctuations in your Account from time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner. Factors that may affect the orderly and efficient liquidation of an Account might be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. Due to the administrative processing time needed to terminate an advisory Account, termination orders cannot be considered market orders. It may take several business days under normal market conditions to process your request.

If a Program Account is terminated, but you maintain a brokerage Account with us, the money market fund used in a sweep arrangement may be changed and/or your shares may be exchanged for shares of another series of the same fund. You will bear a proportionate share of the money market fund's fees and expenses. You are subject to the customary brokerage charges for any securities positions sold in your Account after the termination of Program services.

Certain Masters and DMA portfolios invest in mutual funds that are only available to the investment adviser's Masters and DMA Client Accounts. These mutual funds are proprietary to the investment adviser, carry no expense ratio, and must be liquidated if either you or we terminate the investment adviser. These mutual funds will not be transferred out of the broker/dealer through the ACAT process. Portfolios that include this type of investment vehicle as a holding may or may not, at the Manager's discretion, harvest tax gain/loss requests from the pooled vehicle. Restrictions cannot be applied to the pooled vehicle. Refer to the Masters Manager profiles for a description of manager portfolio holdings, including investments in these dedicated "pooled investment vehicles."

Account Requirements and Types of Clients

The minimum initial Account values for the Programs described in this document are listed below. We may terminate Client Accounts with written notice if they fall below minimum Account value guidelines established by the Firm. Under certain limited circumstances, the minimum Account size may be waived.

We may act as sub-adviser for the advisory Programs offered by our affiliate Wells Fargo Advisors Financial Network, LLC and certain fully-disclosed firms that clear their transactions through us as a qualified custodian. The minimum and maximum Account sizes that these firms require may differ than those we require as stated in this Disclosure Document. Please refer to the Disclosure Document of those firms, as appropriate, to determine the minimum and maximum Account sizes permitted.

Program Name	Minimum Account Size
Allocation Advisors	
• Strategic ETF, Morningstar Strategic ETF, Morningstar ETF, Laffer Global Portfolio, Laffer Dynamic U.S. Inflation Portfolio and Active/Passive Portfolios.	\$25,000
• CAAP Plus and Compass ETF Portfolios	\$50,000
DMA	
• Optimal Blends	\$250,000 or portfolio minimum
• Customized Blends	\$100,000
Masters	\$100,000 subject to Manager's minimum
Private Advisor Network	\$100,000 subject to Manager's minimum
Wells Fargo Compass Advisory	
<i>Individual Strategies</i>	
• Blue Chip	\$50,000
• Small-Mid Cap	\$50,000
• Managed DSIP - CLOSED TO NEW INVESTORS	\$150,000
• Current Equity Income	\$50,000
<i>Multi-Asset Strategies</i>	
• Income Multi-Asset Portfolio	\$50,000
<i>Asset Allocation Strategies</i>	
• Conservative Growth & Income	\$250,000
• Moderate Growth & Income	\$250,000
• Aggressive Growth & Income	\$250,000
• Conservative Growth	\$250,000
• Moderate Growth	\$250,000
• Aggressive Growth	\$150,000
Customized Portfolios	
• Taxable Fixed Income	\$2,000,000
• Tax-Exempt Fixed Income (Municipals)	\$2,000,000
• Custom Option Portfolio	\$250,000
• Iron Condor Option Portfolio	\$3,000,000
• Equity Portfolios	\$50,000

Types of Clients

We provide the advisory services described in this brochure to individuals, pension or profit sharing plans, trusts, estates or charitable organizations, corporations or other business entities, governmental entities and educational institutions, as well as banks or thrift institutions.

Portfolio Manager Selection and Evaluation

Each Program described in this Disclosure Document has specific criteria used in evaluating and/or selecting Portfolio Managers or underlying investments for inclusion in the Program. Please see the "Services, Fees and Compensation" section for each specific Program to review the criteria used in that Program.

Services Tailored to Individual Client Needs

All of our investment recommendations for Program Accounts are based on an analysis of your individual financial needs.

They are drawn from research and analysis we believe to be reliable and appropriate to your financial circumstances. Each of the advisory services we offer is tailored to a specific type of investor and designed to meet their individual investment objectives, financial needs and tolerance of risk. A detailed description of these Programs is provided in the "Services, Fees and Compensation" section.

Client Restrictions and Instructions

We will comply with any reasonable instructions and/or restrictions you give us when making recommendations for your Account. Reasonable instructions generally include the designation of particular securities or types of securities that should not be purchased for the Account.

If your restrictions are unreasonable or if we, or your Financial Advisor, believe that the restrictions are inappropriate, we will notify you that unless the restrictions are modified, we may remove your Account from the Program. You will not be able to provide instructions that prohibit or restrict the investment adviser of an open-end or closed-end mutual fund or an ETF, with respect to the purchase or sale of specific securities or types of securities within the fund or ETF.

Our policy is generally to liquidate your preexisting securities portfolio immediately and bring the Account into conformity with your target allocations. If you wish to hold certain positions for tax or investment purposes, you should consider holding these positions in a separate Account.

