

Product Alert

October 16, 2017

Portfolio manager changes for certain fixed-income Wells Fargo Funds

Troy Ludgood, senior portfolio manager and co-head of the Montgomery Fixed Income team at Wells Capital Management Incorporated (WellsCap), has made a personal decision to transition to a new part-time role as a senior fixed-income strategist at Wells Fargo Asset Management (WFAM) starting on April 30, 2018. Mr. Ludgood will remain co-head of the team and portfolio manager of the Wells Fargo Core Bond Fund, the Wells Fargo Short Duration Government Bond Fund, and related separately managed account strategies, which are subadvised by WellsCap, through April 30, 2018. There will be no change to the investment philosophy or process as a result of this transition.

Thomas O'Connor, CFA, who currently serves as co-head of the Montgomery Fixed Income Team with Mr. Ludgood, will remain portfolio manager of the Wells Fargo Core Bond Fund, the Wells Fargo Short Duration Government Bond Fund, and related separately managed account strategies. During the transition, Mr. O'Connor and Mr. Ludgood will continue as co-heads to lead the investment team and oversee investment decisions across all sectors.

Effective immediately, **Maulik Bhansali, CFA**, and **Jarad Vasquez** will be added as portfolio managers to the Wells Fargo Core Bond Fund, the Wells Fargo Short Duration Government Bond Fund, and related strategies. As a result of Mr. Ludgood's transition, **Steve Ricks, CFA**, who has been a credit analyst on the Montgomery team since 2005, will assume the responsibilities of head of credit research. In addition, the team has bolstered their credit research effort with the addition of a quantitative analyst, a senior credit analyst, and a trader.

The Montgomery Fixed Income team at WellsCap will continue to manage portfolios with the same investment philosophy and process the team has used since its inception 28 years ago. The team follows a co-portfolio management structure, and Mr. O'Connor will continue to serve as senior portfolio manager with final decision-making authority on all strategies. The team manages \$33 billion (as of June 30, 2017) across its three strategies: core fixed income, long credit, and short duration, leveraging the wealth of experience from the team of 23 investment professionals, who average 12 years of working together and 21 years within the industry.

Portfolio manager changes

Fund and other vehicles	Managers as of 10-16-17	Managers as of 4-30-18
Wells Fargo Core Bond Fund* and related institutional separate account strategy	Thomas O'Connor, CFA Troy Ludgood	Thomas O'Connor, CFA Maulik Bhansali, CFA
Wells Fargo Short Duration Government Bond Fund and related institutional separate account strategy	Maulik Bhansali, CFA Jarad Vasquez	Jarad Vasquez

*The Wells Fargo Core Bond Fund is a gateway feeder fund that invests 100% of its assets in Wells Fargo Core Bond Portfolio, a master portfolio with a substantially identical investment objective and strategy.

For further details, please see the following Q&A.

Why did Mr. Ludgood transition to become a senior fixed-income strategist?

Since 2004, Mr. Ludgood has enjoyed a successful and satisfying career with the Montgomery Fixed Income team. After more than 19 years in the industry, Mr. Ludgood has decided to take another position within WFAM that will allow him the flexibility to work part time. The opportunity to transition into another exciting role offered him a unique chance to use his fixed-income and client experience to continue to benefit WFAM fixed-income clients.

After May 1, 2018, will Mr. Ludgood continue to have input into the Montgomery team's investment process?

No, in his role as a fixed-income strategist, he will not have input into the investment process of any WFAM fixed-income team, including the Montgomery team. The senior fixed-income specialist is a senior level investment role within WFAM that has been designed to increase our profile with our largest retail clients and to build greater visibility around our fixed-income product set.

How will the investment philosophy and process be affected?

There will be no impact to the team's bottom-up security selection process and intense focus on risk discipline.

The senior portfolio managers and co-heads will have decision-making and leadership responsibility for defining the investment universe, allocating capital, and managing risk. Day-to-day duties for security selection and risk management lie primarily with senior analysts, traders, and the senior portfolio managers.

The sector teams discuss their research in regular meetings with the senior portfolio managers. The portfolio managers, analysts, and traders recommend security ideas and are responsible for ensuring that risk and relative-value analysis is applied to each purchase candidate. Together they come to portfolio construction decisions and input and monitor target exposures through the team's proprietary risk management system, RiskSum™. The team strives to build a competitive advantage in each subsector and add alpha by taking advantage of relative-value opportunities.

