



Asset
Management

Item 1 - Cover Page

**Wells Capital Management
Incorporated**

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March 30, 2021

This is the Form ADV, Part 2A ("Brochure") for Wells Capital Management Incorporated ("WellsCap"), as required by the Investment Advisers Act of 1940 ("Advisers Act").

This brochure provides information about the qualifications and business practices of Wells Capital Management Incorporated ("WellsCap"). If you have any questions about the contents of this Brochure, please contact us at 415-396-8000 or www.wfam.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority. Additional information about WellsCap is also available at the SEC's website, www.adviserinfo.sec.gov.

WellsCap is an investment adviser registered with the SEC. Registration as an investment adviser does not imply a certain level of skill or training.

Item 2 - Material Changes

This item is intended to address only those material changes that have been incorporated since the last annual update of WellsCap's brochure (the "Brochure") dated March 30, 2020. The following items received changes:

- Item 4 (Advisory Business) has been updated to include the sale of Wells Fargo Asset Management, the business unit which includes Wells Capital Management, Inc. to funds managed by GTCR LLC ("GTCR") and Reverence Capital Partners, L.P. ("Reverence Capital Partners"). The transaction is expected to close in the second half of 2021, subject to customary closing conditions.
- Item 12 (Brokerage Practices) has been updated to describe the trade rotation process between WellsCap's institutional accounts and SMA clients.

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Item 4 - Advisory Business

FIRM OVERVIEW

Wells Capital Management Incorporated (“WellsCap”) was incorporated in the State of California in 1981 and has been registered as an investment adviser with the SEC since April of 1984. WellsCap is a direct wholly-owned subsidiary of Wells Fargo Asset Management Holdings, LLC, which is an indirect wholly-owned subsidiary of Wells Fargo & Company, a publicly traded financial services company. WellsCap has offices located throughout the United States, as well as internationally.

On February 23, 2021, Wells Fargo & Company (“Wells Fargo”) announced that it had entered into a definitive agreement to sell Wells Fargo Asset Management (“WFAM”) to funds managed by GTCR LLC (“GTCR”) and Reverence Capital Partners, L.P. (“Reverence Capital Partners”). WFAM is the trade name used by the asset management businesses of Wells Fargo and includes Wells Fargo Funds Management, LLC; Wells Capital Management Inc.; Galliard Capital Management, Inc.; Wells Fargo Asset Management (International) Ltd.; Wells Fargo Asset Management Luxembourg S.A.; and Wells Fargo Funds Distributor, LLC. As part of the transaction, Wells Fargo will own a 9.9% equity interest and will continue to serve as an important client and distribution partner. The transaction is expected to close in the second half of 2021, subject to customary closing conditions.

Founded in 1980, GTCR is a leading private equity firm focused on investing in growth companies in the Healthcare, Financial Services & Technology, Technology, Media & Telecommunications, and Growth Business Services Industries. The Chicago-based firm pioneered The Leaders Strategy™ — finding and partnering with management leaders in core domains to identify, acquire, and build market-leading companies through transformational acquisitions and organic growth. Since its inception, GTCR has invested more than \$20 billion in over 250 companies.

Reverence Capital Partners is a private investment firm focused on thematic investing in leading global, middle-market financial services businesses through control and influence-oriented investments in five sectors: (1) Depositories and Finance Companies, (2) Asset and Wealth Management, (3) Insurance, (4) Capital Markets and (5) Financial Technology/Payments. The firm was founded in 2013 by Milton Berlinski, Peter Aberg, and Alex Chulack, who collectively bring over 90 years of advisory and investing experience across a wide range of financial services sectors.

TYPES OF ADVISORY SERVICES

WellsCap provides investment management services to mutual funds, private funds, collective investment trusts (“CITs”), pooled vehicles and other institutional clients, including endowments, foundations, pension plans, healthcare organizations, educational organizations, public agencies, multi-employer plans, sovereign organizations, insurance companies, Taft-Hartley plans, other investment advisers and high net worth individuals.

WellsCap’s investment management services are offered on both a discretionary and non-discretionary basis. When we offer advice on a discretionary basis, the client relies on us to formulate and, in most cases, to implement the investment decisions consistent with parameters and information

that the client provides in advance. WellsCap will tailor its investment management services to the individual needs of its clients, including by incorporating client specific restrictions. However, WellsCap will not be able to accommodate investment restrictions that are unduly burdensome, including any requested restrictions on underlying securities held in a fund/commingled vehicle in which the client invests. WellsCap reserves the right to decline to accept, or terminate, client accounts with such restrictions. Investment restrictions requested by a client may cause the performance of its account to differ from that of the portfolio recommended by WellsCap, possibly producing lower overall results.

WellsCap also provides non-discretionary investment management services that include providing securities ranking information and model portfolios to other investment advisers, including one or more affiliated investment advisers. As explained in Item 8 below, WellsCap's non-discretionary services are used by other investment advisers to provide advisory services to their clients.

Where WellsCap is the investment adviser to a pooled investment vehicle (e.g., mutual fund or private investment fund), investments will not be tailored to the individualized needs of any particular investor in the pooled investment vehicle (each an "Investor"). Investors may not impose restrictions on investing in certain securities or certain types of securities but rather will be subject to the investment guidelines as described in the vehicle's prospectus or other offering document.

WellsCap utilizes proprietary investment allocation systems in conjunction with the securities selection services provided by its portfolio managers to create and maintain actively managed investment portfolios intended to meet the requirements of its clients' investment needs. WellsCap offers a variety of equity, multi-asset, and fixed income investment strategies. These investment strategies (collectively) may invest in a wide variety of financial instruments

In circumstances where a client is willing to accept greater risk in pursuit of potential higher total return, WellsCap also uses certain types of techniques, including buying securities on margin, and selling securities short.

WRAP FEE PROGRAMS

WellsCap provides investment sub-advisory services to its affiliate, Wells Fargo Funds Management ("WFFM"), in connection with separately managed account programs (referred to as "wrap fee programs" or "SMA programs") for which WFFM provides investment advisory services. The wrap fee or SMA programs are sponsored by certain broker dealers or investment advisers, including affiliates of WFFM and WellsCap ("Sponsors"). With respect to a traditional wrap fee program, the Sponsor typically offers clients the ability to have their accounts managed by one or more participating investment advisers, including WellsCap's affiliate, WFFM, in the form of separately managed accounts. For a single, unified or wrap fee, that typically includes investment management, brokerage, custody and other program services, these Sponsors provide a variety of services to their clients in these programs including selecting and monitoring the services of the participating investment advisers, defining client investment objectives and risk tolerances, performing primary suitability analysis, evaluating performance, and maintaining records relating to the account. The Sponsor typically pays WFFM a portion of the wrap fee that the client pays to compensate WFFM for its investment advisory services. The fee is based on the assets of clients invested in the applicable strategy in the wrap fee program. WFFM pays a portion of the fee it receives from the Sponsor to

WellsCap.

In most cases, WellsCap provides model portfolios to WFFM, and, depending on the program, WFFM will either implement the model portfolio for program participant accounts according to account guidelines – which are provided by the Sponsor – or communicate the model portfolio to the Sponsor to implement for the account. In both instances, WellsCap is providing the model portfolio to WFFM on a non-discretionary basis. When WellsCap is providing investment advice to WFFM on a non-discretionary basis, it does not consider the program participant to be a WellsCap client. Pursuant to an agreement, WFFM relies on WellsCap to provide trading and/or other support services related to these programs.

With respect to municipal strategies that are available in wrap programs, WellsCap shares discretionary investment authority over the program participants' accounts that are invested in these strategies. Under these limited circumstances, WellsCap considers and manages the account according to the program participant's individual needs and guidelines which are provided by the Sponsor. Unlike WellsCap's institutional clients, however, WellsCap does not communicate directly with these program participants. Wrap fee program accounts may not be managed identically to institutional accounts so, purchases that are implemented for institutional accounts will not always be reflected or fully reflected in a wrap account that follows the same or a substantially similar strategy.

To the extent that a sponsor to a SMA program provides WellsCap's Form ADV Part 2A to SMA program clients with whom WellsCap has no advisory relationship, or when it is not legally required to be delivered, it is provided for informational purposes only.

CURRENT ASSETS UNDER MANAGEMENT

As of December 31, 2020, WellsCap had \$481,819,163,101.00 in regulatory assets under management on a discretionary basis and \$2,258,894,181.00 in regulatory assets under management on a non-discretionary basis.

Item 5 - Fees and Compensation

WellsCap generally charges an investment advisory fee based upon a percentage of the market value of a client's assets under management (such a fee is referred to as an "asset-based fee"). WellsCap also receives performance-based fees with respect to certain strategies or as otherwise agreed on with a particular client. For additional information related to the performance-based fees WellsCap receives, refer to Item 6 – Performance-Based Fees and Side-By-Side Management.

In addition to the investment advisory fees paid to WellsCap, clients will pay other fees and expenses in connection with WellsCap's management of their account. These include both account-level and investment-level costs.

Account-Level Fees:

- If you invest in a discretionary account directly with WellsCap, the most common fees and expenses are: brokerage commissions and transaction charges associated with buying and selling securities; custody fees you pay directly to the broker-dealer or bank that holds (a.k.a., "custodies") your assets; and other transactional fees (e.g., interest on margin balances, wire fees).
- If you invest in a wrap program account for which WellsCap shares discretionary authority, the wrap fee you pay to the wrap program sponsor typically includes most transaction costs and fees to the broker-dealer or bank that custodies your assets. You also pay fees associated with buying and selling securities if WellsCap places your trades away from the broker-dealer associated with your wrap account. Clients should consult the program sponsor for more information about other fees and costs.

WellsCap does not receive any of these non-advisory service fees (e.g., brokerage commissions and other transaction charges, custodial fees, transfer taxes or sales loads or similar charges). In certain instances, however, affiliates of WellsCap will receive these non-advisory service fees when providing brokerage and/or custody services in connection with the advisory services WellsCap provides to its clients. For additional information relating to WellsCap's brokerage practices, refer to Item 12.

Investment-Level Fees:

Different investments have different costs to buy, sell and hold. These costs are explained in product-specific materials, which are available from WellsCap or the wrap program sponsor. When considering account-level advisory fees, clients should be aware that client accounts invested in mutual funds, money market funds, exchange-traded funds, private funds, or similar securities, will also bear their proportionate share of fees paid at the fund level.

Two-Levels of Fees:

If a client account invests in a fund sponsored, advised or otherwise serviced by a Wells Fargo company (i.e. an affiliated fund), WellsCap and/or its affiliates will receive fees that are paid at the fund-level. As a result, clients pay WellsCap and its affiliates two levels of fees on the portion of a client's account invested in affiliated funds. The receipt of two levels of fees creates an incentive for WellsCap to select and retain affiliated funds, rather than unaffiliated funds, for its clients. WellsCap,

generally does not receive advisory fees from both the client's separate account and the affiliate fund in which the separate account is invested. WellsCap will exclude the portion of a client's account invested in affiliated funds when calculating WellsCap's account-level advisory fee or otherwise offset the account-level advisory fee by the advisory fees paid at the fund level. Such rebate or reduction will not eliminate the conflict and WellsCap may nevertheless have a financial incentive to favor affiliated fund investments (for example, to increase the assets under management of, or otherwise provide support to certain funds, products or lines of business). In limited instances, and where permitted and agreed upon with the client, WellsCap will receive advisory fees from both the client's separate account and the affiliate fund in which the separate account is invested.

WellsCap and its affiliated companies will receive two-levels of fees on a client's account when affiliated companies provides brokerage, administrative, custodial and other non-advisory services to the affiliated fund and the client account.

Cash-Sweep Options:

Typically, cash balances held in a client's account that are pending investment, as well as any strategic balances allocated to cash within a client's account, are invested in a money market fund or bank sweep vehicle option offered by the custodian associated with the client's wrap program sponsor or account. Custodians have an incentive to make available cash sweep options that generate additional revenue for their affiliates, rather than other cash sweep options that might pay higher returns to clients. When clients use a broker-dealer or custodian affiliated with WellsCap, this additional revenue accrues to Wells Fargo companies. WellsCap indirectly benefits from the additional revenue, even though WellsCap does not participate in or influence the selection of cash sweep options by custodians or clients.

Other Compensation:

Certain mutual funds, private funds and other investments are sponsored by companies that pass through a portion of their revenue to WellsCap or its affiliates, creating an incentive for WellsCap to select these investments over similar investments that do not generate revenue share for Wells Fargo. In addition, certain funds or share classes of a fund charge administrative, service or sub-transfer agency fees that are passed through to WellsCap or its affiliates, creating an incentive to select those funds or share classes over other funds or share classes that do not charge such fees.

Clients should consider all of the foregoing additional compensation to Wells Fargo companies when evaluating the amount and appropriateness of the advisory fees that are paid to WellsCap in connection with their advisory account(s).

Advisory Fees:

The basic fee schedules for WellsCap's institutional separate account clients are indicated below, and can be negotiated between the client and WellsCap when circumstances warrant (e.g., large account size, accounts that require special services, etc.). The fee schedule for pooled investment vehicles are found in the pooled vehicle's offering document available from the program sponsor. Fees may be higher or lower than the standard fee schedule. WellsCap generally agrees to charge clients fees for advisory services that are lower than those set forth below. In certain circumstances in which

WellsCap or its affiliates provide customized investment advisory services a higher fee may apply. Variations in fees charged to clients can occur as a result of numerous factors including negotiations and/or discussions that may include the particular circumstances of the investor, account size, account servicing requirements, the size and scope of the overall relationship with WellsCap and its affiliates or certain consultants, or as may be otherwise agreed with specific clients on a case by case basis.

The minimum account size is noted below for each strategy, where minimum annual fee is stated, and may vary by investment style and asset class and may be negotiated or waived by WellsCap. There are no start-up or closing fees payable to WellsCap or its affiliates. WellsCap generally bills in arrears and any partial periods are prorated over the billing cycle. WellsCap typically sends an invoice to clients within 45 days after quarter end for quarterly invoiced accounts and within 30 days following month end for monthly invoiced accounts. Direct deductions from client accounts occur where the client instructs its custodian to direct the charge for its account. In limited circumstances, clients may pay their advisory fees in advance. In such cases, WellsCap will refund any prepaid, unearned advisory fees to the client upon termination of the client's account. Advisory agreements are subject to termination by WellsCap or a client in accordance with their terms.

