

## FORM 1099-DIV: Government income

### Income derived from direct U.S. government obligations

A mutual fund with income dividends that are earned from U.S. Treasury and certain other government securities may be categorized as a fund containing U.S. government obligations. Income from mutual fund investments in U.S. government obligations may be exempt from state personal income taxes. Some states, such as California, Connecticut, and New York, impose restrictions on a fund's ability to pass the exemptions on this interest income through to you. In this regard, the Wells Fargo 100% Treasury Money Market Fund<sup>2</sup> has met the requirements for pass-through to shareholders in California, Connecticut, and New York.

To determine the amount of income dividends that represent U.S. government obligations, examine the table and find the fund you held during the 2017 tax year and its percentage value. Refer to your Wells Fargo 1099-DIV, box 1a, and multiply this amount by your fund's percentage value. This will give you the amount of U.S. government obligations that may be exempt from your state income tax. **If the fund does not appear on the table, please assume 0%.**

### Percentage of income derived from direct U.S. government obligations

| Wells Fargo Fund                             | Total percentage (%) | Wells Fargo Fund  | Total percentage (%) |
|--|----------------------|---|----------------------|
| 100% Treasury Money Market Fund <sup>2</sup> | 99.59                | Short Duration Government Bond Fund                     | 18.86                |
| Absolute Return Fund                         | 21.28                | Target 2010 Fund <sup>1</sup>                           | 13.15                |
| Asset Allocation Fund                        | 21.08                | Target 2015 Fund <sup>1</sup>                           | 10.08                |
| Core Bond Fund                               | 25.10                | Target 2020 Fund <sup>1</sup>                           | 1.74                 |
| Core Plus Bond Fund                          | 6.22                 | Target 2025 Fund <sup>1</sup>                           | 4.12                 |
| Dynamic Target 2015 Fund <sup>1</sup>        | 3.93                 | Target 2030 Fund <sup>1</sup>                           | 10.17                |
| Dynamic Target 2020 Fund <sup>1</sup>        | 3.14                 | Target 2035 Fund <sup>1</sup>                           | 5.17                 |
| Dynamic Target 2025 Fund <sup>1</sup>        | 2.38                 | Target 2040 Fund <sup>1</sup>                           | 3.94                 |
| Dynamic Target 2030 Fund <sup>1</sup>        | 1.70                 | Target 2045 Fund <sup>1</sup>                           | 2.21                 |
| Dynamic Target 2035 Fund <sup>1</sup>        | 1.15                 | Target 2050 Fund <sup>1</sup>                           | 1.19                 |
| Dynamic Target Today Fund <sup>1</sup>       | 5.05                 | Target 2055 Fund <sup>1</sup>                           | 1.99                 |
| Government Money Market Fund <sup>2</sup>    | 47.28                | Target 2060 Fund <sup>1</sup>                           | 2.13                 |
| Government Securities Fund                   | 19.66                | Target Today Fund <sup>1</sup>                          | 12.63                |
| Growth Balanced Fund                         | 3.43                 | Treasury Plus Money Market Fund <sup>2</sup>            | 47.35                |
| Index Asset Allocation Fund                  | 25.06                | WealthBuilder Conservative Allocation Fund <sup>1</sup> | 4.86                 |
| Moderate Balanced Fund                       | 3.26                 | WealthBuilder Growth Balanced Fund <sup>1</sup>         | 2.71                 |
| Real Return Fund                             | 12.12                | WealthBuilder Moderate Balanced Fund <sup>1</sup>       | 3.59                 |

1. In this document, the Wells Fargo Target Date Funds are referred to as Target Funds, the Wells Fargo Dynamic Target Date Funds are referred to as Dynamic Target Funds, and the Wells Fargo WealthBuilder<sup>SM</sup> Funds are referred to as WealthBuilder Funds.

2. For government money market funds: You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

(See important disclosure on the other side.)

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. Some funds, including nondiversified funds and funds investing in foreign investments, high-yield bonds, small- and mid-cap stocks, and/or more volatile segments of the economy, entail additional risk and may not be appropriate for all investors. The U.S. government guarantee applies to certain of the underlying securities and not to shares of the government mutual funds. Consult a fund's prospectus for additional information on these and other risks.

Any tax or legal information in this document is merely a summary of our understanding and interpretations of some of the current income tax regulations and is not exhaustive. Investors should consult their tax advisor or legal counsel for 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.

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. The fund invests in alternative investments, such as short sales, which are speculative and entail a high degree of risk. The fund invests using alternative investment strategies, such as equity hedged, event driven, global macro, and relative value, which are speculative and entail a high degree of risk. Alternative investments, such as commodities and merger arbitrage strategies, are speculative and entail a high degree of risk. 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.

*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, call 1-800-222-8222 or visit [wellsfargofunds.com](http://wellsfargofunds.com). Read it carefully before investing.*

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