

Product Alert

May 18, 2017

Wells Fargo Small Company Growth Fund closes to new investors

The Wells Fargo Funds Board of Trustees has approved the following change to the Small Company Growth Fund: Effective July 31, 2017, the Wells Fargo Small Company Growth Fund will close to new investors, with exceptions as outlined below.

Please see the Q&A below for details.

What are the exceptions to the closure of the Small Company Growth Fund?

All classes of the Small Company Growth Fund will close to new investments, unless the investment falls within one of the categories as follows:

Existing shareholders

- Existing shareholders with an open and funded account may continue to purchase additional shares of the fund, including through reinvestment of dividends and capital gains through cash distributions.
- Existing shareholders may open new accounts under the same name or with the same taxpayer identification number or Social Security number.
- Shareholders who are beneficiaries of shares in the fund or who are the recipients of shares of the fund through a transfer and wish to use the proceeds to open up a new account in their name may do so.
- Current retirement plans, benefit plans, and retirement plan platforms will be able to add new participants and continue to invest in the fund.

New investors

- New retirement plans, benefit plans, and retirement plan platforms will be able to invest in the fund.
- Registered investment advisors that currently offer shares of the fund in their asset allocation programs are eligible to add new accounts.
- For centrally managed (home office) model portfolio programs, new accounts may be opened, and additional investments for current accounts may be made in the fund after closure date if they are made through existing fee-based investment products or existing mutual fund wrap programs (for example, through a broker/dealer, private bank and trust company, or consultant) that currently use the fund. However, new model portfolios introduced in existing programs must be preapproved to do so by Wells Fargo Funds Management.
- Private bank and trust company platforms that currently offer shares of the fund are eligible to add new accounts if approved to do so by Wells Fargo Funds Management.
- Non-centrally managed discretionary and nondiscretionary portfolio programs that currently offer shares of the fund or share the same operational infrastructure as programs that currently offer shares of the fund may add new accounts if approved to do so by Wells Fargo Funds Management.

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- Separately managed account clients of, or investors in a pooled vehicle advised by, the fund's subadvisor and whose assets are managed by the subadvisor in a style similar to that of the fund (provided they were such a client or investor within 60 days prior to their request to open a new fund account) may open a new account.
 - Funds of funds advised by Wells Fargo Funds Management are eligible to continue to invest in the fund.

Why is this fund closing to new investors?

Wells Fargo Funds Management, LLC, the advisor to the fund, in consultation with Peregrine Capital Management, Inc., has determined that this action is in the best interest of the fund's shareholders. We believe that at the current asset level (approximately \$1.77 billion as of April 30, 2017), the fund is close to reaching the capacity at which the portfolio management team feels it can effectively manage its investment style. Closing the fund to new investors at this point is intended to allow the portfolio management team to continue to effectively manage the fund over the long term.

Who is responsible for managing the fund?

The Small Company Growth Fund, a small-cap growth strategy, is managed by the Small Growth team at Peregrine Capital Management. The following portfolio managers are responsible for day-to-day management of the fund:

Paul von Kuster, CFA

Paul von Kuster joined Peregrine Capital Management in 1984 as a senior vice president and portfolio manager. Mr. von Kuster earned a bachelor's degree in philosophy from Princeton University.

Daniel Hagen, CFA

Daniel Hagen joined Peregrine Capital Management in 1996 as a securities analyst on the Small Cap Equity team and joined the portfolio management team in 2001. Prior to joining Peregrine, Mr. Hagen was a managing director and analyst at Piper Jaffray, where he was employed since 1983. Mr. Hagen earned a bachelor's degree in finance from the University of Minnesota.

James Ross, CFA

James Ross joined Peregrine Capital Management in 1996 as a senior portfolio advisor on the Small Cap Equity team, which is responsible for the Small Company Growth Portfolio. He shares responsibility for the client service communication, handles special projects, and works on compliance-related issues. Prior to joining Peregrine, Mr. Ross spent six years at Norwest Investment Management (now Wells Capital Management, Inc.), where he held various positions, including chief investment officer and product manager for the Norwest Advantage Funds and investment analyst for the corporation's benefit plans. Mr. Ross began his career as a treasury analyst with Ecolab Inc. He earned a bachelor's degree and a master's degree in business administration from the University of Iowa.

William Grierson

William Grierson joined Peregrine Capital Management in 2000 as a securities analyst on the Small Cap Equity team. In 2005, he became a member of the portfolio management team responsible for the Small Company Growth Portfolio. Prior to Peregrine, Mr. Grierson spent over six years with Kopp Investment Advisors, where he worked as a senior research analyst and portfolio manager. He began his career as a reporting analyst at Northern Trust. Mr. Grierson earned a bachelor's degree from Lawrence University.

Does the Peregrine Small Growth team manage other stand-alone funds?

No. This is the only mutual fund the team manages, but Peregrine does offer this strategy for separately managed accounts. However, the small-growth managed account strategy at Peregrine was closed to new accounts in June 2016. At the strategy level, Peregrine's small-growth strategy has reached approximately \$2.5 billion in total assets under management as of March 31, 2017.

Stock values fluctuate in response to the activities of individual companies and general market and economic conditions. Smaller-company stocks tend to be more volatile and less liquid than those of larger companies. 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. Consult the fund's prospectus for additional information on these and other risks.

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.

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 Management nor Wells Fargo Funds Distributor has fund customer accounts/assets, and neither provides investment advice/recommendations or acts as an investment advice fiduciary to any investor.
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