Product	Fee	Min Annual Fee	Min Account Size
Analytic Investors Factor Enhanced Emerging Markets Equity	First \$100m at 0.20% Next \$400m at 0.18% Over \$500m at 0.15%	\$200,000	\$100m
Analytic Investors Factor Enhanced Global Equity	First \$100m at 0.17% Next \$400m at 0.15% Over \$500m at 0.13%	\$170,000	\$100m
Analytic Investors Factor Enhanced International Equity	First \$100m at 0.17% Next \$400m at 0.15% Over \$500m at 0.13%	\$170,000	\$100m
Analytic Investors Factor Enhanced Low Volatility Equity	First \$100m at 0.14% Next \$400m at 0.12% Over \$500m at 0.10%	\$140,000	\$100m
Analytic Investors Factor Enhanced U.S. Large Cap Defensive Equity	First \$100m at 0.14% Next \$400m at 0.12% Over \$500m at 0.10%	\$140,000	\$100m
Analytic Investors Factor Enhanced U.S. Large Cap Equity	First \$100m at 0.14% Next \$400m at 0.12% Over \$500m at 0.10%	\$140,000	\$100m
Analytic Investors Factor Enhanced U.S. Small Cap Equity	First \$100m at 0.17% Next \$400m at 0.15% Over \$500m at 0.13%	\$170,000	\$100m
Analytic Investors Factor Enhanced Style Premia	First \$100m at 0.40% Next \$400m at 0.35% Over \$500m at 0.30%	\$400,000	\$100m
Analytic Investors Factor Enhanced Style Premia Large Cap	First \$100m at 0.40% Next \$400m at 0.35% Over \$500m at 0.30%	\$400,000	\$100m

Analytic Investors Factor Enhanced Style Premia Small Cap	First \$100m at 0.40% Next \$400m at 0.35% Over \$500m at 0.30%	\$400,000	\$100m
Analytic Investors ACWI Low Volatility	First \$20m at 0.55% Next \$80m at 0.45% Over \$100m at 0.35%	\$110,000	\$20m
Analytic Investors Emerging Markets Low Volatility	First \$20m at 0.60% Next \$80m at 0.50% Over \$100m at 0.40%	\$120,000	\$20m
Analytic Investors Global Long Short Equity I	Flat fee at 1.00% plus 20% of 12mo incremental return	\$200,000	\$20m
Analytic Investors Global Low Volatility	First \$20m at 0.50% Next \$80m at 0.40% Over \$100m at 0.30%	\$100,000	\$20m
Analytic Investors Managed Futures World Hedged	First \$20m at 0.30% Next \$80m at 0.20% Over \$100m at 0.15%	\$60,000	\$20m
Analytic Investors Options Overlay	First \$20m at 0.40% Next \$80m at 0.30% Over \$100m at 0.20%	\$80,000	\$20m
Analytic Investors U.S. Long Short Equity I	Flat fee at 1.00% plus 20% of 12mo incremental return	\$200,000	\$20m
Analytic Investors U.S. Low Volatility	First \$20m at 0.40% Next \$80m at 0.30% Over \$100m at 0.20%	\$80,000	\$20m
Analytic Investors USMN Dynamic Volatility	Flat fee at 1.00% for all accounts plus 20% of 12 month incremental return	\$200,000	\$20m
Analytic Investors U.S. Small Cap Low Volatility	First \$20m at 0.60% Next \$80m at 0.50% Over \$100m at 0.40%	\$120,000	\$20m
Analytic Investors Value Equity	First \$20m at 0.60% Next \$80m at 0.40% Over \$100m at 0.30%	\$120,000	\$20m
Berkeley Street Emerging Markets Small Cap Equity	First \$50m at 1.15% Next \$50m at 1.05% Over \$100m at 1.00%	\$287,500	\$25m
Berkeley Street Emerging Markets Equity	First \$50m at 0.95% Next \$50m at 0.90% Over \$100m at 0.80%	\$237,500	\$25m
Berkeley Street Emerging Markets Large-Mid Cap Equity	First \$50m at 0.90% Next \$50m at 0.85% Over \$100m at 0.80%	\$225,000	\$25m
Emerging Markets Equity CEF	Flat fee at 1.00%	\$250,000	\$25m

Fixed Income Bond CEF	Flat fee of 0.40%	\$100,000	\$25m
International Equity MSCI ACWI ex-US CEF	Flat fee at 0.85%	\$212,500	\$25m
U.S. All Cap Equity CEF	Flat fee at 0.60%	\$150,000	\$25m
Compass Utilities Equity	First \$100m at 0.30% Next \$200m at 0.275% Next \$500m at 0.25% Over \$800m at 0.20%	\$300,000	\$100m
EverKey Focused Global Equity-USD	First \$25m at 0.80% Next \$25m at 0.75% Over \$50m at 0.70%	\$80,000	\$10m
EverKey International Equity	First \$50m at 0.75% Next \$50m at 0.70% Over \$100m at 0.60%	\$75,000	\$10m
Fundamental All Cap Growth Equity	First \$25m at 0.80% Next \$25m at 0.70% Next \$50m at 0.65% Over \$100m at 0.60%	\$80,000	\$10m
Fundamental Large Cap Select Growth Equity	First \$25m at 0.65% Next \$25m at 0.50% Next \$50m at 0.45% Over \$100m at 0.40%	\$65,000	\$10m
Fundamental Mid Cap Growth Equity	First \$25m at 0.80% Next \$25m at 0.70% Next \$50m at 0.65% Over \$100m at 0.60%	\$80,000	\$10m
Fundamental SMID Cap Growth Equity	First \$25m at 0.85% Next \$25m at 0.75% Next \$50m at 0.70% Over \$100m at 0.65%	\$85,000	\$10m
Fundamental Small Cap Growth Equity	First \$25m at 0.90% Next \$25m at 0.80% Next \$50m at 0.75% Over \$100m at 0.70%	\$45,000	\$5m
Focused SMID Cap Equity	First \$25m at 0.85% Next \$25m at 0.75% Next \$50m at 0.70% Over \$100m at 0.65%	\$42,500	\$5m
Golden Capital Large Cap Core	First \$25m at 0.50% Next \$25m at 0.45% Over \$50m at 0.40%	\$100,000	\$20m
Golden Capital SMID Cap Core	First \$25m at 0.60% Next \$25m at 0.55% Over \$50m at 0.50%	\$120,000	\$20m

Golden Capital Enhanced Large Cap	First \$25m at 0.30% Next \$25m at 0.25% Over \$50m at 0.22%	\$60,000	\$20m
Golden Capital Enhanced Large Cap (Custom)	First \$25m at 0.30% Next \$25m at 0.25% Over \$50m at 0.22%	\$60,000	\$20m
Golden Capital Enhanced Large Cap (R1000)	First \$25m at 0.30% Next \$25m at 0.25% Over \$50m at 0.22%	\$60,000	\$20m
Golden Capital Disciplined Small Cap	First \$25m at 0.45% Next \$25m at 0.40% Over \$50m at 0.35%	\$90,000	\$20m
Golden Capital Disciplined U.S. Dividend Yield - Restricted	First \$25m at 0.40% Next \$25m at 0.35% Over \$50m at 0.30%	\$80,000	\$20m
Golden Capital S&P 500 Index Strategy	First \$100m at 0.07% Over \$100m at 0.03%	\$7,000	\$20m
Golden Capital Global Equity Income	First \$25m at 0.65% Next \$25m at 0.60% Over \$50m at 0.55%	\$130,000	\$20m
Heritage All Cap Growth Equity	First \$25m at 0.80% Next \$25m at 0.70% Next \$50m at 0.65% Over \$100m at 0.60%	\$80,000	\$10m
Heritage Large Cap Growth Equity	First \$25m at 0.65% Next \$25m at 0.50% Next \$50m at 0.45% Over \$100m at 0.40%	\$65,000	\$10m
Heritage Premier Growth Equity	First \$25m at 0.70% Next \$25m at 0.60% Next \$50m at 0.50% Over \$100m at 0.45%	\$70,000	\$10m
Heritage Small Cap Growth Equity	First \$25m at 0.90% Next \$25m at 0.80% Next \$50m at 0.75% Over \$100m at 0.70%	\$45,000	\$5m
LT Large Cap Growth Equity	First \$10m at 0.60% Next \$10m at 0.40% Over \$20m at 0.30%	\$60,000	\$10m
LT Large Cap Fundamental Equity	First \$10m at 0.60% Next \$10m at 0.40% Over \$20m at 0.30%	\$60,000	\$10m
MWCM Global Dividend Payers Equity	First \$25m at 0.70% Next \$25m at 0.60% Next \$50m at 0.50% Over \$100m at 0.40%	\$70,000	\$10m

MWCM Global Intrinsic Equity	First \$25m at 0.75% Next \$25m at 0.70% Next \$50m at 0.60% Over \$100m at 0.50%	\$75,000	\$10m
MWCM Global Intrinsic Equity ex-Japan	First \$25m at 0.75% Next \$25m at 0.70% Next \$50m at 0.60% Over \$100m at 0.50%	\$75,000	\$10m
MWCM International Intrinsic Equity ADR Only	First \$25m at 0.75% Next \$25m at 0.70% Next \$50m at 0.60% Over \$100m at 0.50%	\$75,000	\$10m
MWCM Large Cap Classic Value Equity	First \$25m at 0.65% Next \$25m at 0.50% Next \$50m at 0.45% Over \$100m at 0.40%	\$65,000	\$10m
MWCM Large Cap Intrinsic Value Equity	First \$25m at 0.65% Next \$25m at 0.50% Next \$50m at 0.45% Over \$100m at 0.40%	\$65,000	\$10m
MWCM Large Cap Intrinsic Value ESG Equity	First \$25m at 0.65% Next \$25m at 0.50% Next \$50m at 0.45% Over \$100m at 0.40%	\$65,000	\$10m
PMV All Cap Equity	First \$25m at 0.80% Next \$25m at 0.70% Next \$50m at 0.65% Over \$100m at 0.60%	\$80,000	\$10m
PMV Mid Cap Equity	First \$25m at 0.80% Next \$25m at 0.70% Next \$50m at 0.65% Over \$100m at 0.60%	\$80,000	\$10m
PMV SMID Cap Equity	First \$25m at 0.85% Next \$25m at 0.75% Next \$50m at 0.70% Over \$100m at 0.65%	\$85,000	\$10m
PMV REIT Equity	First \$25m at 0.75% Next \$25m at 0.70% Next \$50m at 0.55% Over \$100m at 0.50%	\$37,500	\$5m
PMV Small Cap Equity	First \$25m at 0.90% Next \$25m at 0.80% Next \$50m at 0.75% Over \$100m at 0.70%	\$45,000	\$5m

Precious Metals	First \$10m at 0.95% Next \$15m at 0.85% Next \$25m at 0.75% Next \$50m at 0.65% Over \$100m at 0.60%	\$95,000	\$10m
Select Equity	First \$25m at 0.90% Next \$25m at 0.80% Next \$50m at 0.75% Over \$100m at 0.70%	\$90,000	\$10m
SF Global All China Equity	First \$50m at 0.95% Next \$50m at 0.90% Next \$100m at 0.80% Over \$200m at 0.70%	\$190,000	\$20m
SF Global China A Focus	First \$50m at 0.95% Next \$50m at 0.90% Next \$100m at 0.80% Over \$200m at 0.70%	\$190,000	\$20m
SF Global Emerging Markets Equity Income	First \$50m at 0.95% Next \$50m at 0.90% Over \$100m at 0.80%	\$190,000	\$20m
SF Global Emerging Markets Equity Total Return	First \$50m at 0.95% Next \$50m at 0.90% Over \$100m at 0.80%	\$190,000	\$20m
SF Global Emerging Prosperity	First \$50m at 0.95% Next \$50m at 0.90% Over \$100m at 0.80%	\$190,000	\$20m
Special Dividend Focused Mid Cap Equity	First \$25m at 0.80% Next \$25m at 0.70% Next \$50m at 0.65% Over \$100m at 0.60%	\$80,000	\$10m
Special Global Small Cap Equity	First \$50m at 0.95% Over \$50m at 0.85%	\$95,000	\$10m
Special International Small Cap Equity	First \$50m at 0.95% Over \$50m at 0.85%	\$95,000	\$10m
Special International Small Company Equity	First \$50m at 0.95% Over \$50m at 0.85%	\$95,000	\$10m
Special U.S. Mid Cap Value Equity	First \$25m at 0.80% Next \$25m at 0.70% Next \$50m at 0.65% Over \$100m at 0.60%	\$80,000	\$10m
Special U.S. Small Cap Value Equity	First \$25m at 1.00% Next \$25m at 0.90% Next \$50m at 0.85% Over \$100m at 0.80%	\$100,000	\$10m

Stageline Small Cap Value Equity	First \$25m at 0.90% Next \$25m at 0.80% Next \$50m at 0.75% Over \$100m at 0.70%	\$90,000	\$10m
Stageline Tax-Advantaged Small Cap Equity	First \$25m at 0.90% Next \$25m at 0.80% Next \$50m at 0.75% Over \$100m at 0.70%	\$90,000	\$10m
Montgomery U.S. Core Fixed Income	First \$50m at 0.30% Next \$50m at 0.25% Next \$100m at 0.20% Over \$200m at 0.15%	\$275,000	\$100m
Montgomery U.S. Long Credit Fixed Income	First \$50m at 0.30% Next \$50m at 0.25% Over \$100m at 0.20%	\$275,000	\$100m
Montgomery U.S. Short Duration Fixed Income	First \$25m at 0.25% Over \$25m at 0.20%	\$212,500	\$100m
Alternative Risk Premia	First \$25m at 0.55% Next \$75m at 0.50% Over \$100m at 0.45%	\$625,000	\$125m
Capital Efficient Multi Sector BOLI	First \$100m at 0.22% Next \$100m at 0.20% Over \$200m at 0.18%	\$320,000	\$150m
Diversified Exposures	First \$10m at 1.00% Next \$10m at 0.85% Next \$30m at 0.70% Over \$50m at 0.50%	\$185,000	\$20m
DRH Put Replication Overlay 0% to 25%	First \$50m at 0.20% Next \$50m at 0.15% Over \$100m at 0.10%	\$50,000	\$25m
DRH Put Replication Overlay 26% to 50%	First \$50m at 0.20% Next \$50m at 0.15% Over \$100m at 0.10%	\$50,000	\$25m
DRH Put Replication Overlay 51% to 75%	First \$50m at 0.20% Next \$50m at 0.15% Over \$100m at 0.10%	\$50,000	\$25m
DRH Put Replication Overlay 76% to 100%	First \$50m at 0.20% Next \$50m at 0.15% Over \$100m at 0.10%	\$50,000	\$25m
DRH Volatility Management Overlay 0% to 25%	First \$50m at 0.20% Next \$50m at 0.15% Over \$100m at 0.10%	\$50,000	\$25m
DRH Volatility Management Overlay 26% to 50%	First \$50m at 0.20% Next \$50m at 0.15% Over \$100m at 0.10%	\$50,000	\$25m
DRH Volatility Management Overlay 51% to 75%	First \$50m at 0.20% Next \$50m at 0.15% Over \$100m at 0.10%	\$50,000	\$25m