Performance-Based Fees and Side-By-Side Management

We do not charge performance-based fees in any of our investment advisory Programs. We do not have any side-by-side management situations.

Methods of Analysis, Investment Strategies and Risk of Loss

The Methods of Analysis used and Investment Strategies available in each Program are described above in the "Services, Fees and Compensation" section.

Risk of Loss

All investments shall be at your risk exclusively, and you must understand that we do not guarantee any return on the investments recommended or advised upon and may not be responsible for losses resulting from such trading or for any transactions that we have not recommended to you.

Voting Client Securities

In certain advisory programs, such as Masters and Private Advisor Network, you may have authorized the third-party investment adviser to vote proxies on your behalf. In those instances, we will forward the proxy materials to your investment adviser. To the extent we have contracted to do so, we will provide proxy materials to third-party investment advisers who vote proxies on your behalf. Some investment advisers delegate proxy voting to external proxy voting services. Please refer to the respective investment advisers' Form ADV for a full disclosure of its proxy voting policies and procedures.

We vote proxies for all other Advisory Program Accounts over which we exercise discretion, unless otherwise instructed by you. We have adopted proxy voting policies and procedures that describe its practices. We use a third-party proxy voting service to provide independent, objective research and voting recommendations and to vote proxies on your behalf. We generally adopt a voting methodology that maximizes shareholder value, but reserve the right to recommend a different voting strategy that is consistent with your needs and constraints, such as a socially responsible strategy. In addition, we have the ability to override votes recommended by the proxy voting service. Our proxy voting policies and procedures and a record of proxies voted on your behalf are available from your Financial Advisor. We will not render any advice or take any action with respect to information related to Non-Program Asset securities, or the issuer of such securities.

Client Information Provided to Portfolio Managers

All Clients must provide information on their investment objectives, financial circumstances, risk tolerance and any restrictions they may wish to impose on investment activities. We will notify you in writing at least annually to update your information and indicate if there have been any changes in your financial situation, investment objectives or instructions; and you agree to inform us in writing of any material change in your financial circumstances that might affect the manner in which your assets should be invested. Your Financial Advisor will be reasonably available to you for consultation on these matters, and will act on any changes deemed to be material or appropriate as soon as practical after we become aware of the change.

Client Contact with Portfolio Managers

Your contact for information and consultation regarding your Program Accounts is generally your Financial Advisor. In certain instances, your Financial Advisor may coordinate their response with the Portfolio Manager (if applicable) or arrange for you to consult directly with the Portfolio Manager.

Additional Information

Disciplinary Information

We are both a broker-dealer and investment advisory Firm. The disciplinary events listed below are related to the activities of the broker-dealer, investment advisor or predecessor firms.

For more information on broker/dealer related disciplinary events you may visit:
<http://www.finra.org/Investors/ToolsCalculators/BrokerCheck/>

Our investment advisory disciplinary history is available by going to: <http://www.adviserinfo.sec.gov/>

