

# Product Alert

January 19, 2018

## Wells Fargo Target Date Funds 2017 dividends and capital gains

On December 29, 2017, the Wells Fargo Target Date Funds distributed dividends and year-end capital gains for 2017.

Please note:

- The capital gains are mostly from long-term appreciation
- Sales of many appreciated securities were driven by a realignment of the underlying asset class strategies largely in the equity portion of the funds as part of portfolio changes in July of this year.
- With the current bull market, the funds have few if any losses to offset the gains.
- Funds with higher equity allocations typically had larger gains resulting in larger distributions.
- Newer funds such as the 2055 and 2060 funds have had less time in the market and in turn had fewer gains to distribute.
- Client activity (such as buys and sells) impacted the distributions of some funds more than others.

Fund	Dividend (\$)	Long-term Distribution (\$)	Short-term Distribution (\$)
Wells Fargo Today Fund	0.03	1.67	0.01
Wells Fargo Target 2010	0.11	1.92	0.14
Wells Fargo Target 2015	0.00	0.25	2.93
Wells Fargo Target 2020	0.01	3.00	0.17
Wells Fargo Target 2025	0.08	4.33	0.51
Wells Fargo Target 2030	0.22	4.40	0.14
Wells Fargo Target 2035	0.11	3.82	0.15
Wells Fargo Target 2040	0.39	5.24	0.09
Wells Fargo Target 2045	0.18	3.93	0.07
Wells Fargo Target 2050	0.17	3.86	0.17
Wells Fargo Target 2055	0.20	2.67	0.00
Wells Fargo Target 2060	0.14	0.00	0.00

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The target date represents the year in which investors may likely begin withdrawing assets. The funds gradually seek to reduce market risk as the target date approaches and after it arrives by decreasing equity exposure and increasing fixed-income exposure. The principal value is not guaranteed at any time, including at the target date.

Stock values fluctuate in response to the activities of individual companies and general market and economic conditions. 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. High-yield securities have a greater risk of default and tend to be more volatile than higher-rated debt securities. The use of derivatives may reduce returns and/or increase volatility. Securities issued by U.S. government agencies or government-sponsored entities may not be guaranteed by the U.S. Treasury. Certain investment strategies tend to increase the total risk of an investment (relative to the broader market). This fund is exposed to foreign investment risk, mortgage- and asset-backed securities risk, new fund risk, regulatory risk, and smaller-company investment risk. Consult the fund's prospectus for additional information on these and other risks.

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*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](http://wellsfargofunds.com). Read it carefully before investing.*

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