DRH Volatility Management Overlay 76% to 100%	First \$50m at 0.20% Next \$50m at 0.15% Over \$100m at 0.10%	\$50,000	\$25m
Global Equity Enhanced Income	First \$25m at 0.8% Next \$25m at 0.75% Over \$50m at 0.65%	\$160,000	\$20m
Global Investment Grade Credit	First €50m at 0.30% Next €50m at 0.25% Next €200m at 0.20% Over €300m at 0.15%	€150,000	€50m
Global Tactical Asset Allocation	First \$20m at 0.75% Next \$30m at 0.60% Next \$50m at 0.50% Next \$100m at 0.40% Over \$200m at 0.25%	\$150,000	\$20m
Growth Balanced	First \$20m at 0.75% Next \$30m at 0.60% Next \$50m at 0.50% Next \$100m at 0.40% Over \$200m at 0.25%	\$150,000	\$20m
Income Plus	First \$25m at 0.50% Next \$25m at 0.45% Over \$50m at 0.40%	\$125,000	\$25m
Index Asset Allocation	First \$100m at 0.20% Next \$100m at 0.175% Over \$200m at 0.15%	\$200,000	\$20m
Moderate Balanced	First \$20m at 0.75% Next \$30m at 0.60% Next \$50m at 0.50% Next \$100m at 0.40% Over \$200m at 0.25%	\$150,000	\$20m
Real Return	First \$25m at 0.45% Next \$25m at 0.40% Over \$50m at 0.35%	\$22,500	\$5m
Risk Allocator Preserve	First \$100m at 0.35% Next \$100m at 0.30% Over \$200m at 0.25%	\$70,000	\$20m
Spectrum Aggressive Growth	First \$100m at 0.35% Next \$150m at 0.28% Next \$250m at 0.20% Next \$500m at 0.16% Over \$1b at 0.12%	\$87,500	\$25m
Spectrum Conservative Growth	First \$100m at 0.35% Next \$150m at 0.28% Next \$250m at 0.20% Next \$500m at 0.16% Over \$1b at 0.12%	\$87,500	\$25m

Spectrum Growth	First \$100m at 0.35% Next \$150m at 0.28% Next \$250m at 0.20% Next \$500m at 0.16% Over \$1b at 0.12%	\$87,500	\$25m
Spectrum Income Allocation	First \$100m at 0.35% Next \$150m at 0.28% Next \$250m at 0.20% Next \$500m at 0.16% Over \$1b at 0.12%	\$87,500	\$25m
Spectrum Moderate Growth	First \$100m at 0.35% Next \$150m at 0.28% Next \$250m at 0.20% Next \$500m at 0.16% Over \$1b at 0.12%	\$87,500	\$25m
Tactical Asset Allocation (TAA) Overlay - 10% Shift	First \$100m at 0.15% Next \$150m at 0.12% Next \$250m at 0.10% Next \$500m at 0.08% Over \$1b at 0.06%	\$49,500	\$33m
Tactical Asset Allocation (TAA) Overlay - 15% Shift	First \$100m at 0.15% Next \$150m at 0.12% Next \$250m at 0.10% Next \$500m at 0.08% Over \$1b at 0.06%	\$49,500	\$33m
Universal Tactical Asset Allocation (TAA) Overlay - 10% Shift	First \$100m at 0.15% Next \$150m at 0.12% Next \$250m at 0.10% Next \$500m at 0.08% Over \$1b at 0.06%	\$49,500	\$33m
U.S. Aggregate Income Focus	First \$50m at 0.30% Next \$50m at 0.25% Next \$100m at 0.20% Over \$200m at 0.15%	\$120,000	\$40m
U.S. Credit Focus	First \$50m at 0.30% Next \$50m at 0.25% Next \$100m at 0.20% Over \$200m at 0.15%	\$120,000	\$40m
U.S. Intermediate Credit Focus	First \$50m at 0.30% Next \$50m at 0.25% Next \$100m at 0.20% Over \$200m at 0.15%	\$120,000	\$40m
U.S. Intermediate Income Focus	First \$50m at 0.30% Next \$50m at 0.25% Next \$100m at 0.20% Over \$200m at 0.15%	\$120,000	\$40m

U.S. Structured Focus	First \$50m at 0.30% Next \$50m at 0.25% Next \$100m at 0.20% Over \$200m at 0.15%	\$120,000	\$40m
U.S. Adjustable Rate Mortgage	First \$50m at 0.30% Over \$50m at 0.25%	\$150,000	\$50m
U.S. Bank Loan	Flat Fee at 0.50%	\$250,000	\$50m
U.S. Core Bond	First \$50m at 0.30% Next \$50m at 0.25% Over \$100m at 0.20%	\$75,000	\$25m
U.S. Core Bond 2	First \$50m at 0.30% Next \$50m at 0.25% Over \$100m at 0.20%	\$75,000	\$25m
U.S. Core Plus Bond	First \$50m at 0.35% Next \$50m at 0.30% Over \$100m at 0.25%	\$87,500	\$25m
U.S. Enhanced Core Bond	First \$25m at 0.35% Next \$25m at 0.30% Over \$50m at 0.25%	\$87,500	\$25m
U.S. High Yield Bond	First \$50m at 0.55% Over \$50m at 0.45%	\$275,000	\$50m
U.S. Intermediate	First \$50m at 0.30% Over \$50m at 0.20%	\$75,000	\$25m
U.S. Long Government Credit	First \$50m at 0.30% Next \$50m at 0.25% Over \$100m at 0.20%	\$212,500	\$75m
U.S. Medium Quality Credit	First \$100m at 0.30% Over \$100m at 0.20%	\$75,000	\$25m
U.S. Mortgage-Focused Government	First \$25m at 0.30% Next \$25m at 0.25% Over \$50m at 0.20%	\$75,000	\$25m
U.S. Short-Term High Yield	First \$50m at 0.50% Over \$50m at 0.45%	\$250,000	\$50m
U.S. Short-Term High Yield ex Loans	First \$50m at 0.50% Over \$50m at 0.45%	\$250,000	\$50m
U.S. Short-Term Plus	First \$50m at 0.25% Next \$50m at 0.20% Over \$100m at 0.15%	\$100,000	\$40m
U.S. Small Issuer Long Credit	First \$100m at 0.25% Next \$250m at 0.20% Over \$350m at 0.15%	\$187,500	\$75m
U.S. Treasury Inflation Protected	First \$50m at 0.25% Next \$50m at 0.20% Over \$100m at 0.15%	\$62,500	\$25m
U.S. Ultra Short Plus	First \$100m at 0.20% Over \$100m at 0.15%	\$100,000	\$50m

Municipal	First \$50m at 0.30% Next \$50m at 0.20% Next \$400m at 0.15% Over \$500m at 0.12%	\$150,000	\$50m
Municipal High Yield	First \$50m at 0.50% Over \$50m at 0.45%	\$250,000	\$50m
Municipal Intermediate	First \$50m at 0.30% Next \$50m at 0.20% Next \$400m at 0.15% Over \$500m at 0.12%	\$150,000	\$50m
Municipal Plus	First \$50m at 0.30% Next \$50m at 0.20% Next \$400m at 0.15% Over \$500m at 0.12%	\$150,000	\$50m
Municipal Short-Term	First \$50m at 0.25% Next \$50m at 0.20% Over \$100m at 0.15%	\$100,000	\$40m
Municipal Short-Term Plus	First \$50m at 0.25% Next \$50m at 0.20% Over \$100m at 0.15%	\$100,000	\$40m
Municipal Sustainability	First \$50m at 0.30% Next \$50m at 0.20% Next \$400m at 0.15% Over \$500m at 0.12%	\$150,000	\$50m
Municipal Ultra Short	First \$50m at 0.25% Next \$50m at 0.20% Over \$100m at 0.15%	\$100,000	\$40m
Municipal Ultra Short Plus	First \$50m at 0.25% Next \$50m at 0.20% Over \$100m at 0.15%	\$100,000	\$40m
Taxable Municipal Fixed Income	First \$50m at 0.30% Next \$50m at 0.20% Next \$400m at 0.15% Over \$500m at 0.12%	\$150,000	\$50m
U.S. Cash Tax-Advantaged	First \$100m at 0.10% Over \$100m at 0.08%	\$80,000	\$80m
U.S. Enhanced Cash Tax-Advantaged	First \$100m at 0.10% Over \$100m at 0.08%	\$80,000	\$80m
U.S. Limited Duration Tax-Advantaged	First \$100m at 0.10% Over \$100m at 0.08%	\$80,000	\$80m
U.S. Taxable 1 Year	First \$100m at 0.10% Over \$100m at 0.08%	\$80,000	\$80m
U.S. Taxable 1-3 Year	First \$100m at 0.10% Over \$100m at 0.08%	\$80,000	\$80m
U.S. Taxable 1-5 Year	First \$100m at 0.10% Over \$100m at 0.08%	\$80,000	\$80m
U.S. Taxable 3 Month	First \$100m at 0.10% Over \$100m at 0.08%	\$80,000	\$80m

U.S. Taxable 6 Month	First \$100m at 0.10% Over \$100m at 0.08%	\$80,000	\$80m
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OTHER CONSIDERATIONS

The above section describes WellsCap's basic fee schedules for separately managed client accounts; however, as mentioned previously, fees are negotiable and arrangements with any particular client could vary from the fees specified above.

Special Circumstances - Offshore Clients. WellsCap also manages some accounts for clients or their accounts based outside of the United States. In consideration of the enhanced administrative costs associated with such accounts, WellsCap may negotiate fees that are higher than the fees specified above where the market and service plan dictate doing so.

Model Portfolios - WellsCap provides non-discretionary investment management services to other investment advisers in the form of model portfolios. WellsCap receives compensation from other investment advisers for providing these services. The fees associated with these services are determined on a case-by-case basis.

Wrap Fee Programs - Participants that are not advisory clients of WellsCap (i.e., because WellsCap lacks investment discretion over the account) typically pay a “wrap” fee to the program sponsor that covers advisory, brokerage, custody and other services provided to the account. With respect to such programs, WellsCap receives compensation from its affiliate, WFFM, which contracts directly with program sponsors. For information on the fees charged to participants by program sponsors, participants should consult with the program sponsor or refer to the sponsor's wrap fee program brochure.

Sub-Advisory Fees – In connection with the investment advisory services WellsCap provides, WellsCap will engage affiliated investment advisers (each an affiliated “Sub-adviser”) to implement investment recommendations. In accordance with its agreement with each affiliated Sub-adviser, WellsCap pays a portion of the advisory fees that it receives to the Sub-adviser for its sub-advisory services and retains the remainder as revenue. WellsCap has an incentive to select affiliated Sub-advisers over unaffiliated Sub-advisers because a greater portion of our fees remain within the WFC family of companies than if WellsCap used a third party to provide these services. For additional information concerning these conflicts of interest and how we address them, refer to Item 10.

Additional information relating to potential conflicts of interest can be found in Item 6 - Performance-Based Fees and Side-By-Side Management, Item 11 - Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading, and Item 12 - Brokerage Practices within this Brochure.

Item 6 - Performance-Based Fees and Side-By-Side Management

PERFORMANCE FEES

WellsCap receives performance-based fees from some of its client accounts. Because WellsCap manages accounts that charge performance-based fees and other accounts that do not, there is an incentive for WellsCap to favor those accounts that charge a performance-based fee over those accounts that charge an asset based fee. For example, WellsCap could be in a position to earn more in investment advisory fee revenue if it were to allocate more profitable trading opportunities to its performance based fee accounts rather than its asset based fee accounts. Similarly, portfolio managers could have an incentive to favor accounts that charge performance-based fees, over other accounts that do not, if a portfolio manager can increase his or her compensation by making recommendations or decisions that generate more advisory fee revenue for WellsCap.

WellsCap has adopted policies and procedures that are reasonably designed to ensure that all accounts are treated fairly and equitably to prevent this potential conflict from influencing the allocation of investment opportunities among clients. Such policies and procedures prohibit any trade allocation practice whereby any particular account or group of accounts receive more favorable treatment than other client accounts. WellsCap manages accounts (pursuing the same investment strategy) in a similar manner, with similar investments and similar allocations whenever possible, consistent with individual client guidelines and requirements. In addition, the compensation of WellsCap's portfolio managers is designed to avoid creating an incentive to favor accounts that pay a performance-based fee over accounts that do not.

Some of the performance fee methods of calculation include the following:

- Performance fee computations based on annual achieved returns of the client's portfolio against the designated benchmark.
- Performance fee equaling a percentage of the performance of the client's portfolio in excess of the designated benchmark.
- A base fee on all balances in the client's portfolio plus a percentage of the incremental outperformance (performance of the client's portfolio in excess of the designated benchmark).