- On December 21, 2016, Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC agreed to a settlement with FINRA regarding allegations that the Firms failed to maintain approximately one million electronic brokerage records in non-erasable and non-rewritable format, which is intended to prevent the alteration or destruction of broker-dealer records stored electronically. The findings also stated that for approximately 1.5 million accounts, the Firm failed to preserve customer account form templates containing the terms and conditions related to the opening and maintenance of accounts, failed to retain certain communications and failed to notify FINRA at least 90 days prior to using new storage media to store electronic broker-dealer records. FINRA also found that the Firms failed to implement an audit system for those records, failed to provide its third party vendors full access to the storage systems, failed to implement an adequate supervisory system and failed to enforce written procedures. Without admitting or denying the findings, the Firms agreed to a censure and fine, jointly and severally, of \$1,500,000. The Firms also consented to a review of its policies and procedures.
- On December 5, 2016, Wells Fargo Clearing Services, LLC and Wells Fargo Advisors Financial Network, LLC agreed to a settlement with FINRA regarding allegations that the Firms failed to establish, maintain and enforce reasonable supervisory systems for the use of consolidated reports generated by their registered representatives through available applications. The findings stated that these applications allowed the Firms' representatives to manually enter information regarding customers' external accounts, assets and liabilities into a centralized table which the Firms maintained. This information would then be used to populate reports, including those that would be sent to the Firms' customers. FINRA found that the Firms did not have systems in place to review the contents of the reports, including information about customer holdings away from the Firms. In addition, the Firms' supervisory systems and procedures were inadequate because there was no mechanism allowing representatives to designate which reports were actually provided to customers and the system could not distinguish between draft reports and completed reports that were sent to customers, which should have been subject to the Firms' supervisory systems designed to review customer communications. Without admitting or denying the findings, the Firms agreed to a censure and fine, jointly and severally, of \$1,000,000.
- In December 2014, Wells Fargo Advisors agreed to a settlement with FINRA regarding allegations that the Firm failed to comply fully with requirements to verify the identity of each customer opening a new account under its Customer Identification Program ("CIP"). Due to a design flaw in the Firm's CIP system, 220,000 accounts, out of the total 6.9 million accounts opened during the period from October 2003 through October 2012, were not subject to the Firm's CIP review. When considering sanctions, FINRA took into consideration that WFA discovered the system flaw through self-testing, performed remediation CIP on approximately 100,000 accounts that remained open, made system changes to prevent recurrences and reported the violations in accordance with FINRA Rule 4530(b). Without admitting or denying the allegations, the Firm agreed to a settlement that included a censure, and payment, jointly and severally with its affiliate Wells Fargo Advisors Financial Network, of a \$1,500,000 fine.
- On September 22, 2014, the Securities and Exchange Commission ("Commission") entered an order against Wells Fargo Advisors, LLC following the firm's offer of settlement. The order stated that the firm did not adequately establish, maintain or enforce policies and procedures to prevent the misuse of material nonpublic information, particularly concerning the risk that its associated persons could obtain material nonpublic information from its customers or advisory clients. The order also stated that during the Commission's investigation, the firm unreasonably delayed production of certain documents and produced a document that was altered by an employee. The firm admitted the Commission's findings of fact, acknowledged that its conduct violated the federal securities laws and agreed to retain an independent compliance consultant to review relevant policies and procedures, as well as the making, keeping and preserving of certain required books and records. The order censured the firm, required that the firm cease and desist from violating the federal securities laws cited in the order and imposed a civil money penalty in the amount of \$5,000,000.
- In May 2012, Wells Fargo Advisors agreed to a settlement with FINRA regarding allegations that the Firm failed to establish and maintain supervisory systems, including written procedures, reasonably designed to achieve compliance with applicable FINRA rules in connection with the sale of leveraged, inverse and inverse-leveraged Exchange-Traded Funds. Without admitting or denying the allegations, the Firm agreed to a settlement that included a censure, and payment, jointly and severally with its affiliate Wells Fargo Advisors Financial Network, of a \$2,100,000 fine and restitution to specified clients.
- In May 2011, Wells Fargo Advisors agreed to a settlement with FINRA regarding allegations that the Firm failed to deliver prospectuses to customers on a timely basis and failed to timely file certain amendments to Uniform Applications for Securities Industry or Transfer ("Forms U4") and Uniform Termination Notices for Securities Industry Registration ("Forms U5"). Without admitting or denying the allegations, The Firm agreed to a censure and a \$1,000,000 fine. The Firm also agreed to adopt and implement systems and procedures reasonably designed to achieve compliance with the federal securities laws and FINRA rules applicable to timely filing of Forms U4 and U5.
- In 2009 and 2010, Wachovia Securities agreed to settlements with the SEC and multiple state regulatory agencies regarding allegations that the Firm misrepresented the liquidity risks of auction rate securities sold to customers. Without admitting or denying the allegations, the Firm agreed to pay \$50,000,000 in fines to state regulatory agencies. The Firm also agreed to offer to repurchase auction rate securities, not subject to current calls or redemptions in the relevant class, that were the subject of unsuccessful auctions. The Firm complied with all terms of these settlements as of June 30, 2010.
- In May 2009, WFA agreed to a settlement with FINRA regarding allegations the Firm failed to deliver prospectuses and product descriptions to certain customers who purchased investment products, failed to have adequate supervisory systems and appropriate written supervisory procedures in place to ensure that offering documents were being sent to customers in connection with transactions, and failed to adequately supervise the submission of information to FINRA staff and ensure that its submissions were accurate, complete and timely submitted. Without admitting or denying the allegations, the Firm agreed to a censure and a \$1,400,000 fine. In addition, the Firm completed a subsequent review and certification that it had adopted and implemented supervisory systems and procedures reasonably designed to achieve compliance with the federal securities laws and FINRA rules applicable to the delivery of prospectuses and product descriptions.
- In February 2009, Wachovia Securities agreed to a settlement with FINRA regarding allegations that it failed to accurately make certain customer mailings. FINRA noted that the Firm failed to send customers confirmation of changes to: investment objectives, customer addresses and certain asset movements. In addition, customer profile information verification forms were not delivered to customers. Without admitting or denying the allegations, the Firm consented to a fine of \$1,100,000 and agreed to hire an outside consultant to conduct a review of the Firm's policies, procedures, testing and systems related to these issues, which was completed on or about August 2009.