About Thomas O'Connor, CFA

Managing Director, Senior Portfolio Manager, and Co-Head, Montgomery Fixed Income

Thomas O'Connor is a managing director, co-head, and senior portfolio manager for the Montgomery Fixed Income team at WellsCap. Prior to joining the firm in 2000, Mr. O'Connor was a senior portfolio manager in charge of agency mortgages at Vanderbilt Capital Advisors (formerly ARM Capital Advisors). Earlier, Mr. O'Connor was a senior trader of agency mortgages in both a proprietary and market-making role at the Union Bank of Switzerland. He also was a senior trader at First Boston and Smith Barney. Mr. O'Connor has been in the investment industry since 1988. He earned a bachelor's degree in business administration from the University of Vermont and has earned the right to use the Chartered Financial Analyst® (CFA®) designation.

About Troy Ludgood

Managing Director, Senior Portfolio Manager, and Co-Head, Montgomery Fixed Income

Troy Ludgood is a managing director, co-head, and senior portfolio manager for the Montgomery Fixed Income team at WellsCap. Prior to joining the firm in 2004, Mr. Ludgood was a trader at Lehman Brothers, responsible for corporate, emerging markets, and non-dollar sovereign bonds. Before transitioning to the investment industry in 2000, Mr. Ludgood worked as an industrial engineer at Ahold and May Department Stores. He earned a bachelor's degree in industrial engineering from Georgia Tech and earned a master's degree in business administration from the Wharton School at the University of Pennsylvania.

About Maulik Bhansali, CFA

Senior Portfolio Manager, Montgomery Fixed Income

Maulik Bhansali is a senior portfolio manager for the Montgomery Fixed Income team at WellsCap. Prior to this role, he was an equity research analyst responsible for quantitative modeling and portfolio construction in addition

to fundamental analysis. Prior to joining the firm in 2001, Mr. Bhansali worked with Watson Wyatt Worldwide, where he served as a retirement actuary. He earned a bachelor's degree in economics and international studies from Yale University, where he graduated cum laude. Mr. Bhansali also earned a master's degree in financial engineering at the University of California, Berkeley. He is an Associate of the Society of Actuaries and has earned the right to use the Chartered Financial Analyst® (CFA®) designation.

About Jarad Vasquez

Senior Portfolio Manager, Montgomery Fixed Income

Jarad Vasquez is a senior portfolio manager specializing in mortgage-backed securities (MBS) for the Montgomery Fixed Income team at WellsCap. Prior to joining the firm in 2007, Mr. Vasquez was a trader at Susquehanna International Group, where he traded MBS in a proprietary relative-value strategy and also traded equity options as a specialist on the Philadelphia Stock Exchange. He has been in the investment industry since 2001. Mr. Vasquez earned a bachelor's degree in management science from the Massachusetts Institute of Technology.

Steven Ricks, CFA

Portfolio Manager, Head of Credit Research, Montgomery Fixed Income

Steven Ricks is head of Credit Research and portfolio manager for the Montgomery Fixed Income team at WellsCap. Prior to joining the firm in 2005, Mr. Ricks was a senior research analyst at ABN AMRO Incorporated in New York, with experience in both the fixed-income and equity markets. Before entering the investment industry in 1999, Mr. Ricks was a policy analyst on the staff of U.S. Representative Christopher Cox (CA) in Washington, D.C. He earned a bachelor's degree in government from the University of Virginia and earned a master's degree in business administration from the Yale School of Management. He has earned the right to use the Chartered Financial Analyst® (CFA®) designation.

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.

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). Securities issued by U.S. government agencies or government-sponsored entities may not be guaranteed by the U.S. Treasury. This fund is exposed to foreign investment risk and mortgage- and asset-backed securities risk. Consult the fund's prospectus for additional information on these and other risks. Regarding the Wells Fargo Short Duration Government Bond Fund, the U.S. government guarantee applies to certain underlying securities and not to shares of the fund.

Wells Fargo Asset Management (WFAM) is a trade name used by the asset management businesses of Wells Fargo & Company. Wells Fargo Funds Management, LLC, a wholly owned subsidiary of Wells Fargo & Company, provides investment advisory and administrative services for Wells Fargo Funds. Other affiliates of Wells Fargo & Company provide subadvisory and other services for the funds. The funds are distributed by **Wells Fargo Funds Distributor, LLC**, Member FINRA, an affiliate of Wells Fargo & Company. Neither Wells Fargo Funds Distributor nor Wells Fargo Funds Management holds fund shareholder accounts or assets. This material is for general informational and educational purposes only and is NOT intended to provide investment advice or a recommendation of any kind—including a recommendation for any specific investment, strategy, or plan. 306940 10-17

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