Item 7 - Types of Clients

WellsCap has established minimum account requirements. The minimum account size for each strategy is noted in the chart included in Item 5 – Fees and Compensation. The minimum account requirements, which vary by investment style and asset class, can be negotiated with the client, or waived by WellsCap. WellsCap provides services to a diverse group of clients including, but not limited to the following:

- Institutional clients, corporations or other business entities
- Public funds and municipalities
- Retirement plans
- Foundations, endowments, trusts and estates
- Mutual funds, CITs, and pooled vehicles (e.g., UCITS, AIFS, etc.)
- Taft-Hartley plans, governmental plans, pension funds, and unions
- Health services organizations
- Insurance organizations
- Wrap program sponsors (indirectly)
- Charitable organizations and non-profit entities
- Sovereign wealth funds/central banks
- Private funds and hedge funds
- Individuals, including high net worth individuals

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

ANALYSIS

WellsCap's investment methods include quantitative, qualitative, and cyclical analyses using WellsCap's proprietary systems, databases, trading systems, and third-party data reporting. WellsCap also uses a wide variety of publicly available market and economic factors to make asset allocation and investment decisions. This information comes from many different sources including financial newspapers, magazines and journals, economic and market databases, research materials prepared by others, on-line services, press releases, third-party services, and publicly available filings with governmental and regulatory agencies. Depending on the type of asset class, investment, and strategy, WellsCap's investment processes include an examination of one or more of the following:

- Pricing and valuation gaps between asset classes
- Short-term and longer-term macroeconomic, microeconomic and market trends in both the U.S. and foreign markets
- U.S. and foreign legislative and political developments
- Proprietary quantitative models and screens
- Valuation analysis to objectively assess the value of assets
- Proprietary credit analysis
- Business model analysis to identify sustainable earnings growth
- Debt and cash flow analysis
- Bottom-up company specific analysis to find securities with under-appreciated prospects
- Environmental, Social and Governance (“ESG”) factors

As mentioned above, WellsCap also provides non-discretionary services that include providing securities ranking information and/or model portfolios to other investment advisers, including one or more affiliated investment advisers. For certain strategies, WellsCap employs quantitative models that utilize a quantitative (a system of analysis using complex mathematical and statistical modeling, measurement and research) investment approach through which investment recommendations are model-driven. The quantitative models assess companies with regard to, among other things, valuation, earnings, and quality; and that assessment is translated into rankings/scores that identify companies as relatively more or less attractive than others. For certain strategies, client accounts are quantitatively (as defined above) managed independent of one another in accordance with specific client mandates, restrictions and instructions. Given specific constraints of an individual client account and the trade cycle and rotation of trading client accounts, instances may arise when one or more client account holds a long position in a specific security, while one or more client account holds a short position in the same security. These instances may also arise considering benchmark-relative investment mandates and the level at which individual client accounts hold a significant overweight or underweight position in an individual security.

INVESTMENT STRATEGIES

WellsCap's investment approach also includes investment selection and asset allocation based on one or more of the following strategies:

- Trading strategies based on potential relative attractiveness
- Use of when-issued or delayed-delivery instruments
- Foreign currency investments for modifying currency exchange exposure
- Buying or selling of futures, options, or swap agreements, as well as other derivatives, to manage risk or to enhance return
- Use of leverage to target a specific anticipated risk or return
- Tax efficient strategies
- ESG sustainability and climate-related strategies

RISK OF LOSS

All investments in securities include a risk of loss that clients should be prepared to bear. This includes loss of your principal (invested amount) and any profits that have not been realized. Stock markets and bond markets fluctuate substantially over time and because there is a risk of loss due to circumstances outside of WellsCap's control, WellsCap cannot guarantee any level of performance or that clients will not experience a loss in their accounts.

CURRENCY RISK

Changes in exchange rates between currencies or the conversion from one currency to another may cause the value of an account's investments to diminish or increase. Currency exchange rates may fluctuate significantly over short periods of time. They generally are determined by supply and demand in the currency exchange markets, the relative merits of investments in different countries, actual or perceived changes in interest rates and other complex factors. Currency exchange rates also can be affected, unpredictably, by intervention (or the failure to intervene), by relevant governments or central banks, or by currency controls or political developments.

CYBERSECURITY RISK

Cybersecurity risk is the risk of potential harm or loss of information security as a result of breaches or attacks on technology and technology infrastructure. Technology use is a key, and ever growing, component of many businesses and core to business operations. However, breaches or attacks can result in the loss of sensitive data and/or delay or halt access to technology and data that such businesses rely on for those core operations. Examples of threats include inappropriate access to networks, ransomware, phishing, denial of services, malware and more. Such incidents could impact WellsCap's ability to effectively execute or settle trades, value securities and/or calculate daily net asset values ("NAV's"). Cyber risks also apply to broker-dealers, custodian banks, insurance companies, consultants or other relationships with whom WellsCap interacts as necessary to service client accounts. In addition, WellsCap does not have direct control of the cybersecurity programs of these relationships. WellsCap's technology infrastructure is maintained by Wells Fargo and subject to robust information security policies, which are designed to prevent, detect and mitigate cyber risks.

Despite efforts to address cybersecurity threats, there remains the possibility that WellsCap is not fully prepared for such risks or that certain risks have not been identified.

DEBT SECURITIES RISK

Debt securities, such as notes and bonds, are subject to credit risk and interest rate risk. Credit risk is the possibility that an issuer or credit support provider of an instrument will be unable to make interest payments or repay principal when due. Changes in the financial strength of an issuer or credit support provider or changes in the credit rating of a security may affect its value. Interest rate risk is the risk that market interest rates may increase, which tends to reduce the resale value of certain debt securities, including U.S. Government obligations. Debt securities with longer durations are generally more sensitive to interest rate changes than those with shorter durations. Changes in market interest rates do not affect the rate payable on an existing debt security, unless the instrument has adjustable or variable rate features, which can reduce its exposure to interest rate risk. Changes in market interest rates may also extend or shorten the duration of certain types of instruments, such as asset-backed securities, thereby affecting their value.

DERIVATIVES RISK

The term "derivatives" covers a broad range of investments, including futures, options and swap agreements. In general, a derivative refers to any financial instrument whose value is derived, at least in part, from the price of another security, index, asset, or rate. The use of derivatives presents risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. The use of derivatives can lead to losses because of adverse movements in the price or value of the underlying security, index, asset, or rate, which may be magnified by certain features of the derivatives, such as their ability to generate leverage. These risks are heightened when the portfolio manager uses derivatives to enhance return or as a substitute for a position or security, rather than solely to hedge (or offset) the risk of a position or security held. The success of management's derivatives strategies will also be affected by its ability to assess and predict the impact of market or economic developments on the underlying security, index, asset, or rate, as well as the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions.

EMERGING MARKETS RISK

Emerging markets securities typically present even greater exposure to the risks described under "Foreign Investment Risk" and may be particularly sensitive to certain economic changes. For example, emerging market countries are typically more dependent on exports and are therefore more vulnerable to recessions in other countries. Emerging markets may be under-capitalized and have less developed legal and financial systems than markets in the developed world. Additionally, emerging markets may have volatile currencies and may be more sensitive than more mature markets to a variety of economic factors. Emerging markets securities also may be less liquid than securities of more developed countries and could be difficult to sell, particularly during a market downturn.

EQUITY RISK

Stock values fluctuate in response to the activities of individual companies and general market and

economic conditions. Investments in equity securities may be more volatile and carry more risks than some other forms of investment. The price of equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. These price movements may result from factors affecting individual companies, sectors, or industries selected for a portfolio, or the securities market as a whole caused by changes in economic or political conditions. Some equity securities may be more sensitive to changes in the earnings of their underlying companies and hence more volatile than the broader equity market. Other equities may have increased risks in situations where companies may not have sufficient resources to continue as an ongoing business, which would result in the stock of such companies potentially becoming worthless. During periods of adverse economic and market conditions, the prices of equity securities may fall despite favorable earnings trends. All strategies are ultimately affected by impacts to the individual issuers, such as changes in an issuer's profitability and credit quality, or changes in tax, regulatory, market, or economic developments.

ERROR RISK

Errors may occur in an account managed by WellsCap. WFAM maintains an Error Policy to which WellsCap is subject. The purpose of the Error Policy is to describe what constitutes an error and the steps WellsCap takes to remediate such errors. Investment decisions, portfolio construction and operational support activities, are inherently complex processes that pose inherent risks. These risks may, from time to time, result in an error.

An incident is any occurrence or event that interrupts normal investment or support related activities or that may deviate from applicable law, the terms of an investment management agreement, or applicable internal or external policies or procedures. Incidents can occur at WellsCap, an affiliate, or at one of WellsCap's service providers.

Whether or not an incident rises to the level of an error will be based on the relevant facts and circumstances of each incident. WellsCap will address and resolve errors on a case-by-case basis, in its sole discretion, based on each error's facts and circumstances, including regulatory requirements, contractual obligations and business practices. WellsCap has implemented segregation of duties between portfolio management, trading and operation teams to increase the likelihood that errors are identified and reported timely. WellsCap is not obligated to follow any single method of resolving errors.

Not all errors will be considered compensable errors. When WellsCap determines that reimbursement is appropriate, the account will be compensated as determined in good faith by WellsCap. Resolution of errors include, but are not limited to, permitting the impacted account to retain any gain or reimbursing the impacted account for loss resulting directly from the error. The calculation of the amount of any loss will depend on the facts and circumstances of the error, and the methodology used by WellsCap may vary. In the event of a compensable error, WellsCap will make the account whole and will inform the client. Compensation is expected to be limited to direct monetary losses and will not include any "opportunity cost" nor; (i) any amounts related to opportunity cost; (ii) any amounts that WellsCap deems to be speculative or uncertain; (iii) investment losses not caused by the error; and (iv) any loss amount that results from technology or service provider failures that are beyond our reasonable control.

ESG RISK

Investing in ESG carries the risk that, under certain market conditions, the investments may underperform products that invest in a broader array of investments. In addition, some ESG investments may be dependent on government tax incentives and subsidies and on political support for certain environmental technologies and companies. The SEC sector also may have challenges such as a limited number of issuers and liquidity in the market, including a robust secondary market. Investing primarily in responsible investments carries the risk that, under certain market conditions, an investment may underperform funds that do not use a responsible investment strategy.

FOREIGN INVESTMENT RISK

Foreign investments, including American Depositary Receipts ("ADRs") and similar investments, are subject to more risks than U.S. domestic investments. These additional risks may potentially include lower liquidity, greater price volatility, and risks related to adverse political, regulatory, market or economic developments. Foreign companies also may be subject to significantly higher levels of taxation than U.S. companies, including potentially confiscatory levels of taxation, thereby reducing the earnings potential of such foreign companies. In addition, amounts realized on sales or distributions of foreign securities may be subject to high and potentially confiscatory levels of foreign taxation and withholding when compared to comparable transactions in U.S. securities. Investments in foreign securities involve exposure to changes in foreign currency exchange rates. Such changes may reduce the U.S. dollar value of the investment. Foreign investments are also subject to risks including potentially higher withholding and other taxes, trade settlement, custodial, and other operational risks and less stringent investor protection and disclosure standards in certain foreign markets. In addition, foreign markets can and often do perform differently from U.S. markets.

LEVERAGE RISK

An account utilizing leverage will be subject to heightened risk. Leverage often involves the use of various financial instruments or borrowed capital in an attempt to increase the return on an investment and is often intrinsic to certain derivative instruments. Leverage can take the form of borrowing funds, trading on margin, derivative instruments that are inherently leveraged, including but not limited to, forward contracts, futures contracts, options, swaps (including total return financing swaps and interest rate swaps), repurchase agreements and reverse repurchase agreements, or other forms of direct and indirect borrowings and other instruments and transactions that are inherently leveraged. Any such leverage, including instruments and transactions that are inherently leveraged, can result in the account's market value exposure being in excess of the net asset value of the account. In some cases, an account could need to liquidate positions when it is not advantageous to do so to satisfy its borrowing obligations. The use of leverage entails risks, including the potential for higher volatility and greater declines of an account's value, and fluctuations of dividend and other distribution payments.

LIQUIDITY RISK

Liquidity risk exists when certain investments are difficult to purchase or sell (e.g., lower quality

corporate bonds, municipal bonds, smaller capitalization equities). This can impact an account's returns because the portfolio may be unable to transact at advantageous times or prices. A lack of liquidity may also cause the value of investments to decline in times of market stress.

MARKET RISK

The market price of securities may go up or down, sometimes rapidly or unpredictably. Securities may decline in value or become illiquid due to factors affecting securities markets such as labor shortages, increased production costs, or competitive conditions within an industry. A security may decline in value or become illiquid due to general market conditions, which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment. During a general downturn in the securities markets, multiple asset classes may decline in value or become illiquid simultaneously. Equity securities generally have greater price volatility than debt securities.

MODEL RISK

WellsCap provides services utilizing qualitative models and a quantitative investment approach through which investment recommendations are model driven. This process is supported by extensive proprietary computer code that contains complex mathematical and statistical modeling. WellsCap has implemented policies and procedures surrounding the development, testing, validation, replication, change control, and review of its investment models, including the code. However, despite these extensive controls, it is possible that errors may occur in coding and within the investment process, as is the case with any complex software or data-driven model, and no guarantee or warranty can be provided that any quantitative investment model is completely free of errors. Any such errors could have a negative impact on investment results. WellsCap has control procedures in place designed to identify in a timely manner any such errors which would have a material impact on the investment process.

OPTIONS RISK

Both the purchase and the writing of options are complex and involve a relatively higher level of investment risk. Investors should clearly understand the rights and obligations that options transactions create, especially during extreme market volatility or trading volumes. When buying an option, or when writing an option, the investor assumes the risk of losing all of their investment. This includes both the premium paid and any transaction costs. In an option, the investor owns the underlying security (or another security which is convertible, exchangeable, or exercisable into that security) and sells someone else the right to purchase that security at a specified price (strike price) and by a certain date (expiration date). The seller ("writer") of the option assumes the risk of a decline in the market price of the underlying security or other instrument below the purchase price of the underlying instrument, less the amount of premium received by the seller, and effectively forgoes the opportunity for gain on the underlying instrument above the exercise price of the option. Many factors affect the price of an options contract. Pricing can be influenced by such factors as the relationship between the exercise price and the market price of the underlying security, the expiration date of the option, and the price fluctuations or other characteristics of the underlying stock. Market conditions or temporary restrictions on trading or exercising may interfere with trading options. If the secondary

market for a given option were to become unavailable — temporarily or permanently — investors could not engage in closing transactions, and an option writer would remain obligated until the option's expiration or assignment. In addition, an options exchange or any regulatory body with jurisdiction, from time to time and based solely on their own discretion, may restrict transactions in particular options or restrict the exercise of options contracts. Index options have special characteristics and risks. Index option exercises are settled with cash, not securities. In addition, because the exercise price of an index option is always based on the closing index value, an index option that is in the money during trading hours may be out of the money when the closing value is calculated — a risk to consider whenever you place an exercise order before the closing value is known.