- In February 2009, Wachovia Securities agreed to a settlement with FINRA regarding allegations that the Firm (1) made recommendations through its registered representatives to customers to purchase Class B and Class C mutual fund shares where an equal investment in Class A shares would have been more advantageous for certain clients; (2) did not provide certain eligible customers with the benefit of net asset value ("NAV") transfer programs in connection with mutual fund purchases and sales discounts in connection with purchases of Unit Investment Trusts ("UIT"); and (3) failed to establish, maintain and enforce supervisory systems and procedures reasonably designed (a) to provide consideration, on a consistent basis, of the benefits of various mutual fund classes as they applied to individual customers; (b) to identify opportunities for investors to purchase mutual funds at NAV; and (c) to ensure that sales charge discounts were applied to eligible UIT purchases by customers. Without admitting or denying the findings, the firm consented to a censure, a fine of \$4,410,000 and undertakings that included remediation to certain customers. In determining appropriate sanctions, FINRA considered the Firm's proactive remedial actions taken upon its discovery of, and before FINRA's inquiry into, certain conduct. After identifying failures to provide certain customers with NAV pricing and UIT sales discounts, the Firm acted promptly and in good faith to repay customers approximately \$5,400,000 and correct its systems and procedures.
- In October 2008, Wachovia Securities entered into a settlement with FINRA, regarding allegations that it permitted an individual to function as a principal without being properly licensed as a General Securities Principal ("GP"), permitted an individual to supervise its equity research analysts without being properly licensed as a Research Principal ("RP") and failed to ensure that a GP or RP manage and supervise the Firm's Advisory Services Group. Without admitting or denying the allegations, the Firm consented to a censure and a \$75,000 fine.
- In September 2007, Wachovia Securities entered into a settlement with the SEC regarding allegations that the Firm entered into an agreement to allow a registered representative to market time in an affiliate mutual fund in excess of trading limits set forth in the fund's prospectus. Without admitting or denying the allegations, the Firm agreed to a censure, to pay disgorgement of \$1 and a civil penalty of \$500,000, and to cease and desist any further violations of this kind.
- In June 2007, Wachovia Securities entered into a settlement with the NASD regarding alleged supervisory failures in connection with its fee in lieu of commission account program based on low activity, opening accounts below stated minimums and distributing a piece of sales literature that inaccurately stated that the fee in lieu account was a fee based advisory account. Without admitting or denying the findings, the Firm agreed to a censure, a \$2,000,000 fine and paid restitution to specified clients.

Other Financial Industry Activities and Affiliations

We are a national securities firm providing investment and other financial services to individual, corporate and institutional Clients. We are a registered broker-dealer and investment adviser.

WFCS is a member of all principal stock exchanges in the United States, including the New York Stock Exchange and NASDAQ. WFCS is also a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). We may also route transactions through our affiliate, Wells Fargo Securities, LLC.

We are a non-bank affiliate of Wells Fargo. We are not a bank or thrift and are a separate and distinct corporate entity from our affiliated banks. **Unless otherwise stated as the case, the investment advisory services offered and the underlying stock, bonds, mutual funds and other securities bought or sold through us are not deposits of any bank and are not insured or otherwise protected by the Federal Deposit Insurance Corporation ("FDIC") or another government agency. They are not obligations of any bank or any affiliate of us; are not endorsed or guaranteed by Wells Fargo, WFA, or any bank or any affiliate of us; and involve investment risk including possible loss of principal. Cash balances in your Accounts may be held in a depository product sponsored by a Wells Fargo entity. Deposit products, like the cash sweep program, are protected by FDIC insurance up to applicable limits.**

Our obligations and commitments do not extend to any affiliated bank or thrift, and any such bank or thrift is not responsible for securities we sell or purchase. As a general matter, unless otherwise stated, we may be a principal or engaged in underwriting securities for which we are providing broker, advisory or other services to our Clients. We may also purchase those securities from an affiliate or sell them to an affiliate. In addition, we or our affiliates may act as an investment adviser to issuers whose securities may be sold to you.

From time to time, a bank or thrift affiliated with us may lend money to an issuer of securities underwritten or privately placed by us. The prospectus or other offering documentation provided in connection with such underwriting or private placement will disclose to the extent required by applicable securities laws: (i) the existence of any material lending relationship by any affiliate of ours with such an issuer and (ii) whether the proceeds of an issuance of such securities will be used by the issuer to repay any outstanding indebtedness to any of our affiliates.

We have a number of related persons who may provide investment management and related financial services to our Program Clients. The advisory services these investment advisers offer are described more fully in their Disclosure Documents and/or Form ADV, Part 2A. The identity of these related persons and summary of the products and services follows.

- Wells Fargo also provides retail brokerage and investment advisory services through Wells Fargo Advisors Financial Network, LLC ("WFAFN").
- Wells Fargo Funds Management, LLC, is a registered investment adviser and wholly owned subsidiary of Wells Fargo & Company that provides investment advisory services to the Wells Fargo Advantage Funds. These funds may be purchased in WFA brokerage Accounts and advisory Programs. Wells Fargo Funds Management, LLC is also an advisor to certain cash sweep vehicles available to Program Clients.
- Wells Capital Management Incorporated, First International Advisors, LLC, Metropolitan West Capital Management, LLC, Golden Capital Management, LLC, and Galliard Capital Management are all affiliates of Wells Fargo & Company and may serve as advisers and/or sub-advisers through WFA's Separately Managed Account programs and Wells Fargo Advantage Funds.
- Wells Fargo Investment Institute, Inc. ("WFII"), (known prior to November 1, 2014, as Alternative Strategies Group, Inc. and before that as Wachovia Alternatives Strategies, Inc.) is a registered investment advisor and wholly owned subsidiary of Wells

The affiliated funds offered through the Programs may have provisions to allow sales through advisers at net asset value. In such cases, you should understand that there is a potential conflict of interest where the adviser and/or we offer, recommend, and invest you in the affiliated funds because, where permitted by law, we and our affiliates would receive the Program compensation and the compensation for services provided to the fund.

