

Service Alert

February 4, 2019

Upcoming Wells Fargo Tax-Free Funds merger

As previously announced, the Wells Fargo Colorado Tax-Free Fund and the Wells Fargo North Carolina Tax-Free Fund will merge into the Wells Fargo Municipal Bond Fund on or around March 15, 2019, pending approval by shareholders of the Wells Fargo Tax-Free Funds. This merger is expected to be a tax-free transaction for U.S. federal income tax purposes. Please see the tables below for more information.

Merging fund						Acquiring fund				
Wells Fargo Fund	Class	Ticker	CUSIP	TA fund number	Action	Wells Fargo Fund	Class	Ticker	CUSIP	TA fund number
Colorado Tax-Free Fund	A	NWCOX	94975H643	13	Merge	Municipal Bond Fund	A	WMFAX	949917843	3317
Colorado Tax-Free Fund	C	WCOTX	949921589	3544	Merge	Municipal Bond Fund	C	WMFCX	949917827	3528
Colorado Tax-Free Fund	Admin	NCOTX	94975H627	73	Merge	Municipal Bond Fund	Admin	WMFDX	949917793	3707
Colorado Tax-Free Fund	Inst	WCITX	94990B605	4711	Merge	Municipal Bond Fund	Inst	WMBIX	949921670	3160
North Carolina Tax-Free Fund	A	ENCMX	94985D731	680	Merge	Municipal Bond Fund	A	WMFAX	949917843	3317
North Carolina Tax-Free Fund	C	ENCCX	94985D723	980	Merge	Municipal Bond Fund	C	WMFCX	949917827	3528
North Carolina Tax-Free Fund	Inst	ENCYX	94985D715	780	Merge	Municipal Bond Fund	Inst	WMBIX	949921670	3160

NSCC trading information and schedule of key events

Following is an anticipated schedule of trading events for transactions related to the merging fund.

Anticipated date	Event(s)
Monday, March 11	<ul style="list-style-type: none"> National Securities Clearing Corporation (NSCC) trades will settle T+1 for merging funds.
Thursday, March 14	<ul style="list-style-type: none"> NSCC trades will settle T+1 for merging funds. Defined Contribution Clearance & Settlement (DCC&S) trades will be received and processed with a trade date of Wednesday, March 13. NSCC redemptions, exchanges, and Automated Customer Account Transfer Service (ACATS) transactions will continue to be received and processed. NSCC purchases will be accepted up through and including DTCC cycle 00 (approximately 8 p.m. ET). Purchase trades placed in DTCC late batch cycles 01, 02, 03, and 98 will be rejected.

<p>Friday, March 15</p>	<ul style="list-style-type: none"> ▪ DCC&S redemptions and exchange trades will be received and processed with a trade date of Thursday, March 14. ▪ Rejected NSCC purchases into the merging fund from trade date March 14 will be price-protected. Intermediaries will be contacted by DST Asset Manager Solutions (DST AMS) with instructions for processing these trades manually. ▪ Please note: Purchases into the merging fund for trade date Friday, March 15, must be faxed to 816-218-0482. Manual trades must be received in good order by 4 p.m. ET and paid for by the Fedwire Funds Service close (approximately 6:30 p.m. ET). Purchase trades placed via NSCC on March 15 will be rejected. ▪ NSCC ACATS transactions will be turned off for all merging funds on Friday, March 15. ▪ NSCC redemptions and exchanges will be accepted up through and including DTCC cycle 22 (approximately 6 p.m. ET). Redemptions and exchange trades placed in DTCC cycle 23 and later will be rejected. ▪ The merger transaction will occur in the affected accounts during the nightly cycle on March 15. A four-digit net asset value (NAV) will be used to calculate the share ratios for the merger. This four-digit NAV will be sent via NSCC. The four-digit NAV will be provided on the price records sent to clients on Friday, March 15. ▪ The fund will pay out with a three-day rate (Friday, Saturday, and Sunday, March 15–17). Accounts coded to receive CASH dividends will pay out normally. Accounts coded to REINVEST proceeds will be reinvested in the acquiring CUSIPs with a trade date of March 15.
<p>Saturday, March 16</p>	<ul style="list-style-type: none"> ▪ F55 records will be generated for all merged and acquiring Wells Fargo Funds. It will be necessary for firms to make appropriate updates to their internal systems in order to trade and network through the acquiring fund CUSIPs. The F55s will be populated with the nontaxable merger transaction code W0 (zero).
<p>Monday, March 18</p>	<ul style="list-style-type: none"> ▪ DST AMS will work with intermediaries on any rejected trades from Friday, March 15. ▪ Firms will be instructed to reenter appropriate trades <i>as of</i> March 15 into the acquiring fund's CUSIP.

Other considerations

- The mergers are expected to be tax-free transactions for U.S. federal income tax purposes.
- Merger ratios will be available the evening of March 15 along with four-digit NAVs.

Questions?

If you have any questions, please contact Intermediary Services at **1-800-368-5610**, Monday through Friday, between 8:30 a.m. and 5 p.m. ET, or email us at **intermediaryservices@wellsfargo.com**.

Thank you for your continued partnership with Wells Fargo Asset Management.

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advice and information concerning their particular situation. Wells Fargo Funds Management, LLC; **Wells Fargo Funds Distributor, LLC**; or any of their representatives may not give legal or tax advice.

Bond values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. Changes in market conditions and government policies may lead to periods of heightened volatility in the bond market and reduced liquidity for certain bonds held by the fund. In general, when interest rates rise, bond values fall and investors may lose principal value. Interest rate changes and their impact on the fund and its share price can be sudden and unpredictable. The use of derivatives may reduce returns and/or increase volatility. Certain investment strategies tend to increase the total risk of an investment (relative to the broader market). This fund is exposed to high-yield securities risk and municipal securities risk. Consult the fund's prospectus for additional information on these and other risks. A portion of the fund's income may be subject to federal, state, and/or local income taxes or the alternative minimum tax. Any capital gains distributions may be taxable.

Carefully consider a fund's investment objectives, risks, charges, and expenses before investing. For a current prospectus and, if available, a summary prospectus, containing this and other information, visit wellsfargofunds.com. Read it carefully before investing.

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