PANDEMIC RISK

Pandemics are large outbreaks of infectious disease that spread over a wide geographic area and pose significant local and/or global economic, social, and health risks. At the time of this update, the COVID-19 pandemic continues to cause disruptions in areas such as consumer spending, manufacturing, hospitality, tourism, small businesses and transportation among others, further resulting in economic turmoil associated with the COVID-19 pandemic which has had wide-ranging and severe impacts upon financial markets, including stock, bond, and commodity markets.. While WellsCap has prepared for pandemic outbreaks in its ongoing business continuity planning there is no guarantee that WellsCap or its service providers will be able to maintain normal operations and/or will not lose key personnel on a temporary or long-term basis as a result of COVID-19 or other pandemics. The full effects of pandemics are unknown which creates significant uncertainty in the global population and economic environments.

REGULATORY RISK

Changes in government regulations may adversely affect the value of a security. An insufficiently or overregulated industry or market might also permit inappropriate practices that adversely affect an investment.

INVESTMENT LIMITATIONS

Due to regulatory and issuer-specific limits that apply to the ownership of securities of certain issuers, WellsCap may limit investments in the securities of such issuers. Similar limitations may apply to futures and other derivatives, such as options. In addition, WellsCap may from time-to-time determine that, because of regulatory requirements that may apply to WellsCap and/or its affiliates in relation to investments in a particular country or in an issuer operating in a particular regulated industry, investments in the securities of issuers domiciled or listed on trading markets in that country or operating in that regulated industry above certain thresholds may be impractical or undesirable. Limits and thresholds may apply at the account level or in the aggregate across all accounts (or certain subsets of accounts) managed, sponsored, or owned by, or otherwise attributable to, WellsCap and its affiliates. For investment risk management and other purposes, WellsCap may also generally apply internal aggregate limits on the amount of a particular issuer's securities that may be owned by all such accounts. In addition, owing to the investment banking activities of its affiliates, WellsCap's ability to transact in securities issued by companies involved in certain corporate restructuring transactions (e.g., mergers and acquisitions) may be limited by law or regulation (domestic and/or

foreign). In connection with the foregoing limits and thresholds, WellsCap's investment flexibility may be restricted, and WellsCap may limit or exclude a clients' investment in a particular issuer, future, derivative and/or other instrument (or limit the exercise of voting or other rights). In addition, to the extent that client accounts already own securities that directly or indirectly contribute to such an ownership threshold being exceeded, WellsCap may sell securities held in such accounts in order to bring account-level and/or aggregate ownership below the relevant threshold. As a general practice in such cases, WellsCap aims to sell the applicable securities on a pro-rata basis across all impacted accounts. In certain situations, however, WellsCap may sell securities on a non-pro-rata basis to limit the impact to certain accounts (e.g., accounts that seek to replicate the performance of an index). In all situations, with respect to these requirements and limitations, WellsCap will endeavor to treat all clients fairly. Nonetheless, sales of securities or other instruments resulting from such limitations and/or restrictions may result in realized losses for client accounts.

Item 9 - Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our firm's management.

As a subsidiary of Wells Fargo, a large financial services holding company, WellsCap operates in a legal and regulatory environment that exposes it to significant risks due to Wells Fargo's involvement in various legal and regulatory matters, including litigation, arbitrations, and investigations. Such cases are subject to many uncertainties, and their outcome is often difficult to predict, including the impact on Wells Fargo's operations or financial results, particularly in the early stages of a case. Many, but not necessarily all, of such matters are disclosed in Wells Fargo's securities and regulatory filings made under the Securities Act of 1933 and the Securities Exchange Act of 1934, among other laws and regulations, or otherwise may be reported on in the media from time to time. Wells Fargo's regulatory filings generally are available from Wells Fargo, the SEC, or the Financial Industry Regulatory Authority ("FINRA").

Item 10 - Other Financial Industry Activities and Affiliations

WellsCap offers only investment advisory services. It does not provide, and it is not compensated for any broker-dealer or investment banking functions. In connection with the provision of advisory services, WellsCap does provide advice with respect to certain commodities. With respect to commodity trading activity, WellsCap is registered as a Commodity Pool Operator (“CPO”), a Commodity Trading Advisor (“CTA”), and a Swap Firm with the Commodity Futures Trading Commission (“CFTC”) and is a member of the National Futures Association (“NFA”).

As noted above, WellsCap is a direct wholly-owned subsidiary of Wells Fargo Asset Management Holdings, LLC, which is an indirect wholly-owned subsidiary of Wells Fargo, a large financial services organization that operates commercial and investment banking, brokerage, securities dealing, investment advisory and other businesses. As described in more detail below, WellsCap has business relationships and/or arrangements with several other Wells Fargo subsidiaries. Additional information regarding these relationships and the related conflicts of interest is set forth in Item 11 (Code of Ethics Participation or Interest in Client Transactions, and Personal Trading), below.

Pursuant to agreements with its affiliate, WFFM, and the Wells Fargo Family of Funds (the “Wells Fargo Funds”), WellsCap provides investment advisory services (as an investment sub-adviser) to the Wells Fargo Funds, comprising more than \$250 billion in assets. WFFM also serves as the investment adviser and administrator to the Wells Fargo Funds. WellsCap also serves as a sub-adviser for certain of its affiliates including Wealth Client Solutions, Wells Fargo Wealth Management Group, Wells Fargo Asset Management Luxembourg S.A, and Wells Fargo Asset Management (International) Limited. As discussed above in Item 4, pursuant to an agreement with WFFM, WellsCap provides investment advisory and operational support services to WFFM in connection with wrap fee or SMA programs. In exchange for such services, WellsCap receives an asset-based fee from WFFM. Certain wrap fee or SMA programs to which WFFM and WellsCap provide investment advisory services are sponsored by other Wells Fargo affiliates, including Wells Fargo Clearing Services, LLC, doing business as Wells Fargo Advisors (“WFA”), and Wells Fargo Bank, N.A. (“WFB”). WFA is dually registered as a broker dealer and investment adviser with the SEC and provides custody and trade execution services to program clients. WFB is a national banking organization and typically provides custody services to program clients. In connection with these programs, WellsCap provides investment advice in the form of model portfolios that are used by WFFM to provide advisory services to WFA and WFB (and/or their clients) and may provide trade execution services for accounts over which WFFM has investment discretion.

WFFD, an affiliate of WellsCap, is a registered broker-dealer and serves as a distributor of the Wells Fargo Funds, placement agent for affiliated private funds, sub-distributor of the Wells Fargo (Lux) Worldwide Fund, and offering agent of certain WFB CITs (collectively such products are referred to as “funds” here). WellsCap benefits from the distribution and placement agency services provided by WFFD as they increase the assets upon which WellsCap’s fees are based. WFFD maintains registered representative (“RR”) licenses for a limited number of WellsCap employees who act in a RR capacity when they offer such funds. WFFD has supervisory oversight over these RRs when they offer such funds. WellsCap does not consider the RRs’ sales activities to be activities of WellsCap. International sales team members located in Asia are licensed through Wells Fargo Securities Asia

Limited ("WFSAL") and European and Middle Eastern based team members are licensed through WFAMI. Both WFSAL and WFAMI are entities affiliated with WellsCap.

Wells Fargo Securities, LLC ("WFS"), an affiliate of WellsCap, is a registered broker-dealer that provides broker-dealer services and engages in investment banking activity. On behalf of its clients, WellsCap does engage in equity trading activity on an agency basis with WFS. Additionally, from time to time, WellsCap purchases certain new offerings of securities on behalf of its clients where an investment bank affiliate is a participant in the syndicate, provided that WellsCap purchases are limited pursuant to any applicable regulatory conditions. Information relating to potential conflicts of interest can be found in Item 11 - Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading within this Brochure.

Wells Capital Management Singapore ("Wells Capital Singapore") is a separately identifiable department of WFB and a registered investment adviser. Wells Capital Singapore is an affiliate of WellsCap, and certain WellsCap team members provide administrative, compliance, operational, trading and/or investment management services to Wells Capital Singapore. Wells Capital Management Singapore is a sub-adviser to certain of the Wells Fargo Funds.

As noted in Item 4 of this Brochure, WellsCap is one of several registered investment advisers that form a part of Wells Fargo's asset management division, WFAM. WFAM includes WFFM, Wells Capital Management Singapore, WFAMI and Galliard, which are all affiliates of WellsCap.

Wells Fargo Investment Institute ("WFII") is an affiliate of WellsCap and is an SEC registered investment adviser that provides investment strategy, asset allocation, manager research, portfolio management, options strategies and alternative investments. WellsCap and WFII share a Chief Compliance Officer and WFII also provides research to WellsCap.

WellsCap offers an Insurance Carrier Selection Service ("ICSS"). The ICSS is a service where WellsCap contracts with qualified retirement plans ("plans") to annually select for plans on a discretionary basis third-party insurance carriers ("carriers") and their qualified longevity annuity contracts ("QLACs"). In providing the ICSS, WellsCap acts as a Section 3(38) fiduciary, as defined in the Employee Retirement Income Security Act of 1974 as amended, and not as an investment adviser as defined under the Investment Advisers Act of 1940. The ICSS is part of a broader Wells Fargo solution which is a WFAM solution that combines the ICSS and WFB target date and retirement income CITs. The CITs are sponsored and managed by WFB; advised by WellsCap; and offered to plans by WFFD RRs. WFFD does not open accounts or accept assets and investors in CITs invested directly with WFB.

Nature of Conflicts.

Our profits vary based on the investments and service providers we select or recommend for you. When our compensation varies based on the investments or service providers we recommend, we have a financial incentive (consciously or unconsciously) to make recommendations that maximize our profits, rather than to give you disinterested advice. Our interests directly conflict with your interests if other investments and service providers are available to you that would charge you less, or offer you superior services or performance at the same cost.

This section provides an overview of circumstances in which we have an incentive to maximize profits rather than to give you disinterested advice. Greater detail concerning each conflict, and how we seek to address it, is provided throughout the Brochure.

We have an incentive to select certain investments, over others that generate less revenue for our affiliates, by:

- Recommending mutual funds and private funds that are managed or sponsored by our affiliates;
- Recommending mutual funds, private funds and other investments that are sponsored by companies that pass through a portion of their revenue to us;
- Recommending funds or shares classes of a fund that charge you administrative, service or sub-transfer agency fees that are passed through to us;
- Recommending investments in companies that, in turn, invest in our parent company;
- Recommending that you purchase a security for which our affiliate participates in the selling syndicate, allowing our affiliate to earn selling concessions;
- Recommending a security for which our affiliate is remarketing agent, or lender in a bank loan syndicate (e.g., sales of pooled or packaged asset-backed securities) or acts as a bond trustee, paying agent, note registrar, master servicer, trustee, syndicate co-manager, originator, depositor, or sponsor.

We have an incentive to use our affiliated broker, rather than an unaffiliated broker, because our affiliated broker can profit by:

- Earning commissions when effecting your trades on an agency basis;
- Directing trades to exchanges or market centers to earn payments for order flow or rebates;
- Selling securities it holds in inventory.

We have an incentive to select certain broker-dealers over others based on our interest in the broker-dealer:

- Offering free services like free research or other back-and middle-office support services;
- Referring clients to us or engaging us as an adviser;
- Offsetting, discounting or crediting fees that we (or our affiliates) otherwise owe to the broker-dealer or its affiliates.

We have an incentive to use the advisory services of an affiliated adviser, rather than an unaffiliated adviser, because our affiliates can profit from us:

Selecting and retaining an affiliated subadviser or co-manager that earns the advisory fee we would otherwise pay to an unaffiliated company;

We have an incentive to offer or recommend strategies or investments that:

- Charge you higher fees (which usually generate higher profits for us than our lower cost offerings);
- Use margin or leverage from short sales to increase the asset value on which our advisory fee is based for clients that pay an advisory fee on their gross account value.

It is important that you understand how our compensation varies based on our investment recommendations, and how your investment returns are affected by differences in investment performance, sales charges, transaction fees, and other ongoing fees and costs. Over time, fees that

are deducted from the amount you invest (upon purchase and/or sale), or paid out of the assets of an investment on an ongoing basis, reduce the value of your investment.

Selection of Affiliated Subadvisers, Co-Managers and Indexes.

WellsCap engages certain of its affiliated advisers, as well as third party advisers (i.e., “unaffiliated advisers”), to formulate WellsCap’s investment recommendations. In addition, WellsCap has chosen to partner with WFAMI in the co-management of certain investment strategies. Pursuant to a service level agreement between them, WellsCap and WFAMI, provide various support services to one another, including trade support services. WellsCap manages certain client accounts against a published index created or maintained by a Wells Fargo affiliate. Certain accounts may also be self-indexed, or managed against an index where the constituents are determined through a process owned by WellsCap. The affiliated index provider or sponsor typically receives a licensing or servicing fee for creating or maintaining the index.

WellsCap’s use of an affiliated subadviser, co-manager or index provider presents a conflict of interest for WellsCap because a greater portion of Client fees remains within the Wells Fargo family of companies than if WellsCap used a third party to provide these services. WellsCap’s use of an affiliated subadviser or co-manager also could present a conflict of interest because the affiliated subadviser or co-manager could use its discretion to invest client assets in affiliated funds and certain investments that provide Wells Fargo with greater aggregate revenue than provided by unaffiliated funds and other investments. WellsCap’s use of affiliated indexes could present a conflict of interest to the extent the affiliate creating or maintaining the index can influence the selection or weightings of index constituents to use more securities issued by Wells Fargo and its subsidiaries.

WellsCap addresses these conflicts through disclosure in this Brochure, and through reviews of the quality and continued value of the services provided by its subadvisers, co-manager and index providers. WellsCap will replace a subadviser, co-manager or index provider should a determination be made that it is no longer performing satisfactorily. Although judged on similar criteria, WellsCap evaluates affiliated and unaffiliated advisers and index providers differently for a number of reasons, including differences in the services performed. The evaluation process also differs because WellsCap has more, and continuous, information regarding its affiliates’ personnel and risk and compliance procedures, as well as investment processes.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

WellsCap has adopted the WFAM Code of Ethics, or “Code,” which contains policies on personal securities transactions initiated by “reporting persons.” These policies comply with Rule 204A-1 under the Advisers Act and Rule 17j-1 under the Investment Company Act of 1940 (“Company Act”). The Code, among other things, permits WellsCap employees to invest in certain securities, subject to various restrictions and requirements, and requires employees to periodically report their personal securities holdings and transactions and pre-clear certain personal securities transactions.