WFIL also provides research and strategy recommendations to other affiliates of WFA. While all the affiliates have similar access to the research, due to the operational differences, manner and size of the advisory programs, certain affiliates may be able to implement and trade on these recommendations prior to another affiliate. The ability to implement and trade on these recommendations first, may give the clients of one affiliate an advantage over clients of other affiliates.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Our Associates are subject to a Code of Ethics that is designed to ensure our business activities are performed with the highest possible standards of ethics and business conduct, and to comply with all applicable laws, rules, and regulations that govern our businesses. Key requirements of our Code of Ethics are summarized below, and you may obtain a complete copy through your Financial Advisor.

- Conduct all aspects of Wells Fargo's business activities in an honest, ethical, and legal manner, and in accordance with all applicable laws, rules, and regulations and our policies and procedures.
- Provide accurate and complete information in dealings with Clients and others, including disclosure of conflicts of interest when they exist.
- Prepare and maintain accurate business records.
- Refrain from improper disclosure or misuse of confidential Client information and material, non-public information. Wells Fargo protects the private, personal, and proprietary information of Clients and others.
- Avoid conflicts of interest in personal and business activities.
- Rules specific to personal trading.

Participation or Interest in Client Transactions

Under the Programs, we are generally appointed as sole and exclusive broker by you with respect to the referenced Account for the execution of transactions. Our Program Fee covers transaction costs when transactions are executed through us. On occasion, Clients may designate, or the law may require, the use of other brokers. Discretionary Managers within our Programs may also elect to execute transactions with other firms as they deem appropriate, taking into account a number of factors such as best execution responsibilities, research services and other qualitative factors. Certain Managers may elect to execute all, or a majority of their transactions with other firms based on these factors. When transactions are executed with other firms, including transactions executed through our affiliates, there are additional trading costs in executing the transaction that are embedded into the price of the security that do not apply when trades are executed through us. Any embedded execution costs on trades done away from us are in addition to our Program Fee and may increase your overall cost. Discretionary Managers are required to consider these additional costs when reviewing their best execution responsibilities in determining whether to trade through us or another firm, however, as stated, there are other factors that may also impact their decision in where to place a trade.

In connection with these transactions, we may act as agent or, where permitted by law, principal (including instances wherein we are acting as underwriter or selling group members). You authorize that we may effect and execute brokerage transactions, including on a national exchange, as permitted by current provisions of Section 11(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and rules promulgated thereunder including any future amendments or changes to such statutes and rules.

With respect to cash sweep vehicles investments, you receive disclosures about our affiliates and the advisory and other fees paid to affiliates by the funds in the fund's prospectuses and our Disclosure Documents, and Client Agreements, as applicable.

We or our affiliates may have investment banking or other relationships with certain publicly traded companies. These relationships may from time to time require us to restrict trading in the securities of these companies. As a result of these investment banking or other activities, our affiliates may acquire confidential or material non-public information that may prevent us or our affiliates, for a period of time, from purchasing, selling or recommending particular securities for your Account. We and our affiliates are not permitted to divulge or to act upon this information with respect to our advisory or brokerage activities.

We have certain restrictions, internal procedures and Client disclosures regarding conflicts of interest that we may have with respect to our participation or interest in Client transactions. We communicate our policies and procedures related to participation in Client transactions to our Associates through our compliance policies and procedure manuals and program-specific policy guidelines.

Personal Trading

We maintain policies and procedures to mitigate conflicts of interest between transactions in our Associates' personal investment accounts, including accounts of their immediate family members and transactions in our Clients' Accounts. To ensure Associate trading requirements are observed, certain Associate trading activity is subject to pre-approval. All Associates are subject to regular review by their supervisors, independent oversight by our Compliance Department, and systemic controls that automatically restrict entry of certain orders and generate related surveillance reporting.

Review of Accounts

Program services include review and monitoring of your Account by our personnel and facilities. We will provide you with periodic portfolio-monitoring services, which may include a statistical presentation of the performance of your Account(s), based on the information on our records, and ongoing comparisons with selected industry indices or benchmarks. Normally, the periodic portfolio-monitoring report is calculated based on the activity of the Account since its inception in our Program. As an additional service, we may include supplemental historical information that you provide or that is provided by the previous custodian or investment advisor for the Account when it was held outside of our Program. At your direction, where feasible, we will incorporate this information in a consolidated periodic portfolio-monitoring report.

We have not reviewed or audited any of this supplemental historical information and do not in any way certify, guarantee, or provide any assurance as to the reliability of the information. In addition, we do not guarantee the accuracy of the calculations performed on such information, nor do we offer any assurance that the portfolio-monitoring report was calculated in accordance with accounting or industry standards. The additional time necessary to obtain, input, and report on the historical information may cause a delay in producing the portfolio-monitoring reports for Accounts new to our Program.

We will transmit the following to you: (a) trade confirmations reflecting all transactions in securities, and (b) at least a quarterly statement of your Account, if there is no activity to warrant a monthly statement. We may, however, furnish periodic statements of Account activity in lieu of transaction-by-transaction confirmations to the extent permitted by Rule 10b-10 under the Exchange Act.

When you open a Program Account, your investment objectives and strategy are reviewed for consistency with each Program's guidelines. Thereafter, your Accounts may be reviewed on a transaction, monthly, quarterly or annual basis, as applicable. As applicable, we examine adherence to criteria and program guidelines on security selection, concentration, diversification, activity and certain restrictions that may apply. Our reviews are performed by the branch office manager, and to the extent applicable, product management personnel, who are assisted by various data processing reports, as the reviews relate to their supervisory and oversight responsibilities, respectively. We review these guidelines periodically and can modify them without notice.

Client Referrals and Other Compensation

From time to time, we initiate incentive programs for our Associates, including FAs. These programs may compensate them for attracting new assets and Clients, referring business to our affiliates (such as referrals for mortgages, trusts, or insurance services), promoting investment advisory services and promoting green initiatives (such as raising Client awareness of paperless options). We may also initiate programs that reward FAs who meet total production criteria, prepare Envision investment plans, participate in advanced training and improve client service.

FAs who participate in these incentive programs may be rewarded with cash and/or non-cash compensation, such as deferred compensation, bonuses, training symposiums and recognition trips. Portions of these programs may be subsidized by external vendors and/or our affiliates, such as mutual fund companies, insurance carriers or investment advisers. Therefore, FAs and other Associates may have a financial incentive to recommend the programs and services included in these incentive programs over other available products and services we offer.

We may also enter into arrangements with other persons to whom we pay compensation for referrals to our advisory Programs. This compensation is generally in the form of a percentage of the fees described in the Program contracts. The details of such arrangements and the amount of compensation will be described in a separate disclosure provided at the time of such referrals.

From time to time, we compensate Associates other than FAs for referrals of possible Clients to the Programs. Our FAs, not the referring Associate, will make the actual presentation and solicitation of these services. The referral compensation takes the form of a payment to the Associate of a percentage of the fees described in the Programs' contracts and results in no additional fees to you or other Clients.

We may use our affiliates to effect certain securities transactions. We and our FAs may effect brokerage transactions and receive commissions from the advisors for Accounts other than those of Program Clients; such commissions may be for other brokerage Account relationships that Clients maintain with us, as directed by the particular advisor in connection with its responsibilities and obligations to such other Clients.

We do not pre-condition the recommendation of mutual funds for inclusion in our advisory Programs based on any compensation we may receive, with the exception of certain mutual fund clearance and administration fees. In addition, Wells Fargo & Company is a full-service financial services firm with many affiliates. Wells Fargo & Company encourages its subsidiaries to use the products and services offered by affiliated firms, when appropriate. During the course of annual business planning, business with our affiliates is included in establishing our sales goals. As a result, we may have an incentive to hire affiliate service providers for our advisory Programs. We may recommend affiliated mutual funds to Program Clients, and may hire other affiliates to provide trade execution, clearing and platform administration services for the Programs. We intend, however, to make all recommendations independent of any such goals and based solely on our obligations to consider your objectives and needs.

Brokerage Practices

Under the Programs, you will generally appoint us as sole and exclusive broker with respect to the referenced Account for the execution of transactions. In connection with these transactions, we may act as agent or, where permitted by law, principal (including instances wherein we or an affiliate are an underwriter or selling group member). You authorize us to effect and execute brokerage transactions, including on a national exchange, as permitted by current provisions of Section 11(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and rules promulgated under the Exchange Act, including any future amendments or changes to such statutes and rules. Our Portfolio Managers may purchase securities for their own accounts that they also purchase for their Clients.

Even though we may be permitted by contract and by law to do so, as a matter of policy, we do not generally execute principal trades or agency cross transactions in our advisory Programs with the exception of the Private Advisor Network Program. In the Private Advisor Network Program, principal trades may be permitted in non-IRA and non-ERISA (Employee Retirement Income Security Act of 1974) Accounts. Although in some instances, we may be able to provide a more favorable market price to you if we participate in a principal trade or an agency cross transaction with Client Accounts, we do so only when consistent with our obligations to provide best execution, due to regulatory requirements when executing such transactions. Therefore, you will

generally not have access to new issues or syndicate offerings in these Accounts. You may make such purchases in a retail brokerage Account, and you should be aware that they will be subject to the customary fees and commissions charged in such Accounts.