The Code is designed to detect and prevent violations of securities laws while addressing the fiduciary obligations we owe to you. The Code is comprehensive, is distributed to each employee at the time of hire as a condition of employment, and compliance with its terms must be acknowledged in writing by each employee annually thereafter. WellsCap supplements the Code with ongoing monitoring of employee activity.

When engaging in personal securities transactions, potential conflicts of interest arise between the interests of our employees and those of our clients. Our Code makes clear that any such conflicts that arise in such personal securities transactions must be resolved in a manner that does not inappropriately benefit our employees or adversely affect our clients. Our employees are also subject to Wells Fargo’s corporate code of ethics, which among other things prohibits the misuse of material, nonpublic information and restricts the giving and receiving of gifts and entertainment.

WellsCap employees who maintain brokerage or investment accounts for themselves and/or their immediate families are required to provide copies of their reportable securities transactions at the end of every quarter, and all holdings of reportable securities accounts must be reported at the end of every calendar year.

The above restrictions do not apply to purchases or sales of certain types of accounts and securities, including shares of open-end registered investment companies that are unaffiliated with the Wells Fargo Funds family, money market instruments, select ETFs that follow broad based indices, and certain U.S. Government securities. To facilitate enforcement, our Code generally requires that our employees submit reports to a designated compliance person regarding transactions involving securities which are eligible for purchase by a Fund.

Our Code is also on public file with, and available from, the SEC. It is also available upon request without charge by contacting us at through the information noted on the front cover of this Brochure.

ADDITIONAL POTENTIAL CONFLICTS AND CODE CONSIDERATIONS

Our Code does not prohibit personal trading by employees but rather seeks to monitor and manage their trading, and in some cases restrict it subject to certain conditions. In addition, WellsCap is affiliated with a large financial services holding company, which includes a variety of financial businesses and activities that are managed by Wells Fargo employees. As a result, due to our activities as an investment adviser, it is possible that conflicts will arise from time to time as WellsCap employees are managing their personal assets concurrent with the ongoing functions related to their employment duties and our fiduciary obligations, or as affiliated entities or their employees are engaging in their

own financial activity. WellsCap seeks to manage these conflicts by strict application of its Code provisions and policy requirements.

In addition, WellsCap maintains an Expert Network Policy in order to help mitigate potential insider trading liability when engaging with expert networks. The policy details internal controls that have been established to manage trading risks associated with using experts.

The following situations could create an actual or perceived conflict of interest:

Wells Fargo Affiliation. WellsCap is a subsidiary of Wells Fargo, a diversified financial services firm that, along with its affiliated entities, provides a variety of banking and financial services to a broad array of clients. As such, there may be instances where some of these affiliated entities could engage in their own trading involving the same securities that WellsCap manages on your behalf. This means that while WellsCap is managing its fiduciary duties to you, other entities within Wells Fargo could be engaging in transactions that create a conflict (for example, they could be selling the same security that WellsCap has purchased for you). In addition, these related persons could recommend their clients transact in the same securities in which you have a material financial interest. In some instances, it is even possible that you also have a client relationship yourself with one or more of these entities and your securities transactions may appear conflicted. With limited exceptions described below, these transactions by related persons are independent of WellsCap and are outside of the course and scope of WellsCap's investment advisory services. However, in order to manage these potential conflicts, WellsCap maintains a variety of policies to maintain effective business barriers and manage the confidentiality of its own information and activities, as described further below.

WellsCap acts as a fiduciary with respect to its asset management activities and is required to act in the best interest of its clients and address conflicts that arise. Nevertheless, there are instances where investment opportunities are limited for your account in certain markets in which limitations have been imposed by regulation. One example would include an instance in which WellsCap holds positions on behalf of clients in companies that are in turn, invested in WellsCap's ultimate parent company, Wells Fargo. Applicable regulatory limitations due to WellsCap's affiliation with Wells Fargo and its subsidiaries give rise to potential conflict with WellsCap's fiduciary duties, as well as potential conflicts of interest, and could result in WellsCap determining that securities are, or are not, permissible or recommended for purchase or sale.

Brokerage Transactions with Affiliates. WellsCap does not act as principal or broker in connection with client transactions. WellsCap may, however, in the exercise of its discretion and consistent with its legal and contractual authority, route agency transactions in equity securities for clients to an affiliated broker-dealer, WFS, which is a wholly-owned subsidiary of Wells Fargo, if WellsCap reasonably believes the quality of the transaction is comparable to what it would be with other qualified broker-dealers. WellsCap's routing of orders to an affiliated broker-dealer presents a conflict of interest because execution of those orders will result in a Wells Fargo affiliated broker-dealer benefitting from the transaction. For example, WFS will receive brokerage commissions for transactions executed on an agency basis and may also receive payment for order flow, rebates or similar compensation in connection with the securities transactions that it executes. WellsCap is subject to a duty to seek best execution for any securities transactions that it directs to a broker-dealer, including any transactions directed to one of its affiliated broker-dealers. WellsCap takes brokerage commission rates into account in connection with its broker selection process and expects that the

commission rates paid to any affiliated broker-dealer will be ~~attractive~~ reasonable and fair, and comparable to the commission rates generally paid to unaffiliated broker-dealers for similar transactions. Any transactions routed to an affiliated broker-dealer on behalf of a U.S. registered investment company will be subject to Rule 17e-1 under the Investment Company Act of 1940 and procedures adopted in accordance therewith. Such procedures effectively require that any commission paid to an affiliate in connection with a transaction not exceed the “usual and customary broker’s commission” for such a transaction. More details on best execution can be found in Item 12.

Independent Activity by Wells Fargo Subsidiaries. WellsCap believes that related persons within the Wells Fargo organization could from time to time recommend securities, proprietary products and/or services to WellsCap's clients. To the extent such "recommendations" are made, they are made outside the WellsCap investment advisory context.

WellsCap has an incentive to recommend to clients, or buy and sell for clients, securities that generate additional revenue for our affiliates over securities that do not. For certain security offerings, WFB acts in an agency or principal capacity, including but not limited to acting as a bond trustee, paying agent, note registrar, master servicer, trustee, syndicate co-manager, originator, depositor, or sponsor of Mortgage Backed securities (“MBS”), Asset Backed Securities (“ABS”) or Collateralized Mortgaged-Backed Security (“CMBS”) asset pool, remarketing agent, or lender in a bank loan syndicate (e.g., sales of pooled or packaged asset-backed securities). WellsCap purchases securities from time to time in offerings or underwritings in which Wells Fargo subsidiaries act in one or more such capacities (and therefore has a financial interest in the outcome of the offering or syndication) to the extent permitted by applicable law and client investment guidelines, and clients should note the potential conflict of interest inherent in such activity. In such cases, WellsCap follows the requirements and constraints of the client and/or regulatory requirements, which includes Regulation W of the Federal Reserve Act, the Investment Company Act of 1940, and ERISA rules, where applicable. In general, should WellsCap inadvertently purchase securities in violation of these rules, the purchase will be deemed a trade error and WellsCap will make the client whole for any losses suffered in connection with the unauthorized transaction.

WellsCap also has an incentive to select or retain in client accounts securities issued by Wells Fargo & Company and its subsidiaries (“WFC Securities”), and by entities with certain relationships with Wells Fargo & Company (“WFC-related Securities”). To minimize conflicts of interest, WellsCap generally prohibits purchases into client accounts of WFC Securities and WFC-related Securities. Notwithstanding the foregoing, where not prohibited by law or regulation, WellsCap allows client accounts to hold WFC Securities and WFC-related Securities. on a limited basis for various reasons, including but not limited to: 1) transferred accounts or non-discretionary accounts which require the client to acknowledge in writing (e.g., email correspondence) that WellsCap did not provide advice or an opinion regarding the acquisition or holding of the position; 2) approved exceptions consistent with regulatory prohibitions and client requests; 3) money funds; or 4) index fund mandates that are tracking an index which holds WFC Securities. For these reasons, the aggregate exposure to WFC Securities in our client accounts is very limited. Clients should be aware that in some cases these limitations on transacting in WFC Securities and WFC-related Securities could adversely impact the performance of their accounts.

WellsCap may manage client accounts against a published index created or maintained by a Wells Fargo affiliate. Certain accounts may also be self-indexed, or managed against an index where the

constituents are determined through a process owned by WellsCap. Portfolio management team members responsible for the management of client accounts will not be involved in the process to rebalance or price the index or its constituents. WellsCap maintains a Code of Ethics, firewall procedures and other information barriers to ensure information on the proprietary index is managed and handled appropriately until such information is made public.

Participation by WellsCap in Client Securities Transactions. With exceptions noted below, WellsCap does not buy or sell for itself securities that it would recommend to clients:

1) In order to limit personal securities transactions, certain employees are permitted to open accounts that mirror a managed strategy or a combination of managed strategies. In such cases, trades are made on a pro-rata basis relative to the managed strategy. WellsCap treats and discloses these as proprietary accounts, though WellsCap does not have any ownership of these accounts and the employee serves as the only beneficial owner of the account. Because these are deemed proprietary accounts, the accounts are not permitted to participate in any IPO transactions and are not permitted to participate in cross trade activities. Moreover, trading in the accounts must be identical, in terms of percentage, to the trades conducted in the managed accounts. The accounts might not identically mirror the managed accounts because not all securities in the managed accounts were initially acquired by the proprietary accounts. Over time, the accounts should be identical (with the exception of securities purchased for the managed accounts in which the proprietary account could not participate).

2) WellsCap investment professionals and other employees are permitted to and do from time to time invest in the funds/strategies that they manage. Mutual funds managed by WellsCap portfolio managers annually disclose information about the value of mutual fund shares owned by such portfolio managers, as well as information about the number and value of accounts that they manage and the number of accounts that are subject to performance fees.

Other Potential Client Investment Concerns and Investment Conflicts

The investment identification, selection and management process could create other potential or actual conflicts for WellsCap and its clients, including:

- Client accounts invested in collective investment funds (e.g., money market and other mutual funds, private funds, exchange-traded funds) will also bear their proportionate share of fees paid at the fund level. If the fund is sponsored, advised or otherwise serviced by a Wells Fargo company, WellsCap and/or its affiliates may receive fees that are paid at the fund level.
- Certain types of investments involve leverage or derivative-styled exposure to underlying or reference securities, which affect risk profiles and raise regulatory implications for certain types of clients;
- Some investments are created, managed, or issued by entities that engage in social, economic, commercial, or political activities that could be deemed objectionable or questionable by certain clients;
- Some investment strategies, such as strategies investing in fixed income securities, are more profitable to WellsCap than other strategies (e.g., strategies investing in exchange-traded equities), creating an incentive for WellsCap to recommend certain strategies over other strategies to its clients. Some investments are only available to clients who meet certain investor

standards, such as qualified institutional buyer (“QIB”) or qualified purchaser status, or who have considerations or restrictions with respect to investments in private or unregistered transactions or in transactions regulated by the federal government or state law (e.g., Native American gaming);

- Some investments (either directly, or due to the nature of underlying component assets or derivative structures) involve actual or perceived liquidity constraints that could adversely impact pricing determinations, valuation methodologies, transparency and review of asset composition, and/or the actual marketability and sale of the investment; and,
- The purchase and/or management of some investments involve credit analysis based in whole or in part on information that may not be readily available to the public (e.g., material, non-public information), and that can cause the client to become restricted in trading public securities of that issuer so long as such information remains material and non-public. In addition, investments in the same security by WellsCap and its affiliated entities may result in increased aggregated exposure across the firm and therefore WellsCap may be limited in its ability to transact in such security.

To minimize any potential client investment conflicts, WellsCap manages its advisory services, fee structure, and investment selection process in accordance with pre-established client investment guidelines, the advisory contract with the client, and policies and procedures adopted pursuant to Rule 206(4)-7 of the Advisers Act. WellsCap also maintains a Code of Ethics, firewall procedures and other information barriers to ensure the confidentiality of investment activity for each WellsCap client is maintained in accordance with applicable law.

Additional actual or potential client investment conflicts and concerns include:

Securities of Unaffiliated Issuers

WellsCap has an incentive to recommend or select the securities of unaffiliated issuers that are in a position to influence or give business to WellsCap or its affiliates. For example, WellsCap holds positions on behalf of clients in companies that are in turn, invested in WellsCap's ultimate parent company. Also, from time to time, WellsCap purchases publicly traded securities of issuers who are also advisory clients of WellsCap. In these circumstances, WellsCap monitors its position and limits size to percentages that are consistent with existing benchmarks or other investment protection principles, and in keeping with the objectives of the applicable advisory strategy. Client investment guidelines and advisory contracts may also limit in whole or in part the purchase of related securities.

From time to time, WellsCap recommends or causes a client to invest in a security in which WellsCap or a person associated with WellsCap has an ownership position. WellsCap has adopted certain procedures intended to prevent investment professionals and their immediate family from benefiting from any price movements that may be caused by client transactions or WellsCap's recommendations regarding such securities. Under those procedures, without specific approval, investment professionals are not allowed to purchase securities for their own account or an account in which they have a beneficial interest for a period of time before and after WellsCap has purchased that security in a client account. Thus, if an investment professional purchases a security in an account in which he or she has a beneficial interest, he or she generally cannot cause any client accounts to purchase that security within the stated time period unless circumstances warrant such action without likelihood of non-negligible impact to our clients.

Trade Allocation. WellsCap engages in transactions in the same security or securities on behalf of a

group of accounts, and will choose to execute trades separately or on an aggregated basis based on WellsCap's reasonable belief as to economic benefit for the account. Generally, aggregated trades are allocated proportionately among accounts at or near the time of trade execution per these trade allocation policies, but WellsCap does not maintain a rule that all trades must be allocated pro rata. Transactions for accounts that are included in a bunched or aggregated order may be executed before, along with, or after transactions in the same security being executed for other WellsCap clients. Considering WellsCap's policy to treat all eligible WellsCap clients fairly and equitably over time, certain allocations, particularly in connection with fixed income trades, frequently deviate from a pro rata basis in order to address legal, tax, regulatory, fiduciary, risk management, and other considerations.

WellsCap's objective is to ensure that over time, no discretionary advisory account is systematically favored over any other discretionary advisory account as to any available investment for reasons outside of the client's investment guidelines and applicable law.