In the case-by-case exceptions, in which we enter into principal trades or agency cross-transactions (other than in transactions in the Private Advisor Network Program, as described above), we will provide specific disclosures and obtain your consent. If the transaction is a principal transaction in which we are a market maker in the security, we provide you with disclosure regarding the capacity in which we are acting, and obtain your consent before completing such a transaction. We rely on codes and restrictions in our systems as well as additional software to prevent non-permissible principal trades.

We also may effect cross-transactions between advisory Client Accounts, where one Client purchases a security held by another Client. Neither we nor any related party receives any compensation in connection with a cross-transaction. We effect these transactions only when we deem the transaction to be in the best interests of both Clients and at prices that we have determined to reflect fair value.

If the transaction is an agency cross transaction, in which we act as your broker or agent by purchasing or selling securities from or to one of our brokerage Clients, we will obtain your written consent and will provide you with a written confirmation at or before the completion of the transaction. The confirmation will describe nature of the transaction, plus information about its date and time, and the remuneration that the investment advisor or another person may receive as a result. At least annually, we will provide you with a written disclosure statement identifying the total number of such agency cross transactions for your Account during the period, and the total amount of all commissions or other remuneration we received or will receive in connection with these transactions, if any. We generally will not effect agency cross transactions between Clients if we have recommended the security to both Clients.

Principal trades and agency cross transactions are also subject to additional restrictions, procedures and controls that are in place for other securities transactions in advisory Accounts. As discussed more fully below, we seek to obtain the best execution for each of our advisory Clients.

If you are rolling over assets from an employer-sponsored Qualified Retirement Plan ("QRP"), such as a 401(k), to an Individual Retirement Account ("IRA") with us, you should carefully evaluate all choices which are typically available. These four options include: leaving your assets in your former employer's plan (if permitted), rolling over the assets to your new employer's plan (if permitted), rolling your assets to an IRA with us or another firm, or cashing out the account value. You should consider the following factors, among others, in deciding whether to keep assets in a QRP, roll over to an IRA or cash out: investment options, fees & expenses, ability to make penalty-free withdrawals and differences in creditor protection. We have a conflict of interest in connection with a rollover of your assets into an IRA and the investment of the assets with us as opposed to leaving the assets in your former employer's plan or electing one of the other options. The conflict arises because we will likely earn no compensation if you were to leave the assets in your former employer's plan or transfer to your new employer's plan. In addition, the costs of maintaining and investing assets in an IRA with us will generally involve higher costs than the other options available to you. While we typically offer a broader range of investment options and services than an employer-sponsored QRP, there are no guarantees that the additional investment options will outperform your employer-sponsored QRP.

We may receive additional compensation in the form of order flow payments from options trades. In addition, we may receive compensation from one or more of the firms we route equity orders to as a fee for providing execution services to those firms. However, the orders routed to these firms are not contingent on pre-existing arrangements. Please refer to the "Fees and Compensation" section for a discussion of additional fees that you may incur.

If WFA is responsible for a trade processing error, it is WFA's policy to correct the issue as soon as possible and return the account to the economic position that it would be in absent the error. If correction processing generates a shortfall to the account, we make the account whole by paying the shortfall. If correction processing generates an overage (i.e., an amount in excess of what would be in the account if the error did not occur), WFA retains the overage.

We have a Best Execution Committee that reviews trading activity and the vendors and systems we use to process transactions, among other things. Advisory Client orders are treated with the same priority and procedural flow as non-advisory brokerage trades, except to accommodate the trading restrictions placed on these Accounts with respect to principal trades and agency cross transactions. In order to seek a more advantageous net price, it is our practice to aggregate, when feasible, orders for the purchase or sale of a particular security for the Accounts of several Program Clients for execution as a single transaction. Any benefit of such aggregation generally is allocated pro-rata among the Accounts of Clients that participated in the aggregated transaction. Client transactions are monitored regularly by branch supervisors, and product management personnel monitor Program exceptions as part of their general oversight responsibility for the Programs. In addition, we use system controls and identification to restrict advisory Accounts from being charged commissions. We also regularly review reports to determine if Clients have been charged commissions in error and correct Client Accounts where appropriate. Clients who have a brokerage Account relationship with us unrelated to an advisory service will be charged commissions, fees and execution costs, if any, in effect for the specific brokerage Account.

The securities traded for you may be traded in one or more marketplaces or may employ an alternative trading system ("ATS") to execute fixed-income transactions. Consistent with the overriding principle of best execution and subject to applicable regulatory requirements, we may use our discretion in selecting these marketplaces or ATS to enter or execute Client orders.

- We route Client orders for over-the-counter equities and listed equity securities to execution venues as appropriate, with best execution being the highest priority. We consider a number of factors when determining where to send Client orders, including execution speed and price, price improvement opportunities, the availability of efficient and reliable order-handling systems, the level of service provided, and the cost of executing orders. We strive to execute all held orders at prices equal to or better than the displayed national bid/offer price, up to the displayed size, at the time of execution. Not-held orders are worked for best price by the trading desk. We may utilize non-affiliated third party authorized participants ("APs") when transacting large blocks of ETFs. APs are typically large institutions like market makers or specialists who can create ETFs by trading the underlying securities.
- As a result of the over-the-counter nature of fixed income securities, the available trading methods differ from that of equity securities. Consistent with the overriding principle of best execution and subject to applicable regulatory requirements, we may use our discretion in selecting the appropriate ATS and/or broker-dealers with which to execute your orders. We consider

a number of factors when determining where to execute orders, including the product type, the liquidity of the market and the size of the order.

- For both equity and fixed income securities, we regularly review transactions for quality of execution, and take action, as appropriate, for Client price improvement and to fulfill our best execution obligations. At all times, our foremost concern is to obtain the best execution for our Clients, regardless of any compensation factor.

If any such prices are unavailable or believed to be unreliable, we will determine prices in good faith so as to reflect our understanding of fair market value.

We have policies and procedures in place to ensure that we execute Client orders for the purchase and sale of mutual funds in compliance with the cutoff times established by the mutual fund companies. These times vary, depending on the mutual fund company. We may, at our discretion, recognize the earliest mutual fund company cutoff time when determining the cutoff time for a particular Client Account. Orders received before the cutoff time will receive that day's closing price, while those after the cutoff time will receive the next day's closing price. If we are unable to obtain a closing price for a Client order of a mutual fund, we will not execute any trades in that mutual fund for that Client Account on that day.

From time to time, through our advisory services and Programs, our FAs assist our retirement plan Clients with various aspects of the plans, including the selection of investment companies for review as investment options, education and enrollment of participants with respect to retirement investing in general or specific fund investment options, assisting the plan's evaluation and monitoring of the performance of fund investments, or any combination of these or similar services. In those cases where the Plan determines to utilize funds in connection with a third-party administrator ("TPA") and where advisory fees are paid on the investment, we and our FAs will receive a share of the fee as compensation for the services provided. The specific fee arrangement will typically be disclosed to the Plan pursuant to the TPA's contract with the Plan. For these arrangements with TPAs, the transactions in the subject investment company shares are not effected through us, but rather directly with the fund through its distributor. All shares of investment companies are subject to fluctuation of principal and yield depending on market and/or interest rate risk.

We will not sell your information to other companies for marketing purposes. We employ strict security standards and safeguards to protect your personal information and prevent fraud. In addition, we will continue to protect your privacy even if you cease being our Client.

For more information, please read our Privacy Statement, visit a WFA office or call your FA. With your written permission, obtained via your Client Agreement or other written communication, we may provide your information electronically to your investment adviser and/or the agent of your investment adviser. We reserve the right, at our discretion, to refuse to provide certain information that may be requested. Furthermore, in compliance with our Privacy Policy, we will accept your instructions to discontinue providing such information.

Cash Sweep Program

Through our Cash Sweep Program you may earn a rate of return on the uninvested cash balances in your Account by automatically placing ("sweeping") cash balances into a sweep vehicle until such balances are invested or otherwise needed to satisfy obligations arising in connection with your Account. The available sweep options currently consist of one or more affiliated and non-affiliated Money Market Mutual Funds and/or a Bank Deposit Sweep, which is composed of interest-bearing deposit accounts at four banks affiliated with Wells Fargo & Company. Eligibility for each available sweep vehicle is determined by account type, although most account types will default to the Bank Deposit Sweep.

Program fees charged on Account values will apply to uninvested cash balances and balances in the Cash Sweep Program, to the extent permitted by law. The Program fees will exceed the return you earn on uninvested cash and, in most instances, on the vehicle in the Cash Sweep Program. When an affiliated Money Market Mutual Fund is used, we or our affiliates may serve as adviser, sub-adviser, distributor, or administrator to the fund and receive compensation for the services provided. Additional information about these funds is found in their prospectuses. We and our banking affiliates benefit financially from cash balances held in the Bank Deposit Sweep. For additional information about the Cash Sweep Program, including information about how we and our affiliates benefit from the Cash Sweep Program, see the Cash Sweep Program Disclosure Statement, which we provided to you when you opened your Account.

In addition to Program fees, as a shareholder of a money market mutual fund or closed-end fund, you will bear a proportionate share of the fund's expenses, including investment management fees that are paid to the fund's investment adviser, who may be an affiliate of ours. We may earn fees from our possession and temporary investment of cash balances in your Account(s) before they are "swept" into a money market fund or the Bank Deposit Sweep. You may elect not to participate in the Cash Sweep Program. The Cash Sweep Program should not be viewed as a long-term investment option. It is your responsibility to monitor your balances in the Cash Sweep Program, and determine whether you prefer to invest cash balances in products offered outside the Cash Sweep Program. For additional information, see the Cash Sweep Program Disclosure Statement, which we provided to you when you opened your Account.

Financial Information

We have no financial condition that is likely to impair our ability to meet our contractual commitments to Clients.