As part of the pre-trade order indication process, WellsCap contemplates several factors, including: each account's investment objective(s) and risk exposure; restrictions and investment guidelines; available cash and ongoing liquidity needs; existing holdings of similar securities; and, correlation and deviation to any relevant model portfolio(s). Similar advisory accounts will generally receive allocations based upon relative market values within each account's target asset class allocation and/or investment strategy, which is the predominant practice for equity accounts. As noted above, non-pro rata allocations are generally the standard relative to fixed income trades to rebalance portfolios that have experienced cash flows or to address other general account management issues. Moreover, if a block order is not completed for WellsCap in its entirety, partial fills will be allocated proportionately by WellsCap, though minimum size and odd lot restrictions will affect the distribution, potentially resulting in an allocation that is not pro rata. As a result, one account may receive a price for a particular transaction that is different from the price received by another account for a similar transaction at or around the same time.

Cross-Trading. Subject to applicable law and client restrictions, WellsCap may, in its discretion, execute buy-sell transactions between accounts that it manages (either on an advisory or sub-advisory basis) without the involvement of a broker-dealer ("cross trades"). Participating accounts in cross trades may include accounts in which WellsCap and/or its affiliates have an ownership interest. Cross trades present a potential conflict of interest. For example, WellsCap could have an incentive to favor one of the participating accounts in a cross trade. As a matter of policy, WellsCap must determine that the cross trade is in the best interests of both parties to the transaction. Any cross trade involving a registered mutual fund account will be executed in accordance with applicable rules under the 1940 Act, the Advisers Act and procedures adopted by the fund's boards of directors or trustees, which require, among other things, that the securities be priced at an independent market price. Cross trades involving non-mutual fund accounts will be executed in a substantially similar manner in accordance with the Advisers Act and WellsCap's procedures. When WellsCap executes a cross trade between its advised accounts, WellsCap does not receive any brokerage commission with respect to the transaction. While in some situations there may be advantages to effecting a cross trade, WellsCap seeks to achieve best qualitative and quantitative execution on each trade and, as a result, could determine that exposing transactions to the market instead of cross trading is likely to result in best execution. Best execution policies are covered further in Item 12. Additional factors considered in determining how to effect a trade where WellsCap clients have interests on each side

of the trade include whether an independent (unaffiliated) broker: (i) provides deeply discounted fees for the trade, including any residual shares; (ii) provides certainty of time/price; and, (iii) exposes the trade to the market for consideration and price reporting. Individual investment managers or their traders will make the determination whether to engage in cross-trade transactions based on their knowledge of the market, liquidity, and potential cost savings.

WellsCap does not effectuate agency or principal cross trades as a current business practice.

In addition, a portfolio manager may execute transactions for other accounts that may adversely impact the value of securities held by other client accounts. For example, although uncommon, the portfolio manager may manage other accounts that engage in short sales, and could sell short a security for such other account that the account also trades or holds. Although WellsCap monitors such transactions to attempt to ensure equitable treatment of the holding account and the account that engages in short sales, there can be no assurance that the price of a security held by the account would not be impacted as a result. Additionally, securities selected for a particular account may outperform the securities selected for other accounts managed by the same portfolio manager.

Equity IPO Participation and Allocation. WellsCap invests in securities being offered in an initial ("IPO Deal") or secondary equity public offering ("IPO or Secondary Offering") when the investment is deemed to be appropriate and desirable for the client. Portfolio managers take into consideration the following factors for purchasing an IPO Deal or Secondary Offering:

- Client investment objectives;
- Client investment guidelines;
- Existing portfolio holdings;
- Cash availability;
- Asset allocation;
- Regulatory limitations/restrictions; and,
- Investment merits of the IPO Deal or Secondary Offering

Under WellsCap's policy, allocations are made available among clients on a pro-rata basis within either an indicated long-term hold strategy or a short-term strategy.

WellsCap's policy for allocating IPO Deal or Secondary Offering investment opportunities is designed to ensure that all clients are treated fairly and equitably over time. However, because situations could arise involving the allocation and balancing of existing account positions and cash, in certain instances some accounts do not participate in IPO Deal or Secondary Offering allocations on a direct pro-rata basis.

Client Account AML&Privacy. New and existing clients are required to provide information to support WellsCap's regulatory obligation to obtain, verify, and record information that identifies each client pursuant to the requirements of various federal and state laws. Such procedures are intended to help deter the funding of terrorist and other illegal activities and support regulatory requirements related to anti-money laundering (also known as "AML").

WellsCap has adopted policies regarding the collection and disclosure of non-public personal information about WellsCap's clients. Consistent with our privacy policies and applicable law,

WellsCap and its affiliates may provide access to client information to affiliated and third party service providers throughout the world. When client information is accessed, WellsCap maintain protective measures as described in its privacy policies and notices.

Unless restricted by agreement with a client, WellsCap is permitted to disclose anonymous information identifying portfolio holdings that are representative of a particular strategy when WellsCap is engaged in a review or modeling of its strategies with third parties.

Item 12 - Brokerage Practices

WellsCap generally determines the broker through which securities transactions are to be effected. In selecting brokers for a portfolio transaction, WellsCap considers factors such as the overall direct net economic results to an account, including both price paid or received and any commissions and other costs paid, the efficiency with which the transaction is effected, the ability to effect the transaction at all where a large block is involved, the availability of the broker to stand ready to execute possibly difficult transactions in the future, responsiveness to WellsCap, and the financial strength and stability of the broker.

For SMA accounts, trades are typically directed by WellsCap on behalf of WFFM, as the investment adviser, to the sponsor. Where permitted by the terms of a managed accounts program, WellsCap may execute trades through a broker-dealer other than the sponsor when WellsCap believes that such trade would result in the best price and execution under the circumstances. WellsCap trades away from the sponsor for municipal bond strategies substantially, if not all of the time. WellsCap may also trade away from the sponsor in other asset classes depending on market conditions. In all such cases where WellsCap trades away, SMA account clients will generally incur transaction and other costs and fees in addition to the wrap program fees (e.g., investment advice and brokerage services, including trading costs). In the case of municipal bonds and other fixed-income strategies, these fees generally take the form of mark-ups, mark-downs, and spreads earned by the securities broker-dealer. Such fees are generally reflected in the net price of the security and not separately disclosed. SMA account clients should refer to the sponsor Form ADV and wrap fee program materials for additional information regarding trading away and related fees in a wrap fee program.

Except for SMA client account orders where WellsCap trades away, SMA client account orders are generally initiated concurrently with WellsCap's institutional accounts. WellsCap may also determine that a trade rotation is most appropriate and in these instances WellsCap will follow a rotation that over time does not disadvantage one client over another.

Models provided by WellsCap to an investment adviser or to a sponsor that participates in a wrap fee program, are provided on a non-discretionary basis and reflect similar recommendations made by WellsCap contemporaneously for its clients for which it has a discretionary relationship. Generally trades for discretionary client accounts will be initiated concurrently with model account trades managed in a similar strategy. While WellsCap will generally initiate discretionary and model account trades in a concurrent manner, trades ultimately placed by the investment adviser or sponsor may result in wrap fee program clients receiving prices that are less favorable than prices obtained by WellsCap clients.

BEST EXECUTION

WellsCap has adopted policies and procedures aimed at satisfying its fiduciary duty to seek the most favorable execution terms reasonably available given the specific circumstances of each trade ("best execution"). The portfolio manager or trader also researches the security for its suitability, relative value and optimal price, in addition to researching which broker-dealer(s) may be in the best position to provide the best price. With the evolution of electronic trading platforms, portfolio managers and traders are more able to request bids and offers from multiple broker/dealers. In the exercise of its business judgment,

WellsCap in some instances only contacts one broker under conditions noted by policy. WellsCap considers, and takes sufficient steps in relation to client accounts (including client accounts and transactions that are in scope for Markets in Financial Instruments Directive II (“MiFID II”)), *inter alia*, the following factors for obtaining best execution; each factor, in and of itself, is not construed as a definitive factor, including but not limited to:

- Price
- Costs (implicit and explicit), including broker commission rates where applicable
- Timing and speed of execution
- Likelihood of, and capabilities in, execution, clearance and settlement
- Size of transaction relative to others in the same or similar financial instrument
- Ability to retain anonymity in the market or prevent information leakage, in order to minimize possible market impact
- A counterparty’s willingness to commit capital to our transactions
- Financial status and responsibility of a counterparty or broker
- Other appropriate factors, such as client mandate constraints.
- Broker-dealer’s historic trade performance with WellsCap;
- Efficiency of the broker’s back-office operations;
- Broker-dealer’s ability to provide liquidity and make a “market” for certain securities, including capital commitment and execution platforms which may impose additional mark-ups; and
- If applicable, the broker-dealer’s ability to facilitate “step-out” trades.

The actual allocation of brokerage business will vary from year to year, depending on WellsCap’s evaluations of all applicable considerations. In no case will WellsCap make binding commitments as to the level of brokerage commissions it will allocate to a broker, nor will it commit to pay cash if an informal target is not met. WellsCap does trade equities, on behalf of its clients, with an affiliated broker-dealer on an agency basis.

To meet its oversight and governance responsibilities, WellsCap meets on a quarterly basis to review various situations related to best execution. WellsCap established the Fixed Income Trade Management Committee (“FITMC”) to oversee the firm’s global fixed income policy and ensure that WellsCap maintains an effective governance program that complies with all stated policies, including best execution as well as MiFID II provisions for those accounts deemed to be in scope. Neither WellsCap nor its affiliates sell securities to, or purchase securities from, clients on a principal basis.

Equity best execution is governed by the Commission Trade Management Committee (“CTMC”). The CTMC oversees the firm’s equity, futures and FX trade execution quality, commission management, Section 28(e) compliance, and equity investment research costs.

For certain clients, domiciled in the European Union (“EU”) region, WellsCap is required to manage those assets in accordance with MiFID II.

Soft Dollar Research. WellsCap evaluates the amount and nature of research and research services provided by brokers and attempts to allocate a portion of the brokerage business of its clients on the basis of that consideration. WellsCap could have an incentive to select a broker-dealer based on its interest in receiving research or other products and services. When WellsCap uses client brokerage

commissions to obtain research or other products and services, WellsCap benefits because it is using client commissions to pay for research instead of paying from its own resources.

Subject to the criteria of Section 28(e) of the Securities and Exchange Act of 1934 ("Section 28(e)"), WellsCap could pay a broker a brokerage commission in excess of that which another broker might have charged for effecting the same transaction, in recognition of the value of the brokerage and research services provided by or through the broker. WellsCap believes it is important to its investment decision-making process to have access to independent research.

Research obtained under Regulation 28(e) can be used to service any or all of WellsCap's clients or used in connection with accounts other than those transacting with the broker providing the research, as permitted by Section 28(e). Brokerage and research services provided by brokers may include, among other things, affecting securities transactions and performing services incidental thereto (such as clearance, settlement, and custody), and providing information regarding: the economy; industries; sectors of securities; individual companies; statistical information; taxation; political developments; legal/regulatory developments; technical market action; pricing and appraisal services; credit analysis; risk measurement analysis and performance analysis. Such research services are received primarily in the form of written reports, telephone contacts and personal meetings with security analysts. In addition, research services could take the form of access to various computer-generated data, and meetings arranged with corporate and industry spokespersons, economists and government representatives.

For applicable equity accounts, research payments can be made through traditional soft dollar payments by brokers to third parties, paid through bundled commission arrangements with full service brokers or through commission sharing arrangements ("CSA's"). CSA's enable WellsCap to separate the execution decision from the research decision. Providers of CSA's have designed programs that allow WellsCap the flexibility to conduct best execution while simultaneously pooling commissions to compensate both research firms and other service providers that are eligible to be paid by commissions under Section 28(e). WellsCap determines in good faith that the commission rates paid for client commission dollar arrangements are reasonable in relation to the value of the brokerage and research provided. In certain situations, trades may be directed to brokers who refer clients to WellsCap. Trades may also be directed to brokers that manage personal investments for WellsCap team members. WellsCap has an incentive to select or recommend a broker-dealer based on its interest in receiving client referrals, rather than on a client's interest in receiving most favorable execution.

MiFID Research. MiFID II rules seek to increase transparency of costs and eliminate potential conflicts of interest in the procurement of research. Inducements can arise when asset managers receive multiple products or services from the same executing broker. Research reports, analyst calls, corporate or issuer access, or other benefits may be a potential inducement for an asset manager to direct trades to a broker who provides other services, with the potential to either trade more often than is appropriate or preclude trading with other brokers who may provide more favorable execution.

For all fixed income and equity client accounts that are contractually obligated or managed in accordance to MiFID II regulation, research will be obtained by WellsCap in hard dollars. WellsCap will absorb the research costs from its own resources, for the fixed income teams that manage MiFID assets and share research globally with WFAMI. Under certain situations, WellsCap may utilize minor non-monetary benefits in the receipt of research services. The minor non-monetary benefits will be received as long as they enhance the quality of service provided to the client and do not impair the manager's

duty to act in the best interests of the client. As it pertains to client accounts that are governed by U.S. regulations, including the Section 28(e) safe harbor, WellsCap can obtain research utilizing soft dollars, subject to SEC regulations. Any equity accounts that have contractual obligations under MiFID will be ring-fenced. Any research obtained by the strategy will be allocated based on Assets Under Management ("AUM") and WellsCap will pay for that portion of the research from its P&L account.

Shared Research For certain fixed income teams, WellsCap and its affiliated investment adviser WFAMI share research and analyst reports that each receives and/or produces through combined meetings of analyst and/or portfolio management teams, a central database of research and reports, or as they otherwise deem appropriate. These affiliated investment advisers have determined that their clients generally will benefit from such shared research by effectively broadening the resources of each adviser.

Directed Brokerage. WellsCap executes trade orders by brokerage type. "Discretionary" brokerage gives WellsCap the authority to select counterparties based on its investment discretion and consideration of the most favorable total cost of each transaction including, but not limited to, client guidelines and current market conditions within the pursuit of best execution. Alternatively, directed brokerage requires WellsCap to trade with a broker/counterparty selected by the client. Certain wrap-type programs in which WellsCap participates require WellsCap to direct trades to the Sponsor of the program. Other such programs require WellsCap to direct trades to the Sponsor unless it concludes that the Sponsor would not provide best execution on the trade.

Only traders are permitted to direct trades to a specific broker. Portfolio managers may not direct specific trades except for fixed income portfolio managers who also act as traders for fixed income securities.

When a client directs WellsCap to use particular broker-dealers, the client must do so in writing due to WellsCap's concern for clarity and disclosure related to the execution risks caused by such a request. In such case, the client generally negotiates its own commission rates, which could result in higher commissions, and possible disparity in trade execution as compared with other non-directed accounts. Trades for clients that direct brokerage cannot be combined with orders for the same securities managed for other non-directed accounts, and may be communicated to the directed broker at a different point in time (causing different trade execution results) as compared with non-directed accounts. As a result, directed transactions could be subject to price movements, particularly in volatile markets or trades involving less liquid securities that might result in the client receiving a price that is less favorable than the price received by other aggregated orders. Requests for 100% mandatory or high threshold directed accounts also may adversely impact execution quality if the executing broker is not able to provide best execution on the trade.

Clients who direct WellsCap to use a particular broker or dealer or otherwise limit WellsCap's discretion, should be aware that, this direction can limit WellsCap in selecting brokers or dealers on the basis or best price and execution. Under these circumstances, the direction by a client might result in higher commissions, greater spreads or less favorable prices than might be the case if WellsCap could negotiate commission rates or spreads or select brokers based on best execution. WellsCap attempts to accommodate reasonable directed brokerage requests on a "best efforts" basis and it does not guarantee that any specific target thresholds can be met. In an effort to accommodate reasonable requests while also maintaining the advantages of aggregating client orders, WellsCap can in some

circumstances execute on a "step-out" basis. Step-out trades allow WellsCap to aggregate orders of similar securities and execute one single block through one broker. Upon execution of the aggregated order, portions of the block are "stepped-out", or given up, to other brokers, sometimes to those directed by clients. Clearing and settlement of step-out trades are the responsibility of the receiving broker. Consequently, step-out commissions and sales credits go to the brokers receiving the trades, not the executing broker. Commission rates could differ between the accounts that are stepped-out and those that remain in the aggregated block and some brokers or custodians may choose to assess additional transaction fees for clients' orders that are stepped out to them.

Trade Aggregation and Allocation. For all equity trades, with the exception of trades that support select quantitative strategies, equity trading follows a centralized trading model across all equity teams and is coordinated across one equity trading desk. Fixed-income trading follows a de-centralized model. The fixed income portfolio managers also act as traders, therefore trading in the fixed income teams is coordinated on a team-by-team basis. As a result of this more coordinated approach taken for the trading of equities, WellsCap may bunch orders for the purchase or sale of the same security for client accounts where WellsCap deems this to be appropriate and in the best interests of the accounts, consistent with applicable regulatory requirements. Due to the decentralized approach followed by fixed income teams, bunched orders for purchases or sales are uncommon.

When a bunched order is filled in its entirety, each participating client account will participate at the average share prices for the bunched order on the same business day, and the transaction costs will generally be shared pro-rata based on each client's participation in the bunched order. When a bunched order is only partially filled, the securities purchased will generally be allocated on a pro-rata basis to each account participating in the bunched order based upon the initial amount requested for the account, subject to certain exceptions (such as *de minimis* orders) and each participating account will participate at the average share price for the bunched order at or around the same time the trade was executed. WellsCap performs investment advisory services for various clients and may give advice, and take action, with respect to any of those which may differ from the advice given, or the timing or nature of action taken, with respect to any one account, provided that over a period of time WellsCap, to the extent practical, allocates investment opportunities to each account on a fair and equitable basis relative to other similarly situated client accounts. A potential conflict of interest could arise if orders for a client do not get fully executed due to being aggregated with orders of other accounts managed by WellsCap.

WellsCap may group together accounts, including accounts in which it or its personnel or affiliates may have a beneficial interest, that are managed in similar investment and trading strategies when determining trade cycle and rotation. When making this decision, WellsCap may consider timing of cash flows, time since the last rebalance, projected liquidity, and availability of staff and market holidays/closures. Client portfolios will be optimized individually and independently from other accounts according to client directed restrictions and strategy constraints, and a trade list for each account will be generated. Unless directed otherwise by a client (including instructions for directed brokerage), the trade lists from grouped accounts may be aggregated for order execution.

Because of market activity, it may not be possible to obtain the same price or execution on all such trades. When this occurs trades are allocated in a manner that WellsCap believes is fair and reasonable, taking into consideration its fiduciary duties to all of its clients, and typically involves taking an average of the price and commission. Whenever an average is used, some clients will benefit while

others may be disadvantaged. Although in instances where clients are charged the average price, WellsCap will make information regarding the actual transactions available to clients, upon the client's request. In such instances where WellsCap is trading the same security with multiple brokers due to directed brokerage arrangements, it will try to deliver such orders simultaneously to brokers.

Item 13 - Review of Accounts

WellsCap periodically reviews client accounts. A portfolio management team is assigned to each account and is responsible for monitoring and maintaining compliance with client-specific guidelines. A portfolio risk management team monitors risks, intended and unintended, in an effort to help the portfolio management team manage accounts consistent with client expectations. Portfolio risk reports are generated and monitored on a daily basis. On a monthly basis, relevant counterparty, derivative, and product specific risks are reviewed with the firm's Chief Investment Officer and/or any respective heads of equity, fixed income, and multi-asset class. On a quarterly basis, reviews are conducted with senior management, portfolio managers, and investment risk professionals in order to analyze individual portfolio performance, strategy, and risk.

Written reports are available to clients on either a monthly basis or quarterly basis depending on client needs and requirements. Reports contain information including a portfolio overview showing high-level balances and changes over the time-period, performance versus the benchmark for various periods, holdings as of the end of period, and transactions over the period. In many cases, reports showing the positioning of the portfolio relative to a benchmark, and performance attribution are also included.

Additional compliance procedures are in place to review portfolio and account activity for conformity with client investment guidelines, best execution, use of derivatives, and other considerations. As part of the monitoring process, Operations and WellsCap Compliance utilizes compliance and trade order systems to provide automated compliance review on a daily basis. Alerts on these systems are monitored by Operations personnel with an independent review by Compliance personnel, and any warnings are researched and cleared in a timely manner.

Item 14 - Client Referrals and Other Compensation

The investment management services of WellsCap are also offered to clients of Wells Fargo. The distribution of investment products and services is dependent on interrelationships among WellsCap, its affiliates, and other entities in support of these activities. There exist certain potential or actual conflicts of interest within these interrelationships, including marketing or sponsorship arrangements with third parties, sub-advisers and brokerage firms to promote the distribution of proprietary investment products including, but not limited to, variable products, mutual funds, managed accounts or the general enhancement of the "Wells" marketing image. Such parties, sub-advisers, and brokerage firms may concurrently have advisory, distribution, or other relationships with WellsCap. These arrangements could result in additional assets under management to WellsCap or inure to the direct or indirect benefit of clients of the firm.

WellsCap has an agreement with WFFD, a limited purpose broker-dealer and affiliate of WellsCap in which WellsCap compensates WFFD for client referrals made in compliance with the Advisers Act and rules promulgated thereunder. WellsCap has agreed to pay to WFFD a referral fee in connection with its referral that results in additional client assets to WellsCap, in an amount as mutually agreed upon by WFFD and WellsCap.

Certain designated representatives of Wells Fargo subsidiaries may offer advice or opinions as to the value of WellsCap's services or the appropriateness of such services for a potential client; in such cases, compensation will be provided to them by way of salaries and bonuses paid through the Wells Fargo subsidiary.

WellsCap may permit certain designated persons (referred to as "Solicitors") to refer potential business outside of the United States to WellsCap. Under this arrangement, WellsCap would pay a portion of the referred client's management fee earned by WellsCap to the referring party. Any Solicitor will be required to conduct solicitation functions in accordance with Rule 206(4)-3 of the Advisers Act and the laws of the country in which such solicitation is made. Payments to Solicitors may range, depending on the type of investment vehicle.

WellsCap pays a referral fee to WFB in order to comply with Regulation W requirements. The fee goes to WFB itself, but no individual bankers are compensated for referrals. The payment to WFB is based on the cost to support the coverage groups performing product partner services, plus a 10% mark up. The amount will be equal to 15 percent of gross revenue received by WellsCap for the first year only of the client's account being operational.

Item 15 - Custody

WellsCap does not maintain physical custody of its clients' assets. Client assets are maintained in the custody of broker-dealers, banks and other qualified custodians. Certain of these qualified custodians are affiliated with WellsCap including, WFB, Wells Fargo Clearing Services, LLC, and Wells Fargo Prime Services, LLC. When client assets are maintained in the custody of an affiliated qualified custodian, WellsCap is deemed to have custody pursuant to Rule 206(4)-2 under the Advisers Act (the "Custody Rule"). Clients should receive account statements from their bank, broker-dealer or other qualified custodian, in addition to any account information that they may receive from WellsCap. WellsCap urges clients to carefully review their account information and compare official custodial records to the account information provided by WellsCap, which could vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

As noted above, WellsCap is deemed to have custody of the assets of certain clients pursuant to the Custody Rule. The Custody Rule defines "custody" as "holding directly or indirectly client funds or securities or having the authority to obtain possession of them." WellsCap is considered to have custody of certain clients' accounts when WellsCap or a related person of WellsCap has the *ability* to access client securities or cash (either directly or indirectly). This would include where WellsCap or a related person acts in a capacity such as general partner, managing member, or a comparable position for an unregistered pooled investment vehicle (or "private fund") for which WellsCap is also an investment adviser. Additionally, this would also include when a WellsCap Related Person is a custodian for WellsCap clients. The private fund clients for which WellsCap or a related person serves in such a capacity utilize a qualified custodian that is unaffiliated with WellsCap. The private funds are subject to annual audit by an independent public accountant and audited financial statements are delivered to the investors in the funds in order for WellsCap to comply with the provisions of the Custody Rule applicable to investment advisers deemed to have custody of the accounts of pooled investment vehicles. Additionally, WellsCap is subject to an annual custody surprise examination by an independent accounting firm.

Item 16 - Investment Discretion

DISCRETIONARY AUTHORITY

As described in Item 4, WellsCap provides investment management services to clients on both a discretionary and non-discretionary basis. WellsCap manages investment portfolios on a discretionary basis according to each client's investment objective, risk profile, and investment guidelines. Discretionary authority is granted to WellsCap by the client through the execution of a written investment advisory agreement. The client may limit WellsCap's discretionary authority through the terms of the agreement. Absent instructions to the contrary from the client, WellsCap may exercise its discretionary authority to determine, without obtaining specific client consent, the securities to be bought or sold for a client's account, the amount of securities to be bought or sold for a client's account, the broker or dealer to be used for the purchase or sale of securities for a client's account, and the commission rates to be paid to a broker-dealer for the securities transactions in a client's account. Generally, WellsCap's clients grant it full discretionary authority over the purchase and sale of securities for their accounts, subject to the investment objectives and guidelines that are established by written agreement between WellsCap and the client at the time the account is opened.

For registered investment companies sub-advised by WellsCap, the respective Board of Directors, Managers or Trustees of such companies establishes guidelines and restrictions, which WellsCap complies with in respect to investment strategies that include the type of securities to be bought and sold. Such guidelines can be found in each fund's prospectus and Statement of Additional Information.

Item 17 - Voting Client Securities (i.e., Proxy Voting)

WellsCap has and accepts the authority to vote proxies on behalf of its clients. WellsCap has adopted the WFAM Proxy Voting Policies and Procedures (the “Procedures”) in accordance with Rule 206(4)-6 under the Advisers Act in an effort to ensure that proxies are voted in the best interests of its clients without regard to any relationship that any affiliated person of WellsCap (or an affiliated person of such affiliated person) may have with a particular issuer. WellsCap exercises its voting responsibility as a fiduciary with the goal of maximizing value to clients consistent with governing laws and the investment policies and specific requirements of each client.

WellsCap has put in place a custom voting policy (the “Policy”) to implement the WFAM voting principles and to make every effort to ensure the manner in which shares are voted is in the best interest of clients. WellsCap has retained an independent, unaffiliated proxy voting adviser to assist in the implementation of certain proxy voting-related functions including: 1) Providing research on proxy matters 2) Providing technology to facilitate the sharing of research and discussions related to proxy votes 3) Vote proxies in accordance with WFAM’s guidelines 4) Handle administrative and reporting items 5) Maintain records of proxy statements received in connection with proxy votes and provide copies/analyses upon request. Except in instances where clients have retained voting authority, WFAM retains the responsibility for proxy voting decisions. A key feature of the WFAM proxy process relates to integrating ESG factors into its proxy process for clients who choose to follow the WFAM voting principles. WFAM considers ESG focused research as a point of reference in certain cases deemed to be material to a company’s long term shareholder value.

WellsCap has established a Proxy Governance Committee (the “Proxy Committee”) that is responsible for the proxy voting process and ensuring that the voting process is implemented in conformance with the Procedures. The Proxy Committee monitors the Proxy Voting Company and the voting process and votes proxies or directs the Proxy Voting Company on how to vote. As a general matter, proxies are voted consistently in the same manner when securities of an issuer are held by multiple accounts.

WellsCap may have a conflict of interest regarding a proxy to be voted if, for example, WellsCap or one of its affiliates has a relationship with the issuer of a proxy. In most instances, conflicts of interest are avoided through a strict and objective application of the voting guidelines. However, when WellsCap is aware of a material conflict of interest regarding a matter that would otherwise be considered on a case-by-case basis by the Proxy Committee, the Proxy Committee will address the material conflict by using any number of specified conflict management methods.

While WellsCap use its best efforts to vote proxies, in certain circumstances, it is impractical or impossible for it to vote proxies (e.g., limited value or unjustifiable costs). Due to these restrictions, WellsCap will balance the benefits to the clients of voting proxies against the potentially serious portfolio management consequences of a reduced flexibility to sell the underlying shares at the most advantageous time. As a result, WellsCap will generally not vote those proxies in the absence of an unusual, significant vote or compelling economic importance.

WellsCap will provide proxy statement to clients and any records as to how WellsCap voted proxies on behalf of its client quarterly or upon request. For assistance with this and any other proxy inquiry, clients may contact their relationship manager, call WFAM at 1-800-259-3305 or e-mail: wellsclientadmin@wellsfargo.com.

Item 18 - Financial Information

As an indirect wholly-owned subsidiary of Wells Fargo & Company, WellsCap's financial statements are consolidated with those of the parent company. There has been no material adverse change in the financial condition of WellsCap since the date of the financial statements provided in our parent firm's most recent Form 10-Q.

Item 19 – Requirements for State-Registered Advisers

Not applicable.